



## Annual Report 2022-23



**Empowering aspirations.  
Enabling inclusion.**

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## Key highlights of FY23

### Financial

**₹ 916 Mn**

Total income

**₹ 77 Mn**

Profit before tax

**₹ 61 Mn**

Profit after tax

### Operational

**₹ 4,457 Mn**

**32%<sup>▲</sup>**

Assets under management (AUM) as on 31<sup>st</sup> March 2023

**₹ 13,676 Mn**

**69%<sup>▲</sup>**

Disbursements as on 31<sup>st</sup> March 2023

**55,000**

Total customers as on 31<sup>st</sup> March 2023

**1.75%**

Gross NPA

**0.93%**

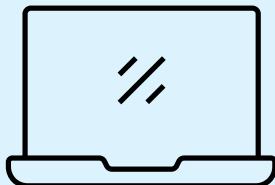
Net NPA

**₹ 1,717 Mn**

**305%<sup>▲</sup>**

Funds raised during the year under review

^ Growth in FY23 over FY22



# Corporate Information

## Board of Directors

**Mr. Ramachandran Ottappath**

Chairman

**Mr. Unnikrishnan. I**

Managing Director &CEO

## Non-Executive Directors

**Mr. Vijayan N. D**

**Mr. Unnirajan P. N**

## Independent Directors

**Dr. Pushpangadan Mangari**

**Mr. Anoop Ganapathi**

**Mr. Santosh Kurup**

## Senior Management Team

**Mr. Rajeshkumar K Pillai**

EVP & Company Secretary

**Mr. Prasad P**

Chief Financial Officer

**Mr. K. K. Sreenivas**

VP – Credit & Branch Operations

## Our Banks and Other Financial Institutions

- AU Small Finance Bank Limited
- Bandhan Bank Limited
- CSB Bank Limited
- Dhanlaxmi Bank Limited
- ESAF Small Finance Bank Limited
- Federal Bank Limited
- Fincare Small Finance Bank Limited
- HDFC Bank Limited
- IndusInd Bank Limited
- IDBI Bank Limited
- IDFC First Bank Ltd
- Karur Vysya Bank Limited
- Muthoot Capital Services Ltd.
- Muthoot Money Limited
- Muthoot Vehicle And Asset Finance Limited
- Muthoot Finance Limited
- South Indian Bank Limited
- State Bank of India
- Vivrti Capital Private Limited

## Debenture Trustees

1. CS N.R.Bahuleyan  
Nalupurakkal, Block No.54,  
Muruga Nagar, Punkunnam,  
Thrissur-02 Ph.09388859486
2. CS Lini C.T  
#6, Second Floor, APTA Tower,  
Above Canara Bank, Ayyanthole,  
Thrissur-03 Ph.9526692393

## Registered Office

**Yogakshemam Loans Limited**

Door No.28/315D-2, 3<sup>rd</sup> Floor,  
Ottappath Tower, Aswini Junction,  
Thiruvambadi (P.O) Thrissur - 680022  
Kerala, India

Phone: 0487 2320102/2320103

Website: [www.yogloans.com](http://www.yogloans.com)

Email ID: cs@yogloans.com

## Investors Contact

**Mr. Rajeshkumar K Pillai**

EVP & Company Secretary

Phone: 0487-2320102/2320103

E mail ID: hod.invest@yogloans.com,  
cs@yogloans.com

## Registrar and Transfer Agent

S.K.D.C. Consultants Limited

“Surya”, 35, Mayflower Avenue

Behind Senthil Nagar

Sowripalayam Road

Coimbatore – 641028.

Phone: 0422 4958995, 2539835 / 836

Fax : 0422 2539837

Email: info@skdc-consultants.com

Over the course of more than three decades, we have embarked on an extraordinary journey with gold, enabling individuals who lack access to formal financial channels to transform their dreams into reality through gold loans.

**Building upon our extensive experience, expertise, digital capabilities, and strategic presence across four states, we are now seizing other business opportunities. We are scaling up our range of offerings, including vehicle loans, SME loans, and microfinance, capitalising on the synergies that exist between our gold loan business and these non-gold products and services.**

This strategic approach brings three significant advantages. Firstly, it injects renewed dynamism into our business model, aligning it with the evolving regulatory landscape. Secondly, it diversifies the asset profile and rebalances the risk of a mono-line business model, freeing up additional capital for fresh lending. Lastly, it cultivates new revenue streams, ensuring the sustainability and growth of our enterprise.

Ultimately, our efforts contribute to the reduction of economic vulnerabilities by channelling gold into mainstream financial avenues. We have not only created opportunities for entrepreneurship and employment across a broad segment of society but also fostered financial inclusion, allowing individuals to participate in the formal economy.



## Corporate Identity

# Extending boundaries of inclusive growth

We believe  
that even  
the smallest  
aspirations  
hold immense  
significance.

Headquartered in Kerala, Yogakshemam Loans Limited, has established itself as one of the most reputable and rapidly expanding gold loan companies in India. Our dedication to excellence extends beyond gold loans, as we proudly offer a diverse range of financial products to meet the diverse needs of our valued customers. That's why we are committed to providing swift, hassle-free, and trustworthy gold and other loan services; adding life to the dreams. Our streamlined processes ensure that our customer's financial requirements are met with utmost efficiency and convenience, making us their all-weather choice

### Key facts

5

Product offered

892 Kg

Gold assets as on  
31<sup>st</sup> March 2023

152

Branches across four states  
of Kerala, Tamil Nadu, Andhra  
Pradesh and Karnataka

1,000+

Team size

### Our products



Gold loan



Vehicle loan



SME loan

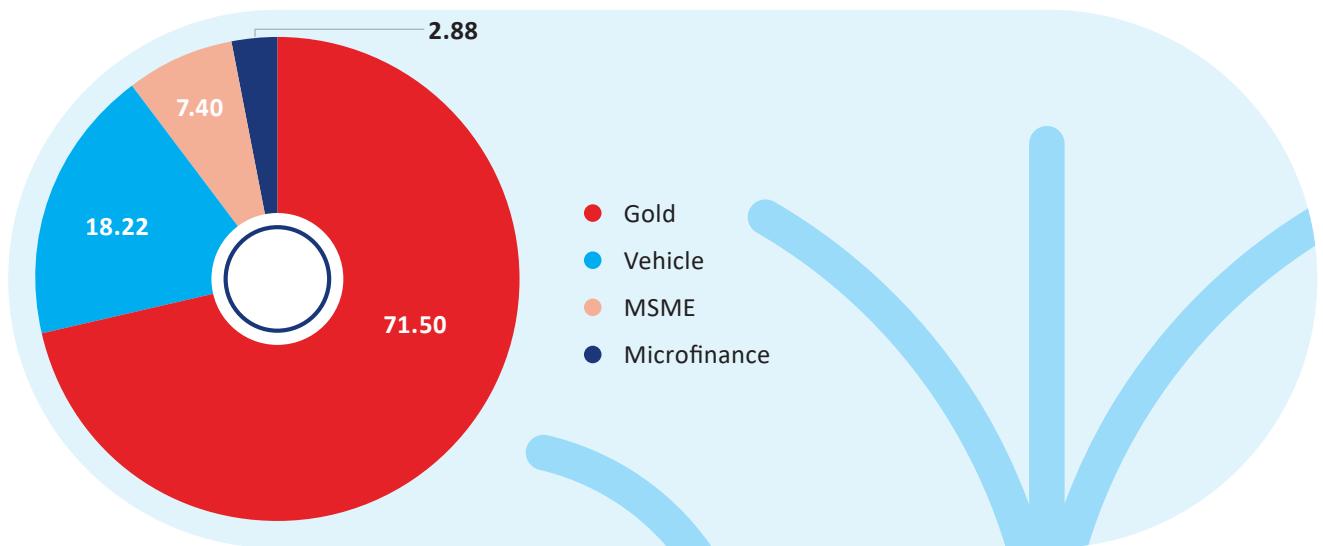


Micro finance



Consumer Durable Loan

## Healthy growth with a diversified loan book (%)



## Our background

At Yogakshemam Loans Limited (formerly known as Yogakshemam Kuries & Loans Private Limited), we embarked on our journey from the humble surroundings of Anthikad, a small village in the Thrissur district of Kerala State, in the year 1991.

## Our vision

To emerge as the most trusted financial solution provider in India, with a special focus on emerging segments of society, through a nationwide, efficient and service-oriented network.

## Our mission

Our organisation will strive to provide the best financial solutions to the customers with the highest levels of professionalism in every aspect of their dealings with them. All interactions with our stakeholders would be based on our core values of ethical, transparent and trustworthy conduct in an effort to create and enhance confidence in them. Our dedicated team will always remain committed to delivering genuine value to all its stakeholders through innovative ideas using appropriate technologies matched by high-level execution capabilities and standards. We would ensure a culture of learning (and

unlearning wherever required), in the team, in order to achieve the highest standards of service excellence that would exceed the expectations of customers, employees, shareholders and all stakeholders. A courteous approach, commitment to service, empathy, a deep sense of integrity and transparency in dealings will be the hallmark of the organisation. We shall acknowledge, share and appreciate the achievements of each member of our family in the true spirit of camaraderie and fealty. Above all, each member of our family shall strive to be a better human being.

## Corporate Identity

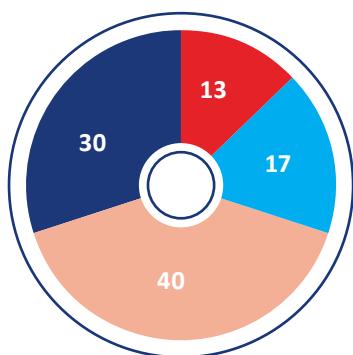
### Our diverse fund sources

Credit lines from NBFCs and banks

Healthy pipeline of un-utilised limits with banks and financial institutions

Retail Non-Convertible Debentures (NCD) and sub debts

### Diverse fund sources (%)



- Scheduled Banks
- Small Finance Banks
- NBFCs
- NCD & Sub debts

### Our presence (No. of branches)



5

Andhra Pradesh



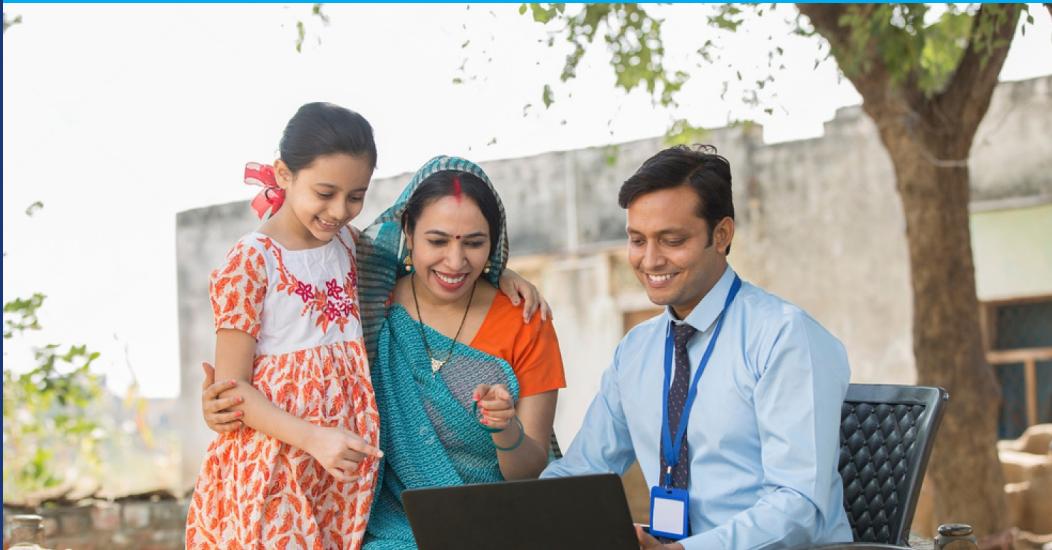
44

Karnataka

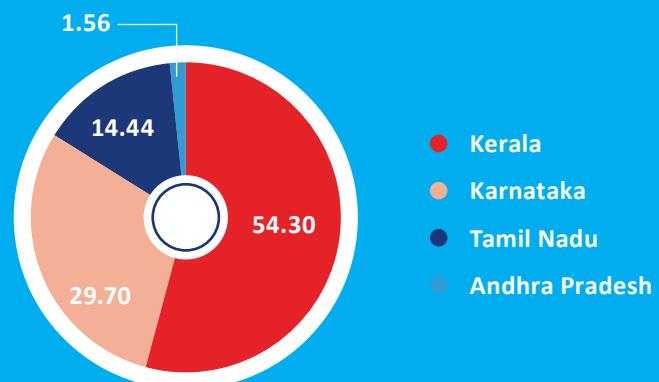


77

Kerala



AUM by states (%)



26

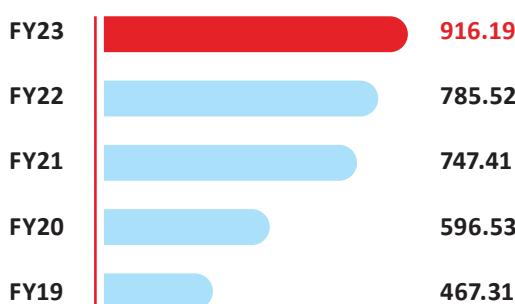
Tamil Nadu

## Key Performance Indicators

# Building on our foundation

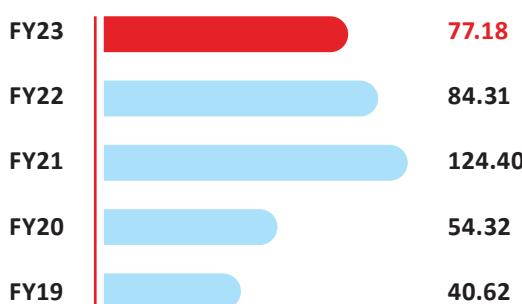
### Operational revenue

(₹ in Million)



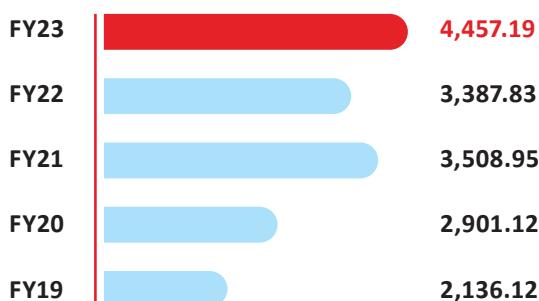
### Profit before tax

(₹ in Million)



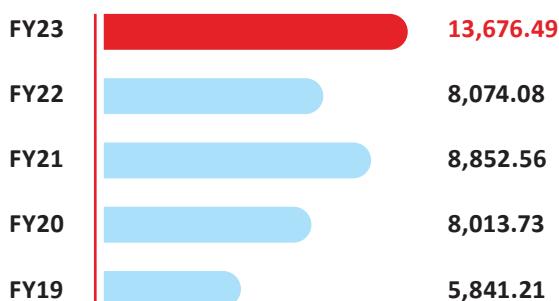
### AUM

(₹ in Million)



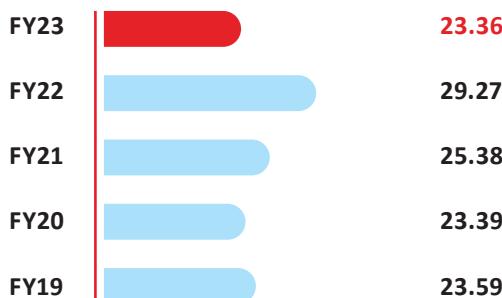
### Disbursement

(₹ in Million)



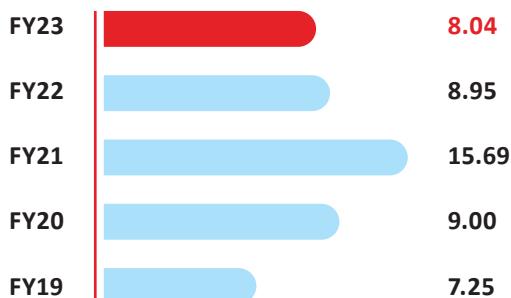
### Capital adequacy ratio

(%)



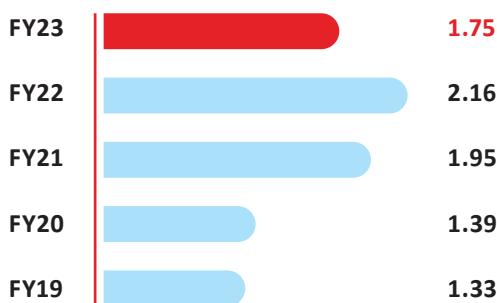
### Return on Equity

(%)

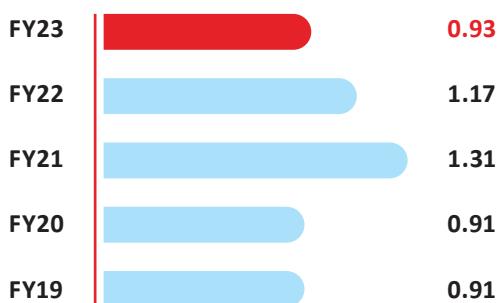


**Gross NPA**

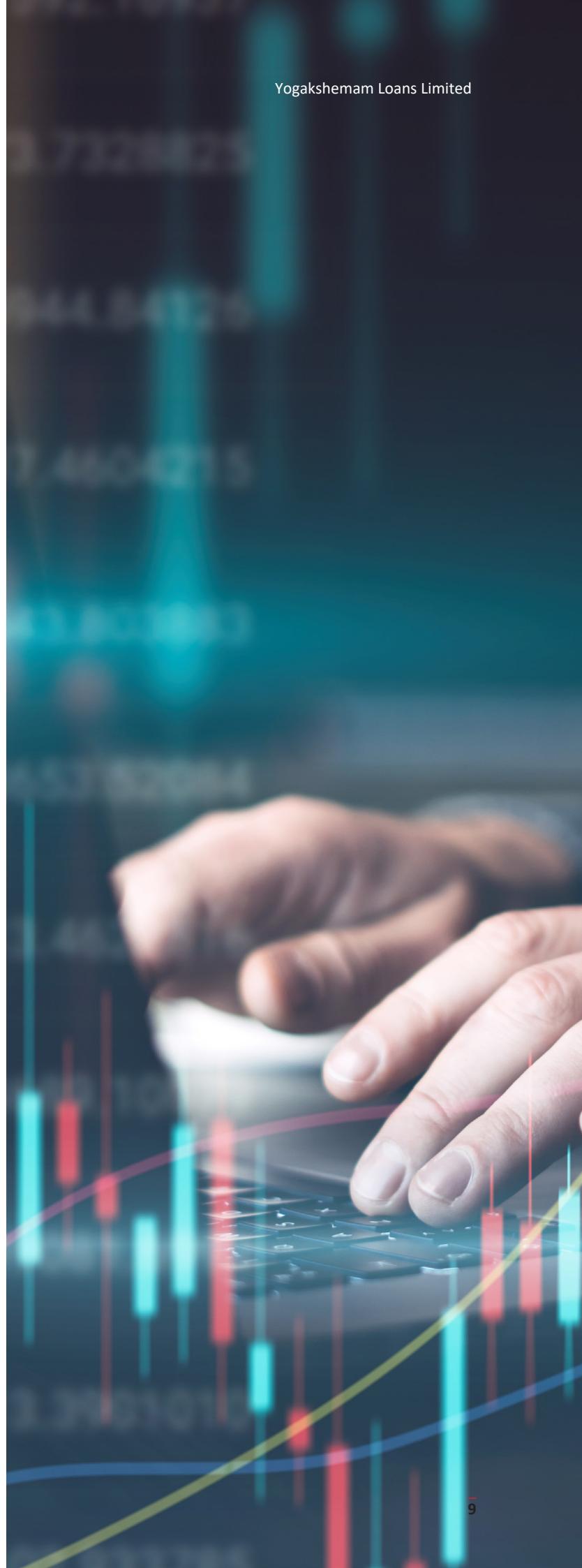
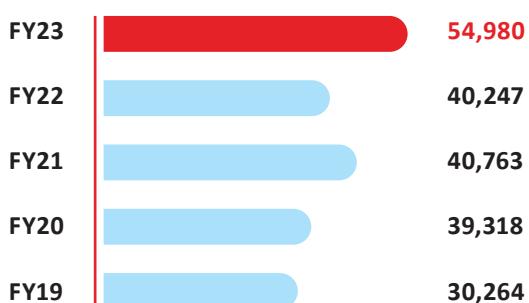
(%)

**Net NPA**

(%)

**Customer base**

(No.)



## Message from the Managing Director

# Accelerating sustainable growth with prudence and foresight



As of 31<sup>st</sup> March 2023, we have 152 branches with presence in Kerala, Tamil Nadu, Karnataka and Andhra Pradesh. We need to improve the productivity of the branches that would generate a reasonable return on equity. The productivity of our newly opened branches is at par with main players in the market.

### Dear Friends

The past three years have been a time of remarkable transformation, where we have faced challenges that required us to adapt to a new world. I am happy to share with you that during the year under review, we have not only made substantial progress but have also taken confident strides towards driving sustainable growth. Even though at times things were at odds, we have moved with optimism.

We have been focussing on expanding our reach to new and potential markets ensuring growth and also diversifying our loan portfolios with a calibrated approach on containing risk while growing revenue. During the year under report, we made entry into yet another state, Andhra Pradesh with five branches till 31<sup>st</sup> March and another 10 branches became functional post March. We have been able to consistently maintain the ratio of gold loan and other portfolios at 70:30. The share of unsecured loan is less than 10% of the book. With more than 90 % of the loan book being secured loans and blended diversified assets, we have strong business model that can be scaled up from a strategic perspective. Similarly, we have added one more product – Loans for purchase of Consumer Durables – which could open another door for cross -selling, diversification and better revenue.

### Performance in FY23

During the year ended 31<sup>st</sup> March 2023, our loan book has registered a growth of over 31% to ₹ 4,457.20 Million as against ₹ 3,387.8 Million of the corresponding previous year. You may recollect that barring 2022, the Company has been growing at an annual rate above 20% year

over year right from 2019 to 2023, a testimony of potential and our ability in execution.

As I have informed you through this column last year, we have prioritised expansion of markets through branch network and therefore, the net profit after tax remain at that of the previous year, in fact a bit low, at ₹ 60 Million even though our revenue has grown above 16% to ₹ 916.2 Million. However, our Board has retained the dividend pay out at 4% for this year too.

You are all aware that as per the new regulatory regime on prudential norms of Income Recognition and Asset classification applicable for NBFCs, the Company has to follow a glide path to 90 days norms for NPA recognition by 2025-26 in place of the 180 days norms applicable as of now. Towards this, the Company has recognised NPAs following 150 days during the year under report as a prudential approach which is ahead of the regulatory norms applicable for the year.

Detailed analysis of the performance is given elsewhere in this report, I would like to throw some lights on a few critical aspects. As regards our loan portfolios we focus on developing a diversified loan portfolio on the back of the gold loan continuing to be the major asset. During the year under review, the Gold loan portfolio grew by 30% over the corresponding previous year on account of higher loan demand and the new branches becoming more productive. The Gold price was favourable for growth during this period. Though a prediction of gold price movement is challenging, I hope the price to continue at the present level, and at a range bound movement of USD1,900-2,000 levels during FY24 as well.

The two wheeler loan portfolio registered a marginal growth. The automobile sector, two wheeler segment in particular, is in a transition stage to electric two

wheelers, The Government has been subsidising the price of electric two wheelers to gain momentum in its faster adoption. Of late, there has been some re-balancing initiated by the Government on the subsidy and this may have implications in demand levels in the short term as the manufacturers may hike the prices.

### Way forward

As of 31<sup>st</sup> March 2023, we have 152 branches with presence in Kerala, Tamil Nadu, Karnataka and Andhra Pradesh. We need to improve the productivity of the branches that would generate a reasonable return on equity. The productivity of our newly opened branches is at par with main players in the market. Simultaneously, we shall open additional branches in prospective markets. The overall economic scenario is credit positive and therefore demand for loans will be sustained. Our expansion is targeted at hinterlands fertile for aspirations and inclusive growth which will synergise with the interest of all stakeholders.

Our digitisation and paperless loan processing is gaining momentum and shall keep on improving to give better customer experiences and faster turnaround time just like fintech companies. We also keep our options open for ideal partnerships with digital lending apps/loan aggregators.

We have an ideal mix of lending partners for raising money for our growth with Scheduled Banks, Small Finance Banks, NBFCs and retail borrowing. We shall keep on expanding this source base to propel our growth. We are exploring non conventional funding options for growing our loan book without leveraging our capital through Co-lending partnership. We have started Co-lending in Gold loan with Indusind Bank from March 2023 and I hope we may have more such

opportunities going forward assuring better returns on our capital.

Our man power will shortly cross the 1000 number mark. We keep on imparting trainings on a hybrid model -class room and online to the employees to equip them to meet the changing regulatory environment as well as the business dynamics.

Our Capital base is adequate at the present level of operations. A larger capital will add the speed at which we can further expand our balance sheet.

We have been building this organisation on strong governance and ethics. Our continuing efforts in this direction will add value to shareholders and all other stakeholders in future. As we present yet another Annual Report of performance of the Company I would like to put on record my sincere appreciation and gratitude to each member of the Board for his whole hearted support and timely guidance. I also wish to acknowledge the hard work and dedication of the employees and their commitment to work even in challenging times.

Each and every share holder deserves to be recognised and thanked for / her support and confidence in the management team and for the continuing patronage.

I wish you all the very best.

With warm regards

**I Unnikrishnan**

Managing Director & CEO

**Thrissur**

5<sup>th</sup> July 2023

## Digital Initiatives

# Technology architecture creates new possibilities

At YogoLoans, we are dedicated to continuously enhancing our technology infrastructure to facilitate informed decision-making. With our resilient IT architecture, we are able to optimise operations, increase efficiency, maximise profitability, and deliver exceptional services to our valued customers.

Overall, our emphasis on technology and digitalisation has transformed its operations, making it a modern and customer-centric financial institution. By leveraging its fully computerised environment, end-to-end online loan processing, 24x7 servicing facility, strategic partnerships with fintech firms, and continuous innovations, the Company strives to provide a seamless and efficient loan experience for its customers.

### Digital operations

Our organisation functions within a completely computerised ecosystem, where our operations and processes are heavily dependent on technology and automated systems. This seamless incorporation of technology enables us to achieve efficiency and streamline our operations across the board.

### Loan processing progress

We have an end-to-end loan processing that takes place online through its internally developed Enterprise Resource Planning (ERP) platform. This platform serves as a comprehensive system that manages various aspects of the loan process, including application submission, verification, approval, and disbursement. By utilising this platform, we can handle loan applications efficiently and effectively, ensuring a smooth and prompt processing experience for our customers.

Currently, we are able to sanction loans on the same day of application. This means that customers can apply for a loan through our online channels or branches, and the entire approval process is carried out digitally, enabling fast decision-making. The seamless integration between branches and the head office ensures that loan applications can be processed and approved quickly, providing customers with timely financial support.

### Customer service

To enhance customer convenience, we offer a 24x7 facility for servicing interest and principal online. Customers can access their loan accounts through a web portal, allowing them to make payments and manage their loan obligations at any time. Furthermore, the Company supports popular payment platforms such as Google Pay, PhonePe, and Paytm, providing customers with multiple options to make their payments securely and conveniently.

We have also formed partnerships with fintech firms to facilitate customer onboarding and loan distributions. By collaborating with these technology-driven financial companies, we leverage their expertise and resources to enhance our services and reach a broader customer base.

### Digitising processes

In line with its commitment to continuous improvement, we are consistently innovating to offer seamless loan sanctioning and paperless documentation. By adopting digital solutions, the Company minimises the reliance on physical paperwork, making the loan application and approval process more convenient for customers. Additionally, the integration of an e-sign facility allows customers to digitally sign loan documents, eliminating the need for manual signatures and further expediting the loan processing timeline.



## Corporate Social Responsibility

# Widening our community commitments

Caring and sharing are deeply ingrained in our organisational culture, extending beyond mere compliance with regulatory requirements. We conscientiously allocate our limited resources towards humanitarian endeavours that aim to enhance overall social well-being.



In the reporting year, our CSR programme witnessed an expenditure of around ₹ 175 Million.  
Below are some highlights of our CSR activities:

**We have collaborated with the Pain And Palliative Care Society to provide medicine for renal patients.**

**In our commitment to bolstering infrastructure facilities for shelter homes catering to girls and aged women.**

**For the advancement of education, including special education, we have invested in the infrastructure development of a college in Thrissur and an institution dedicated to sheltering and educating differently-abled children**

Ramp Constructed by the Company at INSIGHT Special school for differently-abled children, Near Guruvayoor



Mr. I Unnikrishnan, MD & CEO  
inaugurating the ramp at INSIGHT  
Special School



**SEVASDANAM**  
MD & CEO –  
Mr. I Unnikrishnan  
handing over a cheque  
of ₹ 7,00,000/- to  
Sevasadanam for  
construction of building  
as part of its women  
empowerment programme

## Board of Directors

# Advancing with transparency and integrity

Our Board upholds unwavering vigilance and accountability, assuming a crucial position in guiding our strategic decisions, risk management, performance evaluation, sustainable development, and the cultivation of our organisational culture. With profound expertise and extensive domain knowledge, our Board members empower us to deliver enduring value for all stakeholders.



**Left to right:** Mr. N. D. Vijayan, Dr. Pushpagandan M., Mr. I Unnikrishnan, Mr. Ramachandran O., Mr. Santosh Kurup, Mr. Anoop Ganapathy, Mr. P. N. Unnirajan

**Mr. Ramachandran Ottappath**

**Chairman of the Board  
(Non-executive Director)**

A businessman based in Botswana, hailing originally from Thrissur, Kerala.

**Educational qualification**

B.Com, FCA and SAP Consultant

**Date of joining our Board**

8<sup>th</sup> November 2014

**Key areas of expertise**

- Finance and operations
- Manufacturing, packing, milling and medical distribution

**Committees**

- Audit Committee
- Nomination Committee
- CSR Committee

**Mr. Unnikrishnan I**

**Managing Director and CEO**

A highly experienced Chartered Accountant with over 31 years of expertise in the NBFC and Financial Services industry. He was appointed as the Managing Director and CEO of our Company on 6<sup>th</sup> December 2014.

**Educational qualification**

B.Com and FCA

**Date of joining our Board:**

8<sup>th</sup> November 2014

**Key areas of expertise:**

- Adviser in managing NBFCs

**Committees**

- Risk Management Committee
- CSR Committee (Chairman)

**Mr. Anoop Ganapathy**

**Independent Director**

A practicing Chartered Accountant with a wealth of 20 years' experience in both banking and non-banking finance companies

**Educational qualification**

B.Com, FCA and DISA (ICAI)

**Date of joining our Board**

8<sup>th</sup> November 2014

**Key areas of expertise**

- Audit
- Finance and Accounts
- Taxation

**Committees**

- Nomination Committee
- Stakeholder Relationship Committee
- Risk Management Committee

**Dr. Pushpangadan Mangari**

**Independent Director**

A seasoned management and financial consultant with over 31 years of experience at the board level.

**Educational qualification**

MBA in Finance and PhD in Management

**Date of joining our Board**

8<sup>th</sup> November 2014

**Key areas of expertise**

- Management
- Finance
- Capital and Money Markets

**Committees**

- Audit Committee
- Stakeholder Relationship Committee
- CSR Committee
- Risk Management Committee
- Nomination Committee (Chairman)

**Mr. Santosh Kurup**

**Independent Director**

With three decades of expertise in banking, asset management, and non-banking finance, he possesses a wealth of knowledge in corporate development and the financial sector. His extensive experience has enabled him to hold various roles both in India and abroad.

**Educational qualification**

BA in Economics, MBA from Stern School of Business, New York University

**Date of joining our Board**

24<sup>th</sup> October 2017

**Key areas of expertise**

- Economics
- Banking, Asset Management and NBFCs
- Capital and Money markets

**Committees**

- Audit Committee
- Risk Management Committee (Chairman)
- Nomination Committee

**Mr. Vijayan N.D**

**Non-Executive Director**

An ex-banker with over 30 years of experience across various roles.

**Educational qualification**

B.Com and DCA

**Date of joining our Board**

13<sup>th</sup> October 2011

**Key areas of expertise**

- Banking and NBFC Management
- Information Technology

**Committees**

- Stakeholder Relationship Committee (Chairman)

**Mr. Unnirajan P.N. IPS (Rtd.)**

A retired IPS officer who has served in various esteemed and responsible positions.

**Educational Qualification**

Master of Arts (History)

**Date of joining our Board**

6<sup>th</sup> September 2019

**Key areas of expertise**

- Public Administration
- Law and Order
- Security and Surveillance
- Soft skill training

**Committees**

- CSR Committee (Chairman)

## Leadership Team

# Driving sustainable progress

Our leadership team is composed of highly knowledgeable individuals who possess extensive industry experience. As a result, the day-to-day operations of our Company are efficiently executed, thanks to their expertise and sound decision-making skills. Guided by the exceptional leadership of Mr. I Unnikrishnan, our Managing Director and CEO, the Company is managed by a dedicated team of professionals who have demonstrated their expertise in their respective fields.

Our leadership team possesses the capabilities to steer our Company towards its defined objectives and contribute to shaping the organisation's future readiness. Additionally, they provide guidance and foster the development of line managers and other talented individuals within the organisation, adding value at every step.



**Sitting:** CS Rajesh Kumar K Pillai, Mr. I Unnikrishnan, CA Prasad P

**Standing:** Shaju K Balan, CA Sreenivas K.K, Rakesh K Venugopal

**CS Rajesh Kumar K Pillai****EVP & Company Secretary****Educational Qualification**

B.com and FCS

**Association with our Company**

2015

**Key functional area**

- Compliance, Risk and Legal
- Human Resource
- Administration
- Liability products
- Stakeholder relations

Our organisation is governed by strong principles of ethical practices and governance, with a keen focus on managing risks and ensuring compliance. As a financial institution, we operate within a dynamic regulatory landscape that requires us to adapt to frequent changes. We prioritise the implementation of appropriate internal controls that align with the size and scope of our operations to effectively manage risks. Our risk management practices are ingrained in our system and continuously evolve over time. We recognise that our employees are vital stakeholders in our Company's success. As our organisation grows, we are expanding our talent pool. By providing a better work environment, leveraging the latest technology, fostering continuous learning, and offering a mix of fixed pay and performance-based incentives, we aim to enhance employee morale and loyalty.

We value our engagements with investors, shareholders, and other stakeholders, as these relationships contribute to maintaining a strong and mutually beneficial bond.

**CA Prasad P****Vice President - Chief Financial Officer****Educational Qualification**

B.com and FCA

**Association with our Company**

2015

**Key functional area**

- Finance
- Banking
- Taxation
- Accounts

We are dedicated to embracing cutting-edge digital platforms and continually automating our processes to enhance the customer experience, ensure

sufficient controls, and uphold high levels of transparency and integrity. Our stakeholders, including bankers, lenders, and customers, play an indispensable role in our growth, and we are fully committed to implementing the best financial practices and reporting standards to safeguard their interests and comply with regulatory requirements.

We prioritise maintaining comfortable structural liquidity and healthy financial ratios, closely adhering to a monitored and controlled spending approach in accordance with our annual plan.

**CA Sreenivas K.K****Association with our Company**  
2015**Educational Qualification**

B.com, FCA, DISA and CAIIB

**Association with our Company**  
2016**Key functional area**

- Portfolio Quality
- Credit Administration
- Product Policies
- Documentation and Audit Quality

The loan portfolio serves as the primary revenue source for a lending institution. Consequently, it also represents one of the most significant risks to the institution's overall safety and stability. Whether resulting from relaxed credit standards, inadequate portfolio risk management, or economic downturns, historical data indicates that problems within the loan portfolio have been a leading cause of losses and failures for lending institutions.

At our organisation, we prioritise the effective management of our loan portfolio. We have established a centralised specialist credit function that is appropriately scaled to the size of our organisation. This ensures that we have the necessary expertise and resources to oversee and mitigate risks associated with our loan portfolio effectively.

**Shaju K Balan****Assistant Vice President - Business Development****Educational Qualification**

B.Sc

**Association with our Company**  
2019**Key functional area**

- Business Development
- Marketing
- Team Management

In the realm of strategic sales planning, we take the lead in driving business development while maintaining a relentless commitment to quality. Through demographic and marketing analysis, we identify trends and insights that enable us to maximise the effectiveness of our marketing efforts.

By thoroughly analyzing the business needs and strategic direction, we identify and implement initiatives that align with our strategic goals, facilitating the accomplishment of our overall business objectives.

**Rakesh K Venugopal****Assistant Vice President - Business Head - Two-Wheeler Loans****Educational Qualification**

B.A Economics

**Association with our Company**  
2018**Key functional area**

- Marketing and Business Development
- Credit and Asset quality
- Team management

Kerala offers a promising market for two-wheeler finance, and our Company recognises the potential it holds. We have established ideal credit policies and loan underwriting practices, supported by the integration of the latest technology. This enables us to effectively compete with major players in the industry.

Furthermore, our excellent sales and collection team plays a vital role in ensuring the healthy growth of our two-wheeler loan portfolio. Their dedication and expertise contribute to the overall success of our business by effectively managing sales and ensuring timely collections.

# Directors' Report 2023

To  
**Members of Yogakshemam Loans Limited**  
 Dear Members,

Your Board is happy to present the 32<sup>nd</sup> Annual Report of the Company with the audited financial statements for the Year ended March 31, 2023 ("Year").

## 1. FINANCIAL HIGHLIGHTS

Summary of financial performance for the year ended 31<sup>st</sup> March 2023 is given below,

	(₹ In Million)	
	31.03.2023	31.03.2022
Loan book	4459.13	3389.00
Total Income	916.19	785.51
Total operating Expenditure	430.70	350.72
Finance cost	385.40	332.28
Profit/(loss ) before depreciation	100.09	102.52
Depreciation	22.91	18.22
Profit/ (Loss) before Tax	77.18	84.30
Tax Expenses	16.62	22.39
Net profit/ (Loss) after tax	60.56	61.91

## 2. STATE OF AFFAIRS OF THE COMPANY

### Growth and Profitability

The performance of the Company was satisfactory during the year in line with the post –Covid recovery of the economy. The year witnessed faster recovery of all sectors of the economy, be it manufacturing, service or real estate segment. In line with the opening up of the economy and the momentum in economic activities, we have also seen spike in demand for various loans. We have seen good momentum in loan disbursements through out the year and it helped the company to register a growth of ₹ 1,069.4 Million in loan book . In percentage, it works out to more than 31% over the previous year as you can see in the above table. The total revenue for the year grew by 16.6% to ₹ 916.19 Million. However, there is a marginal dip in the Net Profit for the year because of the higher cost of operations absorbed from branch expansions.

### Loan Performance and Asset Quality

All the loan portfolios registered a healthy growth during the reporting period. The portfolio is a mix of diversified loan portfolios consisting of gold loan, two wheeler loans, MSME and micro finance. Gold loan continues its dominance of above 71% of the total loan book at ₹ 3,191 Million as of 31<sup>st</sup> March '23. This

portfolio grew by more than 30% from the previous year outstanding of ₹ 2441 Million. The higher level of growth is on account of improved productivity of the existing branches and the addition of new branches. The underlying gold inventory offered as collateral by the borrowers also grew by 124 Kg. as on the reporting date. The next largest asset is two wheeler loan portfolio with an outstanding of ₹ 812 Million and the growth was marginal during the year. It is 18% of the total portfolio. MSME loans and micro finance have also registered good growth during the year and are performing well. The MSME and micro finance loan is expanding to branches outside Kerala too as a measure of expanding the loan book and to earn better income and to mitigate the concentration risk.

In terms of the quality and performance of the loan portfolios, there has been significant improvements during the year. The Gross Non Performing Asset (GNPA) has come down to 1.75% of the loan book from 2.16% of the previous year and the Net Non-Performing Asset (NNPA) has come down to 0.93% from 1.17% of the previous year. The credit cost net of recoveries has also come down to 0.61% from 1.03% of the previous year.

## 3. PROSPECTS

### Business

The general economic situation is pro- business. Irrespective of the global uncertainties, the Indian economy could register a decent growth during the year 2022-23 at 7.2% as per the provisional data published in May '23 by the National Statistical Organisation. In its Monetary Policy Statement of 8<sup>th</sup> June 2023, Reserve Bank of India ( RBI) has projected our GDP to grow by 6.5% in FY 24. The economic expansion will be possible at this levels on the back of increased infra spent of the Government and the improving private investments in manufacturing, service and real estate sectors.

We have added one more product to our portfolio- Loan for purchase of Consumer Durables(CD) Loan, in our attempt to diversify our portfolio that will ensure better returns on capital. General economic environment is conducive for credit growth with all the levers of the economy active and expanding, we expect that at company level it will translate into higher level of disbursements and growth of loan book. With the gold price remaining favourable, the company could capitalise the positive business environment and retain its current growth rate in FY24 too with better returns on capital.

### Branch Network and Productivity

As on 31<sup>st</sup> March 2023, we have 152 branches with a spread of 77 Branches in Kerala, 26 branches in Tamil

Nadu 44 branches in Karnataka and 5 branches in Andhra Pradesh. The productivity per branch is an important yardstick in opening more branches in a particular area. As of the above date, the productivity per branch in terms of loan outstanding is 29.34 Million. We have added about 22 branches during the year. Full productivity of these branches will be available in FY24 while we incur the operational expenses of these branches, a reason for the lower profitability during the year. During the year we entered Andhra Pardesh and opened 15 branches till the date of this report. The Company may open around 15 branches during the current year based on business prospects and resources to deploy.

#### **Resource mobilization**

We have been successful in maintaining a diversified working capital source base. We have a combination of Scheduled Bank, Private Banks, Small Finance Bank and NBFCs funding our capital. In addition to this we have a retail borrowing program on a private placement basis. From the retail franchise, we have raised ₹ 297.3 Million during the year and from banks and other institutions ₹ 1,595 Million. Average cost of borrowing was 10.65% during the reporting period. The cost of borrowing is likely to increase in the next year as the credit lines sanctioned after the second half of the reporting year were at a higher interest rate and therefore the cost of borrowing may go up by 50-100 basis points going forward. On the back of the cooling of inflation, RBI has put a pause on the policy rate hike. Change in policy stance may have its own implications on liquidity as well as the cost of borrowing. In addition to the conventional credit lines, we are exploring the possibilities of partnership with banks and other institutions under Co-lending arrangement. Under this method, the loan will be shared with the co-lending partner for an agreed sharing of income. This will help the company to earn income without fully leveraging the capital and expanding the balance sheet. We have activated one such source towards the end of the reporting period.

#### **4. DIVIDEND AND RESERVES**

Your Board is happy to announce that it has considered and recommended a dividend to the shareholders for the year at the rate of 40 paise per share (4% on the paid up value per share) and it will be paid to the shareholders on its declaration by the shareholders in the ensuing Annual General Meeting (AGM). An amount of ₹ 12.11 Million is transferred to the Statutory Reserve under the RBI directives out of the profit for the year and the balance is retained in the reserve and surplus account.

#### **5. CAPITAL**

During the year under review the Company has not raised any capital and the current authorised capital of the Company is 72 crores

#### **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 shareholders approved the scheme at the 24<sup>th</sup> AGM held on 18<sup>th</sup> 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. As of 31<sup>st</sup> March 2023 under this Scheme, 7,40,000 options are granted to eligible employees in leadership positions

#### **7. CAPITAL ADEQUACY**

The Capital Adequacy ratio of the Company is comfortable. As at 31<sup>st</sup> March 2023, our CRAR is 23.36% as against the mandated requirement of 12%. 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 3<sup>rd</sup> June 2015, the Company needs to maintain a leverage ratio of 7 times and in case of the Company having gold loan portfolio of 50% or more of the financial assets it shall maintain a capital adequacy of 12% .Your Company is well within the norms.

#### **8. ANNUAL RETURN**

The extract of Annual Return in the form MGT-9 as required under section 92(3) and section 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 the ordinary course of business. Wherever required, the Company has obtained the approval of the shareholders. 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 head counts of the Company as on the balance sheet date is 916. Company is taking consistent efforts in improving 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 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no report is attached.

## 12. NUMBER OF MEETINGS OF THE BOARD

The Board has met 4 times during the year. A summary of the Meetings and attendance of Board, the Audit Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee and the Nomination, Compensation and Corporate Governance Committee is given below.

Directors	Attendance					
	Board	Audit Committee	Nomination Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Meeting	Risk Management Committee
Total Meetings during the year	4	3	1	3	2	2
Mr. Unnikrishnan I	4	N.A	N.A	N.A	2	2
Mr. Vijayan N D	4	N.A	N.A	3	N.A	N.A
Mr. Anoop G	4	3	1	3	N.A	2
Dr. M Pushpangadan	4	3	1	3	2	2
Mr. O Ramachandran	4	3	1	N.A	2	N.A
Mr. SantoshKurup	4	3	1	N.A	N.A	2
Mr. P N Unnirajan	4	N.A	N.A	N.A	2	N.A

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

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

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.

## 14. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

As per the provisions of Section 135 of the Companies Act 2013 read with the Companies (Social Responsibility Policy) Rules,214, the Company had an obligation to spend ₹ 1.75 Million towards its Corporate Social Responsibility (CSR) for the year ended 31<sup>st</sup> March 2023. The Company has spent an amount of ₹ 1.71 Million in accordance with its CSR policy and an amount of ₹ 0.14 Million has been transferred to Prime Ministers National Relief Fund, an approved fund referred to in Schedule VII of the Companies Act. The detail of the CSR projects and programs undertaken by the company during the reporting period is attached to this report in the format given in Annexure II of the Companies (CSR Policy) Rules, 2014.

## 15. DIRECTORS.

1. Mr. Ramachandran Ottappath Non- Executive Director and Chairman of the Board , whose office is liable to determination by rotation within the meaning of section 152 of the Companies Act, 2013, retires at the 32<sup>nd</sup> AGM and he is eligible for re-appointment offers himself for re-appointment.

2. Evaluation of performance of Directors;

The nomination committee has been carrying out the annual performance evaluation of the Board and its committees, Key managerial personnel and senior management team. The evaluation for the year 2022-23 has been done at its meeting held on 27<sup>th</sup> July 2023

## 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, 2023 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.

## 16. DECLARATION OF DIRECTORS INDEPENDENCE.

Based on the declarations received from the independent directors, we state that the independent

## **18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO**

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

## **19. COMMITTEES**

- i) **Audit Committee** In line with the provisions of section 177 of the Companies Act,2013and of the Guidelines issued by Reserve Bank of India the Board had constituted an Audit committee consisting the following members;

Mr. Anoop - G	-	Chairman
Dr. Pushpangadan M	-	Member
Mr. Ramachandran O	-	Member
Mr. Santosh Kurup	-	Member

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

- ii) **Nomination, Remuneration and corporate governance Committee**

As per the provisions of section 178 of the Companies Act,2013 and the Guidelines issued by Reserve Bank of India, Board has constituted Nomination Committee. The composition of the committee is as follows;

Dr.. Pushpangadan. M	-	Chairman
Mr. SantoshKurup	-	Member
Mr. Anoop. G	-	Member
Mr. Ramachandran . O	-	Member

- iii) **Stakeholders Relationship Committee**

As per Section 178(5) of Companies Act 2013 and the Guidelines issued by Reserve Bank of India, the Company has constituted Stakeholders Relationship Committee, consisting of the following members;

Mr. Vijayan. N. D	-	Chairman
Dr. Pushpangadan . M	-	Member
Mr. Anoop. G	-	Member

- iv) **Corporate Social Responsibility Committee**

As per section 135 (3) of the Companies Act,2013 read with the Companies (Social Responsibility Policy ) Rules,214, the Company has framed the Corporate Social Responsibility Policy, 2020 (hereafter referred to as CSR Policy) The Board

has also constituted a CSR committee consisting of the following members ;

Mr. Unnikrishnan I	-	Chairman
Mr. Ramachandran. O	-	Member
Dr. Pushpagandan M	-	Member
Mr. Unniajan P. N	-	Member

- v) **Risk Management Committee**

In line with the directions of RBI on Liquidity Risk Management Framework, the Board has constituted Risk Management Committee to supervise the risk management framework of the Company including the functions of ALCO.The committee consists of the following members;

Mr. Santosh Kurup	-	Chairman
Mr. Anoop. G	-	Member
Dr. Pushpagandan. M	-	Member
Mr. Unnikrishnan I	-	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 nomination 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 are 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. The policy is available in the web portal of the Company; [www.yogloans.com](http://www.yogloans.com)

• **Risk Management**

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. The Company has also constituted a Risk Management Committee of the Board which oversees the risk management practices. Based

on such reviews and assessments, remedial measures are being taken. The Company has put in place an Enterprise Risk Management Policy and ALM and Liquidity Risk management Policy also.

- Policy on Fair Practice Code and Customer Grievance Redressal- The Company has put in place a 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 interest rate policy acts 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 company 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.

#### **• Loan Policy**

The Loan Policy lays down the various parameters within which the management shall device the lending practices of the company including the acceptable risk tolerances and thus ensure the evolution of a sustainable business model resulting in both long term profitability and value creation for its stake holders.

#### **• Auction Policy**

The Auction and Recovery Policy put forth guiding principles and procedural aspects in pursuing collection and recovery process of the Company including recovery through auctions of collaterals encompassing regulations in this respect.

#### **• Dividend Policy**

Board approved dividend Policy act as the guiding principles in distribution of divisible profit and the utilisation of profit, transfer to reserves etc.

#### **• ALM Policy**

As a measure of managing the risk related to Asset Liability Mismatch, the Company has put in place a policy for continuous monitoring of the risk related to interest rate sensitivity and liquidity management so that the Company will

be able to detect possible mismatches at an early stage and to take counter measures.

#### **• Outsourcing Policy**

The Policy will help in identifying the activities that can be outsourced and that cannot be outsourced. The policy will also act as a guideline in monitoring and reviewing the risk management practices of the third party service providers with reference to the activities of the Company.

#### **• CSR Policy- (Corporate Social Responsibility)**

The Board has put up a policy on Corporate Social Responsibility (CSR) for the Company. The policy is framed as required under Section 135 of the Companies Act 2013 and Schedule VII read with the Companies (Social Responsibility Policy ) Rules, 2014, with an objective to structure its responsibilities to the society and to act as a guiding principles in its endeavour to support on projects and programs of social relevance. The policy shall also meet the statutory/regulatory expectations from time to time.

#### **• Co-Lending Policy**

In line with the guidelines issued by Reserve Bank of India through its circular no. FIDD.CO.Plan. BC.No.8/04.09.01/2020-21 dated 5<sup>th</sup> November 2020, Company has framed a Co-Lending Policy to enable the company to explore the evolving opportunities to partner with reputed banks and to expand its loan offering in a co-lending business model. This will help the Company to optimise its resources for generating loans and growing revenue without expanding the capital base that may be required for such business growth otherwise.

### **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**

The Company has appointed of M/s. Varma & Varma, Chartered Accountants, "Sreeraghavam" Kerala Varma Tower Building No.53/2600 B, C, D & E, Off. Kunjanbava Road Vytilla, Kochi 682019 as the statutory auditors of the Company for a period of three financial years and that they hold office from the conclusion of the 30<sup>th</sup> AGM to the conclusion of the 33<sup>rd</sup> AGM.

### **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 Mehta & Mehta, Door No: 1509(1),

George & Xaviers' Square, St. Benedict Cross Road, Ernakulam North, Kochi - 682018 as the Secretarial Auditor of the Company and their 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 its future operations.

#### **ACKNOWLEDGEMENT**

The Board expresses its sincere appreciation and gratitude for the guidance and co-operation extended to the Company by RBI and other regulators. We put on record our sincere appreciation and gratitude towards, Banks, NBFCs and the subscribers of other debt instruments for their faith reposed in the Company and extending credit facilities without which the growth and development of the Company would not have been possible. 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, for their continuing patronage.

**By the order of Board of Directors  
For YOGAKSHEMAM LOANS LIMITED**

Sd/-

Sd/-

**1. Ramachandran Ottappath**

(Chairman)  
(DIN No:03430618)

**2. I. Unnikrishnan**

(Managing Director and CEO)  
(DIN No:01773417)

Place: Thrissur

Date : 05<sup>th</sup> July 2023

Place: Thrissur

Date : 05<sup>th</sup> July 2023

# Management Discussion and Analysis Report

## A. GLOBAL ECONOMY

Global Economy continued to bear the brunt from geo political tensions, supply chain disruptions and inflation throughout the year. Indications are there of softening inflation in US and other advanced economies allowing the Central Banks to pause on their policy rate hikes for the time being and adopting a wait and watch approach. The year has also seen turmoil in the financial system with the collapse of a few major banks in US and Europe, the biggest collapse after the 2007-08 global financial crisis.

The International Monetary Fund (IMF) in its report on World Economic Outlook published in April 2023, expects that as per their forecast the global economic growth to fall to 3.4% in 2022 to 2.8% in 2023 before settling around 3% in 2024. Further the report indicates that, as a result of a higher proportion of public debt across the globe on account of the Covid-19 impact, the interest rates are likely to remain high and it will take more time than anticipated earlier for the headline inflation to cool down.

Even though the Commodity prices have moderated from its peak due to the break out of the Russia-Ukraine conflict, the supply chain disruptions are continuing and impacting the free flow of essentials including food items and energy supplies. Changing bilateral alignments among economies, protectionism etc.; may affect the free flow of capital and technology between countries especially the emerging markets whose economic development is largely interconnected with these factors.

### Global growth projection

	2022 Projection (%)	2023 Projection (%)	2024 Projections (%)
World	3.4	2.8	3.00
Advanced Economies	2.70	1.300	1.40
Emerging & Developing Economies	4.00	3.90	4.20

The unemployment rate in the US is between 3.7% and 3.4%. Signs of economic recovery is seen with consumption going up, a positive for world trade. The direction of the global economic recovery has a bearing on the turn of events in the on-going Russia Ukraine conflict which has crossed more than a year.

## B. INDIAN ECONOMY

Indian economy marked a quick turn around during the year 2023. There were reflections of the global challenges, inflationary pressure from supply chain disruptions and consequential policy tightening from the regulators in their efforts to contain inflation. The Country was able to retain its position as a fast growing economy among the major economies of the globe. The recovery in economic activities was visible across all sectors including manufacturing, service, real estate and banking and financial services. The Government has focussed on projecting India as a manufacturing hub for the world and announced production linked incentive schemes (PLI) to key industrial sectors in an effort to protect the economy from supply chain disruptions in the post Covid-19 scenario and in the background of the geopolitical tensions. With the efforts of the Government, private investment is picking up in various manufacturing sectors.

Economic growth of our Country was encouraging. According to the provisional estimates published by the National Statistical Office (NSO) the real GDP grew by 7.2 % during the financial year 2022-23.

The Overall exports of the Country, an important indicator of international trade, has scaled new heights touching<sup>1</sup> USD 770.18 Billion as of 31<sup>st</sup> March 2023, a growth of 13.84% over the previous year. Export of services has registered a significant growth during the year with 27%. However, the trade deficit has widened to USD122 Billion as of 31<sup>st</sup> March 2023 against USD 83 Billion of the previous year. The Forex Reserve also contracted by USD28 Billion to USD578.44 billion. Major indices of the Indian Capital markets have claimed their new highs during the year amidst positive sentiments, economic growth and the confidence of foreign investors in our financial system and prospects for better growth rate in developing economies.

The Banking sector has registered significant improvements in terms of improving asset quality. The Gross Non-Performing Assets(GNPA) of Scheduled Commercial Banks (SCBs) have come down to<sup>2</sup> 3.9% as of 31<sup>st</sup> March 2023 from 6.4% in March 2022. This has been achieved by robust credit growth during the year , lower slippages, steady recoveries and upgrades during the year. The Net Non-Performing Asset (NNPA) also reduced to 0.95% from 1.75% of FY 2022. The Banking sector has supported the

<sup>1</sup>source- Dashboard of Ministry of Commerce | <sup>2</sup>Report of Care Edge-June-30,2023

speedy recovery of the economy by credit growth. Credit off-take from the banking sector continue to grow at double digit rate. As of 10<sup>th</sup> March 2023, the total bank credit has expanded by<sup>3</sup> ₹ 18.4 lakhs Crores to touch ₹ 136 lakhs Crores, an increase of 15% over the corresponding previous year. The level of credit growth is well distributed across all sectors such as agriculture, industry, service sector and personal loans. The Banks have been focussing on expanding their personal loan segment and as a result the segment grew by 20% to ₹ 40.85 lakhs Crores. The growth in bank credit shows that the economic activities across diverse segments of the economy is back on track even amidst the policy tightening, rising interest rates and global challenges.

### **Outlook**

Outlook for 2023-24 is positive considering the expansion of the economy last year with robust consumption demand across urban and rural economy.

RBI in its Monetary Policy statement of June 2023, projected a real GDP growth rate of 6.5% for 2023-24. Different multilateral agencies have also projected India's GDP growth around 6% for the above period. A near normal monsoon is expected for good crops of essential food articles so that the prices of food items will be under control. RBI projects the Consumer Price Inflation (CPI) at 5.1 % for the year 2023-24. The external factors may have its own bearing on the Indian economy too. Higher rabi crop production in 2022-23, expected normal monsoon, sustained demand in service, manufacturing and rising employment levels shall support private consumption and overall economic activity. CPI inflation fell sharply in April'23 to 4.7 % from 6.4% in February'23. During their last two reviews, the Monetary Policy Committee of RBI did not raise the policy rates. The repo rate is kept at 6.50%, the Standing Deposit Facility(SDF) rate at 6.25% and the Marginal Standing Facility (MSF) rate at 6.75%, the stance is viewed as supporting growth on the back of cooling inflation. Hardening of policy rates further may have its own impact on growth.

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

The Non-Banking Financial sector is a culmination of a variety of financial service providers divided into various categories based on their product and specialisation. The term NBFC encompasses in its ambit, various credit institutions regulated by RBI and includes Housing Finance Companies too. NBFC providing loans and advances and investments as its core specialisation is known as Investments and Credit Company (ICC)

Role of NBFCs in last mile credit delivery and innovative credit products with their ability to adapt to changing demands and adoption of latest technologies has brought in recognition to this sector from regulators, investors and the society over the past. The sector is vibrant with a variety of specialised players such as in vehicles finance, infrastructure finance, housing finance, gold loan and microfinance institutions. Nowadays, NBFC sector is drawing parallel to commercial banking in terms of services offered and the regulatory landscape as NBFCs with their systemic exposure are regulated in similar lines of banking.

NBFCs complement banks in the credit intermediation process by offering diversified, tailor-made financial products through innovative service delivery mechanisms.

Furthermore, they facilitate financial inclusion by providing credit to unbanked sections of the population.

In a significant development, Reserve Bank of India (RBI) issued a circular on 22<sup>nd</sup> October 2021 introducing scale based regulatory approach on NBFC. Under this structure, the regulatory oversight will be implemented based on the systemic risks and other vulnerability in the financial system. Under this approach, companies are broadly divided into three categories based on their asset size and nature of operations. Companies with asset size upto ₹ 1,000. crore will be known as Base layer and those above that threshold will move to the next level of middle layer. At the upper layer and top layer, NBFCs identified by RBI based on various scoring methods will find a place.

The credit intensity of NBFC sector is measured by the credit to GDP ratio and as per the report published by the RBI on trend and progress of Banking in India, NBFCs' credit to GDP stood at<sup>4</sup> 13.7% in 2021.

There are about 9680 NBFCs in India. Out of which those with more than ₹ 500/- Crore in asset size is classified as systemically important one and there are 312 such NBFCs.

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. Similarly, movement in the demands for passenger and commercial vehicles is also reflected in the loan growth of NBFCs as NBFCs are strong players in this space of lending. As of September 2021, the total balance sheet size of NBFCs was ₹ 35.10.lakhs crore while the total loans and advances as on that was ₹ 26.61.lakhs crores. Out

<sup>3</sup>Report of Care edge March 27,2023 | <sup>4</sup> RBI –Trend and progress of Banking in India.

of the total credit deployment of NBFCs, exposure to industries and retail loans together constitutes the lions share. (about 68% ).

MSMEs are complementary to large industries as ancillary units and this sector contributes enormously to the socio-economic development of the country.<sup>5</sup> As per the Indian MSME industry Report of June 20-21 India has about 63 Million MSMEs, the sector is contributing about 29% to the GDP through its domestic and export trade. There could be short term challenges in this sector too due to the decline in demand in the automobile sector due to the supply side constraints.

However, the thrust and encouragement of the Government for more local manufacturing and sourcing preferences to Indian manufactured goods can be a new silver lining for this sector. In July 2021, the Ministry of Micro, Small and Medium Enterprises expanded the definition of MSME so as to include

wholesale and retail trade including servicing of motor vehicles and motorcycle. This is a huge positive for the retail trade and service activities as they can access several concessions available to this sector including cheap capital. All these factors would work in favour of NBFCs in increasing its exposures and growing quality assets.

#### The main growth drivers for NBFC loan portfolios are

- Latent credit demand
- Increased consumption
- Distribution reach and sectors where traditional banks do not lend.
- Government initiatives for manufacturing in India.
- Control on asset quality
- Lower operating costs
- Faster adoption of technology

#### D. SEGMENT-WISE OR PRODUCT –WISE PERFORMANCE

As Explained earlier, the loan Portfolio of the company consists of Gold loan, MSME loans, Vehicle loans (largely two wheeler loans) and micro finance. A snapshot of the portfolios as on 31<sup>st</sup> March 2023 with its corresponding figures of the previous year is given below:

	(₹ In Million) 31st March 2023	(₹ In Million) 31st March 2022	Share to total loan book (%) 31st March 2023
Gold Loan	3186.78	2441.3	71.49
Vehicle Loans	812.04	755.74	18.22
MSME Loans	330.91	186.43	7.42
Micro Loans	127.80	5.79	2.87
<b>Total</b>	<b>4457.53</b>	<b>3389.26</b>	<b>100</b>

#### Gold Loans

We have seen good momentum in disbursements right from the beginning of the year. We have added 22 branches during the year and the branches started producing in good measure. Similarly the existing branches also have contributed well in the Gold loan portfolio. As a result, Gold loan could register a growth of more than 30% during the year. In addition to the additional branches, gold price movement was favourable for growth during the year in terms of Indian Rupee as the US Dollar has been appreciating most of the times since April'2022. The general improvement in the economy supported by private consumption, heightened activities in service sectors and other commercial activities have also contributed to the gold loan demand. As of 31<sup>st</sup> March 2023, we have added 124 Kg of gold to our gold inventory taking the total inventory to 892 Kg as on the above date.

Gold loan constitutes more than 70% of our total loan assets. It is in line with our long term plan of developing a diversified loan portfolio on the strength of Gold. The total gold loan portfolio including the exposure under co-lending is ₹ 3,191 Million. It is only 64% of the market value of underlying gold inventory giving us enough security cover and insulation against price risk to a good extent. The story around gold is very interesting in our country when we realise that there is a huge private wealth of around 25000 tons of gold. The country keeps on importing between 700-750 tons annually. The Central Govt./ Bank has been devising various measures such as Gold deposit scheme, Gold monetisation scheme, Gold Bond etc. to productively use it so that precious foreign exchange on import could be preserved by supplying these gold to jewellers. But the response has been poor and it is yet to earn the desired result of pooling privately owned gold. From time immemorial, the possession

<sup>5</sup>Source; web portal of Ministry of Micro, Small and Medium enterprises.

of gold is imbibed in the culture of this Country. Mostly, gold in the household is with the women. The best and the suitable way of putting into effective use of these gold or to unleash the power of gold is through expansion of gold loan. Historically the gold loan used to be for short term cash emergencies and or as bridge loans. Of late, there is increasing instances of gold being used as collateral for availing working capital for running business particularly among the people owning MSME units. Gold loan is already gaining momentum in the personal loan segment. The relevance of gold loan continues to be high considering the expanding proportion of women entrepreneurs and would be a true enabler in the movement of women empowerment.

As regards the gold price volatility and the related risk, gold loan Industry has evolved over years to manage it in different methods and the regulations governing this business is also matured. When we talk about the direction of the gold price movement and its impacts on the business, as usual the price in terms of USD was volatile. During April '22 the average price was around USD 1935 per troy ounz and it went down to USD1662 levels in October'22 before reclaiming its position to USD 1900 levels in March'23. However, in terms of rupee, the price has been stable due to the hardening US Dollar against rupee. A prediction on the direction of gold price movement is difficult and it is influenced by multiple factors such as inflation, investment appetite as a safe haven, physical demand for consumption, demands from industry as well as from the Central Banks , the popularity of digital/virtual currencies etc. A range bound movement between USD1900-2000 may be expected during the current financial year, 2023-24

When it comes to the Company, we are adding modern systems and procedures and professional knowledge to this age old business by leveraging technology so that it is scalable and protects the interests of all stake holders and we are all set to expand our business with a diversified portfolio on the strength of gold loan.

#### **Two Wheeler loans**

Our two wheeler loan is the second largest portfolio in our diversified asset class with an outstanding of ₹ 812 Million. During the year under report, we have disbursed 5067 loans with an amount of ₹ 491 Million. This segment is operational in Kerala and parts of Tamilnadu. While we have presence across Kerala, the operations in Tamil Nadu is mostly in the northern part where we have a wide branch network. The growth of the portfolio was marginal with about 7.5% over the previous year. The credit cost in the two wheeler loans is historically high comparing to other portfolios. The net credit cost for the year is 3.15% of the portfolio.

As regards the future prospects, there is a transition towards clean mobility with the objective of reducing carbon footprints across the globe and our Country has also made its own commitment in this space. Automobile sector is a major contributor to the carbon emission and the achievement of targeted carbon reduction would not be possible unless this sector adopts alternative energy at a faster pace. As a result of this commitment and the push from Government, entire automobile segment is going through a transition to electric mobility in place of the conventional internal combusting engines. Two wheeler segments have been witnessing heightened activities in this transition efforts and lot of start-ups have emerged in this space. The Electric Two Wheelers (EV) have gained some momentum in the retail market during the year and though we have also entered into this space we have seen a lower penetration as this sector is yet to settle down for building volume. During the year it is estimated that the domestic two wheeler sales will be around <sup>6</sup>16 Million units clocking a growth of 19%. It is estimated that the domestic two wheeler sales will expand in the range of 7-10% with EVs sales touching around 1.5 Million units in 2023-24. However, the EV sales may have near term challenges as the Government has brought down the subsidy from 40% to 15% from June' 2023.

The Company has put up proper product policy to finance EVs and expanding our network with dealerships in Kerala and Tamil Nadu to build up volume, in the year 2023-24.

#### **MSME & Micro Finance.**

Our MSME and Microfinance portfolios put together constitute little over 10% of the total portfolio with an outstanding of ₹ 458.71 Million. This portfolio grew by 138% over the previous year. The company has been in this space for a long time and the product has stabilised over the time and has scaled up during the year based on our experience on the performance of the portfolio during the time of Covid-19 and the post Covid period. We have started disbursements outside Kerala too on a trial basis and to scale up based on experience.

#### **G. OUTLOOK**

Company has been able to maintain its growth momentum over the last couple of years with the exception of 2021-22. In line with our philosophy of growing diversified assets with gold loan remaining the larger pool. In addition to the business environment remaining conducive, the growth has been the result of our efforts in expansion of business to new markets and deepening in the existing markets and improving productivity, selecting ideal product mix, suitable loan schemes and marketing

efforts to effectively tackle the competition on the ground. We are optimistic to maintain the growth momentum with improved profitability in 2023-24. We have several products and customers with the potential for cross selling and customer data base built over time. We can open branches to increase the speed of the growth based on resources at disposal. We have leveraged our capital more than 5 times that may limit our access to borrowed funds on larger scale. Even though we have enough working capital visibility for the current year plans, we may also explore alternative methods such as co-lending for growing our loan disbursement outside our balance sheet ensuring flow of income to our P&L that will offer better returns on investment.

We have been investing in technology to improve our digital platforms over the years and we have developed our own software for all our operations. Major loan sanctioning process has been online resulting in considerable savings in time and improved efficiency. We shall continue to strengthen our technical capabilities to meet the evolving scenario of increased dependence on online services and we are moving to a paperless documentation including e-signing on a test basis and will be implemented across the products after assessing cost benefits. .

Safety and security of our data is considered very important and we are ensuring to follow the applicable safety standards. In addition to our in house server, we have a remote data backup to ensure business continuity. Its functionality has been periodically tested. Customer satisfaction is the key to our success. We continue to follow our customer friendly approach with a pro service attitude for increasing our customer base.

**Capital Base:-** We have already leveraged more than 5 times of the equity and we have plans to raise equity capital to accelerate growth in the near future.

## H. SCOT ANALYSIS

### **Strengths**

- Building on relationship
- Established leadership
- Diversified product offering
- Robust in-house capabilities supported with strong technology back up.
- Expanding branch network and customer base
- Expanding resource base.
- Focused brand building and business development initiatives.

### **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 at attractive rates. 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 armed with 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. There is huge potential for Gold Loan Companies to grow in a post Covid scenario. They can also be attractive investment option for investors as it is a safe asset.

### **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. Un expected 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. External developments in the sector can impact the outlook on the company as well in terms of its ability to raise adequate resources

## I. RISK MANAGEMENT

The Company's business model has comprehensive and integrated risk management framework that comprises of 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. It has also put in place a Board approved Enterprise Risk Management Policy (ERM) and formed a Risk Management Committee at the Board level to oversee the ERM functions.

### **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 customer's 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. It has a robust collection mechanism enabled by digital payment solutions to support easy loan servicing and collections.

#### **J. 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.

#### **K. 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 behavioural training. The company has been adopting a compassionate

approach to protect the wellbeing of the employees by providing flexibility in working time, facility to work from home etc. in deserving cases.

#### **L. 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 the order of Board of Directors  
For YOGAKSHEMAM LOANS LIMITED**

Sd/-

Sd/-

##### **1. Ramachandran Ottappath      2. I. Unnikrishnan**

(Chairman)	(Managing Director and CEO)
(DIN No:03430618)	(DIN No:01773417)

Place: Thrissur  
Date : 05<sup>th</sup> July 2023

Place: Thrissur  
Date : 05<sup>th</sup> July 2023

## ANNEXURE II

### Format for the annual report on CSR activities to be included in the Board's Report pursuant Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules 2014, read with Section 135 of the Companies Act, 2013.

1. Brief outline on CSR Policy of the Company : To structure its responsibilities to society and to act as the guiding principle in its endeavour to support on projects and programs of social relevance as provided in the schedule to the policy.

2. Composition of CSR Committee :

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Unnikrishnan I	Chairman(CSR) (MD & CEO)	2	2
2	Mr. Pushpagandan. M	Member (Independent Director)	2	2
3	Mr. Unnirajan P.N	Member(Non Executive Director)	2	2
4	Mr.Ramachandran O	Member(Non Executive Chairman of Board)	2	2

3) Provide the web-link where Composition : [www.yogloans.com](http://www.yogloans.com) of CSR committee, CSR Policy and CSR projects approved by the board are Disclosed on the website of the company.

4) Provide the details of Impact assessment : NA Of CSR projects carried out in pursuance of Sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

5) Details of the amount available for set off in pursuance of Sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for Set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	NIL	NIL	NIL

6) Average net profit of the company as per : ₹ 8,76,58,752 section 135(5)

- 7) (a) Two percent of average net profit Of : ₹ 17,53,175 the company as per section 135(5)
- (b) Surplus arising out of the CSR projects : Nil or Programmes or activities of the previous financial years.
- (b) Amount required to be set off for the : Nil financial year (if any)
- (d) Total CSR obligation for the financial : ₹ 17,53,175/- year (7a+7b-7c).

## 8. (a) CSR amount spent or unspent for the financial year:

<b>Total amount spent for the financial year(2022-2023) (in ₹)</b>	<b>Total Amount transferred to Unspent CSR Account as per section 135(6).</b>		<b>Amount Unspent (in ₹)</b>		<b>Amount transferred to any fund specified under Schedule VII as per second provison to section 135(5).</b>
	<b>Amount.</b>	<b>Date of transfer.</b>	<b>Name of the Fund</b>	<b>Amount.</b>	
16,09,428	NIL	NIL	NIL	1,43,747	*NIL

\*The Board has in its meeting held on 15.07.2022 decided to transfer the unspent amount to any fund specified in schedule VII pursuant to section 135(5)of the Act.

(b) Details of CSR amount spent **on-going** projects for the financial year:

SI No	Name of Project	Item no 1(ii)	Local area (Yes/ No).	Location of the project			Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District	Project duration.					Name	CSR registration Number
1	Promoting health care including preventive health care	Item no 1(ii)	yes	Kerala	Thrissur	Nil	Nil	159508	Nil	Direct	NA	NA
2	Promoting education, including special education and employment enhancing vocation skill especially among children, women, elderly and differently abled and livelihood enhancement projects.	Item no 2	yes	Kerala	Thrissur	Nil	Nil	1449920	Nil	Direct	NA	NA

(c) Details of CSR amount spent against **other than on-going projects** for the financial year:

SI No	Name of Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.		CSR registration Number
				State	District			Name	CSR registration Number	
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- d) Amount spent in Administrative Overheads : Nil  
e) Amount spent on Impact Assessment, if applicable : Nil  
(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 16,09,428

(g) Excess amount for set off, if any.

SI. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	17,53,175
(ii)	Total amount spent for the Financial Year	17,53,175
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) Details of unspent CSR amount for the preceding three financial years:

SI No	Preceeding Financial Year	Amount transferred to unspent CSR account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Date of Transfer	Amount remaining to be spent in succeeding financial years. (in ₹)
		Nil	Nil	Name of the fund	Amount(₹)		
(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for on-going projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
SI No	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
(1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so : Nil created or acquired through CSR spent in the financial year (asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s). : Nil
- (b) Amount of CSR spent for creation or acquisition of capital asset. : Nil
- (b) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Nil
- (d) Provide details of the capital asset(s) created or acquired (Including complete address and location of the capital asset). : Nil

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5).

Sd/-

**I. Unnikrishnan**  
(Managing Director and CEO)  
(Chairman of CSR Committee)

Place: Thrissur  
Date : 05<sup>th</sup> July 2023

# Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH-2023

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

### I. REGISTRATION AND OTHER DETAILS:

i. CIN	U65992KL1991PLC005965
ii. Registration Date	13-02-1991
iii. Name of the Company	Yogakshemam Loans Limited
iv. Category / Sub-Category of the Company	NBFC
v. Address of the Registered office and contact details	Door No.28/315-D2, Ottappath Tower, Aswini Junction, Thiruvambadi P.O Thrissur-680022
vi. Whether listed company	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	SKDC Consultant Limited, "Surya ", 35,Mayflower Avenue Behind Senthil Nagar-Sowripalayam Road Coimbatore-641028

### 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:-

Sr. No.	Name and description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Lending money on the security of gold, silver, realestate, automobiles, vehicles, machinery, land & 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

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	Nil	NA	NA	NA	NA
2.	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			% Change during The year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
<b>A. Promoter</b>								
<b>1) Indian</b>								
a) Individual/ HUF	16343309	0	16343309	29.47	16343309	0	16343309	29.47
b) CentralGovt	0	0	0	0.00	0	0	0	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00
d) Bodies Corp	0	0	0	0.00	0	0	0	0.00
e) Banks /Financial Institution								
f) Any Other								
<b>Sub-total(A)(1):-</b>	<b>16343309</b>	<b>0</b>	<b>16343309</b>	<b>29.47</b>	<b>16343309</b>	<b>0</b>	<b>16343309</b>	<b>29.47</b>

Category of Shareholders	No.of Shares held at the beginning of the year			% of Total Shares	No. of Shares held at the End of the year			% of Total Shares	% Change during The year
	Demat	Physical	Total		Demat	Physical	Total		
<b>2) Foreign</b>	0	0	0	0	0	0	0	0	0
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....									
<b>Total shareholding of Promoter and Promoters group (A)=(A)(1)+(A)(2):-</b>	<b>16343309</b>	<b>0</b>	<b>16343309</b>	<b>29.47</b>	<b>16343309</b>	<b>0</b>	<b>16343309</b>	<b>29.47</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total(B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.	0	0	0	0	0	0	0	0	00
(i) Indian	0	3000	3000	0.01	0	3000	3000	0.01	0
(ii) Overseas	0	0	0	0	0	0	0	0	0
<b>b) Individuals</b>									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	681495	3392047	4073542	7.35	790370	3173822	3964192	7.15	(0.20)
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	4957855	3572079	8529934	15.38	3892200	3171694	7063894	12.74	(2.64)
<b>C. Others(Specify)</b>	0	0	0	0	0	0	0	0	0
<b>Directors &amp; their relatives</b>	606470	0	606470	1.09	623970	0	623970	1.13	0.04
<b>Non Resident</b>									
Indian	1243805	0	1243805	2.24	2801695	0	2801695	5.05	2.81
NRI Director	12321700	0	12321700	22.22	12321700	0	12321700	22.22	0.00
NRI Director& Relatives	12327660	0	12327660	22.23	12327660	0	12327660	22.23	0.00
<b>Sub-total(B)(2)</b>	<b>32138985</b>	<b>6967126</b>	<b>39106111</b>	<b>70.53</b>	<b>32757595</b>	<b>6348516</b>	<b>39106111</b>	<b>70.53</b>	<b>0.00</b>
<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	<b>32138985</b>	<b>6967126</b>	<b>39106111</b>	<b>70.53</b>	<b>32757595</b>	<b>6348516</b>	<b>39106111</b>	<b>70.53</b>	<b>0.00</b>
<b>D. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C+D)</b>	<b>45782019</b>	<b>9667401</b>	<b>55449420</b>	<b>100</b>	<b>49100904</b>	<b>6348516</b>	<b>55449420</b>	<b>100</b>	<b>0.00</b>

**ii. Shareholding of Promoters and Promoters group**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding durin g the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbe red to total shares	
1.	Unnikrishnan. I	9625950	17.36	0.00	9625950	17.36	0.00	0.00
2.	Sathialakshmi. M	5800000	10.46	0.00	5800000	10.46	0.00	0.00
3.	Abhijeet Unnikrishnan	917359	1.65	0.00	917359	1.65	0.00	0.00
<b>Total</b>		<b>16343309</b>	<b>29.47</b>	<b>0.00</b>	<b>16343309</b>	<b>29.47</b>	<b>0.00</b>	<b>0.00</b>

**iii. Change In Promoter's Shareholding(please specify,if there is no change)**

Date	Name	Opening Balance	Bought	Sold	Closing Balance	% of the Shares of the company
There is no change in the shareholding of Promoters during the financial year.						

**iv. Shareholding Pattern of Top Ten Shareholders (other than Directors,Promoters and holders of GDR's and ADR's),**

Sl. No	For each top 10 shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		% change
		No. of shares	%	No of shares	%	
1	Mrs. Jalajakumari Ramachandran	12327660	22.23	12327660	22.23	
2	Ms. Vidya Sanooj	208300	0.37	1296150	2.34	
3	Mr. Sathia Narayanan M	1050000	1.89	1050000	1.89	
4	Ms. Shanti Chandran B	330000	0.60	330000	0.60	
5	Mr. Chandran Poduval C	300000	0.54	300000	0.54	
6	Mr. N .D. Narayanan	261200	0.47	261200	0.47	
7	Mr. K. P Radhkrishnan	257500	0.46	257500	0.46	
8	Mr. Narayanan O.	828505	1.50	225545	0.41	
9	Mr. T. M Balan	200000	0.36	200000	0.36	
10	Mr. Arun Kaipilly	200000	0.36	200000	0.36	

**v. Shareholding of Directors and Key Managerial Personnel**

Sl. No	Name of Directors	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	Mr. Ramachandran Ottappath	12321700	22.07	12321700	22.07	0.00
2	Mr. Unnikrishnan I	9625950	17.36	9625950	17.36	0.00
3	Mr. Anoop. G	250000	0.45	250000	0.45	0.00
4	Mr. Vijayan N.D	137970	0.25	150970	0.27	0.02
5	Mr. Santosh Kurup	103000	0.19	118000	0.21	0.02
6	Mr. Pushpangadanmanagari	100000	0.18	100000	0.18	0.00
<b>KMPS</b>						
7	Mr. Rajeshkumar. K. Pillai	57000	0.10	57000	0.10	0.00
8	Mr. Prasad P	10000	0.02	10000	0.02	0.00

**vi. Transaction of directors of the company during the year 2022-23**

Date	Name	Opening Balance	Bought	Sold	Closing Bal	% of total shares of the company
01/04/2022	Mr. Santosh Kurup	103000	0	0	103000	0.19
20/12/2022		103000	2500	0	105500	0.19
24/02/2023		105500	12500	0	118000	0.21
01/04/2022	Mr. Vijayan N. D	137970	0	0	137970	0.25
		137970	10500	0	148470	0.26
31.03.2023		148470	2500	0	150970	0.27

**V. INDEBTEDNESS.**

Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(All amounts are in ₹ lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	21145.81	7220.53	0	28366.34
ii) Interest due but not paid	49.65	40.2	0	89.85
iii) Interest accrued but not due	879.00	894.00	0	1773.00
<b>Total(i+ii+iii)</b>	<b>22074.00</b>	<b>8155.00</b>	<b>0</b>	<b>30229.00</b>
Change in Indebtedness during the financial year				
- Addition	17167.81	1445.02	0	18612.83
- Reduction	6670.97	1143.62	0	7814.59
<b>Net Change</b>	<b>10496.84</b>	<b>301.4</b>	<b>0</b>	<b>10798.24</b>
Indebtedness at the end of the financial year				
i) Principal Amount	31642.65	7521.93	0	39164.58
ii) Interest due but not paid	48.69	43.91	0	92.60
iii) Interest accrued but not due	879.09	765.33	0	1644.42
<b>Total (i+ii+iii)</b>	<b>32570.43</b>	<b>8331.17</b>	<b>0</b>	<b>40901.00</b>

**VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (₹ lakhs)
1.	Gross Salary	Mr.I. Unnikrishnan Managing Director & CEO (₹ lakhs)	
	(a) Salary as per provisions contained in section 17(1) of their Income-tax, Act, 1961	66.00	66.00
	(b) Value of perquisites/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit		
	- others, specify...		
5.	Others, please specify	-	-
6.	Total(A)		
	Ceiling as per the Act	Overall ceiling of the managerial remuneration applicable is 6% of the Net Profit. However, since the profit is inadequate for the FY - 2022-23, remuneration payable is as per section 2 of Part II of Schedule V of the Companies Act, 2013.	

**B. Remuneration to other directors (in lakhs):**

<b>Sl. No</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>			<b>Total Amount</b>
1.	Independent Directors	Dr. M. Pushpangadan	Mr. Anoop. G	Mr. Santosh Kurup	
	Fee for attending board meetings	₹ 1.20	₹ 1.20	₹ 1.20	₹ 3.60
	Fee for attending board committee meetings	₹ 1.56	₹ 1.32	₹ 0.96	₹ 3.84
	Commission	0	0	0	0
	Others, please specify	0.03 (Traveling Allowance)	Nil	0.08 (Traveling Allowance)	0.11
	<b>Total (1)</b>	<b>₹ 2.79</b>	<b>₹ 2.52</b>	<b>₹ 2.24</b>	<b>₹ 7.55</b>
2.	Other Non-Executive Directors	Mr. P N Unnirajan	Mr. N. D Vijayan	Mr. O Ramachandran	
	Fee for attending board meeting	₹ 1.20	₹ 1.20	-	₹ 2.40
	Fee for attending board committee meetings	₹ 1.98	₹ 2.10	-	₹ 4.08
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total(2)</b>	<b>₹ 3.18</b>	<b>₹ 3.30</b>	<b>-</b>	<b>₹ 6.48</b>
	<b>Total(B)=(1+2)</b>			<b>₹ 14.03</b>	
	<b>Total Managerial Remuneration</b>			<b>₹ 80.03</b>	
	Overall Ceiling as per the Act	Overall ceiling of the managerial remuneration applicable is 6% of the Net Profit (excluding Sitting fee payable to directors). However, since the profit is inadequate for the FY- 2022-23 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 (All amounts are in ₹ lakhs)**

<b>Sl. No.</b>	<b>Particulars of Remuneration</b>	<b>Key Managerial Personnel</b>			
		<b>CEO (₹)</b>	<b>EVP &amp; Company Secretary</b>	<b>CFO</b>	<b>Total</b>
1.	<b>Gross salary</b>	Refer: Part VI(A)	₹ 32.50	₹ 24.03	₹ 56.53
	(a) Salary as per provisions contained in section 17(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-tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit				
	- others, specify...				
5.	Others, please specify	-	-	-	-
6.	<b>Total</b>	<b>₹ 32.50</b>		<b>₹ 24.03</b>	<b>₹ 56.53</b>

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

Type	Section of the Companies Act 2013	Brief description	Details of penalty/punishment, compounding fee imposed	Authority RD/NCLT/Court	Appeals if any
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>				Nil	
Penalty					
Punishment					
Compounding					
<b>C . Other officers in Default</b>					
Penalty					
Punishment					
Compounding					

**By the order of Board of Directors  
For YOGAKSHEMAM LOANS LIMITED**

Sd/-

Sd/-

**Ramachandran Ottappath**  
(Chairman)

**I. Unnikrishnan**  
(Managing Director and CEO)

Place: Thrissur  
Date : 05<sup>th</sup> July 2023

Place: Thrissur  
Date : 05<sup>th</sup> July 2023

## Form No. AOC-2

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

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length 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 advance, if any
Mr. Ramachandran Ottappath (Chairman)	1. Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 49.29 lakhs	15.07.2022	Nil
Mr. I Unnikrishnan (Managing Director & CEO)	1. Remuneration paid	Till the tenure of directorship	Remuneration paid ₹ 66.00 lakhs	18.10.2019	Nil
	2. Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 38.50 lakhs	15.07.2022	Nil
Mr. N. D Vijayan (Non-Executive Director)	1. Sitting fees paid	Till the tenure of directorship	Sitting fees paid for Board and Committee Meetings ₹ 3.30 lakhs	09.08.2021	Nil
	2. Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 0.59 lakhs	15.07.2022	Nil
Mr. P N Unnirajan (Non-Executive Director)	Sitting fees paid	Till the tenure of directorship	Sitting fees paid for Board and Committee Meetings ₹ 3.18 lakhs	09.08.2021	Nil
Dr. M. Pushpangadan (Independent Director)	1. Sitting fees paid	Till the tenure of directorship	Sitting fee and travelling allowance paid for Board and Committee Meetings ₹ 2.79 lakhs	09.08.2021	Nil
	2. Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 0.40 lakhs	15.07.2022	Nil
Mr. Anoop. G. (Independent Director)	1. Sitting fees paid	Till the tenure of directorship	Sitting fee paid for Board and Committee Meetings ₹ 2.52 lakhs	09.08.2021	Nil
	2. Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 1.00 lakh	15.07.2022	Nil

Mr. Santosh Kurup (Independent Director)	1. Sitting fees paid  2. Dividend paid	Till the tenure of directorship  For the Financial Year 2021-22	Sitting fee and travelling allowance paid for Board and Committee Meetings ₹ 2.24 lakhs  Dividend paid ₹ 0.41 lakhs	09.08.2021  15.07.2022	Nil  Nil
Mr. Rajeshkumar . K. Pillai (EVP&Company Secretary)	1. Remuneration paid	Till the tenure of employment.	Remuneration paid ₹ 32.50 lakhs	25-03-2015	Nil
	2. Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 0.23 lakhs	15.07.2022	Nil
Mr. Prasad. P (Chief.Financial Officer)	1. Remuneration paid	Till the tenure of employment	Remuneration paid ₹ 24.03 lakhs.	25-03-2015	Nil
	2. Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 0.04 lakhs	15.07.2022	Nil
Mrs. Jalajakumari Ramachandran (Spouse of Chairman Mr. Ramachandran Ottappath)	Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 49.31 lakhs	15.07.2022	Nil
Mrs. Sathialakshmi Unnikrishnan (Spouse of Managing Director Mr. I Unnikrishnan)	1. Issue of sub-ordinated debt		Issue of sub-ordinated debt ₹ 10.00 lakhs	01.10.2022	Nil
	2. Interest Paid	Till maturity	Interest paid on debenture/sub-ordinated debt ₹ 14.58	As per terms of issue	Nil
	3. Redemption of sub-ordinated debt		Redemption of sub-ordinated debt of ₹ 17.25 lakhs	As per terms of issue	Nil
	4. Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 23.20 lakhs	15.07.2022	Nil
Mrs. Rema Vijayan (Spouse of Director Mr. N.D Vijayan)	1. Interest paid	Till maturity	Interest paid on debenture/subordinated debt ₹ 2.09 lakhs	As per terms of issue	Nil
	2. Redemption of sub-ordinated debt.		Redemption of sub-ordinated debt of ₹ 2.00 lakhs.	As per terms of issue	Nil
	3. Dividend paid	For the Financial Year 2021-22	Dividend paid ₹ 0.02 lakhs	15.07.2022	Nil
Mrs. Geetha Pushpangadan (Spouse of Independent Director Mr. Pushpangadan)	1. Issue of debenture		Issue of debentures ₹ 20.00 lakhs	01.03.2023	Nil
	2. Interest Paid	Till maturity	Interest paid on debenture ₹ 10.78 lakhs	As per terms of issue	Nil
	3. Redemption of debentures		Redemption of debentures of ₹ 10.00 lakhs.	As per terms of issue	Nil
Mrs. Sreeja. K (Spouse Of Independent Director Mr. Anoop G)	1. Interest Paid	Till maturity	Interest paid on debenture ₹ 0.77 lakhs	As per terms of issue	Nil
Mrs. Smitha Rajesh (Spouse of EVP & Company Secretary Mr. Rajeshkumar K Pillai)	1. Interest Paid	Till maturity	Interest paid on sub-ordinated debt ₹ 0.94 lakhs	As per terms of issue	Nil
Mrs. Archana G (Spouse of VP & CFO Mr. Prasad P)	1. Interest Paid	Till maturity	Interest paid on sub-ordinated debt ₹ 0.06 lakhs	As per terms of issue	Nil

Ms. Aishwarya Unnikrishnan (D/o of M. D Mr. Unnikrishnan I)	1. Redemption of sub-ordinated debt  2. Interest paid	Till maturity	Redemption of sub ordinated debt of ₹ 32.00 lakhs  Interest paid on debenture/sub ordinated debt ₹ 10.10 lakhs	As per terms of issue	Nil
Mr. Abhijith Unnikrishnan (S/o M.D Mr. Unnikrishnan I)	1. Issue of sub-ordinated debt  2. Interest paid  3. Dividend paid	Till maturity	Issue of sub-ordinated debt ₹ 14.00 lakhs  Interest paid on debenture/sub ordinated debt ₹ 2.15 lakhs  Dividend paid ₹ 3.67 lakhs	03.05.2022	Nil
Mr. Sureshkumar I (Brother of M.D Mr. Unnikrishnan I)	Salary Paid	For the Financial Year 2021-22	Salary paid ₹ 4.20 lakhs	15.07.2022	Nil
Ottappath projects & developers Pvt (Company in which Mr. Ramchandran Ottappath is interested)	Leasing of Premises rent was fixed on the basis of prevailing market rate	For a period of 9 years	Monthly rent of ₹ 2.26 lakhs was fixed for measuring about 5700 square feet with an increment of 15% every three years. Annual rent paid amounts to ₹ 32.00 lakhs (including GST.)	29.01.2018	Nil

**By the order of Board of Directors  
For YOGAKSHEMAM LOANS LIMITED**

Sd/-

Sd/-

**Ramachandran Ottappath**  
(Chairman)

Place: Thrissur  
Date : 05<sup>th</sup> July 2023

**I. Unnikrishnan**  
(Managing Director and CEO)

Place: Thrissur  
Date : 05<sup>th</sup> July 2023

# Form No. MR-3

## SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March 2023**

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

To,  
The Members,  
**M/s. Yogakshemam Loans Limited**  
Regd Office: 28/315 – D2. Ottappath Tower  
Aswini Junction, Thiruvambady P.O., Thrissur- 680022.

We 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 to as 'The Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes 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 audit period covering the financial year ended on 31<sup>st</sup> March 2023 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. We 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 31<sup>st</sup> March 2023 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 Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - (v) The following Laws, Regulations, Directions, orders applicable specifically to the company:

- a). The Reserve Bank of India Act, 1934;
- b). Master Direction - Non-Banking Financial Company –Non-Systemically Important Non- Deposit taking Company (Reserve Bank) Directions, 2016
- c). Non-Banking Financial Companies- Corporate Governance (Reserve Bank) Directions, 2015;
- d). Online Returns to be submitted by NBFC's – RBI Guidelines.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 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. mentioned above.
2. We 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.
3. We further report that
  - (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
  - (ii) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholding/directorships in other companies and interest in other entities.

- (iii) 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.
  - (iv) All resolutions are passed unanimously, while the interested Directors abstain from participating in such resolutions.
  - (v) The company has obtained all necessary approvals under the various provisions of the Act.
4. We 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.
5. We further report that during the audit period:
- (i) The company has Issued Non-Convertible Debentures on Private Placement Basis
  - (ii) The company has Declared Dividend

6. We further report that during the audit period:

- (i) The Company has not Transferred any amount 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.
- (ii) The Company has not Given any guarantee.

For **Mehta & Mehta**,  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Arun K Kamalolbhavan**  
Partner  
FCS No. F9609  
CP NO. 11657  
PR No. 786/2020

Place: Ernakulam  
Date: 05.07.2023  
UDIN: F009609E000548378

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

## ANNEXURE A

To,  
The Members,  
**M/s. Yogakshemam Loans Limited**  
Regd Office: 28/315 – D2. Ottappath Tower  
Aswini Junction, Thiruvambady P.O., Thrissur- 680022.

Our report of even date is to be read with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion in these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in point vi & vii of our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Mehta & Mehta,**  
Company Secretaries  
(ICSI Unique Code P1996MH007500)

**Arun K Kamalolbhavan**  
Partner  
FCS No. F9609  
CP NO. 11657  
PR No. 786/2020

Place: Ernakulam  
Date: 05.07.2023  
UDIN: F009609E000548378

# Independent Auditor's Report

To  
The Members of  
**Yogakshemam Loans Limited**

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

### **Opinion**

We have audited the accompanying financial statements of Yogakshemam Loans Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information(hereinafter referred to as "Financial Statements") contained in the notes to accounts.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements read together with the accounting policies and other notes attached there to, give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### **Information Other than the Financial Statements and Auditor's Report thereon (Other Information)**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including Annexures to the Director's Report in the Annual Report of the Company for the financial year ended March 31, 2023 but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors and Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements

may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013 , we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and

- operating effectiveness of the company's Internal Financial Control over Financial reporting.
- (g) With reference to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2023 paid/provided by the Company to its directors is in accordance with the provisions of section 197 of the Act read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position as on March 31, 2023.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 36 to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note No. 36 to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
  - (b) As stated in Note 3(c) to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **Varma & Varma**  
 Chartered Accountants  
 (Firm Registration No. 004532S)

Sd/-  
**Vivek Krishna Govind**  
 Place : Thrissur M.No.208259  
 Date : 05<sup>th</sup> July 2023 UDIN:23208259BGZBNU9257

## **ANNEXURE A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF YOGAKSHEMAM LOANS LIMITED FOR THE YEAR ENDED MARCH 31, 2023.**

1. a) i) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
    - ii) According to the information and explanations given to us and the records of the company examined by us, the Company has maintained proper records showing full particulars of intangible assets as reflected in the financial statements.
  - b) According to the information and explanations given to us and the records of the Company examined by us, the Company has a regular program of physical verification of its Property Plant and Equipment at the yearend which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets and that no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, and as per the records of the company examined by us and the confirmation from financial lenders in respect of title deeds deposited with them and based on the details of land and building furnished to us by the company the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
  - d) According to the information and explanations given to us and the records of the Company examined by us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and hence the reporting requirements under the Clause (i)(d) of Para 3 of the Order is not applicable to the company for the year.
  - e) According to the information and explanations given to us and the records of the Company examined by us, there are no proceedings initiated or pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. a) The Company does not have any inventory and hence the reporting requirements under Clause (ii)(a) of Para 3 of the Order is not applicable to the Company.
  - b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions during the year on the basis of security of current assets. In our opinion, based on a comparison, the quarterly statements of receivables filed by the company with such banks and financial institutions are seen to be in agreement with the books of account of the Company (which have not been audited as at the quarters ended 30<sup>th</sup> June 2022, 30<sup>th</sup> September 2022 and 31st December 2022)
  3. a) The Company is a Non-Systemically Important Non deposit taking Non-Banking Financial Company engaged in the business of granting loans and hence the reporting under clause (iii) (a) of Para 3 the Order is not applicable.
  - b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans during the year are, *prima facie*, not prejudicial to the interest of the Company.
  - c) The Company, being a Non-Systemically Important Non deposit taking Non-Banking Financial Company, registered under the provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.

- d) The Company, being a Non-Systemically Important Non deposit taking Non-Banking Financial Company, registered under the provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and reports total amount of overdue including principal and/or interest from its customers. In respect of loans granted by the company, the total amount overdue for more than ninety days as per books of account as at the balance sheet date is as under: -

No of cases (Nos)	Principal amount overdue (Rs. In lakhs)	Interest amount overdue (Rs. In lakhs)	Total Overdue (Rs. In lakhs)
5,369	2,194.40	663.75	2,858.14

In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. According to the information and explanations made available to us, reasonable steps are taken by the Company for recovery thereof.

- e) The Company is a Non-Systemically Important Non deposit taking Non-Banking Financial Company engaged in the business of granting loans and hence the reporting under clause (iii) (e) of Para 3 of the Order is not applicable.
- f) Based on our audit procedures and according to the information and explanations made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. The Company has not granted any loans or advances in the nature of loans to Promoters and related parties as defined in clause (76) of section 2 of the Act and hence the reporting under clause (iii) (f) of Para 3 of the Order is not applicable.
- 4. According to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the Company.
- 5. In our opinion and according to the information and explanations given to us, the Company being a Non-Systemically Important Non deposit taking Non-Banking Financial Company registered with the Reserve Bank of India, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company.
- 6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records to the Company as per the Companies (Cost Records and Audit ) Rules , 2014 prescribed by the Central Government under section 148 (1) of the Act.
- 7. In respect of statutory dues –
  - a) As per the information and explanations furnished to us and according to our examination of the records of the Company, except for

certain minor delays in remittance of undisputed Provident Fund, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax ,Employee's State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other material statutory dues, as applicable to the Company to the appropriate authorities during the year.

According to the information and explanations given to us and according to our examination of the records of the Company, there are no arrears of undisputed statutory dues of material nature outstanding as at the last day of the financial year for a period of more than six months from the date on which they become payable.

- b) According to the information and explanations given to us and the records of the Company examined by us, there are no disputed amounts of Goods and Service Tax, Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, cess and other statutory dues to be deposited as at March 31, 2023.
- 8. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9. According to the information and explanations given to us and on the basis of our examination of the records of the Company:
  - a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - b) The Company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.
  - c) The Company has utilized the moneys obtained by way of term loans from banks and financial institutions during the year for the purposes for

- which they were obtained, other than temporary parking in Cash credit account for a few days, pending utilization towards purpose for which the same are obtained.
- d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
  - e) The company does not have any subsidiaries, joint ventures or associate companies and hence reporting under clause ix(e) of para 3 of the Order is not applicable.
  - f) The company does not have any subsidiaries, joint ventures or associate companies and hence reporting under clause ix(f) of para 3 of the Order is not applicable.
10. a) According to the information and explanations given to us and the records of the Company examined by us the company have not raised any money by way of initial public offer or further public offer (including debt instruments) and accordingly the reporting requirement under the clause (x)(a) of Para 3 of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of equity shares or fully or partly or optionally convertible debentures during the year and hence, the reporting requirements under clause (x)(b) of Para 3 of the Order are not applicable.
11. a) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of such case by the Management.
- b) No report under Section 143(12) of the Act has been filed in Form ADT-4 regarding any frauds, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) We have taken into consideration the whistleblower complaints received by the company during the year while determining the nature, timing and extent of audit procedures.
12. The Company is not a Nidhi Company as per the provisions of the Act. Accordingly, the reporting requirements under clause (xii) (a), (b) and (c) of Para 3 of the Order are not applicable to the company.
13. According to the information and explanations given to us and the records of the Company examined by us, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of such transactions have been disclosed in Note No.23 to the financial statements as required by the applicable accounting standards.
14. a) The Company has an internal audit system, which, in our opinion is commensurate with the size and nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures, in accordance with the guidance provided in SA 610 using the work of internal auditor.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of Para 3 of the Order is not applicable to the company for the year.
16. a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the reporting requirements under clause (xvi) (c) of Para 3 of the Order is not applicable.
- d) According to the information and explanations given to us, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, the reporting requirement under clause (xvi) (d) of Para 3 of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and accordingly clause (xviii) of paragraph 3 of the order is not applicable to the company.

19. According to the information and explanations given to us and the records of the Company examined by us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets, payment of financial liabilities and other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. a) In respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies
- Act, 2013 within a period of six months of the expiry of the financial year in compliance with the second proviso to sub-section (5) of section 135 of the Act.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, there is no amount which is remaining unspent under sub section 5 of section 135 of the Act pursuant to any ongoing Corporate Social Responsibility (CSR) project.
21. The Company is not required to prepare consolidated financial statements and accordingly, the reporting requirement under clause (xxi) of Para 3 of the Order is not applicable.

For **Varma & Varma**  
Chartered Accountants  
(Firm Registration No. 004532S)

Sd/-

**Vivek Krishna Govind**

M.No.208259

Place : Thrissur

Date : 05<sup>th</sup> July 2023

UDIN:23208259BGZBNU9257

## **ANNEXURE B' REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF YOGAKSHEMAM LOANS LIMITED FOR THE YEAR ENDED MARCH 31, 2023**

### **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 with reference to financial statements of Yogakshemam Loans Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 system with reference to financial

statements 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 with reference to financial statements reporting and their operating effectiveness. Our audit of internal financial controls with reference to financial statements reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

### **Meaning of Internal Financial Controls with reference to Financial Statements reporting**

A Company's internal financial controls 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 with reference to Financial Statements 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 controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls

over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 ICAI.

For **Varma & Varma**  
Chartered Accountants  
(Firm Registration No. 004532S)

Sd/-  
**Vivek Krishna Govind**  
M.No.208259

Place : Thrissur  
Date : 05<sup>th</sup> July 2023

UDIN:23208259BGZBNU9257

# Balance Sheet

as at March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>I. Equity and liabilities</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	3	5,544.94	5,544.94
(b) Reserves and surplus	4	2,372.63	1,988.83
		<b>7,917.57</b>	<b>7,533.77</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	5	19,420.61	15,785.76
(b) Other long-term liabilities	6	1,198.05	1,012.30
(c) Long-term provisions	9	564.01	511.05
		<b>21,182.67</b>	<b>17,309.11</b>
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	7	19,690.79	12,477.80
(b) Other current liabilities	8	876.80	1,192.92
(c) Short-term provisions	9	221.97	227.39
		<b>20,789.56</b>	<b>13,898.11</b>
<b>Total</b>		<b>49,889.80</b>	<b>38,740.99</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	10A	1,859.59	1,725.70
(ii) Intangible assets	10B	3.90	8.37
(iii) Capital work-in-progress	10C	30.94	14.41
(b) Deferred tax assets	11	272.66	246.34
(c) Long-term loans and advances	12	4,805.47	4,694.90
(d) Other non-current assets	13	398.29	288.00
		<b>7,370.85</b>	<b>6,977.72</b>
<b>(2) Current assets</b>			
(a) Cash and cash equivalents	14	1,242.70	1,389.31
(b) Short-term loans and advances	12	39,785.79	29,197.78
(c) Other current assets	13	1,490.46	1,176.18
		<b>42,518.95</b>	<b>31,763.27</b>
<b>Total</b>		<b>49,889.80</b>	<b>38,740.99</b>
Summary of significant accounting policies	2.1		
Additional Information	22 to 51		

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

As per our report of even date

For **Varma & Varma**

Chartered Accountants

ICAI Firm registration number : 004532 S

**For and on behalf of the board of directors of**  
**YOGAKSHEMAM LOANS LIMITED**

**Vivek Krishna Govind**

Partner

Membership no: 208259

Place: Thrissur

Date : 05<sup>th</sup> July 2023**I. Unnikrishnan**

Managing Director

DIN: 01773417

**N. D. Vijayan**

Director

DIN: 03396044

**Prasad P.**

Chief Financial Officer

Place: Thrissur

Date : 05<sup>th</sup> July 2023**RajeshKumar K. Pillai**

Company Secretary

M.No: F9182

# Statement of profit and loss

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
I. Revenue from operations	15	9,152.64	7,840.10
II. Other income	16	9.24	15.09
<b>III. Total Income (I +II)</b>		<b>9,161.88</b>	<b>7,855.19</b>
<b>IV. Expenses</b>			
i) Employee benefits expense	17	2,815.63	2,148.67
ii) Finance costs	18	3,853.97	3,322.76
iii) Depreciation and amortization expense	19	229.10	182.18
iv) Other expenses	20	1,116.31	901.63
v) Provisions & Write off	21	375.04	456.90
<b>Total Expenses</b>		<b>8,390.05</b>	<b>7,012.14</b>
<b>V. Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>771.83</b>	<b>843.05</b>
<b>VI. Exceptional items</b>		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>771.83</b>	<b>843.05</b>
<b>VIII. Extraordinary items</b>		-	-
<b>IX. Profit before tax (VII -VIII)</b>		<b>771.83</b>	<b>843.05</b>
<b>X. Tax expense</b>			
Current tax		195.27	228.40
Deferred tax		(26.33)	(45.54)
Tax adjustment relating to earlier years		(2.71)	41.12
<b>Total tax expense</b>		<b>166.23</b>	<b>223.98</b>
<b>XI. Profit for the year (IX - X)</b>		<b>605.60</b>	<b>619.07</b>
<b>Earnings per equity share [nominal value of share ₹ 10/-]</b>			
Basic (in Indian ₹)	22	1.09	1.12
Diluted (in Indian ₹)	22	1.09	1.11
Summary of significant accounting policies	2.1		
Additional Information	22 to 51		

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

As per our report of even date

For **Varma & Varma**

Chartered Accountants

ICAI Firm registration number : 004532 S

**Vivek Krishna Govind**

Partner

Membership no: 208259

Place: Thrissur

Date : 05<sup>th</sup> July 2023

For and on behalf of the board of directors of  
**YOGAKSHEMAM LOANS LIMITED**

**I. Unnikrishnan**

Managing Director

DIN: 01773417

**N. D. Vijayan**

Director

DIN: 03396044

**Prasad P.**

Chief Financial Officer

**RajeshKumar K. Pillai**

Company Secretary

M.No: F9182

Place: Thrissur

Date : 05<sup>th</sup> July 2023

# Cash Flow Statement

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash flow from operating activities</b>		
Net profit before taxation	771.83	843.05
Adjustments for -		
- Depreciation and amortization	229.10	182.18
- Provision for employee benefits	23.51	(2.20)
- Provision and write off	375.04	456.90
- Loss on sale of Property, Plant and Equipment	2.21	0.44
<b>Operating profit before working capital changes</b>	<b>1,401.69</b>	<b>1,480.37</b>
Movements in working capital :		
Adjustments for changes in -		
- Other Current Liabilities	(266.53)	276.86
- Long-Term Loans and Advances	(456.42)	(639.80)
- Short Term Loans and Advances	(10,588.00)	1,521.63
- Other Current Assets	(229.40)	997.34
- Other Long Term Liabilities	185.76	(115.80)
- Other Non Current Assets	(110.29)	(3.08)
<b>Cash generated from / (used in) operations</b>	<b>(10,063.19)</b>	<b>3,517.52</b>
Less: Direct taxes paid (net)	(282.60)	(311.45)
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>(10,345.79)</b>	<b>3,206.07</b>
<b>B. Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment and Intangible Assets	(353.93)	(257.65)
Investment in Capital Work in Progress	(30.94)	(14.41)
Proceeds from disposal of Property, Plant and Equipment	7.61	1.22
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(377.26)</b>	<b>(270.84)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issue of redeemable Non Convertible Debentures	1,528.59	2,066.41
Proceeds from issue of Subordinated Debts	1,445.02	1,692.96
Proceeds from Term Loans	12,700.00	1,500.00
Repayment of redeemable Non Convertible Debentures	(1,623.82)	(1,849.54)
Repayment of Subordinated Debts	(1,143.62)	(1,503.84)
Repayments of Term Loans	(5,047.15)	(5,281.59)
Proceeds/(repayments) of Short term borrowings-net	2,939.22	672.23
Dividend paid	(221.80)	-
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>10,576.44</b>	<b>(2,703.37)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(146.61)</b>	<b>231.86</b>
Cash and cash equivalents at the beginning of the year	1,389.31	1,157.45
<b>Cash and cash equivalents at the end of the year</b>	<b>1,242.70</b>	<b>1,389.31</b>

# Cash Flow Statement

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Components of cash and cash equivalents</b>		
Cash on hand	333.87	277.39
With banks		
- in current account	171.03	462.91
- in deposit account	700.00	605.57
- earmarked balance	37.80	43.44
<b>Total cash and cash equivalents (note 14)</b>	<b>1,242.70</b>	<b>1,389.31</b>

As per our report of even date

For **Varma & Varma**

Chartered Accountants

ICAI Firm registration number : 004532 S

For and on behalf of the board of directors of  
**YOGAKSHEMAM LOANS LIMITED**

**Vivek Krishna Govind**

Partner

Membership no: 208259

**I. Unnikrishnan**

Managing Director

DIN: 01773417

**N. D. Vijayan**

Director

DIN: 03396044

Place: Thrissur

Date : 05<sup>th</sup> July 2023

**Prasad P.**

Chief Financial Officer

**RajeshKumar K. Pillai**

Company Secretary

M.No: F9182

Place: Thrissur

Date : 05<sup>th</sup> July 2023

# Notes to the Financial statements

for the year ended March 31, 2023

## 1) Corporate Information

M/s Yogakshemam Loans Limited ('the Company') was incorporated on February 13, 1991 in Thrissur, Kerala, under the provisions of Companies Act 1956. The Company is a Non-Banking Finance Company ('NBFC') which offers a wide range of financial products including Gold Loans, Vehicle Loans, SME Loans, Micro loans, consumer durable loans etc. The Company also offers a few ancillary services like Money Transfer etc. Currently, the Company operates through 152 branches spread across Kerala, Tamil Nadu, Karnataka & Andhra Pradesh as at March 31, 2023. The Company is a Non-Deposit taking Non-Systemically Important NBFC, falling under NBFC-base layer (NBFC-BL) as per the extant guidelines issued by the Reserve Bank of India in this regard. The registered office of the company is at Thrissur, Kerala.

## 2) Basis of accounting and preparation of financial statements

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 in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under Section 133 of the Companies Act 2013, read together with the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India mainly considering the Master Directions issued by Reserve Bank of India ('RBI') as applicable to Non-Banking Financial Companies - Non-Deposit taking Non-Systemically important. The financial statements have been prepared under the historical cost convention and on an accrual basis except for interest on non-performing assets and penal interest on loans and advances which are recognized on realization basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India (RBI) for Non-Deposit taking Non-Systemically Important NBFC, falling under NBFC- base layer (NBFC-BL)

### 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) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

#### c) Property, Plant and Equipment and Depreciation thereon

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. The cost comprises of 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. Subsequent expenditure on fixed assets after their purchase / completion is capitalised, only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Property, Plant and Equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

The Company identifies and determines cost of each component / part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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

# Notes to the Financial statements

for the year ended March 31, 2023

Companies Act 2013. Depreciation on additions to property, plant and equipment are provided on a pro-rata basis from the month of addition.

Useful life of assets as per Schedule II of Companies Act 2013

Asset Classification	Useful Life (Years)
Computers	3
Office equipment	5
Motor Cars	8
Electrical Fittings	10
Furniture & Fixtures	10
Buildings	60

**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 or License Period, whichever is lower.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

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

The carrying amount of assets is reviewed at each Balance Sheet date to ascertain impairment based on internal or external factors. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**f) Lease Accounting**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

**g) Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**h) Revenue Recognition**

Interest Income is recognised under the Internal Rate of Return method on a time proportion basis to provide a constant periodic rate of return on net investment outstanding on the loan contracts. In the case of Non-Performing Loans, interest income is recognised upon realisation, as per the RBI guidelines. Unrealised interest recognised as income in the previous period is reversed in the month in which the loan is classified as Non Performing.

Income from non-financing activity is recognised as per the terms of the respective contract on accrual basis.

Profit/Loss from sale of investments is recognised at the time of sale or redemption.

Processing fees, Documentation charges, bad debts recovered, processing and appraisal charges, cheque bounce charges and Penal interest are accounted on receipt basis or when reasonable certainty of collection is established except for non-performing assets where such charges are accounted on cash basis.

**i) Employee Benefits**

**A) Short term employee benefits**

All Employee benefits payable wholly within 12 months of rendering the service are classified as short term employee benefits and they are recognised in the period in which the employee renders the related service

**B) Post Employment benefits**

i. Defined Contribution Plans:

**Provident fund** : 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

# Notes to the Financial statements

for the year ended March 31, 2023

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.

**Employees' State Insurance:** The Company contributes to Employees State Insurance Scheme and recognises such contribution as an expense in the Statement of Profit and Loss in the period when services are rendered by the employees.

**ii. Defined Benefit Plans:**

The company makes contributions to the New Group Gratuity Cash Accumulation Plan of the Life Insurance Corporation of India and Kotak Gratuity Group Plan of Kotak Mahindra Life Insurance Company Ltd.. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

**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. Leave encashment which are not expected to occur within 12 months after the end of the period in which the employee renders the related services are recognised as a non current liability at the present value of the defined benefit obligation at the balance sheet date.

**j) Borrowing Costs**

Borrowing cost includes interest, ancillary costs incurred in connection with the arrangement of borrowings, including borrowings sanctioned but not availed, is amortised on a straight-line basis, over the tenure of the respective borrowings. Unamortised borrowing costs remaining, if any, are fully expensed off as and when the related borrowings are prepaid / cancelled.

**k) Taxation**

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 and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred 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 using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

**l) Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary-items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity

# Notes to the Financial statements

for the year ended March 31, 2023

shares would decrease the net profit per share from continuing ordinary operations.

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.

**m) Provisions , Contingent Liabilities & Contingent Assets**

Provisions are recognised only when the Company has present or legal or constructive obligations as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the transaction and a reliable estimate can be made for the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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.

Contingent assets are neither recognised nor disclosed in the financial statements

**n) Asset classification and provisioning for loan**

The company has followed the Master Directions issued by the Reserve Bank of India for NBFCs in respect of Prudential Norms for Income recognition asset classification and provisioning.

Provisioning for loan portfolio is determined based on management estimates subject to the minimum provision required as per the NBFC Master Directions and other applicable guidelines / instructions issued by RBI from time to time

Unsecured loans are completely provided for in case the same is identified as a non performing asset.

**o) Segment reporting**

The Company operates in a single reportable segment i.e., financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting'. The Company operates in a single geographical segment i.e., domestic.

**p) Employee Share Based Payments**

Measurement and disclosure of the employee share based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share Based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock using the intrinsic value method.

**q) Input tax credit (Goods and Service Tax)**

Input Tax Credit is accounted for in the books in the period when the underlying service / supply received is accounted and when there is no uncertainty in availing / utilising the same.

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**NOTE: 3  
Share Capital**

	As at March 31, 2023	As at March 31, 2022
<b>Authorized shares</b>		
7,20,00,000 Equity Shares of ₹ 10 Each (7,20,00,000 Equity Shares of ₹ 10 Each as at 31 <sup>st</sup> March 2022)	7,200.00	7,200.00
<b>Issued, subscribed and fully paid-up shares</b>		
5,54,49,420 Nos Equity Shares @ ₹ 10/ Share (5,54,49,420 Nos Equity Shares @ ₹ 10/ Share as at 31 <sup>st</sup> March 2022)	5,544.94	5,544.94
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>5,544.94</b>	<b>5,544.94</b>

- a. Reconciliation of the number and amount of equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of Shares	Amount (in Lakhs)	No of Shares	Amount (in Lakhs)
<b>Outstanding at the beginning of the year</b>	<b>5,54,49,420</b>	<b>5,544.94</b>	<b>5,54,49,420</b>	<b>5,544.94</b>
Add: Shares issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,54,49,420</b>	<b>5,544.94</b>	<b>5,54,49,420</b>	<b>5,544.94</b>

- b. Terms/Rights, Preferences and Restrictions attached to equity shares  
The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian ₹. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of interim dividend, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.
- c. The Board of directors has recommended a final dividend of ₹ 0.40 per equity share of ₹ 10/- each, subject to approval of shareholders at the ensuing annual general meeting.(Previous year ₹ 0.40 per equity share of ₹ 10/- each)
- d. In the case of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential claims as provided in the Companies Act, 2013. The distribution will be in proportion to the number of equity shares held by the shareholders.
- e. 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
- f. Details of shareholders holding more than 5% shares in the Company as at the end of the year.

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	No of Shares	% holding	No of Shares	% holding
Mr. Unnikrishnan I	96,25,950	17.36	96,25,950	17.36
Mrs. Sathyalakshmy.M.	58,00,000	10.46	58,00,000	10.46
Mrs. Jalajakumari Ramachandran	1,23,27,660	22.23	1,23,27,660	22.23
Mr. Ramachandran Ottappath	1,23,21,700	22.22	1,23,21,700	22.22

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.

- g. Details of equity shares held by promoters at the end of the financial year

Name of Promoter	As at 31.03.2023			As at 31.03.2022		
	No of shares held	Percentage of total shares	Percentage change during the year	No of shares held	Percentage of total shares	Percentage change during the year
Mr. Unnikrishnan I	96,25,950	17.36	-	96,25,950	17.36	-
<b>Total</b>	<b>96,25,950</b>	<b>17.36</b>	<b>-</b>	<b>96,25,950</b>	<b>17.36</b>	<b>-</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## NOTE: 4

### Reserves and Surplus

Reserves and Surplus	As at March 31, 2023	As at March 31, 2022
<b>(i) Statutory reserve (As required by section 45-IC of RBI Act, 1934)</b>		
Balance as per the last financial statements	603.98	480.17
Add: Amount transferred from surplus in the Statement of Profit & Loss	121.12	123.81
<b>Closing Balance</b>	<b>725.10</b>	<b>603.98</b>
<b>(ii) Surplus in the Statement of Profit &amp; Loss</b>		
<b>Balance as per last financial statements</b>	<b>1,384.85</b>	<b>889.59</b>
Less : Dividend paid for FY 2021-22	(221.80)	-
Add: Profit for the year	605.60	619.07
Less: Appropriations		
Transfer to statutory reserve as per Section 45-IC of RBI Act, 1934	(121.12)	(123.81)
<b>Closing Balance</b>	<b>1,647.53</b>	<b>1,384.85</b>
<b>Total</b>	<b>2,372.63</b>	<b>1,988.83</b>

#### Notes:

As per Rule 18(7)(b) of the Companies (Share Capital & Debenture) Rules 2014, Non banking financial companies (NBFCs) 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.

The Board of Directors of the Company has proposed a final dividend of ₹ 0.40 per equity share, which is subject to approval by the share holders at the ensuing Annual General Meeting. The total proposed dividend for the year ended 31<sup>st</sup> March, 2023 amounts to ₹ 221.80 lakhs. (Previous year - ₹ 221.80 Lakhs)

## NOTE: 5

### Long-term borrowings

Name of shareholder	Non-current portion		Current maturities	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Sub-ordinated debt (Unsecured) (Note 5.1)</b>				
Subordinated debts	6,682.21	6,049.79	812.60	1,133.22
<b>Debentures (Secured)</b>				
Redeemable Non-convertible Debentures - Private placement - Retail (Note 5.2)	6,570.16	6,459.64	1,325.07	1,491.63
<b>Term loans (Secured) (Note 5.3)</b>				
Indian Rupee Loan :				
- from Banks - Note 5.3 (i)	3,524.74	3,276.33	4,687.69	3,806.48
- from NBFC's - Note 5.3 (ii)	2,643.50	-	4,001.00	121.26
	<b>19,420.61</b>	<b>15,785.76</b>	<b>10,826.36</b>	<b>6,552.59</b>
The above amount includes				
Secured borrowings	12,738.40	9,735.97	10,013.76	5,419.37
Unsecured borrowings	6,682.21	6,049.79	812.60	1,133.22
Amount disclosed out of the above, under the head "short term borrowings" (refer note 7)	-	-	(10,826.36)	(6,552.59)
<b>Net amount</b>	<b>19,420.61</b>	<b>15,785.76</b>	-	-

Refer Note no 23 for details of transactions with related parties included in above.

# Notes to the Financial statements

for the year ended March 31, 2023

## Note 5.1 Subordinated debts:

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

### As on March 31, 2023

Redeemable at par within	Rate of interest (pa)					
	10.00%	10.50%	11.00%	>11% & <=12%	>12% & <=13%	Total
	Number	Amount	Number	Amount	Number	Amount
Due Above 5 years	114	603.60	77	626.42	16	215.00
Due within 4-5 years	14	75.15	101	606.05	70	725.75
Due within 3-4 years			597	850.15	768	1,474.53
Due within 2-3 Years			183	343.99	116	186.64
Due within 1-2 Years			190	391.97	221	401.63
Due within 1 Year					12	19.00
<b>Grand total</b>	<b>128</b>	<b>678.75</b>	<b>1,148</b>	<b>2,818.58</b>	<b>1,191</b>	<b>3,003.55</b>
Non-current portion						
Current maturities						
<b>Sub Total</b>						<b>7,494.81</b>
Matured but not claimed (Refer Note 8)						27.12
<b>Total</b>						<b>7,521.93</b>

### As on March 31, 2023

Redeemable at par within	Rate of interest (pa)					
	10.00%	10.50%	11.00%	>11% & <=12%	>12% & <=13%	Total
	Number	Amount	Number	Amount	Number	Amount
Due Above 5 years	14	75.15	101	606.05	70	725.75
Due within 4-5 years			597	850.15	768	1,474.53
Due within 3-4 years			183	343.99	116	186.64
Due within 2-3 Years			190	391.97	221	401.63
Due within 1-2 Years			314	548.49	158	250.01
Due within 1 Year					182	321.28
<b>Grand total</b>	<b>14</b>	<b>75.15</b>	<b>1,385</b>	<b>2,740.65</b>	<b>1,333</b>	<b>3,038.56</b>
Non-current portion						
Current maturities						
<b>Sub Total</b>						<b>7,183.01</b>
Matured but not claimed (Refer Note 8)						37.52
<b>Total</b>						<b>7,220.53</b>

# Notes to the Financial statements

for the year ended March 31, 2023

## Note 5.2 Debentures (Secured) - Private placement retail - Redeemable Non Convertible Debentures of ₹ 1,000/- each.

**As on March 31, 2023**

Redeemable at par within	9.50%			10.00%			10.50%			Rate of interest (pa)			11.00%			>11% &<=12%			>12% &<=13%			Total		
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount		
Due within 5-6 Years																								
Due within 4-5 years	44	223.75	84	607.45	38	332.00	6	165.39														172	1,328.59	
Due within 3-4 years	42	228.00	103	755.36	47	665.55	13	317.50	62	434.90												267	2,401.31	
Due within 2-3 Years					34	179.50	106	811.20	77	651.00												217	1,641.70	
Due within 1-2 Years																							141	1,198.56
Due within 1 Year																							195	1,325.07
<b>Grand total</b>	<b>86</b>	<b>451.75</b>	<b>187</b>	<b>1,362.81</b>	<b>171</b>	<b>1,709.25</b>	<b>390</b>	<b>2,807.02</b>	<b>156</b>	<b>1,514.40</b>	<b>2</b>	<b>50.00</b>	<b>992</b>	<b>7,895.23</b>										
Non-current portion																							6,570.16	
Current maturities																							1,325.07	
<b>Sub Total</b>																							<b>7,895.23</b>	
Matured but not claimed (Refer Note 8)																							26.06	
<b>Total</b>																							<b>7,921.29</b>	

**As on March 31, 2022**

Redeemable at par within	9.50%			10.00%			10.50%			Rate of interest (pa)			11.00%			>11% &<=12%			>12% &<=13%			Total		
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount		
Due within 5-6 Years																								
Due within 4-5 years	42	228.00	103	755.36	47	665.55	13	317.50	64	446.90												269	2,413.31	
Due within 3-4 years					34	179.50	108	822.20	77	651.00												219	1,652.70	
Due within 2-3 Years																							145	1,263.56
Due within 1-2 Years																							194	1,130.07
Due within 1 Year																							226	1,491.63
<b>Grand total</b>	<b>42</b>	<b>228.00</b>	<b>104</b>	<b>855.36</b>	<b>274</b>	<b>2,030.01</b>	<b>404</b>	<b>2,785.03</b>	<b>227</b>	<b>2,002.87</b>	<b>2</b>	<b>50.00</b>	<b>1,053</b>	<b>7,951.27</b>										
Non-current portion																							6,459.64	
Current maturities																							1,491.63	
<b>Sub Total</b>																							<b>7,951.27</b>	
Matured but not claimed (Refer Note 8)																							65.25	
<b>Total</b>																							<b>8,016.52</b>	

### Nature of Security

Non Convertible Debentures shall rank pari passu and the amount including its principal and interest amount are fully secured by hypothecation of all current assets, book debts and receivables of the company, on a pari passu basis with other creditors both present and future except those receivable specifically & exclusively charged. No debenture redemption reserve is created, being a private placement as per the requirements of the Companies (Share Capital & Debenture) Rules 2014.

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 5.3 Term loans

Particulars	Interest Rate	Remaining Maturity as on March 31, 2023 (Monthly Instalments)	Remaining Maturity as on March 31, 2022 (Monthly Instalments)	Non-current portion		Current maturities	
				As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>i) Indian Rupee loan from banks (Secured)</b>							
AU Small Finance Bank Ltd @ REPO rate + 7.50%	11.50 % pa	-	11	-	-	-	442.01
AU Small Finance Bank Ltd @ REPO rate + 7.20%	13.45 % pa	16	-	208.33	-	458.33	-
AU Small Finance Bank Ltd @ REPO rate + 6.25%	12.50 % pa	22	-	291.67	-	350.00	-
Bandhan Bank Ltd	11.85% pa	7	19	148.93	112.30	363.64	
CSB Bank Ltd @ one year MCLR + 2.25%	12.35 % pa	18	30	184.89	120.37	125.01	
CSB Bank Ltd @ one year MCLR + 2.30%	12.10 % pa	21	33	432.77	241.73	250.01	
ESAF Small Finance Bank Ltd, linked to Repo Rate	12.85% pa	-	1	-	-	-	43.12
ESAF Small Finance Bank Ltd @ REPO rate +7.85%	14.35% pa	12	24	342.78	342.78	342.90	
ESAF Small Finance Bank Ltd @ REPO rate +7.85%	14.35% pa	18	30	256.90	171.60	171.60	
ESAF Small Finance Bank Ltd @ REPO rate + 6.95%	13.45% pa	26	-	724.53	-	537.28	-
ESAF Small Finance Bank Ltd @ REPO rate + 6.30%	12.80 % pa	20	-	574.55	-	425.45	-
Fincare Small Finance Bank Ltd @ 3 month daily average yield of 10 yr G-Sec + spread 5.44%	12.90 % pa	24	-	532.45	-	467.55	-
IDFC First Bank Ltd	14.00 % pa	3	15	55.55	56.22	225.53	
IDFC First Bank Ltd	11.85 % pa	12	24	666.66	666.66	666.67	
IDFC First Bank Ltd	10.50 % pa	26	-	194.44	-	166.67	-
NABARD	9.00 % pa	-	12	-	-	-	539.90
State Bank of India @ one year MCLR + 2.50 %	10.75 % pa	9 (quarterly)	13 (quarterly)	1,124.99	499.20	500.00	
The South Indian Bank Ltd @ MCLR + 2.1%	10.30 % pa	-	12	-	-	-	63.68
The Federal Bank Ltd @ one year MCLR + 2.05%	9.95 % pa	11	23	62.86	62.86	68.57	
ICICI Bank Ltd	8.35 % pa	-	12	-	-	-	3.84
HDFC Bank Ltd	8.00 % pa	56	-	38.51	-	8.69	-
<b>Total (i)</b>				<b>3,524.74</b>	<b>3,276.33</b>	<b>4,687.69</b>	<b>3,806.48</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**NOTE: 5.3 Term loans (Contd.)**

Particulars	Interest Rate	Remaining Maturity as on March 31, 2023 (Monthly Instalments)	Non-current portion		Current maturities	
			As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>ii) Indian Rupee loan from NBFC's (Secured)</b>						
Muthoot Capital Services Ltd	14.50 % pa	-	6	-	-	99.99
Muthoot Capital Services Ltd	13.50 % pa	21	-	562.50	-	750.00
Muthoot Finance Ltd	12.60 % pa	12	-	419.00	-	581.00
Muthoot Finance Ltd	13.00 % Pa	12	-	502.00	-	498.00
Muthoot Money Ltd	13.40 % pa	15	-	160.00	-	672.00
Muthoot Vehicle & Asset Finance Ltd	13.40 % pa	12	-	-	500.00	-
Vivriti Capital Pvt Ltd	14.75 % pa	-	2	-	-	21.27
Vivriti Capital Pvt Ltd	13.10 % pa	24	-	1,000.00	-	1,000.00
<b>Total (ii)</b>			<b>2,643.50</b>	<b>-</b>	<b>4,001.00</b>	<b>121.26</b>
<b>Total (i + ii)</b>			<b>6,168.24</b>	<b>3,276.33</b>	<b>8,688.69</b>	<b>3,927.74</b>

Term loans from banks, are secured by pari passu charge on entire Gold Loan, Vehicle Loan, Business Loan, Micro Loan, Term Loan and CD loan receivables.

Term loans & Overdraft facilities from The South Indian Bank Ltd and State Bank of India are secured by collateral charge over the land and properties owned by Mr I Unnikrishnan, Managing Director, in addition to the pari passu charge over the present and future loans and receivables of the Company.

Working Capital Demand Loans (WCDL) from The Federal Bank Ltd is having a collateral charge over the land owned by the Company in addition to the pari passu charge over receivables of the Company.

All the term loans listed above are having personal guarantee of Promoter and Managing Director, Mr. Unnikrishnan I. in addition to the paripassu charge over receivables of the company

Term loans from ESAF Small Finance Bank Ltd, The South Indian Bank Ltd, State Bank of India, CSB Bank Ltd and Bandhan Bank Ltd are having personal guarantee of Chairman, Mr Ramachandran Ottappathu in addition to the paripassu charge over receivables of the company

Term loans from The South Indian Bank Ltd and State Bank of India are having personal guarantee of Mrs Sathyalakshmi M, wife of Promoter & Managing Director Mr Unnikrishnan I, in addition to the paripassu charge over receivables of the company

Refer Note no 23 for details of transactions with related parties included in above.

## Note 6 Other Long Term Liabilities

	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due on Non-Convertible Debentures	545.50	585.40
Interest accrued but not due on Subordinated Debt	652.55	426.90
	<b>1,198.05</b>	<b>1,012.30</b>

Refer Note no 23 for details of transactions with related parties included in above.

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 7

### Short-term borrowings

	As at March 31, 2023	As at March 31, 2022
<b>Loans repayable on demand:</b>		
- <b>Overdraft Facility from Banks - Secured (Refer Note 7.1)</b>		
State Bank of India (Refer Note 7.2)	1,867.76	1,640.47
The South Indian Bank Ltd (Refer note under note 5.3)	227.84	305.08
Dhanlaxmi Bank Ltd (Refer Note 7.3)	2,069.05	3,090.20
The Karur Vysya Bank Ltd (Refer Note 7.4)	1,772.36	764.06
The Federal Bank Ltd (Refer Note 7.4)	227.42	125.40
- <b>Working Capital demand loan from banks - Secured</b>		
The Federal Bank Ltd	1,200.00	-
Dhanlaxmi Bank Ltd	1,500.00	-
- <b>Current maturities of long-term borrowings* (Refer Note 5)</b>		
Sub-ordinated debt (Unsecured)	812.60	1,133.22
Redeemable Non-convertible Debentures	1,325.07	1,491.63
Term Loans from Banks	4,687.69	3,806.48
Term Loans from NBFC's	4,001.00	121.26
	<b>19,690.79</b>	<b>12,477.80</b>
The above amount includes		
Secured borrowings	18,878.19	11,344.58
Unsecured borrowings	812.60	1,133.22
<b>Total</b>	<b>19,690.79</b>	<b>12,477.80</b>

Interest rates on the bank facilities ranges from 9.60 % p.a. to 11.20 % p.a.

**7.1:** Overdraft facility from banks are secured by pari passu charge on hypothecation of all movable assets, current assets, book debts, and receivables (both present & future) in the name of the Company.

**7.2:** Overdraft facility from State Bank of India is having collateral charge over residential property owned by Mr I Unnikrishnan and cash collateral for ₹ 450 Lakhs.

**7.3:** Overdraft facility from Dhanlaxmi Bank Ltd is secured by charge on Foreign Currency Non Repatriable (FCNR) deposit of director & his relative, in addition to pari passu charge on Company's assets & receivables.

**7.4:** Overdraft facilities from The Karur Vysya Bank Ltd & The Federal Bank Ltd are having a collateral charge over the land owned by the Company.

**7.5:** \* Refer Note no 5 for details of terms and conditions of current maturities of long-term borrowings

**7.6:** All the term loans listed above are having personal guarantee of Promoter and Managing Director, Mr. Unnikrishnan I. in addition to the paripassu charge over receivables of the company

**7.7:** Credit facilities from Dhanlaxmi Bank Ltd, The South Indian Bank Ltd, The Karur Vysya Bank Ltd and State Bank of India are having personal guarantee of Chairman, Mr Ramachandran Ottapathu, in addition to the paripassu charge of receivables of the company

**7.8:** Credit facilities from The South Indian Bank Ltd and State Bank of India are having personal guarantee of Mrs Sathyalakshmi M, wife of Promoter & Managing Director Mr Unnikrishnan I, in addition to the paripassu charge over receivables of the company

**7.9:** Credit facilities from Dhanlaxmi Bank Ltd is having personal guarantee of Mrs Jalajakumari , wife of Chairman, Mr Ramachandran Ottapathu, in addition to the paripassu charge over receivables of the company

**7.10:** Refer Note no 23 for details of transactions with related parties included in above.

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 8

### Other current liabilities

	As at March 31, 2023	As at March 31, 2022
Interest accrued & due on subordinated debts	43.91	40.21
Interest accrued & due on Non-Convertible Debentures	48.69	49.65
Interest accrued but not due on Non-Convertible Debentures	333.59	293.42
Interest accrued but not due on Subordinated Debt	112.78	467.12
Other Interest payable	25.36	4.17
Statutory dues payable	91.12	66.84
Expenses payable	128.05	124.07
Unpaid Dividend	4.95	-
Unclaimed matured Non convertible debentures	26.06	65.25
Unclaimed matured Subordinated Debts	27.12	37.52
Others *	35.17	44.67
<b>Total</b>	<b>876.80</b>	<b>1,192.92</b>

Refer note no 23 for details of transactions with related parties included in above.

\* This includes an unclaimed amount of ₹ 33.08 Lakhs towards cheques issued to gold loan customers against the excess amount received during the auction of pledged gold ornaments.

## Note 9

### Provisions

Particulars	Non - Current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Provision for employee benefits</b>				
- Gratuity (refer note 24)	139.20	129.46	-	-
- Leave encashment *	6.61	6.84	3.69	4.09
- Bonus	-	-	114.93	100.53
<b>Total (A)</b>	<b>145.81</b>	<b>136.30</b>	<b>118.62</b>	<b>104.62</b>
- See note 2.1 (i) for disclosures required under Accounting Standards (AS15) " Employee benefits" (revised 2005)				
* Liability towards encashment of earned leave is done as per valuation by actuary.				
<b>Provision against loans &amp; advances</b>				
- Provision for non performing loan portfolio	365.12	336.99	-	-
- Provision for standard assets	51.34	11.09	101.80	86.66
- Provision for restructured loans	1.74	26.67	1.55	30.95
<b>Total (B)</b>	<b>418.20</b>	<b>374.75</b>	<b>103.35</b>	<b>117.61</b>
<b>Provision for Income Tax net of advance tax paid</b>				
<b>Total (C )</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.16</b>
<b>Total Provisions (A+B+ C)</b>	<b>564.01</b>	<b>511.05</b>	<b>221.97</b>	<b>227.39</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**NOTE: 9 Provisions (Contd.)**

**Movement in Provisions :**

	As at 31.03.2023	As at 31.03.2022
<b>1) Provision for gratuity</b>		
Opening balance	129.46	135.19
Add :- Recognised during the year	34.74	29.27
Less :- Utilized during the year	25.00	35.00
Closing balance	139.20	129.46
<b>2) Provision for Leave encashment</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Opening balance	10.93	9.40
Add :- Recognised during the year	-	1.53
Less :- Utilized during the year	0.63	-
Closing balance	10.30	10.93
<b>3) Provision for bonus</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Opening balance	100.53	98.53
Add :- Recognised during the year	93.50	76.00
Less :- Utilized during the year	79.10	74.00
Closing balance	114.93	100.53
<b>4) Provision for non performing loan portfolio</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Opening balance	336.99	240.92
Add :- Recognised during the year	28.13	96.07
Less :- Utilized during the year	-	-
Closing balance	365.12	336.99
<b>5) Provision for standard assets</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Opening balance	97.75	102.62
Add :- Recognised during the year	55.39	(4.87)
Less :- Utilized during the year	-	-
Closing balance	153.14	97.75
<b>6) Provision for restructured loans</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Opening balance	57.61	21.41
Add :- Recognised during the year	-	36.21
Less :- Utilized during the year	54.32	-
Closing balance	3.29	57.62

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## NOTE: 10A

### Property, Plant and Equipment

Particulars	Land	Buildings	Office equipment	Computer equipment	Furniture and Fixtures	Vehicles		Electrical Fittings	Total
						Motor Car	Motor cycle		
<b>Gross Block</b>									
<b>At April 1, 2021</b>	<b>1,142.47</b>	<b>134.15</b>	<b>183.23</b>	<b>241.35</b>	<b>734.33</b>	<b>48.92</b>	<b>5.57</b>	<b>71.71</b>	<b>2,561.73</b>
Additions FY 2021-22	-	-	44.10	54.40	162.03	-	-	0.40	260.93
Deletions/adjustment	-	-	14.27	15.63	8.86	-	1.59	2.50	42.85
<b>At March 31, 2022</b>	<b>1,142.47</b>	<b>134.15</b>	<b>213.06</b>	<b>280.12</b>	<b>887.50</b>	<b>48.92</b>	<b>3.98</b>	<b>69.61</b>	<b>2,779.81</b>
Additions FY 2022-23	-	-	25.42	54.35	218.76	68.90	-	0.25	367.68
Deletions/adjustment	-	-	7.03	5.76	29.30	13.01	-	1.27	56.37
<b>At March 31, 2023</b>	<b>1,142.47</b>	<b>134.15</b>	<b>231.45</b>	<b>328.71</b>	<b>1,076.96</b>	<b>104.81</b>	<b>3.98</b>	<b>68.59</b>	<b>3,091.12</b>
<b>Accumulated Depreciation</b>									
<b>Up to April 1, 2021</b>	<b>-</b>	<b>29.19</b>	<b>144.03</b>	<b>206.86</b>	<b>446.49</b>	<b>37.67</b>	<b>5.36</b>	<b>48.35</b>	<b>917.95</b>
Charge for the year 2021-22	-	11.53	25.89	35.79	94.73	3.46	-	5.95	177.35
Disposal/Adjustment	-	-	13.82	15.12	8.38	-	1.53	2.34	41.19
<b>Up to March 31, 2022</b>	<b>-</b>	<b>40.72</b>	<b>156.10</b>	<b>227.53</b>	<b>532.84</b>	<b>41.13</b>	<b>3.83</b>	<b>51.96</b>	<b>1,054.11</b>
Charge for the year 2022-23	-	10.26	30.23	46.98	121.62	10.44	-	4.44	223.97
Disposal/Adjustment	-	-	6.17	5.54	21.66	12.00	-	1.18	46.55
<b>Up to March 31, 2023</b>	<b>-</b>	<b>50.98</b>	<b>180.16</b>	<b>268.97</b>	<b>632.80</b>	<b>39.57</b>	<b>3.83</b>	<b>55.22</b>	<b>1,231.53</b>
<b>Net block</b>									
<b>At March 31, 2022</b>	<b>1,142.47</b>	<b>93.43</b>	<b>56.96</b>	<b>52.59</b>	<b>354.66</b>	<b>7.79</b>	<b>0.15</b>	<b>17.65</b>	<b>1,725.70</b>
<b>At March 31, 2023</b>	<b>1,142.47</b>	<b>83.17</b>	<b>51.29</b>	<b>59.74</b>	<b>444.16</b>	<b>65.24</b>	<b>0.15</b>	<b>13.37</b>	<b>1,859.59</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**NOTE: 10B****Intangible assets**

Particulars	Computer Software
<b>Gross Block</b>	
<b>At April 1, 2021</b>	<b>20.27</b>
Purchase	7.08
Deletions	7.62
<b>At March 31, 2022</b>	<b>19.73</b>
Purchase	0.66
Deletions	-
<b>At March 31, 2023</b>	<b>20.39</b>
<b>Amortization</b>	
<b>Upto March 31, 2021</b>	<b>14.15</b>
Charge for the year 2021-22	4.83
Deletions	7.62
<b>Upto 31 March , 2022</b>	<b>11.36</b>
Charge for the year 2022-23	5.13
Deletions	-
<b>Upto 31 March , 2023</b>	<b>16.49</b>
<b>Net block</b>	
<b>At March 31, 2022</b>	<b>8.37</b>
<b>At March 31, 2023</b>	<b>3.90</b>

**NOTE: 10 C****Capital Work-in-Progress**

Particulars	As at March 31, 2023	As at March 31, 2022
Furniture & Fixtures	27.58	14.41
Computer equipment	3.36	-
<b>Total</b>	<b>30.94</b>	<b>14.41</b>

**CWIP ageing schedule**

Particulars	Less than 1 year		More than 1 year		Total	
	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022	As at 31st March 2023	As at 31st March 2022
Ongoing projects - Furniture & fixtures	27.58	14.41	-	-	27.58	14.41
Ongoing projects - Computer equipments	3.36	-	-	-	3.36	-
Projects suspended	-	-	-	-	-	-
<b>Total</b>	<b>30.94</b>	<b>14.41</b>	<b>-</b>	<b>-</b>	<b>30.94</b>	<b>14.41</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## NOTE: 11

### Deferred Tax Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets on account of :-		
- Accumulated depreciation difference	106.35	89.82
- Provision on advances / loan portfolio	131.27	123.93
- Provision for employee benefits	35.04	32.59
<b>Total Deferred Tax Asset</b>	<b>272.66</b>	<b>246.34</b>

## NOTE: 12

### Loans and advances

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Portfolio Loan</b>				
<b>Secured, considered good</b>				
- Gold Loan #	-	-	31,861.36	24,386.62
- Term Loan*	227.55	352.14	189.38	199.55
- Vehicle Loan*	3,669.80	3,543.76	3,960.35	3,603.08
	<b>3,897.35</b>	<b>3,895.90</b>	<b>36,011.09</b>	<b>28,189.25</b>
<b>Secured, considered doubtful</b>				
- Gold Loan	6.47	26.34	-	-
- Term Loan*	267.99	247.00	-	-
- Business Loan*	0.16	3.86	-	-
- Vehicle Loan*	490.26	410.59	-	-
	<b>764.88</b>	<b>687.79</b>	-	-
<b>Portfolio Loan</b>				
<b>Unsecured, considered good</b>				
- Business Loan*	113.44	54.13	2,478.63	948.98
- Micro Loans*	-	-	1,275.29	56.97
- Consumer durable loan*	-	-	15.89	-
	<b>113.44</b>	<b>54.13</b>	<b>3,769.81</b>	<b>1,005.95</b>
<b>Unsecured, considered doubtful</b>				
- Business Loan*	12.61	44.37	-	-
- Micro Loans*	2.74	0.93	-	-
	<b>15.35</b>	<b>45.30</b>	-	-
<b>Unsecured, considered good</b>				
<b>Advances recoverable in cash or in kind or for value to be received:</b>				
Staff Loan	14.45	11.78	-	-
Trade Advances	-	-	4.89	2.58
	<b>14.45</b>	<b>11.78</b>	<b>4.89</b>	<b>2.58</b>
<b>Total</b>	<b>4,805.47</b>	<b>4,694.90</b>	<b>39,785.79</b>	<b>29,197.78</b>

# During the period, company has started co-lending partnership with IndusInd bank for Gold loan portfolio and an amount of ₹ 49.06 lakhs representing bank's share of 70% on such loans is netted off from the loan amount, being an off book exposure of the company as on 31.03.2023

\* including interest on instalments due

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## NOTE: 13

### Other assets

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>Secured, considered good</b>				
- <b>Security Deposits</b>				
Rental deposits	294.43	262.26	-	-
National Savings Certificates- deposited as security under Kerala Money Lenders Act	18.15	24.90	-	-
Other security deposits	0.84	0.84	-	-
<b>Total (a)</b>	<b>313.42</b>	<b>288.00</b>	-	-
- <b>Others</b>				
Interest accrued but not due on loans	-	-	1,340.55	1,096.16
Interest accrued but not due on deposits	-	-	5.41	15.68
Advance taxes net of provisions	84.87	-	-	-
Prepaid expenses	-	-	126.88	42.64
Others	-	-	17.62	21.70
<b>Total (b)</b>	<b>84.87</b>	-	<b>1,490.46</b>	<b>1,176.18</b>
<b>Total (a+b)</b>	<b>398.29</b>	<b>288.00</b>	<b>1,490.46</b>	<b>1,176.18</b>

## NOTE: 14

### Cash and cash equivalents

Particulars	Non-current		Current	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
<b>(a) Cash &amp; Cash Equivalents</b>				
(i) Balance with banks	-	-	171.03	462.91
(ii) Cash in hand	-	-	333.87	277.39
<b>(b) Other Bank Balances</b>				
(i) Earmarked balance with banks				
- Against cheques issued for surplus on gold auction (note 14.1)	-	-	32.85	43.44
- Unpaid dividend account	-	-	4.95	-
(ii) Margin money / Cash collateral with banks				
- Fixed Deposits with remaining maturity for less than 12 months (note 14.2)	-	-	700.00	605.57
<b>Total Cash and Cash Equivalents</b>	-	-	<b>1,242.70</b>	<b>1,389.31</b>

**14.1** - Represents unclaimed amount kept in separate bank account with SBI, towards payment of surplus amount received over and above the outstanding amount at the time of gold auctions

**14.2** - Fixed Deposits held with State Bank of India (₹ 450.00 Lakhs) as collateral for the credit facilities extended by the State bank of India and with Indusind bank (₹ 250.00 Lakhs) as security for the co-lending facility sanctioned by Indusind bank

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## NOTE: 15

### Revenue from Operations

	Year ended March 31, 2023	Year ended March 31, 2022
Interest Received on Gold Loans	5,670.97	5,166.77
Interest Received on Term Loans	135.85	170.76
Interest Received on Vehicle loans	1,778.63	1,541.15
Interest Received on Business loans	448.46	183.28
Interest Received on Micro Loans	162.07	34.79
Other Loans	2.75	2.00
<b>Total Interest income (A)</b>	<b>8,198.73</b>	<b>7,098.75</b>
<b>Other operating revenue</b>		
Documentation fee	198.06	92.02
Processing & related charges	174.89	137.53
Overdue collection charges	190.93	113.22
Interest on Bank deposits	30.60	30.92
Bad debts written off recovered	99.88	61.01
Penal Interest	218.70	285.77
Others	40.85	20.88
<b>Total other operating revenue (B)</b>	<b>953.91</b>	<b>741.35</b>
<b>Revenue from operations (A+B)</b>	<b>9,152.64</b>	<b>7,840.10</b>

## NOTE: 16

### Other Income

	Year ended March 31, 2023	Year ended March 31, 2022
Interest on Income tax refund	-	0.86
Miscellaneous receipts	9.24	14.23
<b>Total</b>	<b>9.24</b>	<b>15.09</b>

## NOTE: 17

### Employee benefits expense

	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	2,511.09	1,910.37
Contribution to provident and other funds	237.15	184.46
Gratuity expense (Note 24)	41.49	29.95
Staff welfare expenses	25.90	23.89
<b>Total</b>	<b>2,815.63</b>	<b>2,148.67</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## NOTE: 18

### Finance costs

	Year ended March 31, 2023	Year ended March 31, 2022
<b>a) Interest expense on</b>		
- Non- Convertible Debentures	946.98	983.60
- Sub ordinated debts	904.80	851.28
- Bank overdrafts	716.13	394.53
- Term loan from bank / financial institutions	1,201.77	1,019.63
<b>b) Other borrowing costs</b>		
- Loan processing charges	84.08	73.72
- other	0.21	-
<b>Total</b>	<b>3,853.97</b>	<b>3,322.76</b>

Refer note no 23 for details of transactions with related parties included in above.

## NOTE: 19

### Depreciation and amortization expense

	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation (Note 10A)	223.97	177.35
Amortization of intangible assets (Note 10B)	5.13	4.83
<b>Total</b>	<b>229.10</b>	<b>182.18</b>

## NOTE: 20

### Other expenses

	Year ended March 31, 2023	Year ended March 31, 2022
Rent	357.97	316.87
Legal and professional fees	127.42	118.47
Brokerage and commission expenses	57.67	59.95
Office expenses	74.36	61.52
Rates and taxes	102.17	63.72
Insurance	16.64	9.42
Repairs and maintenance	40.11	20.49
Advertising and sales promotion	46.81	36.18
Travelling and conveyance	98.06	64.40
Communication costs	70.37	58.81
Printing and stationery	38.05	25.64
IT Support costs	16.91	13.98
Sitting fee to directors	14.03	14.67
Miscellaneous expenses	0.57	0.40
Bank charges	35.43	21.09
Loss on sale of Property, Plant and Equipment	2.21	0.44
CSR Expenses	17.53	15.58
<b>Total</b>	<b>1,116.31</b>	<b>901.63</b>
<b>Legal and professional fees includes payment to statutory auditors</b>		
- For statutory audit	16.00	16.00
- For other certification	2.50	-
- For travelling and out of pocket expenses	0.34	-
	<b>18.84</b>	<b>16.00</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## NOTE: 21

### Provisions and Write off

	Year ended March 31, 2023	Year ended March 31, 2022
Bad debts / advances written off	345.85	329.50
Provision for non performing assets	28.13	96.07
Provision for Standard assets	55.39	(4.87)
Provision for Restructured Loans	(54.33)	36.20
<b>Total</b>	<b>375.04</b>	<b>456.90</b>

Refer note no 23 for details of transactions with related parties included in above.

## Note: 22

### Earnings per share (EPS)

	Year ended March 31, 2023	Year ended March 31, 2022
Net Profit after tax for the year	605.60	619.07
Average number of equity shares in calculating Basic EPS (Nos.)	5,54,49,420	5,54,49,420
<b>Effect of dilution</b>		
Stock option granted under ESOP (Nos)	1,60,000	2,42,000
Average number of equity shares in calculating Diluted EPS (Nos.)	5,56,09,420	5,56,91,420
<b>Basic Earnings per Share (BEPS) in ₹</b>	<b>1.09</b>	<b>1.12</b>
<b>Diluted Earnings per Share (DEPS) in ₹</b>	<b>1.09</b>	<b>1.11</b>

## Note 23 :

### Related parties with whom transactions have taken place during the year

#### Names of Related Parties

Relationship	Name of the party
Associates / Enterprises owned or significantly influenced by key management personnel or their relatives	M/s Yogakshemam Management & Insurance services Ltd M/s Ottappath Projects & Developers Pvt Ltd
Key Management Personnel	Mr. I Unnikrishnan (Managing Director & Chief Executive Officer) Mr. Rajesh Kumar K Pillai (Company Secretary) Mr. Prasad P (Chief Financial Officer)
Other Directors	Mr. Ramachandran Ottappath (Chairman) Mr. N D Vijayan Dr. Pushpangadan M Mr. Anoop G Mr. Santhosh Kurup Mr. P N Unnirajan

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**NOTE: 23 Related parties with whom transactions have taken place during the year (Contd.)**

Relatives of Directors & key management personnel	Sathyalakshmi Unnikrishnan (Wife of Mr I Unnikrishnan) Jalajakumari Ramachandran ( Wife of Mr Ramachandran Ottappath) Abhijith Unnikrishnan (Son of Mr I Unnikrishnan) Rema Vijayan (Wife of Mr N D Vijayan) Geetha Pushpangadan (Wife of Mr Pushpangadan M) Aiswarya Unnikrishnan (Daughter of Mr I Unnikrishnan) Sureshkumar I (Brother of Mr Unnikrishnan I) Sreeja K ( Wife of Mr Anoop G.) Smitha Rajesh (Wife of Mr Rajeshkumar K Pillai) Archana G. (Wife of Mr. Prasad P.)
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**Related Party transactions 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, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Debentures and Subordinated Debt issued during the year</b>						
- Sathyalakshmi Unnikrishnan					10.00	50.00
- Aiswarya Unnikrishnan					-	50.00
- Geetha Pushpangadhan					20.00	-
- Abhijith Unnikrishnan					14.00	-
- Smitha Rajesh					-	5.25
<b>Debentures and Subordinated Debt redeemed during the year</b>						
- Sathyalakshmi Unnikrishnan					17.25	26.20
- Aiswarya Unnikrishnan					32.00	7.50
- Smitha Rajesh					-	0.28
- Geetha Pushpangadhan					10.00	-
- Rema Vijayan					2.00	-
<b>Interest paid on Debentures &amp; Subordinated debts</b>						
- Sathyalakshmi Unnikrishnan					14.58	14.10
- Rema Vijayan					2.09	1.98
- Geetha Pushpangadhan					10.78	10.05
- Aiswarya Unnikrishnan					10.10	10.84
- Abhijith Unnikrishnan					2.15	0.78
- Sreeja K					0.77	0.70
- Smitha Rajesh					0.94	0.63
- Archana G					0.06	0.06

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**NOTE: 23 Related parties with whom transactions have taken place during the year (Contd.)**

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, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Rent Paid (including GST)</b>						
- Ottappath Projects & Developers Pvt Ltd	32.00	32.00				
<b>Salary Paid</b>					4.20	3.21
- Mr Sureshkumar I						
<b>Dividend paid to Directors &amp; Key Management Personnel</b>						
- Unnikrishnan I		38.50	-			
- Ramachandran Ottappath		49.29	-			
- Anoop G		1.00	-			
- Pushpangadan M		0.40	-			
- Santhosh Kurup		0.41	-			
- N D Vijayan		0.59	-			
- Rajesh Kumar K		0.23	-			
- Prasad P		0.04	-			
<b>Dividend paid to director's relatives</b>					23.20	-
- Sathyalakshmi Unnikrishnan						
- Jalajakumari Ramachandran					49.31	-
- Abhijith Unnikrishnan						
- Rema Vijayan						
<b>Sitting fee paid to directors</b>					0.02	-
- Anoop G		2.52	2.72			
- Pushpangadan M		2.79	2.95			
- Santhosh Kurup		2.24	2.38			
- N D Vijayan		3.30	3.38			
- P N Unnirajan		3.18	3.24			
<b>Remuneration to Directors &amp; Key Management Personnel</b>						
- I Unnikrishnan		66.00	64.63			
- Rajesh Kumar K		32.50	30.74			
- Prasad P		24.03	22.41			
<b>Balance outstanding as at the year end:</b>						
<b>i) Non Convertible Debentures &amp; Subordinated debts</b>						
- Sathyalakshmi Unnikrishnan					117.00	114.25
- Abhijith Unnikrishnan						20.50
- Aiswarya Unnikrishnan						50.00
- Rema Vijayan						10.00
- Geetha Pushpangadan						85.00
- Sreeja K						5.00
- Smitha Rajesh						7.75
- Archana G						0.50

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**NOTE: 23 Related parties with whom transactions have taken place during the year (Contd.)**

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, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>ii) Interest payable on the borrowings referred to above -</b>						
- Sathyalakshmi Unnikrishnan					2.51	15.51
- Abhijith Unnikrishnan					2.47	0.68
- Aiswarya Unnikrishnan					0.46	16.94
- Rema Vijayan					7.94	7.87
- Geetha Pushpangadhan					17.49	18.29
-Sreeja K					2.13	1.44
-Smitha Rajesh					1.77	0.82
-Archana G					0.12	0.06
<b>Maximum outstanding during the year:</b>						
<b>i) Non Convertible Debentures &amp; Subordinated debts</b>						
- Sathyalakshmi Unnikrishnan					127.25	129.75
- Abhijith Unnikrishnan					20.50	6.50
- Aiswarya Unnikrishnan					82.00	89.50
- Rema Vijayan					12.00	12.00
- Geetha Pushpangadhan					85.00	75.00
-Sreeja K					5.00	5.00
-Smitha Rajesh					7.75	7.75
-Archana G					0.50	0.50
<b>ii) Interest payable on the borrowings referred to above -</b>						
- Sathyalakshmi Unnikrishnan					16.36	15.83
- Abhijith Unnikrishnan					2.62	0.69
- Aiswarya Unnikrishnan					19.73	22.60
- Rema Vijayan					9.68	7.87
- Geetha Pushpangadhan					25.60	18.69
-Sreeja K					2.16	1.47
-Smitha Rajesh					1.77	0.87
-Archana G					0.12	0.06

**Note:**

- i) Related parties have been identified on the basis of the declarations received by the management and other records available.
- ii) No amount has been provided/ written off as doubtful debts or no advances have been written back in respect of payables due from or to any of the above related parties.

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 24 :

### Employment benefits disclosures:

During the year, following amounts have been recognised in the statement of Profit & Loss on account of defined contribution plans

Particulars	31-Mar-23	31-Mar-22
Employer's contribution to Provident Fund	196.58	145.48
Employer's contribution to Employee State Insurance	40.58	38.98
<b>Total</b>	<b>237.16</b>	<b>184.46</b>

The company has availed Aatmanirbhar Bharat Rozgar Yojana (ABRY) scheme during the year and an amount of INR 1.48 Lakhs (Year ended March 31, 2022 - INR 4.25 Lakhs) benefited as government grant by the Company has been shown reduced from contribution to provident fund. .

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 basic salary plus DA) for each completed year of service. The scheme is funded with Life Insurance Corporation of India and Kotak Mahindra Life Insurance Company 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

Expenses recognised in the statement of profit & Loss	31-Mar-23	31-Mar-22
Current service cost	44.34	37.96
Interest cost on benefit obligation	11.85	9.98
Expected return on plan assets	(3.97)	(2.95)
Past service cost	4.69	-
Net actuarial (gain)/loss recognized in the year	(15.42)	(15.04)
<b>Net (benefit) / expense</b>	<b>41.49</b>	<b>29.95</b>

Net liability /(Assets) recognised in the balance sheet	31-Mar-23	31-Mar-22
Defined benefit obligation	227.35	215.41
Fair value of plan assets	(88.15)	(85.95)
<b>(Asset)/liability recognized in the balance sheet</b>	<b>139.20</b>	<b>129.46</b>
Experience adjustments on plan liabilities (Gain) / Loss	(2.00)	(10.26)
Experience adjustments on plan assets Gain / (Loss)	(1.44)	(1.75)

### Reconciliation of present value of the defined benefit obligation are as follows:

	31-Mar-23	31-Mar-22
Opening defined benefit obligation	215.41	199.58
Interest cost	11.85	9.98
Current service cost	44.34	37.96
Benefits paid	(31.72)	(17.31)
Past service cost	4.69	-
Actuarial loss / (gain) on obligation	(17.22)	(14.80)
<b>Closing defined benefit obligation</b>	<b>227.35</b>	<b>215.41</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**NOTE: 24 Employment benefits disclosures (Contd.)**

**Reconciliation of fair value of plan assets are as follows:**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Opening fair value of plan assets	85.95	64.39
Expected return	3.97	2.96
Contributions by employer	31.75	35.67
Benefits paid	(31.72)	(17.31)
Actuarial gains / (losses)	(1.80)	0.24
<b>Closing fair value of plan assets</b>	<b>88.15</b>	<b>85.95</b>
Expected contribution to fund to be made in the next year	50.00	50.00

<b>Actuarial Assumptions</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
	%	%
Discount rate	7.10	5.50
Withdrawal rate	20.00	20.00
Salary growth rate	5.00	5.00
Expected return on plan assets	5.50	5.00
Mortality rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)

<b>Percentage break-down of total plan Assets</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Insurer Managed Funds (Conservative)	50%	50%
Insurer Managed Funds (Unit-linked)	50%	50%
<b>Total</b>	<b>100%</b>	<b>100%</b>

<b>Experience adjustments</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Present Value of DBO	22,735.00	21,541.00	19,958.00	11,842.00	9,504.00
Fair Value of Plan Assets	8,815.00	8,595.00	6,439.00	5,497.00	3,302.00
Funded Status [Surplus/ (Deficit)]	(13,920.00)	(12,946.00)	(13,519.00)	(6,345.00)	(6,202.00)
Experience Adjustment on Plan Liabilities: (Gain) /Loss	(200.00)	(1,026.00)	4,682.00	(242.00)	537.00
Experience Adjustment on Plan Assets: Gain / (Loss)	(144.00)	(175.00)	(168.00)	(146.00)	(95.00)

- i) The fund is administered by Life Insurance Corporation of India ("LIC") and Kotak Mahindra Life Insurance Company 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.
- ii) 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.
- iii) The above disclosures are based on information certified by the independent actuary and relied upon.

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 25 : Lease Disclosures

### (i) 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. There are no non-cancellable leases in books as at March 31, 2023 and as at 31<sup>st</sup> March, 2022 and hence lease commitments are not disclosed.

Particulars	March 31, 2023	March 31, 2022
<b>(a) Lease rentals recognised in statement of profit and Loss and debited in operating lease obligations</b>	<b>357.97</b>	<b>316.87</b>
<b>(b) Future minimum lease rentals payable as per lease agreement at the year end</b>		
(i) Not later than one year	361.65	316.97
(ii) Later than one year and not later than five years	1,288.20	1,169.42
(iii) Later than five years	528.35	544.04
<b>Total future minimum lease rental</b>	<b>2,178.20</b>	<b>2,030.43</b>

### (ii) Finance Leases:

The Company has no assets taken on finance lease, as on March 31, 2023 and as at 31<sup>st</sup> March, 2022.

## Note 26: 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 27 :

**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:**

### a) Year ended March 31, 2023

S. No	Item description	Number of Loan Accounts	Principal Amount outstanding at the dates of auctions (A)	Interest & Other Charges outstanding at the dates of auctions (B)	Total (A+B)	Value fetched
1	Gold Ornaments	2,307.00	732.93	178.26	911.19	962.66
2	Vehicles	751.00	562.82	114.97	677.80	401.04

### b) Year ended March 31, 2022

S. No	Item description	Number of Loan Accounts	Principal Amount outstanding at the dates of auctions (A)	Interest & Other Charges outstanding at the dates of auctions (B)	Total (A+B)	Value fetched
1	Gold Ornaments	7,583.00	3,979.41	964.18	4,943.59	4,735.89
2	Vehicles	641.00	476.33	101.99	578.32	336.25

#### Note:

No sister concerns participated in the auctions during the period ended March 31, 2023 and March 31, 2022.

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 28 :

**Additional disclosures as required by circular no RBI/2020-21/16 - DOR No BP. BC/3/21.04.048/2020-21 Dated 6<sup>th</sup> August 2020 issued by the Reserve Bank of India**

### Summary of restructured assets as on March 31, 2023

#### a) Restructuring done during FY 2021-22 (Covid II)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31.03.2022 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this year
Business loan	40.13	1.90	11.39	46.86	2.22
Term loan	86.28	10.61	-	70.85	43.21
Vehicle loan	400.44	33.34	16.64	320.46	184.77
Micro loan	6.73	-	1.64	7.58	-
<b>Total</b>	<b>533.58</b>	<b>45.85</b>	<b>29.66</b>	<b>445.75</b>	<b>230.20</b>

#### b) Restructuring done during FY 2020-21 (Covid I)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31.03.2022 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this year
Business loan	26.78	-	12.54	39.94	0.13
Term loan	56.61	19.41	-	33.57	48.29
Micro loan	1.47	-	0.43	1.67	-
<b>Total</b>	<b>84.86</b>	<b>19.41</b>	<b>12.97</b>	<b>75.17</b>	<b>48.42</b>

### Summary of restructured assets as on March 31, 2022

#### a) Restructuring done during FY 2021-22 (Covid II)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year*	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this year*
Business loan	87.13	1.78	-	55.47	40.13
Term loan	123.85	-	-	50.08	86.28
Vehicle loan	504.66	7.90	8.79	155.42	400.44
Micro loan	21.29	-	-	16.54	6.73
<b>Total</b>	<b>736.93</b>	<b>9.68</b>	<b>8.79</b>	<b>277.51</b>	<b>533.58</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**Note 28 :** Additional disclosures as required by circular no RBI/2020-21/16 - DOR No BP. BC/3/21.04.048/2020-21 Dated 6th August 2020 issued by the Reserve Bank of India (Contd.)

**b) Restructuring done during FY 2020-21 (Covid I)**

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31.03.2021 (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year*	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this year*
Business loan	79.88	15.42	-	65.84	26.78
Term loan	63.91	4.74	-	16.96	56.61
Micro loan	70.33	-	20.78	54.21	1.47
<b>Total</b>	<b>214.12</b>	<b>20.16</b>	<b>20.78</b>	<b>137.01</b>	<b>84.86</b>

\*In case of repayments by borrowers and exposure of restructured account, principle and interest are included

**Note 29 :**

**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-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Secured Loans</b>						
<b>A) Gold Loan</b>						
Standard Asset	31,861.35	24,386.62	111.51	73.16	31,749.84	24,313.46
Sub Standard Asset	0.63	21.44	0.06	2.14	0.57	19.30
Doubtful Asset	5.84	4.90	5.84	4.90	-	-
<b>Total - A</b>	<b>31,867.82</b>	<b>24,412.96</b>	<b>117.41</b>	<b>80.20</b>	<b>31,750.41</b>	<b>24,332.75</b>
<b>B) Business Loan</b>						
Doubtful Asset	0.16	3.86	0.16	3.86	-	-
<b>Total - B</b>	<b>0.16</b>	<b>3.86</b>	<b>0.16</b>	<b>3.86</b>	<b>-</b>	<b>-</b>
<b>C) Term Loan</b>						
Standard Asset*	416.93	551.69	3.58	15.05	413.35	536.64
Sub Standard Asset	78.73	66.81	7.87	6.68	70.86	60.13
Doubtful Asset	189.03	179.96	112.98	102.44	76.05	77.52
Loss Asset	0.23	0.23	0.23	0.23	-	-
<b>Total - C</b>	<b>684.92</b>	<b>798.69</b>	<b>124.66</b>	<b>124.40</b>	<b>560.26</b>	<b>674.29</b>
<b>D) Vehicle loans</b>						
Standard Asset	7,630.16	7,146.84	27.67	59.52	7,602.49	7,087.32
Sub Standard Asset	487.59	410.59	219.96	171.44	267.63	239.15
Doubtful Asset	2.67	-	2.67	-	-	-
Loss Asset	-	-	-	-	-	-
<b>Total - D</b>	<b>8,120.42</b>	<b>7,557.43</b>	<b>250.30</b>	<b>230.96</b>	<b>7,870.12</b>	<b>7,326.47</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

Note 29 : Gold and other loan portfolio classification and provision for non performing assets (As per RBI Prudential Norms) (Contd.)

Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>Secured Total</b>						
Standard Asset*	39,908.44	32,085.15	142.76	147.73	39,765.68	31,937.42
Sub Standard Asset	566.95	498.84	227.89	180.26	339.06	318.58
Doubtful Asset	197.70	188.72	121.65	111.20	76.05	77.52
Loss Asset	0.23	0.23	0.23	0.23	-	-
<b>Total Secured (A+B+C+D)</b>	<b>40,673.32</b>	<b>32,772.94</b>	<b>492.53</b>	<b>439.42</b>	<b>40,180.79</b>	<b>32,333.52</b>
<b>Unsecured Loans</b>						
<b>A) Business Loan</b>						
Standard Asset*	2,592.07	1,003.11	9.07	6.77	2,583.00	996.34
Sub Standard Asset	12.13	44.37	12.13	44.37	-	-
Doubtful Asset	0.48	-	0.48	-	-	-
<b>Total - A</b>	<b>2,604.68</b>	<b>1,047.48</b>	<b>21.68</b>	<b>51.14</b>	<b>2,583.00</b>	<b>996.34</b>
<b>B) Micro Loans</b>						
Standard Asset*	1,275.29	56.97	4.46	0.82	1,270.83	56.15
Sub Standard Asset	2.74	0.93	2.74	0.93	-	-
<b>Total - B</b>	<b>1,278.03</b>	<b>57.90</b>	<b>7.20</b>	<b>1.75</b>	<b>1,270.83</b>	<b>56.15</b>
<b>C) Consumer Durable Loans</b>						
Standard Asset	15.89	-	0.06	-	15.83	-
<b>Total - C</b>	<b>15.89</b>	<b>-</b>	<b>0.06</b>	<b>-</b>	<b>15.83</b>	<b>-</b>
<b>D) Other Advances</b>						
Standard Asset	19.34	14.36	0.07	0.04	19.27	14.32
<b>Total - D</b>	<b>19.34</b>	<b>14.36</b>	<b>0.07</b>	<b>0.04</b>	<b>19.27</b>	<b>14.32</b>
<b>Unsecured Total</b>						
Standard Asset*	3,902.59	1,074.44	13.66	7.63	3,888.93	1,066.81
Sub Standard Asset	14.87	45.30	14.87	45.30	-	-
Doubtful Asset	0.48	-	0.48	-	-	-
<b>Total Unsecured (A+B+C+D)</b>	<b>3,917.94</b>	<b>1,119.74</b>	<b>29.01</b>	<b>52.93</b>	<b>3,888.93</b>	<b>1,066.81</b>
<b>Grand Total</b>	<b>44,591.26</b>	<b>33,892.68</b>	<b>521.54</b>	<b>492.35</b>	<b>44,069.72</b>	<b>33,400.33</b>

## Summary

Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Standard Asset	43,811.03	33,159.59	156.42	155.36	43,654.61	33,004.23
Sub Standard Asset	581.82	544.14	242.76	225.56	339.06	318.58
Doubtful Asset	198.18	188.72	122.13	111.20	76.05	77.52
Loss Asset	0.23	0.23	0.23	0.23	-	-
<b>Grand Total</b>	<b>44,591.26</b>	<b>33,892.68</b>	<b>521.54</b>	<b>492.35</b>	<b>44,069.72</b>	<b>33,400.33</b>

\* Standard Assets includes assets restructured under Circular RBI/2020-21/16 - DOR No BP.BC/3/21.04.048/2020-21 dated August 6, 2020 issued by the Reserve Bank of India

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 30 :

### Employee Stock option plans

The Company has provided share-based payment schemes to its employees. During the year ended March 31, 2023, 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	₹ 10 per share
Vesting period	<p>Grant vesting over a 5 year period in the following manner</p> <ul style="list-style-type: none"> <li>• Year 1 – 20% of the granted options</li> <li>• Year 2 – 20% of the granted options</li> <li>• Year 3 – 20% of the granted options</li> <li>• Year 4 – 20% of the granted options</li> <li>• Year 5 – 20% of the granted options</li> </ul>
Vesting conditions	Performance of the employees and/ or such other criteria as it may be deemed fit
Exercise period	Within a period 36 months from the date of each vesting or as extended period

The details of activity under the scheme is summarised below :

Particulars	April 1, 2022 - March 31, 2023		April 1, 2021- March 31, 2022	
	Number of shares	Exercise price	Number of shares	Exercise price
Outstanding at the beginning of the year	2,42,000	10	4,24,500	10
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	82,000	10	1,82,500	10
Outstanding at the end of the year	1,60,000	10	2,42,000	10
Exercisable at the end of the year	1,40,000	10	1,98,000	10

## Note 31 :

**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:**

Particulars	March 31, 2023	March 31, 2022
Total Gold loan portfolio	31,867.83	24,412.96
Total Assets	49,889.81	38,740.99
Gold loan portfolio as a percentage of total assets	63.88%	63.02%

**Note 32 : Expenditure in foreign currency** - NIL

**Note 33 : Dividend remittance in foreign currency** - NIL

**Note 34 : Value of imports on C.I.F basis** - NIL

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 35 :

### Contingent liabilities and commitments (to the extent not provided for in the accounts)

Particulars	March 31, 2023	March 31, 2022
<b>(i) Contingent liabilities:</b>		
(a) Claims against the company not acknowledged as debt;	-	-
(b) Guarantees;	-	-
(c) Other money for which the company is contingently liable.	-	-
<b>(ii) Commitments:</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for;	37.78	37.88
(b) Uncalled liability on shares and other investments partly paid;	-	-
(c) Other commitments (specify nature).	-	-

## Note 36 :

### Utilisation of Borrowed funds

The Company, as part of its normal business, grants loans and advances, accept borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

## Note 37 :

### Details of CSR Expenses

Particulars	March 31, 2023	March 31, 2022
(a) amount required to be spent by the company during the year,	17.53	15.58
(b) amount of expenditure incurred,		
i) Construction/ acquisition of any assets	-	-
ii) On purposes other than (i) above	16.09	13.79
(c) shortfall at the end of the year,	1.44	1.79
(d) total of previous years shortfall,	Nil	Nil
(e) reason for shortfall,	Unable to identify and spend within financial year end	Unable to identify and spend within financial year end
(f) nature of CSR activities,		
i) Promoting health care including preventive health care	1.60	5.88
ii) Promoting education,including special education and employment enhancing vocation skill especially among children,women,elderly and differently abled and livelihood enhancement projects.	14.50	6.91
iii) Setting up of oldage homes,daycares centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Nil	1.00
iv) Contribution to PM Cares fund	-	-
<b>Total</b>	<b>16.09</b>	<b>13.79</b>
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Nil	Nil

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

CSR activities includes promotion of Health care, education and setting up of oldage homes and other activities which are specified under Schedule VII of the Companies Act,2013. Out of the total CSR amount there is a shortfall of ₹ 1.44 Lakhs required to be spent by the Company as per section 135(5) of the Act for the year 31<sup>st</sup> March,2023 and the same is transferred to funds specified in schedule VII of the Companies Act 2013 within a period of six months from the end of financial year .

## Note 38 : Analytical ratios

Particulars	Units	Numerator	Denominator	As at March 31, 2023		As at March 31, 2022		Reason for variance / remarks
						% Variance		
<b>1) Current Ratio :</b> (Current Assets / Current Liabilities)	No of times	42,518.95	20,789.56	2.05		2.42	(15.29)	
<b>2) Leverage or Debt Equity Ratio</b>  (Outside liabilities / Owned fund)	No of times	41,186.27	7,514.13	5.48		4.21	30.17	Increase in borrowed funds to support the growth of loan assets
<b>3) Return on Equity</b> (Net profit after tax / Avg shareholder's equity)	Percentage	605.59	7,725.67	7.84		8.57	(8.52)	
<b>4) Net Profit ratio</b> (Net profit after tax / Total Income)	Percentage	605.59	9,161.88	6.61		7.88	(16.12)	
<b>5) Return on capital employed</b> (Earnings before interest & taxes / Capital employed)	Percentage	4,625.81	47,823.58	9.67		11.18	(13.51)	
<b>6) Net Capital Turnover ratio</b>	NA	NA	NA	NA		NA	NA	Refer note 38.1
<b>7) Debt service coverage ratio</b>	NA	NA	NA	NA		NA	NA	Refer note 38.1
<b>8) Inventory turnover ratio</b>	NA	NA	NA	NA		NA	NA	Refer note 38.1
<b>9) Trade receivable turnover ratio</b>	NA	NA	NA	NA		NA	NA	Refer note 38.1
<b>10) Trade payable turnover ratio</b>	NA	NA	NA	NA		NA	NA	Refer note 38.1
<b>11) Return on Investments</b>	NA	NA	NA	NA		NA	NA	

**Note 38.1** The company is an NBFC, these ratios are not applicable since the same will not give correct results.

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 39:

### Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2023 and March 31, 2022. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

## Note 40:

### Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2023 and March 31, 2022

## Note 41:

### Undisclosed income

There are no transactions which are not recorded in the books of accounts of the company.

## Note 42:

### Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2023 and March 31, 2022.

## Note 43:

### Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2023 and March 31, 2022.

## Note 44:

### Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2023 and March 31, 2022.

## Note 45:

### Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2023 and March 31, 2022

## Note 46:

### Submission of statements to banks

The company has availed credit facilities from bank or financial institutions during the current year with the hypothecation of assets under finance, book debts, other receivables and margin money deposits as stated in Note 5 & Note 7. The quarterly returns or statements of current assets filed by the Company with said financial institutions are, with all material respects, in agreement with the books of accounts.

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

## Note 47: Frauds

**During the financial year 2022-23, below listed frauds were identified by the company**

SI No	Details of fraud identified	Amount involved	Status
1	Misappropriation/ missing of pledged gold at one branch	12.50	Written off
2	Misappropriation of company cash at one branch by 2 employees	4.83	Fully recovered
3	Spurious gold pledged by customers	1.19	Partially recovered
4	Theft gold pledge by customer	5.50	Written off
<b>Total</b>		<b>24.03</b>	

## Note 48:

### Relationship with Struck off Companies

Company has not entered into any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2023 and March 31, 2022.

## Note 49:

### Segment information

The Company operates in a single business segment i.e., lending which have similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with relevant rules thereunder. The Company operates in a single geographical segment i.e., domestic.

## Note 50 :

**Additional disclosures as required by circular no DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 issued by the Reserve Bank of India:**

### A) Exposure

#### 1) Exposure to real estate sector

Category	Current year	Previous Year
i) Direct exposure		
a) Residential Mortgages –		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	Nil	Nil
b) Commercial Real Estate –		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	Nil	Nil
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –		
i. Residential		
ii. Commercial Real Estate		
ii) Indirect Exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	Nil	Nil
<b>Total Exposure to Real Estate Sector</b>	<b>Nil</b>	<b>Nil</b>

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

Note 50 : Additional disclosures as required by circular no DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 issued by the Reserve Bank of India: (Contd.)

**2) Exposure to capital market - Nil**

**3) Sectoral exposure**

Sectors	As on 31.03.2023			As on 31.03.2022		
	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i) - Loan against Gold	31,916.88	6.47	0.02	24,412.96	26.34	0.11
ii) - Term Loans	684.92	267.99	39.13	798.69	247.00	30.93
iii) - Business Loans	2,604.84	12.77	0.49	1,051.34	48.23	4.59
iv) - Micro Loans	1,278.03	2.74	0.21	57.90	0.93	1.61
v) - Vehicle loans	8,120.42	490.26	6.04	7,557.43	410.59	5.43
Total of Personal Loans	44,605.09	780.23	1.75	33,878.32	733.09	2.16
5. Others - Staff Loan, Trade advance & CD loan	35.23	-	-	14.36	-	-

**4) Intra-group exposures** - Nil

**5) Unhedged foreign currency exposure** - Nil

**B) Related Party Disclosure** - Please see note 23 on Related Party Transactions

**C) Disclosure of complaints**

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	FY 2022-23	FY 2021-22
<b>Complaints received by the NBFC from its customers</b>			
1	Number of Complaints pending at beginning of the year	Nil	Nil
2	Number of Complaints received during the year	13	5
3	Number of Complaints disposed during the year	9	4
3.1	Of which, number of complaints rejected by NBFC	4	1
4	Number of Complaints pending at the end of the year	Nil	Nil
<b>Maintainable complaints received by the NBFC from office of Ombudsman</b>			
5*	Number of maintainable complaints received by the NBFC from office of Ombudsman	4	Nil
5.1 #	Of 5, number of Complaints resolved in favour of the NBFC by office of Ombudsman	4	Nil
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by office of Ombudsman	Nil	Nil

# Notes to the Financial statements

for the year ended March 31, 2023

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**Note 50 : Additional disclosures as required by circular no DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 issued by the Reserve Bank of India: (Contd.)**

Sr. No	Particulars	FY 2022-23	FY 2021-22
5.3	Of 5, number of complaints resolved after passing of Awards by office of Ombudsman against the NBFC	Nil	Nil
6*	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

Note: Maintainable complaints refer to complaints on the ground specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

\*It shall only be applicable to NBFCs which are included under The Reserve Bank -Integrated Ombudsman Scheme, 2021

# Cases mentioned in 5.1 is resolved by the company and reply filed to Ombudsman's Office. No orders have been issued by Ombudsman.

2) Top five grounds of complaints received by the NBFCs from customers

Grounds of Complaints, i.e complaints relating to	Number of Complaints pending at the beginning of the year	Number of Complaints received during the year	%increase/ decrease in the number of complaints received over the previous year	Number of Complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days.
1	2	3	4	5	6
<b>Current Year (2022-23)</b>					
Loans & Advances	Nil	10	150	Nil	Nil
Staff Related	Nil	2	NA	Nil	Nil
Levy of Charges	Nil	1	NA	Nil	Nil
Total		13			
<b>Previous Year (2021-22)</b>					
Loans & Advances	Nil	4	NA	Nil	Nil
Mis selling	Nil	1	NA	Nil	Nil
Total	Nil	5	NA		

## Note 51 :

### Previous year figures

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

As per our report of even date

For **Varma & Varma**

Chartered Accountants

ICAI Firm registration number : 004532 S

For and on behalf of the board of directors of  
**YOGAKSHEMAM LOANS LIMITED**

**Vivek Krishna Govind**

Partner

Membership no: 208259

Place: Thrissur

Date : 05<sup>th</sup> July 2023

**I. Unnikrishnan**

Managing Director

DIN: 01773417

**N. D. Vijayan**

Director

DIN: 03396044

**Prasad P.**

Chief Financial Officer

Place: Thrissur

Date : 05<sup>th</sup> July 2023

**RajeshKumar K. Pillai**

Company Secretary

M.No: F9182

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

**Yogakshemam Loans Limited**

**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	Amount outstanding	Amount Overdue <sup>#</sup>
<b>Liabilities side :</b>			
(1)	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:</b>		
(a)	Debentures : Secured	7,895.23	92.69
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)		
(b)	Deferred Credits	-	-
(c)	Term Loans from Banks	14,856.92	-
(d)	Inter-corporate loans and borrowing	-	-
(e)	Commercial Paper	-	-
(f)	Other Loans:		
	Subordinated debts (Unsecured)	7,494.81	94.02
	Working capital facilities from Banks (Secured)	8,864.43	-
	Others	-	-

\* Please see Note 1 below

# Represents NCD/Subordinated debts matured but not claimed , interest payable on such matured NCD/ Subordinated debts and monthly interest for March 2023 which is paid subsequently

**Assets side :**

		Amount outstanding
(2)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>	
(a)	Secured	40,673.32
(b)	Unsecured	3,917.94
(3)	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>	
(i)	Lease assets including lease rentals under sundry debtors :	
(a)	Financial lease	-
(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	-

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

<b>(4) Break-up of Investments :</b>		<b>Amount outstanding</b>
<b>Current Investments:</b>		
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	-
<b>Long Term investments:</b>		
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	-

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

Please see Note 2 below

<b>Category</b>	<b>Amount</b>		
	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
<b>1. Related Parties **</b>			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
<b>2. Other than related parties</b>	<b>40,673.32</b>	<b>3,917.94</b>	<b>44,591.26</b>
<b>Total</b>	<b>40,673.32</b>	<b>3,917.94</b>	<b>44,591.26</b>

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

(All amounts are Indian ₹ in Lakhs, unless otherwise stated)

- (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)
<b>1. Related Parties **</b>		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
<b>2. Other than related parties</b>	-	-
<b>Total</b>	-	-

- (7) Other Information :

	Amount outstanding
<b>(i) Gross Non-Performing Assets</b>	
(a) Related parties	-
(b) Other than related parties	780.23
<b>(ii) Net Non-Performing Assets</b>	-
(a) Related parties	-
(b) Other than related parties	415.11
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 of  
**YOGAKSHEMAM LOANS LIMITED**

**I. Unnikrishnan**  
Managing Director  
DIN: 01773417

**N. D. Vijayan**  
Director  
DIN: 03396044

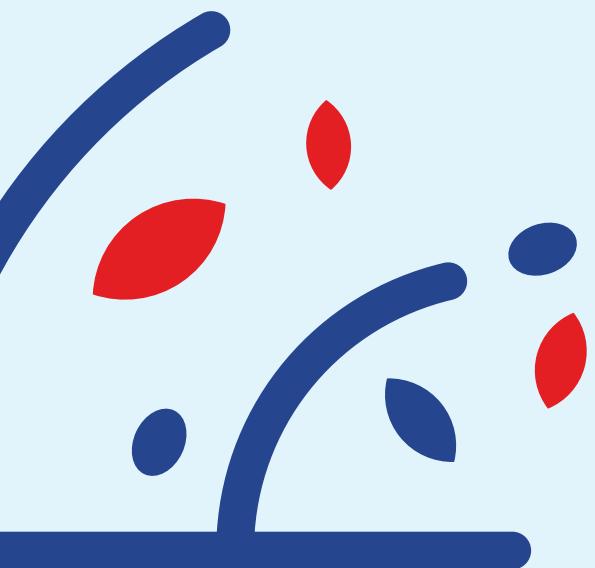
**Prasad P.**  
Chief Financial Officer  
Place: Thrissur  
Date : 05<sup>th</sup> July 2023

**RajeshKumar K. Pillai**  
Company Secretary  
M.No: F9182

# Notes

## Notes





CIN: U65992KL1991PLC005965

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