



# **Cheraman**

Financial Services Ltd

**ANNUAL REPORT 2023-24**

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## MANAGING DIRECTOR'S COMMUNIQUÉ



Dear Shareholders,

I am delighted to present Annual Report of Cheraman Financial Services Limited (CFSL) for the financial year 2023-24.

As we reflect on financial year 2023-24, it is remarkable to see how the global economy displayed exceptional resilience despite facing uneven growth and challenges. The global economy avoided recession, major banking systems remained largely resilient and stability persisted in emerging markets. Despite global uncertainties, it is heartening to see India standing strong as the fifth-largest global economy, fueled by domestic demand, increased industrial activity, investments and supportive government policies. Moreover, the emerging shift in consumption patterns has amplified demand for high-end products and services.

The NBFC sector in India has evolved as a significant contributor, adeptly catering to the changing credit needs of our evolving economy. Strong domestic demand, enhanced credit conditions, increased financial inclusion and robust solvency and funding of Indian financial institutions have bolstered the transformation of the credit quality within the sector.

As on March 31, 2024, our total Assets under Management (AUM) of CFSL amounted to INR 9,76,76,248/-, highlighting our continued efficiency in effectively meeting the growing aspirations of customers.

Upholding our commitment to stakeholders, we continued to deliver steady financial results. Our revenue from operations was INR 1,55,78,027/- in FY 2023-24, compared to INR 2,73,82,181/- in FY 2022-23. We ensured diligence in managing our credit risk by maintaining our steadfast focus on robust risk management and superior asset quality.

Our dedicated team has focused on deepening our presence in existing market by leveraging network, strategic product offering and diverse customer profile. We remain committed to maintaining robust asset quality and cost efficiency coupled with superior customer experience.

In conclusion, I would take this opportunity to thank our employees for supporting us in all our endeavours. Moreover, I extend thanks to our valued customers and stakeholders for their continued support and trust in our capabilities to deliver lasting value.

As a progressive NBFC, our unwavering focus remains on optimising growth from existing resources and creating comprehensive offerings. Simultaneously, we aim to expand to our business and cater to an evolving customer base. Additionally, we will continue to build long-term relationships with our existing customers.

Sd/-

A.P.M. Mohamed Hanish IAS  
Managing Director

## CORPORATE SNAPSHOT

### CFSL at a glance

Cheraman Financial Services Limited ('CFSL') was registered as an NBFC with the Reserve Bank of India in 2013. CFSL strives to provide financial services to sole proprietorships, companies, partnerships, societies, trusts etc, to cater their equipment requirements.

### Offerings

#### Medical equipment finance



For purchase of new/ refurbished medical equipment such as ECG machines, MRI scanners, ultrasound scanners, CT scanners, X-ray machines etc.

#### Solar equipment finance



For purchase and installation of solar power panels.

#### Industrial equipment finance



For purchase of generator, AC, rack, chillers, printing machines, its components and industrial equipment of the like nature

**Key strengths**

➔ Growth potential and constant monitoring



Growth potential of CFSL is enormous. Number of individuals and organizations in need of equipment finance is quite significant and CFSL can utilize this opportunity. Credit worthiness of borrowers is monitored before extending facilities.

➔ Fund management and asset creation



Fund requirements for business are met predominantly through raising of share capital and internal accruals while focusing on maintaining healthy asset portfolio, planning and maintaining cost efficiency.

➔ Product offerings



CFSL product portfolio includes medical equipment finance, solar equipment finance and industrial equipment finance. Attempts are being made to expand the range of product offerings, keeping in view the economic transformation.

➔ Customer centric approach



Even though cautious approach is followed in selecting customers, CFSL's focus in customer satisfaction has enabled to gain loyalty and delight of customers, support of employees and confidence and trust of our stakeholders.

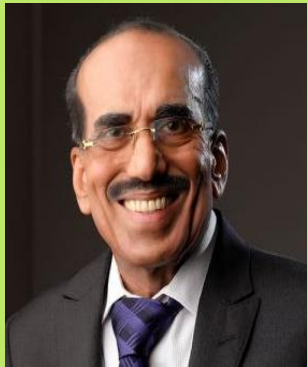
**BOARD OF DIRECTORS**



A.P.M. Mohamed Hanish IAS  
Managing Director



T. Balakrishnan  
Independent Director



Pokkinary Ahammed  
Director



Asharf Ali M.A  
Director



E.M.Najeeb  
Director



P.V.Abdul Wahab  
Director



M.M.Abdul Basheer  
Independent Director



Abdulla Poyil  
Director



Jayakrishnan Krishna Menon  
Director



Hafiz Ali Ullat  
Director





Muhammad Salman Ibrahim  
Director



Sidik Pockulangara  
Director



Rajesh Jacob  
Nominee Director



Jose K.M  
Nominee Director

## CORPORATE INFORMATION

### Corporate Identification No.

U65923KL2009PLC025082

### Registered office address

33/2337-E, 2<sup>nd</sup> Floor,  
Chakiapadath Building,  
By pass Road, Ponnuruni,  
Vytila, Cochin,  
Kerala-682019

### Chief Financial Officer

CA Remesh Shenoi S

### Company Secretary

CS Arun Kumar V.K

### Statutory Auditors

R. Krishna Iyer & Co.,  
Chartered Accountants,  
134, 'Jyothy',  
Panampilly Nagar,  
Cochin-682036

### Board of Directors

1. A.P.M. Mohamed Hanish IAS  
DIN: 02504842 | Managing Director
2. T. Balakrishnan  
DIN: 00052922 | Independent Director
3. Pokkinary Ahammed  
DIN: 01678711 | Director
4. Asharf Ali M.A  
DIN: 01210946 | Director
5. E.M. Najeeb  
DIN: 00100234 | Director
6. P.V. Abdul Wahab  
DIN: 00114617 | Director
7. M.M. Abdul Basheer  
DIN: 00120916 | Independent Director
8. Abdulla Poyil  
DIN: 02111206 | Director
9. Jayakrishnan Krishna Menon  
DIN: 02734324 | Director
10. Hafiz Ali Ullat  
DIN: 06678357 | Director
11. Muhammad Salman Ibrahim  
DIN: 05004371 | Director
12. Sidik Pockulangara  
DIN: 09620279 | Director
13. Rajesh Jacob  
DIN: 06443594 | Nominee Director
14. Jose K.M  
DIN: 02656794 | Nominee Director

## DIRECTORS' REPORT

Your Directors have pleasure in presenting the 14<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March 2024.

### 1. Financial results of the Company

(Amount in INR '000)

Particulars	As on 31.03.2024	As on 31.03.2023
Total Revenue	15,578	27,382
Total Expenses and Exceptional Items	12,115	14,498
Profit/ (Loss) After Tax and Exceptional Items	2,342	12,915

### 2. Review of performance

On a standalone basis, your Company has recorded a total income of INR 1,55,78,027/- for the financial year ended 31<sup>st</sup> March 2024 as against INR 2,73,82,181/- during the previous year. The total expenses incurred during the year under review is INR 1,21,15,917/- as against INR 1,44,98,095/- in the previous year. The Company recorded profit after tax of INR 23,41,664/- for the financial year ended 31<sup>st</sup> March 2024, as against profit of INR 1,29,15,191/- in the previous year.

On a consolidated basis, the Company recorded a total income of INR 2,57,90,027/- during the financial year ended 31<sup>st</sup> March 2024 as against INR 3,76,40,721/- during the previous year. The total expenses incurred during the year under review is INR 1,64,01,889/- as against INR 1,86,57,979/- in the previous year. The Company recorded profit after tax and minority interest of INR 67,06,854/- for the financial year ended 31<sup>st</sup> March 2024, as against profit of INR 1,73,67,911/- in the previous year.

### **3. Reserves**

An amount of INR 4,68,840/- representing 20% of net profit has been created as Statutory Reserve Fund under Section 45 IC of Reserve Bank of India Act, 1934.

### **4. Performance of Subsidiaries**

During the year under review, Cheraman Infrastructure Private Limited, the wholly owned subsidiary company, recorded profit after tax of INR 44,98,150/- as against profit of INR 45,50,103/- during the previous year.

Cheraman Funds Management Limited, the wholly owned subsidiary company recorded loss of INR 1,32,960/- after exceptional items and provision for taxes as against loss of INR 97,383/- in the previous year.

Suits India Private Limited (SIPL), a company in to which CFSL had invested INR 2,07,00,200/- as equity share capital, representing 86.25% of its paid up capital is excluded from the scope of consolidation as it no longer satisfies the conditions prescribed for consolidation as per Para 11 of Accounting Standard 21.

### **5. Dividend**

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and therefore, do not recommend any dividend for the financial year ended 31<sup>st</sup> March 2024.

### **6. Transfer of unclaimed dividend to Investor Education and Protection Fund**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

### **7. Accounts of Subsidiaries**

The Board of Directors (including Audit Committee) has reviewed the affairs of the wholly owned subsidiaries and the salient features of their financials are provided in Form AOC-1.

The Audited Financial Statements of the wholly owned subsidiary companies and the related detailed information will be made available to the Members of the Company at the Registered Office of the Company

and on the website of the Company, [www.cheraman.com](http://www.cheraman.com). The Company shall furnish a hard copy of the detailed accounts of the subsidiaries, except Suits India Limited, to any Member on demand.

## **8. Consolidated Financial Statement**

The Consolidated Financial Statements of the Company are prepared in accordance with Section 129 of the Companies Act, 2013 read with relevant Accounting Standards issued by the Institute of Chartered Accountants of India and forms part of this Annual Report.

Suits India Private Limited (SIPL), a company in to which CFSL had invested INR 2,07,00,200/- as equity share capital, representing 86.25% of its paid up capital is excluded from the scope of consolidation as it no longer satisfies the conditions prescribed for consolidation as per Para 11 of Accounting Standard 21. Further, CFSL has also recognised impairment loss in its standalone financials.

## **9. Subsidiaries, Joint Ventures and Associate companies**

As on 31<sup>st</sup> March 2024, following are the subsidiaries of the Company:

- a. Cheraman Infrastructure Private Limited (Wholly Owned subsidiary Company)
- b. Cheraman Funds Management Limited (Wholly Owned subsidiary Company)
- c. Suits India Private Limited (Investee Company)

Suits India Private Limited (SIPL), a company in to which CFSL had invested INR 2,07,00,200/- as equity share capital, representing 86.25% of its paid up capital is excluded from the scope of consolidation as it no longer satisfies the conditions prescribed for consolidation as per Para 11 of Accounting Standard 21.

In accordance with Section 129(3) of the Companies Act, 2013, the salient features of the financial statement of Cheraman Infrastructure Private Limited (wholly owned subsidiary company) and Cheraman Funds Management Limited (wholly owned subsidiary company) is set out in Form AOC-1, which forms part of this Annual Report.

## 10. Directors and Key Managerial Personnel

### a. Composition of the Board

The Board of your Company consists of 14 Directors as on 31.03.2024, as follows:

Category	Name of Directors
Independent Directors	<ul style="list-style-type: none"> <li>Shri. T. Balakrishnan</li> <li>Shri. M.M. Abdul Basheer</li> </ul>
Non – Executive Directors	<ul style="list-style-type: none"> <li>Shri. Pokkinary Ahammed</li> <li>Shri. P.V. Abdul Wahab</li> <li>Shri. Asharf Ali M.A</li> <li>Shri. E.M. Najeeb</li> <li>Shri. Abdulla Poyil</li> <li>Shri. Jayakrishnan Krishna Menon</li> <li>Shri. Hafiz Ali Ullat</li> <li>Shri. Muhammad Salman Ibrahim</li> <li>Shri. Sidik Pockulangara</li> </ul>
Nominee Directors of Kerala State Industrial Development Corporation Limited	<ul style="list-style-type: none"> <li>Shri. Rajesh Jacob</li> <li>Shri. Jose K.M</li> </ul>
Managing Director	<ul style="list-style-type: none"> <li>Shri. A.P.M. Mohamed Hanish IAS</li> </ul>

### b. Retirement by rotation

Shri. E.M. Najeeb (DIN: 00100234), Shri. Pokkinary Ahammed (DIN: 01678711) and Shri. Asharf Ali M.A (DIN: 01210946), Directors would be liable to retire by rotation and being eligible offer themselves for re-appointment. The Board of Directors of your Company recommends their re-appointment.

### c. Changes in Directors and Key Managerial Personnel

During the year under review, following were the changes in Directors:

- Shri. Jose K.M was appointed as Nominee Director of the Company with effect from 07.09.2023, in place of Shri. Prasanth R.
- Shri. Sidik Pockulangara was appointed as a regular Director of the Company with effect from 30.09.2023.

The following are the Key Managerial Personnel of the Company:

- Shri. A.P.M Mohamed Hanish IAS, Managing Director
- Shri. Remesh Shenoi S, Chief Financial Officer

- Shri. Arun Kumar V.K, Company Secretary (resigned with effect from 30.04.2023 and re-appointed with effect from 22.08.2023)

#### 11. Number of Board Meetings conducted during the year under review

The Company has conducted 04 (Four) Board meetings during the financial year 2023-24 on the following dates:

SN	Date	Board Strength	No. of Directors present
1	28.06.2023	14	06
2	07.09.2023	14	07
3	30.12.2023	14	08
4	23.03.2024	14	08

The maximum interval between the two meetings did not exceed 120 days.

Attendances of Directors at the Board Meetings are given below:

Name of the Director	No of Board Meetings which Director was entitled to attend	Attendance at the Board Meetings
Shri. T. Balakrishnan	04	04
Shri. M.M. Abdul Basheer	04	03
Shri. Pokkinary Ahammed	04	02
Shri. P.V. Abdul Wahab	04	02
Shri. Asharf Ali M.A	04	02
Shri. E.M. Najeeb	04	02
Shri. Abdulla Poyil	04	01
Shri. Jayakrishnan Krishna Menon	04	01
Shri. Hafiz Ali Ullat	04	01
Shri. Muhammad Salman Ibrahim	02	01
Shri. Sidik Pockulangara	01	02
Shri. Rajesh Jacob	04	01

Shri. Jose K.M	02	02
Shri. A.P.M. Mohamed Hanish IAS	04	04

## 12. Declaration of Independent Directors

The Independent Directors have submitted the declaration that they meet the criteria of independence as specified under Section 149(6) of the Companies Act, 2013 and that they qualify themselves to be appointed as independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. The above declaration were placed before the Board at its meeting held on 29.06.2024 and duly noted.

## 13. Disclosure of composition of Audit Committee

During the financial year under review, the Audit Committee of the Company comprised of 3 members, majority of who are Non-Executive Independent Directors in accordance with Section 177 of the Act read with rules thereto, viz., Shri. T. Balakrishnan, Shri. M.M. Abdul Basheer and Shri. E.M. Najeeb. The members of the Audit Committee are financially literate and learned, experienced and well known in their respective fields.

## 14. Share capital

The authorized capital of the Company is INR 1,000 Crore and the issued, subscribed and paid-up capital of the Company is INR 33.87 Crore. There is no change in paid-up capital of the Company during the financial year under review.

## 15. Changes in Memorandum of Association and Articles of Association of the Company

During the year under review, there is no change in Memorandum of Association and Articles of Association of the Company.

## 16. Material changes and commitment if any affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report



No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

**17. Conservation of energy, technology absorption, foreign exchange earnings and outgo**

The provisions of Section 134(m) of the Companies Act, 2013 do not apply to our Company. There was no foreign exchange inflow during the year under review.

**18. Statement concerning development and implementation of Risk Management Policy of the Company**

Being in the lending business, risk management forms a vital element of our business. The Company has a well-defined risk management framework, approved by the Board of Directors. It provides the mechanism for identifying, assessing and mitigating risks from time to time.

The Company has adopted its own Risk Management Policy that represents the basic standards of risk assessment to be followed by the Company. The Board is responsible for managing risk at an overall level to do this. The Board has delegated authority for overall risk management to the Risk Management and Credit Committee ('RMC Committee') to ensure focused oversight and committed board level capacity for this task.

**19. Details of policy developed and implemented by the Company on its Corporate Social Responsibility initiatives**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**20. Particulars of loans, guarantees or investments made under Section 186 of the Companies Act, 2013**

The details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in 'Notes to Balance Sheet and Statement of Profit and Loss' of Financial Statements.

**21. Particulars of contracts or arrangements made with related parties**

There were no contracts or arrangements or transactions entered in to during the financial year 2023-24, which were not at arm's length basis. The transaction entered into by the Company during the financial year 2023-24 with related parties on an arm's length basis was not material in nature.

**22. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors in their reports**

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

**23. Company's policy relating to Directors' appointment, payment of remuneration and discharge of their duties**

The Board of the Company has adopted the Nomination and Remuneration Policy in compliance with Section 178 of the Companies Act, 2013, for identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and for determining the remuneration for Directors of the Company. A copy of the Nomination and Remuneration Policy is enclosed herewith as **Annexure I**.

**24. Evaluation by the Board of its performance and that of its committees and individual Directors**

In line with the requirement of Section 134 and Section 178 of the Companies Act, 2013, the Board of Directors of the Company adopted a Performance Evaluation Policy. In line with the policy, annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees of the Board, was carried out.

**25. Annual return**

The extracts of Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is enclosed herewith as **Annexure II**.

## 26. Directors' Responsibility Statement

Pursuant to requirement of Section 134(3)(c) and Section 134(5) of the Companies Act, 2013 and based on the representations received from the Management, your Directors state that:

- (a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2024, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2024 and of the profit and loss of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis; and
- (e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 27. Public deposits

The Company being a 'Non-Systemically Important Non-Deposit taking Non-Banking Financial Company', has not accepted nor invited any deposits from the public during the period under review within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and shall not accept any deposits from the public without obtaining prior approval of the Reserve Bank of India. Since the Company has not accepted nor invited any deposits, there are no amounts that remained unpaid or unclaimed as at the end of the year under review.

## 28. RBI guidelines

Your Company has complied with the applicable regulations prescribed by the Reserve Bank of India from time to time.

## **29. Adequacy of internal financial controls with reference to financial statements**

The Company has put in place adequate internal controls with reference to accuracy and completeness of the accounting records and timely preparation of reliable financial information, commensurate with the size, scale, complexity of operations and ensures compliance with various policies and statutes in keeping with the Company's pace of growth, complexity of operations, prevention and detection of frauds and errors.

The Board is of the opinion that the Company has sound internal financial controls commensurate with the nature and size of its business operations; wherein controls are in place and operating effectively and no material weaknesses exist. During the year under review, no material or serious observations have been highlighted for inefficiency or inadequacy of such controls.

## **30. Statutory Auditors**

M/s. R. Krishna Iyer & Co. (FRN: 01474S), Chartered Accountants, Cochin were appointed as the Statutory Auditors of your Company to hold office from the conclusion of 11<sup>th</sup> Annual General Meeting (AGM) till the conclusion of fifth consecutive AGM, subject to the ratification of the appointment by the Members at every AGM. Ratification of appointment of Statutory Auditors is being sought from the Members of the Company at the ensuing AGM.

The Company has received letters from M/s. R. Krishna Iyer & Co., Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3) of the Act and that they are not disqualified from appointment as Statutory Auditors of the Company.

## **31. Particulars of employees**

During the financial year 2023-24, no employee of the Company was in receipt of remuneration exceeding the limits prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**32. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the year under review, no cases/ complaints in the nature of sexual harassment were reported.

**33. Detail of fraud as per Auditors' Report**

There is no fraud in the Company during the financial year ended 31<sup>st</sup> March 2024. This is also being supported by the report of the Auditors of the Company as no fraud has been reported in their report for the financial year ended 31<sup>st</sup> March 2024.

**34. Maintenance of cost records**

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

**35. Secretarial Standards**

During the year under review, the Company has complied with the applicable SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

**36. General**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- (a) details relating to deposits covered under Chapter V of the Companies Act, 2013;
- (b) issue of equity shares with differential right as to dividend, voting or otherwise;

- (c) issue of shares (including sweat equity shares) to employees of the company under any scheme save and except ESOP referred to in this report; and
- (d) no significant or material orders were passed by the regulators or Courts or tribunals which impact the going concern status and Company's operation in future.

### 37. Acknowledgements

The Directors place on record their appreciation for the support and services rendered by the shareholders, Reserve Bank of India, Government of Kerala and its agencies and officials, bankers, business associates and the employees of the Company.

Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors,

Cochin  
24.08.2024

Sd/-  
A.P.M. Mohamed Hanish IAS  
Managing Director  
DIN: 02504842

Sd/-  
M.M. Abdul Basheer  
Director  
DIN: 00120916

## **Nomination and Remuneration Policy**

### **Introduction**

In compliance with Section 178 of the Companies Act, 2013, the Board of Directors, in their meeting held on July 15, 2014 constituted the Nomination and Remuneration Committee with the following directors:

1. Shri. T. Balakrishnan
2. Shri. M.M. Abdul Basheer
3. Shri. E.M. Najeeb

### **Objective**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The key objectives of the Committee are:

- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and evaluation of every director's performance; and
- formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

### **Criteria for Appointment of Directors**

The Board members are expected to possess the expertise, skills and experience required to manage and guide a budding financial service company. Expertise in areas like running business enterprises, strategy, finance, retail management, healthcare, private equity activities and infrastructure development is desirable. Generally, the members are between 30 and 70 years of age, and are not related to any executive directors or independent directors. They are not expected to serve in any executive or independent position in any company that is in direct competition with us.

### **Criteria for Appointment of KMP and Senior Management Personnel**

The Committee will identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as KMP or at Senior Management level on case to case basis and recommend to the Board his/ her appointment.

A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment.

### **Policy on Remuneration of Directors**

At present the company does not pay remuneration to Directors. This policy will be reviewed in due course of time.

### **Policy on Remuneration of KMP and Senior Management Personnel**

The Company's remuneration policy is to ensure that the KMP and Senior Management Personnel are sufficiently incentivized for enhanced performance. The remuneration of KMP and Senior Management Personnel will be decided on a case to case basis to ensure that the levels of remuneration are sufficient to attract and retain personnel of the quality required to run the company successfully. The key components driving the decision will be:

- compensation will be a major driver of performance;
- compensation will be competitive and benchmarked with industry standards;
- compensation will be transparent, fair and simple to administer; and
- compensation will be fully legal and tax compliant.



**Annexure II**

**Form No.MGT-9**

**Extract of Annual Return as on the financial year ended on 31.03.2024**

[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**

1	CIN	U65923KL2009PLC025082
2	Registration Date	30.11.2009
3	Name of the Company	Cheraman Financial Services Limited
4	Category/ Sub-Category of the Company	NBFC, Limited by shares and Company having share capital
5	Address of the Registered office and contact details	33/2337 - E, 2 <sup>nd</sup> Floor, Chakiapadath Building, By pass Road, Ponnurunni, Vyttila, Cochin, Kerala-682019, India
6	Whether listed company	No
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

**(II) PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

SN	Name and Description of main products/ services	NIC Code of the product/ service	% to total turnover of the company
1	Financial Leasing	6491	100
2	Equity Financing	6420	Nil
3	Financial consultancy/ Advisory services	7020	Nil

**(III) PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SN	Name and Address of the company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Cheraman Infrastructure Private Limited	U45203KL2011PTC029094	Subsidiary	100	2(87) (ii)

	33/2337-E, 2 <sup>nd</sup> Floor, Chakiapadath Building, By pass Road, Ponnurrunni, Vyttila, Cochin, Kerala-682019				
2	Cheraman Funds Management Limited 33/2337-E, 2 <sup>nd</sup> Floor, Chakiapadath Building, By pass Road, Ponnurrunni, Vyttila, Cochin, Kerala-682019	U67190KL2012PLC032330	Subsidiary	100	2(87) (ii)
3	Suits India Private Limited 15/773, Karanjikudy House, Perumbavoor P.O., Thottungal Lane, Ernakulam, Kerala-683542	U17200KL2013PTC035538	Subsidiary	86.25	2(87) (ii)

**(IV) SHARE HOLDING PATTERN**

(Equity share capital breakup as percentage of total equity)

(i) Category-wise share holding

Category of share-holders	No. of shares held at the beginning of the year (As on 01.04.2023)				No. of shares held at the end of the year (As on 31.03.2024)				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
1. Indian									
a. Individual/HUF	18499999	-	18499999	54.62	18499999	-	18499999	54.62	-
b. Central Govt	-	-	-	-	-	-	-	-	-
c. State Govt(s)	-	-	-	-	-	-	-	-	-
d. Bodies corporate	-	-	-	-	-	-	-	-	-

e. Banks/ FI	3670000	-	3670000	10.84	3670000	-	3670000	10.84	-
f. Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	22169999	-	22169999	65.46	22169999	-	22169999	65.46	-
<b>B. Public shareholding</b>									
<b>1. Institutions</b>									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Banks/ FI	-	-	-	-	-	-	-	-	-
c. Central Govt	-	-	-	-	-	-	-	-	-
d. State Govt(s)	-	-	-	-	-	-	-	-	-
e. Venture Capital Funds	-	-	-	-	-	-	-	-	-
f. Insurance companies	-	-	-	-	-	-	-	-	-
g. FIs	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i. Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
<b>a. Bodies corporate</b>									
i. Indian	1000000	-	1000000	2.95	1000000	-	1000000	2.95	-
ii. Overseas	-	-	-	-	-	-	-	-	-
<b>b. Individuals</b>									
i. Individual shareholders holding	1	-	1	-	1	-	1	-	-

nominal share capital upto INR 1 Lakh									
ii. Individual shareholders holding nominal share capital in excess of INR 1 Lakh	4000000	6700000	10700000	31.59	4500000	6200000	10700000	31.59	-
c. Others (specify)	-	-	-	-	-	-	-	-	-
Total public share-holding (B)=(B)(1)+(B)(2)	5500001	6200000	11700001	34.54	5500001	6200000	11700001	34.54	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	27670000	6200000	33870000	100	27670000	6200000	33870000	100	-

(ii) Shareholding of Promoter

SN	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Siddeek Ahmed Haji P	6000000	17.17	-	6000000	17.17	-	-
2	Kerala State Industrial	3670000	10.83	-	3670000	10.83	-	-

	Development Corporation Limited (KSIDC Ltd)							
3	Yusuffali M.A	3000000	8.85	-	3000000	8.85	-	-
4	P. Mohamad Ali	2200000	6.49	-	2200000	6.49	-	-
5	Ibrahim Haji P.A	3500000	10.33	-	3500000	10.33	-	-
6	Asharf Ali M.A	2000000	5.90	-	2000000	5.90	-	-
7	Pokkinary Ahammed	999999	2.95	-	999999	2.95	-	-
8	E.M. Najeeb	400000	1.18	-	400000	1.18	-	-
9	P.V. Abdul Wahab	200000	0.59	-	200000	0.59	-	-
10	V.K.C. Mammed Koya	100000	0.29	-	100000	0.29	-	-
11	N.K. Mohammed Ali	100000	0.29	-	100000	0.29	-	-

(iii) Change in Promoters' shareholding  
(Please specify, if there is no change)

There was no change in Promoter's shareholding.

SN	Shareholder's name	Shareholding at the beginning of the year		Date wise increase/ decrease in Promoters' shareholding during the year			Shareholding at the end of the year	
		No of shares	% of total share of the company	Date	Increase/ decrease in Promoters share holding during the year	Reason	No of shares	% of total share of the company
1	Siddeek Ahmed Haji P	6000000	17.71		-		6000000	17.71
2	Kerala State Industrial Development Corporation Ltd	3670000	10.84		-		3670000	10.84

3	Yusuffali M.A	3000000	8.86		-		3000000	8.86
4	P. Mohamad Ali	2200000	6.50		-		2200000	6.50
5	Ibrahim Haji P.A	3500000	10.33		-		3500000	10.33
6	Asharf Ali M.A	2000000	5.90		-		2000000	5.90
7	Pokkinary Ahammed	999999	2.95		-		999999	2.95
8	E.M. Najeeb	400000	1.18		-		400000	1.18
9	P.V. Abdul Wahab	200000	0.59		-		200000	0.59
10	V.K.C. Mohamad Koya	100000	0.30		-		100000	0.30
11	N.K. Mohamed Ali	100000	0.30		-		100000	0.30

(iv) Shareholding pattern of top ten shareholders  
(Other than Directors, Promoters and holders of GDRs and ADRs)

SN	Shareholder's name	Shareholding at the beginning of the year		Date wise increase/ decrease in Promoters' shareholding during the year			Shareholding at the end of the year	
		No of shares	% of total share of the company	Date	Increase/ decrease in Promoters share holding during the year	Reason	No of shares	% of total share of the company
1	Eram Property Network Private Limited	1000000	2.95		-		1000000	2.95
2	Dr. Azad Moopen	1000000	2.95		-		1000000	2.95
3	Abdul Salim	1000000	2.95		-		1000000	2.95
4	Dr. V.P. Shamsheer	1000000	2.95		-		1000000	2.95
5	K.K. Ashraf	500000	1.48		-		500000	1.48
6	P.N.C. Menon	100000	0.30		-		100000	0.30
7	M.P. Ahammad	100000	0.30		-		100000	0.30

(v) Shareholding of Directors and Key Managerial Personnel

SN	Director's/ KMP's name	Shareholding at the beginning of the year		Date wise increase/ decrease in Promoters' shareholding during the year			Shareholding at the end of the year	
		No of shares	% of total share of the company	Date	Increase/ decrease in Promoters share holding during the year	Reason	No of shares	% of total share of the company
1	Siddeek Ahmed Haji P	6000000	17.71		-		6000000	17.71
2	Ibrahim Haji P.A	3500000	10.33		-		3500000	10.33
3	Abdulla Poyil	4000000	11.81		-		4000000	11.81
4	Asharf Ali M.A	2000000	5.90		-		2000000	5.90
5	Pokkinary Ahammed	999999	2.95		-		999999	2.95
6	E.M. Najeeb	400000	1.18		-		400000	1.18
7	P.V. Abdul Wahab	200000	0.59		-		200000	0.59
8	M.M. Abdul Basheer	1	0.00		-		1	0.00
9	Jayakrishnan Krishna Menon	3000000	8.86		-		3000000	8.86

**(V) INDEBTEDNESS**

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

	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	-	-	-	-

(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
(i) Principal Amount	-	-	-	-
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

**(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

(i) Remuneration to Managing Director, Whole-time Director and/ or Manager

SN	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount
1	Gross salary					
	(a) Salary as per provisions u/s 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-



(ii) Remuneration to other Directors

SN	Particulars of Remuneration	Name of the Director				Total Amount
	Independent Directors					
	- Fee for attending Board committee meetings	-	-	-	-	-
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	Other Non-Executive Directors					
	- Fee for attending Board committee meetings	-	-	-	-	-
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

(iii) Remuneration to Key Managerial Personnel other than MD/ Manager/ WTD

SN	Particulars of Remuneration (per annum)	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions u/s 17(1) of the Income-tax Act, 1961	-	8,40,012	23,80,020	32,20,032
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	8,40,012	23,80,020	32,20,032

**(VII) PENALTIES/ PUNISHMENT/ COMPOUNDING OFFENCES**

Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, if any (give details)
<b>(i) Company</b>					
- Penalty	-	-	-	-	-
- Punishment	-	-	-	-	-
- Compounding	-	-	-	-	-
<b>(ii) Directors</b>					
- Penalty	-	-	-	-	-
- Punishment	-	-	-	-	-
- Compounding	-	-	-	-	-
<b>(iii) Other Officers in Default</b>					
- Penalty	-	-	-	-	-
- Punishment	-	-	-	-	-
- Compounding	-	-	-	-	-

For and on behalf of the Board of Directors,

Cochin  
24.08.2024

Sd/-  
A.P.M Mohamed Hanish IAS  
Managing Director  
DIN: 02504842

Sd/-  
M.M. Abdul Basheer  
Director  
DIN: 00120916

**R. KRISHNA IYER & Co.**  
**CHARTERED ACCOUNTANTS**  
**134, "JYOTHY", PANAMPILLY NAGAR, COCHIN – 682036.**  
**Tel:-91-484-2314426, 2318159, 2310221, 2322048, 2322148**  
**e-mail:- mail@rkiandco.in**  
**Fax: -91-484-2318159**

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## **INDEPENDENT AUDITOR'S REPORT**

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**To the Members of  
Cheraman Financial Services Limited**

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

#### **Opinion**

We have audited the accompanying standalone financial statements of **Cheraman Financial Services Limited (hereinafter referred to as "the Company")**, which comprise the balance sheet as at 31<sup>st</sup> March 2024, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of

Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

### **Emphasis of Matter**

We draw attention to **Clause 2(g)(f)** to the **Report on Other Legal and Regulatory Requirements** which describes that the Company's accounting software does not have an audit trail feature as required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. Our opinion is not modified in respect of this matter.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

### **Information other than the financial statements and auditors' report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our Auditor's report thereon.

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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibility of Management for Standalone Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act 2013, we give, in the '**Annexure A**', a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**'.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a) the Company does not have any pending litigations which would impact its financial position (**See Notes to Accounts: Note-29**).
    - b) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses (**See Notes to Accounts: Note-30**).
    - c) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - d) (i) The management has represented that, to the best of its knowledge and belief, 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:
      - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or

- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party; or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.
- e) The dividend has not been declared or paid during the year by the Company and hence compliance as per Section 123 of Companies Act is not applicable.
- f) The Company’s accounting software does not have an audit trail feature, as mentioned in the Emphasis of Matter section above.
- h) With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, there has been no remuneration paid by the company to its directors during the current year. Hence, we have nothing to report in this regard. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For R. Krishna Iyer & Co**  
Chartered Accountants

Sd/-

**K. Parvathy Ammal**  
Partner | M. No.204767  
FRN: 01474S

Place: Cochin  
Date: 24.08.2024



**‘Annexure A’ to the Independent Auditors’ Report of Cheraman Financial Services Limited for the year ended 31.03.2024  
(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Cheraman Financial Services Limited on the financial statements as at and for the year ended 31<sup>st</sup> March 2024)**

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- 1) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(ii) The Property, Plant and Equipment of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.  
(iii) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.  
(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment.  
(v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- 2) According to the information and explanation given to us, the Company has no inventory as the company is engaged in Financial services, hence paragraph (ii) of the Order is not applicable.
- 3) According to the information and explanations given to us, the Company has granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under Section 189 of the Companies Act, 2013. Since the schedule of repayment is not specified, whether any amount is overdue for the loan cannot be specified  
**(Ref: Note 14.1 in the Notes to Financial Statements)**
- 4) The Company has not granted loans, made investments, given guarantees or security attracting the provisions of Section 185 and Section 186 of the Companies Act, 2013 during the period under report.

- 5) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- 6) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.
- 7) According to the information and explanations given to us, in respect of statutory dues:
  - a. The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Goods and Service tax, Customs Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities during the year. There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
  - b. According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax or Sales Tax or Wealth Tax or Service Tax or Goods and Service Tax, duty of customs or duty of excise or value added tax or cess, which have not been deposited on account of any dispute as on 31<sup>st</sup> March, 2024.
- 8) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- 9) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable.  
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- 10) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- 11) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

- 12) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- 13) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.
- 14) a. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.  
b. The Company did not have an internal audit system for the period under audit.
- 15) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) (a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration is obtained.  
(b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial Activities and no business has been conducted by the company without a valid CoR.  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.  
(d) According to the information and explanations provided to us during the course of audit, the Group does not have any core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group and accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- 17) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

- 19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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) In our opinion and according to the information and explanations given to us, transfer of unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project is not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For R. Krishna Iyer & Co**  
Chartered Accountants

Sd/-  
**K. Parvathy Ammal**  
Partner | M. No.204767  
FRN: 01474S

Place: Cochin  
Date: 24.08.2024

**‘Annexure B’ to the Independent Auditors’ Report of Cheraman Financial Services Limited for the year ended 31.03.2024  
(Referred to in paragraph 2 (g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

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**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

**Opinion**

We have audited the internal financial controls over financial reporting of Cheraman Financial Services Limited (‘the Company’) as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on ‘Audit of Internal Financial Controls Over Financial Reporting’ issued by the Institute of Chartered Accountants of India (the ‘Guidance Note’).

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal standalone financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (‘the Act’).

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance

Note and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ('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 with reference to standalone financial statements 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 standalone financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to financial statements**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal standalone financial control with reference to standalone financial statements 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**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For R. Krishna Iyer & Co**  
Chartered Accountants

Sd/-  
**K. Parvathy Ammal**  
Partner | M. No.204767  
FRN: 01474S

Place: Cochin  
Date: 24.08.2024



**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2024**

Particulars	Note No	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	3,38,700	3,38,700
(b) Reserves and Surplus	3	(52,325)	(54,666)
<b>(2) Non-Current Liabilities</b>			
(a) Other Long Term Liabilities	4	30,926	27,505
(b) Long-Term Provisions	5	682	619
<b>(3) Current Liabilities</b>			
(a) Trade Payables	6	610	4,851
(b) Other Current Liabilities	7	7,138	3,409
(c) Short-Term Provisions	8	3,893	3,776
<b>Total</b>		<b>3,29,626</b>	<b>3,24,194</b>
<b><u>ASSETS:</u></b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	9a		
i) Tangible Assets		2,480	2,943
(b) Non-Current Investments	10	39,100	39,100
(c) Long Term Loans and Advances	11	54,565	94,220
<b>(2) Current Assets</b>			
(a) Trade Receivables	12	2,544	1,409
(b) Cash and Cash Equivalents	13	1,28,479	83,784
(c) Short-Term Loans and Advances	14	96,660	1,01,395
(d) Other Current Assets	15	5,799	1,344
<b>Total</b>		<b>3,29,626</b>	<b>3,24,194</b>
<b>Significant Accounting Policies</b> 1			
The accompanying notes form an integral part of the financial statements.			
As per our Report of even date			
<b>For R. Krishnaiyer &amp; Co.</b>		<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants   FRN: 001474S			
Sd/-	Sd/-	Sd/-	
<b>K. Parvathy Ammal</b>	<b>A.P.M. Mohamed Hanish IAS</b>	<b>M.M. Abdul Basheer</b>	
Partner   M.No.204767	Managing Director   DIN: 02504842	Director   DIN: 00120916	
	Sd/-	Sd/-	
	<b>Arun Kumar V.K</b>	<b>Remesh Shenoj S</b>	
	Company Secretary	Chief Financial Officer	
Place: Cochin		Place: Cochin	
Date: 24.08.2024		Date: 24.08.2024	

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

Particulars	Note No	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
<b>I. INCOME</b>			
a) Revenue from Operations	16	14,475	26,098
b) Other Income	17	1,103	1,284
<b>Total Revenue (a+b)</b>		<b>15,578</b>	<b>27,382</b>
<b>II. EXPENSES</b>			
a) Employee Benefit Expenses	18	7,258	6,669
b) Depreciation & Amortization Expenses	9	496	766
c) Provisions and Write offs	19	-	2,488
d) Other Expenses	20	4,362	4,575
<b>Total Expenses (a+b+c)</b>		<b>12,116</b>	<b>14,498</b>
<b>III. Profit/ (Loss) before exceptional and extraordinary items and tax (I – II)</b>		<b>3,462</b>	<b>12,884</b>
<b>IV. Exceptional Items</b>		-	-
<b>V. Profit/ (Loss) Before Tax (III-IV)</b>		<b>3,462</b>	<b>12,884</b>
<b>VI. Tax Expense:</b>			
a) Current Tax		1	-
b) Short Provision of Previous Years		1,119	-
c) MAT input tax credit entitlement (Refer Note -11.1)		-	(31)
d) Deferred Tax		-	-
<b>VII. Profit/ (Loss) After Tax (V-VI)</b>		<b>2,342</b>	<b>12,915</b>
<b>VIII. Earning per Equity Share of Rs.10 each</b>	21		
Basic & Diluted in Rs.		0.07	0.38

**Significant Accounting Policies**

1

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

As per our Report of even date

**For R. Krishnaiyer & Co.**

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

Chartered Accountants | FRN: 001474S

Sd/-

**K. Parvathy Ammal**  
Partner | M.No.204767

Sd/-

**A.P.M. Mohamed Hanish IAS**  
Managing Director | DIN: 02504842

Sd/-

**M.M. Abdul Basheer**  
Director | DIN: 00120916

Sd/-

**Arun Kumar V.K**  
Company Secretary

Sd/-

**Remesh Shenois**  
Chief Financial Officer

Place: Cochin  
Date: 24.08.2024

Place: Cochin  
Date: 24.08.2024

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
<b>A. Cash Flow From Operating Activities</b>		
Profit/ (Loss) Before Tax & Exceptional Items	3,462	12,884
Adjustments for:		
Depreciation and Amortisation	496	766
Provision for standard Assets	(115)	(47)
Provision/ (Reversal) for Non-Performing Asset	-	(13,908)
<b>Operating Profit before working capital changes</b>	<b>3,843</b>	<b>(305)</b>
Movements in working capital :		
Increase/ (decrease) in other long term liabilities	3,421	5,148
Increase/ (decrease) in long term provisions	155	(67)
Increase/ (decrease) in trade payables	(4,241)	(236)
Increase/ (decrease) in other current liabilities	3,730	(5,859)
Increase/ (decrease) in short term provisions	141	(154)
Decrease/ (increase) in long-term loans & advances	39,655	12,488
Decrease/ (increase) in Trade Receivables	(1,135)	468
Decrease/ (increase) in short-term loans & advances	4,425	24,969
Decrease/ (increase) in other current assets	(4,455)	2,382
<b>Net change in working capital</b>	<b>41,696</b>	<b>39,139</b>
<b>Cash generated from/ (used in) operations</b>	<b>45,539</b>	<b>38,834</b>
Direct Taxes Paid (net of Refund)	(811)	491
<b>Cash generated from/ (used in) operating activities (A)</b>	<b>44,728</b>	<b>39,325</b>
<b>B. Cash Flow from Investing Activities</b>		
Sale of Fixed assets	-	-
Purchase of Fixed assets	(33)	-
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(33)</b>	<b>-</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of Share capital	-	-
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>44,695</b>	<b>39,325</b>
Cash & Cash Equivalents at beginning of the year	83,784	44,459
<b>Cash &amp; Cash Equivalents at end of the year (Note 13)</b>	<b>1,28,479</b>	<b>83,784</b>
As per our Report of even date		
<b>For R. Krishnaiyer &amp; Co.</b>	<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants   FRN: 001474S		
Sd/-	Sd/-	Sd/-
<b>K. Parvathy Ammal</b>	<b>A.P.M. Mohamed Hanish IAS</b>	<b>M.M. Abdul Basheer</b>
Partner   M.No.204767	Managing Director   DIN: 02504842	Director   DIN: 00120916
	Sd/-	Sd/-
	<b>Arun Kumar V.K</b>	<b>Remesh Shenoj S</b>
	Company Secretary	Chief Financial Officer
Place: Cochin		Place: Cochin
Date: 24.08.2024		Date: 24.08.2024

## NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

### 1 Significant Accounting Policies

#### 1.1 Basis of Accounting

- a) The financial statements of the Company are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP), on accrual basis under historical cost convention as a going concern. The Company has prepared these financial statements to comply with the requirements of mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 (Act) read with rule 7 of the Companies (Accounts) Rules, 2014, as amended from time to time, along with Master Directions issued by Reserve Bank of India vide Notification No. DNBR.PD.007/03.10.119/2016-17 for Non-Banking Financial Company Non-Systematically Important Non-Deposit taking Companies. The accounting policies adopted for the preparation of financial statements are consistent with those of the previous year except when a newly issued accounting standards is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use and when the statute mandate the change.
- b) As per the Master Directions issued by Reserve Bank of India vide Notification No. DNBR.PD.007/03.10.119/2016-17 for Non-Banking Financial Company Non-Systematically Important Non-Deposit taking Companies, the Company is exempt from the applicability of Chapter IV of the directions which contains the principles of income recognition, asset classification, provisioning requirements for NBFC's. However, as a matter of prudence, the management of the company has decided to mandatorily follow the IRAC norms prescribed by Reserve Bank of India for all the advances extended except for the amount advanced to subsidiary companies. In the case of subsidiary companies, the recognition of income shall be on accrual basis and the asset classification and provisioning will be based on the management estimate and judgement regarding the probability of recovery.

- c) As required by Schedule III of Companies Act, 2013, the Company has classified assets and liabilities into current and non-current based on the operating cycle. An operating cycle is the time between the acquisition of assets and their realization in cash or cash equivalents. Since in the case of non-banking financial company, normal operating cycle is not applicable hence the operating cycle has been considered as 12 months.

## **1.2 Use of Estimates**

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period.

## **1.3 Revenue Recognition**

The Annualised Cost to Customer under income from Operations represents the income arrived on assets under finance, based on Internal Rate of Return method. Such income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable, except in the case of non-performing assets (NPA) where it is recognised upon realisation. Penal interest on overdue amounts is recognised on actual collection basis which is charged based on management decision.

Upfront/ processing fees collected from the customer for processing lease/hire purchase facility are primarily towards documentation charges. This is accounted as income when the amount becomes due provided recovery thereof is certain.

## **1.4 Tangible & Intangible Assets**

Tangible & Intangible assets are stated at original cost of acquisition/ installation net off accumulated depreciation, amortization and impairment losses. The cost of fixed assets includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition/ installation.

### **1.5 Impairment of Tangible & Intangible Assets**

At each Balance Sheet date, the company reviews the carrying amount of fixed assets to determine whether there is any indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the assets to their present value.

### **1.6 Depreciation on Tangible & Intangible Assets**

Depreciable amount for Tangible & Intangible Assets is the cost of the asset, or other amount substituted for the cost, less its estimated residual value. Depreciation on tangible assets has been provided on the Straight-Line Method (SLM) by adopting the useful life prescribed as per Part C of Schedule II to the Companies Act, 2013 and retaining 5% of the original cost as residual value, except for assets having value less than Rs.10,000/- which are depreciated at 100% in the year of purchase.

Cost of Software is treated as Intangible Assets and is amortised over a period of three years in accordance with Accounting Standard (AS) 26.

### **1.7 Investments**

Investments intended to be held for not more than one year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-Current investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

### **1.8 Finance Lease**

As per Para 26 of Accounting Standard (AS) -19 on Leases, the assets given under financial leases are recognised in the Balance Sheet as receivables at an amount equal to net investments in the leases. The finance charges earned are recognised periodically in the books of accounts and the principal component in the lease rentals is reduced from the receivables periodically. Even though, the lease transactions is deemed as sales under the GST Act, the same is not disclosed as sales/ purchase in the financial statements, following principles as laid down in Accounting Standard 19.

### **1.9 Provision for Standard Assets & Doubtful Lease/ Hire Rent Receivables**

The Company provides an allowance for Lease/ Hire Purchase receivables based on the prudential norms issued by the RBI relating to income recognition, asset classification and provisioning for non-performing assets. Provision is calculated after considering the value of repossessed stock, except in the case as warranted in Note no. 1.1 (b).

### **1.10 Preliminary Expenses**

Preliminary/ Pre-incorporation expenses incurred are written off to Statement of Profit & Loss in the year in which it is incurred in accordance with Accounting Standard 26 issued by ICAI.

### **1.11 Employee Benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the employee has rendered service.

The Company provides Gratuity/ Leave Encashment benefit to all employees which is a defined benefit plan. This liability is unfunded and the company pays these benefits as and when the employee leaves the organization. Provision for the year is made on the assumption that this benefit is to be paid to all employees at the end of the accounting year and is not based on Actuarial Valuation. (Refer Note No.25).

### **1.12 Taxes on Income**

Current Tax is provided and determined as the amount of tax payable in respect of taxable income for the period. Deferred Tax is provided and recognized on timing differences between taxable income and accounting income subject to consideration of prudence. Deferred tax is not recognized as assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

### **1.13 Provisions and Contingencies**

A provision is recognised when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

### **1.14 Cash Flow Statement**

Cash Flows are reported using the Indirect Method, whereby net profit before tax is adjusted for the effect of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.



**NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**2 Share Capital**

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
<b>Authorised Capital</b> 1,000,000,000 Equity Shares of Rs. 10/- each	1,00,00,000	1,00,00,000
<b>Issued and Subscribed and Fully Paid Up</b> 3,38,70,000 (3,38,70,000) Equity Shares of Rs. 10/- each fully paid up	3,38,700	3,38,700
	<b>3,38,700</b>	<b>3,38,700</b>

**2.1 Terms/ Rights Attached to Equity Shares:**

The company has only one class of equity shares having par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.2 Reconciliation of Outstanding Shares:**

Particulars	31 <sup>st</sup> March 2024		31 <sup>st</sup> March 2023	
	No of Shares	Rs.in.'000	No of Shares	Rs.in.'000
Opening as on 1 <sup>st</sup> April	3,38,70,000	3,38,700	3,38,70,000	3,38,700
Add: Issued during the year	-	-	-	-
Closing as on 31 <sup>st</sup> March	<b>3,38,70,000</b>	<b>3,38,700</b>	<b>3,38,70,000</b>	<b>3,38,700</b>

**2.3 Details of Shareholders Holding more than 5% Shares of the Company:**

Name of the Shareholder	No. of shares as on 31 <sup>st</sup> March 2024	% of holding	No. of shares as on 31 <sup>st</sup> March 2023	% of holding
Mr. Siddeek Ahmed Haji P	60,00,000	17.71	60,00,000	17.71
Mr. Abdulla Poyil	40,00,000	11.81	40,00,000	11.81
M/s. KSIDC Ltd	36,70,000	10.84	36,70,000	10.84
Mr. Ibrahim Haji P.A	35,00,000	10.33	35,00,000	10.33
Mr. J.K. Menon	30,00,000	8.86	30,00,000	8.86
Mr. Yusuffali M.A	30,00,000	8.86	30,00,000	8.86
Mr. P. Mohamad Ali	22,00,000	6.50	22,00,000	6.50
Mr. Asharf Ali M. A	20,00,000	5.90	20,00,000	5.90

**2.4 Shares held by promoters for the year ended 31<sup>st</sup> March 2024**

Name of the Shareholder	No. of shares as on 31 <sup>st</sup> March 2024	% of total shares	% of change during the year
Mr. Siddeek Ahmed Haji P	60,00,000	17.71	-
Mr. Yusuffali M.A	30,00,000	8.86	-
Mr. P. Mohamad Ali	22,00,000	6.50	-
Mr. Ibrahim Haji P.A	35,00,000	10.33	-
Mr. Asharf Ali M.A	20,00,000	5.90	-
Mr. Pokkinary Ahammed	9,99,999	2.95	-
Mr. E.M. Najeeb	4,00,000	1.18	-
Mr. P.V. Abdul Wahab	2,00,000	0.59	-
Mr. V.K.C. Mammed Koya	1,00,000	0.30	-
Mr. N.K. Mohammed Ali	1,00,000	0.30	-
M/s. Kerala State Industrial Development Corporation Limited (KSIDC Ltd)	36,70,000	10.84	-
<b>Total</b>	<b>2,21,69,999</b>	<b>65.46</b>	

### 3 Reserves & Surplus

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
<b>a) Statutory Reserve</b>		
Balance at the beginning of the year	7,524	4,941
Add: Amount transferred from surplus in the statement of Profit and Loss	468	2,583
<b>TOTAL</b>	<b>7,992</b>	<b>7,524</b>
<b>b) Surplus in Statement of Profit &amp; Loss</b>		
Balance at the beginning of the year	(62,190)	(72,522)
Add: Profit/ (Loss) for the year	2,342	12,915
Less: Appropriations	-	-
Transfer to Statutory Reserve	468	2,583
<b>TOTAL</b>	<b>(60,317)</b>	<b>(62,190)</b>
<b>TOTAL (a +b)</b>	<b>(52,325)</b>	<b>(54,666)</b>

3.1 Statutory Reserve Fund represents the reserve fund created under Section 45IC of Reserve Bank of India Act 1934.

### 4 Other Long Term Liabilities

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
a) Others		
Security Deposit - Leasing	30,926	27,505
<b>TOTAL</b>	<b>30,926</b>	<b>27,505</b>

### 5 Long Term Provisions

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
i) For Employee Benefit: Provision for Gratuity	561	407
ii) Contingent Provisions against Standard Assets	121	213
<b>TOTAL</b>	<b>682</b>	<b>619</b>

## 6 Trade Payables

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
a. Total outstanding dues of micro enterprises and small enterprises	-	-
b. Others	610	4,851
<b>TOTAL</b>	<b>610</b>	<b>4,851</b>

Rs.in.'000  
As At 31.03.2024

Outstanding for the following periods from due date of payment				
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years
MSME	-	-	-	-
Others	-	110	-	500
Disputed Dues - MSME	-	-	-	-
Undisputed Dues - MSME	-	-	-	-
<b>Total</b>	<b>-</b>	<b>110</b>	<b>-</b>	<b>500</b>

Rs.in.'000  
As At 31.03.2023

Outstanding for the following periods from due date of payment				
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years
MSME	-	-	-	-
Others	460	-	150	4,241
Disputed Dues - MSME	-	-	-	-
Undisputed Dues - MSME	-	-	-	-
<b>Total</b>	<b>460</b>	<b>-</b>	<b>150</b>	<b>4,241</b>

## 7 Other Current Liabilities

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
a) Advance Received for Services to be rendered in relation to leasing	5,200	286

b) Other Payables:	-	-
i) Statutory Dues	678	202
ii) Expenses Payable	376	319
iii) Security Deposit - Leasing	884	2,602
<b>TOTAL</b>	<b>7,138</b>	<b>3,409</b>

## 8 Short Term Provisions

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
i) For Employee Benefit: Provision for Leave Encashment	1,150	1,009
ii) Contingent Provisions against Standard Assets	116	140
iii) Provision for Non-Performing Asset (Refer Note 14.2)	2,627	2,627
iv) Provision for Income Tax	-	-
<b>TOTAL</b>	<b>3,893</b>	<b>3,776</b>

## 8 Movement of Provision for NPA

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
Opening Balance	2,627	16,535
Provision made during the year	-	2,627
Write off/ Write back of excess provision	-	(16,535)
<b>Closing Balance</b>	<b>2,627</b>	<b>2,627</b>

## 10 Non-Current Investments

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
Other Investments at Cost		
i) Investment in Equity Instruments (Unquoted)		
(a) 17,50,000 (Previous year - 17,50,000) equity shares of Rs.10/-each fully paid up in wholly owned subsidiary, Cheraman Funds Management Limited	17,500	17,500

(b) 21,60,000 (Previous year - 21,60,000) equity shares of Rs.10/- each fully paid up in wholly owned subsidiary, Cheraman Infrastructure Private Limited	21,600	21,600
(c) 71,380 (Previous year - 71,380) equity shares of Rs.10/- each bought at a premium of Rs.280/- each, fully paid up in subsidiary, Suits India Pvt. Ltd.	20,700	20,700
Less: Aggregate provision for diminution in value of investments	(20,700)	(20,700)
<b>TOTAL</b>	<b>39,100</b>	<b>39,100</b>
<p>ii) Considering the Business Plan of Cheraman Funds Management Ltd which is expected to bring in positive cash flows in the near future, the management is of the opinion that no diminution in value of investment in the subsidiary company is anticipated at this stage and hence no provision is made for diminution in value.</p> <p>iii) One of the Subsidiary companies, Suits India Private Ltd has discontinued its operations and the liabilities of the Company are more than the realisable value of assets. Therefore the Management has decided to make 100% provision for the value of investments made in the said Subsidiary.</p>		

## 11 Long Term Loans & Advances

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
(a) Security Deposits Unsecured, Considered Good	947	963
<b>TOTAL</b>	<b>947</b>	<b>963</b>
(b) Income Tax - Advance (net of provisions)	-	-
(c) Income Tax - Mat Credit Entitlement	5,353	5,353
<b>TOTAL</b>	<b>5,353</b>	<b>5,353</b>
(d) Others Secured, Considered Good		
i) Assets on Hire Purchase Finance		
- To Related Party	-	-
- To Others Standard Assets	44,568	87,904
<b>TOTAL</b>	<b>44,568</b>	<b>87,904</b>
Secured, Considered Good		

ii) Assets on Term Finance		
- To Related Party	-	-
- To Others (Refer note 14.2)	3,697	-
<b>TOTAL</b>	<b>54,565</b>	<b>94,220</b>

### 11.1 Movement of Provision for Standard and Substandard Assets

As per the Non-Banking Financial Company - Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, Company has created provision for Standard Assets as well as Non-Performing Assets as follows:

	2023-24			2022-23		
	Standard Assets	Sub Standard Assets	Total	Standard Assets	Sub Standard Assets	Total
Gross Amount	44,568	-	44,568	87,904	-	87,904
Cumulative NPA Provn	-	-	-	-	-	-
Reversal of NPA Provn	-	-	-	-	-	-
<b>Net Amount</b>	<b>44,568</b>	<b>-</b>	<b>44,568</b>	<b>87,904</b>	<b>-</b>	<b>87,904</b>

**11.2** MAT Credit Entitlement represents the Income Tax paid for the current year and that of the previous year based on computation of book profit, which is available for set off against the tax liability based on normal computation. Based on future projections, the Management expects that there will be sufficient future taxable income to take credit for the MAT paid.

### 12 Trade Receivables

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
Secured, Considered good		
(a) Outstanding for a period exceeding six months	-	-
(b) Others	2,544	1,409
<b>TOTAL</b>	<b>2,544</b>	<b>1,409</b>

Rs.in.'000

As At 31.03.2024

12.1 Outstanding for the following periods after due date of payment				
	Less than 6 Months	6 Months - 1 Year	1 - 2 years	2-3 Years
Undisputed trade receivable considered good	2,544	-	-	-
Disputed trade receivable considered good	-	-	-	-
<b>Total</b>	<b>2,544</b>	<b>-</b>	<b>-</b>	<b>-</b>

Rs.in.'000

As At 31.03.2023

12.2 Outstanding for the following periods after due date of payment				
	Less than 6 Months	6 Months - 1 Year	1 - 2 years	2-3 Years
Undisputed trade receivable considered good	1,409	-	-	-
Disputed trade receivable considered good	-	-	-	-
<b>Total</b>	<b>1,409</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 13 Cash & Cash Equivalents

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
i) Balance with Banks - In Current Account	1,28,469	83,782
ii) Cash on Hand	10	2
<b>TOTAL</b>	<b>1,28,479</b>	<b>83,784</b>

### 14 Short Term Loans & Advances

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
(a) Loans and Advances to Related parties		



Unsecured, Considered Good		
Wholly owned Subsidiaries:		
i) Cheraman Funds Management Ltd	6,153	6,103
ii) Cheraman Infrastructure Pvt Ltd	-	26,000
(b) Balance with Government Authorities	-	8,130
(c) Advance Income Tax (Net)	310	1,941
(d) Amount paid under protest (refer Note No.14.3)	114	114
(e) Others		
Secured, Considered Good		
i) Assets on Hire Purchase Lease		
- To Related Party	-	-
- To Others (refer note 14.2)	48,102	56,999
Secured, Considered Good		
ii) Assets on Term Lease		
- To Related Party	-	-
- To Others (refer note 14.2)	1,309	-
Unsecured, Considered Good		
i) Advances recoverable in kind or for value to be received.	40,776	2,107
ii) Other advances	10	-
<b>TOTAL</b>	<b>96,660</b>	<b>1,01,395</b>

**14.1** No interest is charged for the amount advanced to wholly Owned Subsidiary Companies and also no terms for repayment had been fixed, considering the fact the amount advanced is for the business activities of the subsidiaries.

**14.2** Assets under finance lease to others include Non-Performing Assets, provided in accordance with the RBI guidelines applicable for Lease and Hire purchase assets. The gross amount, provision made and Net amount are as follows:

	2023-24			2022-23		
	Standard Assets	Sub Standard Assets	Total	Standard Assets	Sub Standard Assets	Total
Gross Amount	46,519	2,892.67	49,412	54,106	2,893	56,999
Cumulative NPA Provn	-	2,627	2,627	16,535	2,627	19,162

Reversal of NPA Provn	-	-	-	(16,535)	-	(16,535)
<b>Net Amount</b>	<b>46,519</b>	<b>266</b>	<b>46,785</b>	<b>54,106</b>	<b>266</b>	<b>54,372</b>

**14.3** Amount paid under protest refers to the amount of income tax adjusted from the refund due for the A.Y.2019-20, against the demand outstanding for the A.Y. 2018-19. However, the company has not accepted the said liability and has filed a rectification return. The company is under the process of filing an appeal against the adjustment.

### 15 Other Current Assets

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
(a) Accruals		
(i) Interest Accrued on Fixed Deposits	55	48
(ii) Accrued Annualised Cost to Customer	1,217	762
(b) Assets intended for lease	4,527	535
<b>Total</b>	<b>5,799</b>	<b>1,344</b>

### 16 Revenue From Operations

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
Annualised Cost to Customer	13,488	16,722
Reversal of NPA Provisions	-	8,590
Excess Prov for Standard Assets Reversed	115	47
Other Operating Income	871	739
<b>TOTAL</b>	<b>14,475</b>	<b>26,098</b>

### 17 Other Income

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
Interest on Fixed Deposit	7	6
Interest on IT Refund	37	56

Interest Others	-	2
Excess Liability written back	1,058	1,220
Round Off	0	-
Miscellaneous Income	1	-
<b>TOTAL</b>	<b>1,103</b>	<b>1,284</b>

## 18 Employee Benefit Expenses

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
Salaries, Wages and Bonus	6,750	6,272
Contribution to Provident and other Funds	326	295
Staff Welfare Expenses	28	91
Gratuity	155	11
<b>TOTAL</b>	<b>7,258</b>	<b>6,669</b>

## 19 Provisions and Write Offs

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
Provision for Non-performing Assets (Refer note 14.2)	-	2,488
<b>TOTAL</b>	<b>-</b>	<b>2,488</b>

## 20 Other Expenses

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
Legal and Professional Fees	703	642
Travelling Expenses	446	305
Rent	1,497	1,465
Office General Expenses	877	968
Electricity & Water Charges	279	243
Repairs and Maintenance (a) Building	-	-

(b) Others	205	206
Rates, Taxes and Filing Fees	93	246
Telephone Charges	126	118
Other Expenses	46	157
Payment to Auditor		
(a) Statutory Audit Fee	75	75
(b) For Tax Audit	15	15
<b>TOTAL</b>	<b>4,362</b>	<b>4,575</b>

## 21 Earnings Per Share

Particulars	For the Year Ended	For the Year Ended
	31.03.2024	31.03.2023
	Rs.in.'000	Rs.in.'000
Profit/ (Loss) Attributable to Equity Share Holders in '000's	2,342	12,915
Weighted Average Number of Equity Share Outstanding ( Nos)	3,38,70,000	3,38,70,000
<b>Earnings Per Share in Rs.</b>	<b>0.07</b>	<b>0.38</b>

## 22 Disclosure of transactions with related parties as required by Accounting Standard - 18 on Related Party Disclosures as prescribed by Companies (Accounting Standard) Rules, 2006.

### 22.1 Details of Related Parties

Description of Relationship	Names of Related Parties
Fully Owned Subsidiaries	Cheraman Infrastructure Private Ltd
	Cheraman Funds Management Ltd
Subsidiaries	Suits India Pvt Ltd
Key Management Personnel	Mr. A.P.M. Mohamed Hanish IAS - Managing Director
Enterprises under control of persons having significant influence over the company and with whom transactions were carried out during the year	Eram Property Network Private Ltd

**22.2 Details of related party transactions during the year ended 31<sup>st</sup> March, 2024**

Name of Related Party	Nature of Transaction	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
Cheraman Infrastructure Private Ltd	Unsecured Loan Given	-	-
	Recovery of Expenses	-	1
	Repayment of Loan	26,000	-
	Outstanding Loan Balance at the end of the year	-	26,000
Cheraman Funds Management Ltd	Unsecured Loan Given	50	50
	Recovery of Expenses	-	-
	Outstanding Loan Balance at the end of the year	6,153	6,103

**23 Pursuant to the Accounting Standard (AS-19) – Leases, the following information is given:**

**23.1** The Company has given certain assets on finance lease which effectively transferred substantially all of the risks and benefits incidental to the ownership and as per the understanding the ownership will be transferred at the end of lease period.

**23.2** Though the invoice for the purchase of assets intended for finance lease is in the name of the Company, based on lease agreement, substantially all risks and benefit incidental to the ownership of the asset is transferred to the lessee, the asset is not considered as the fixed asset of the Company.

**23.3** The total gross investment in these leases and the present value of minimum lease payment receivable as on 31<sup>st</sup> March, 2024 is as under:

As At 31.03.2024

	Gross investment in Lease	Unearned Finance Income	Present Value of Receivables
i) Not later than one year	56,039	7,937	48,102

ii) Later than one year and not later than five years	48,223	4,693	43,530
iii) Later than five years	1,086	48	1,038
<b>Total</b>	<b>1,05,348</b>	<b>12,678</b>	<b>92,670</b>

As At 31.03.2023

	<b>Gross investment in Lease</b>	<b>Unearned Finance Income</b>	<b>Present Value of Receivables</b>
i) Not later than one year	69,583	12,584	56,999
ii) Later than one year and not later than five years	99,256	11,352	87,904
iii) Later than five years	-	-	-
<b>Total</b>	<b>1,68,839</b>	<b>23,936</b>	<b>1,44,903</b>

**24** The Management had made an effort to identify components having significant cost to the total cost of the asset and is having different useful life than that of the whole of the asset. Based on a technical evaluation, no components having these characteristics had been identified, which is having a material impact on the measurement of depreciation.

**25** The Company is having only few employees and the provision for long term employee benefits such as Gratuity and Earned leave are made based on the assumption that such benefits are payable to all employees at the end of the year and in accordance with Payment of Gratuity Act, 1972, in case of gratuity. The Management is of the opinion that since there are only few employees, there will not be any material impact for the provision made without assessing the liability on actuarial basis.

**26 Earnings and Expenditure in Foreign Currency**

<b>Particulars</b>	<b>For the Year Ended 31.03.2024 Rs.in.'000</b>	<b>For the Year Ended 31.03.2023 Rs.in.'000</b>
(a) Earnings in Foreign Currency	-	-
(b) Expenditure in Foreign Currency	-	-
Travel Expenses	212	158
<b>Total Expenditure in Foreign Currency</b>	<b>212</b>	<b>158</b>

**27 Contingent Liabilities, Commitments (to the extent not provided for)**

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
a) Contingent Liabilities		
i) Claims against the company not acknowledged as debt		
- Bond given to Customs for warehousing of imported equipment meant for leasing	5,000	5,000
- Claim made by ESIC, Sub Regional Office, Ernakulam	1,532	1,532
- Claim made by DCIT, CPC-ITD, Bengaluru	-	114
ii) Others	Nil	Nil
b) Commitments	Nil	Nil

**28** Based on the information available with the Company and has been relied upon by the auditors, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year ended 31<sup>st</sup> March, 2024 together with interest paid/ payable are required to be furnished.

**29** Litigation: The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations.

**30** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

### 31 Sectoral Exposure

Sectors	Current Year			Previous Year		
	Total Exposure (Rs.in. '000's)	Gross NPA (Rs.in. '000's)	% of Gross NPA to total exposure to the sector	Total Exposure (Rs.in. '000's)	Gross NPA (Rs.in. '000's)	% of Gross NPA to total exposure to the sector
<b>Industry</b>						
1. Medium	-	-	-	-	-	-
<b>Services</b>						
1. Tourism Hotels & Restaurant	3,027	2,893	95.55	3,184	2,893	90.86
2. Retail Trade	841	-	-	35,134	-	-
3. Other Services	93,808	-	-	1,06,586	-	-

### 32 Intra Group Exposures

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Total amount of intra group exposures - Loans to Wholly owned Subsidiaries	6,153	32,103
Total amount of top 20 intra group Exposures	6,153	32,103
Percentage of intra group exposures to total exposure of the company on borrower/ customers	6%	22%

### 33 Disclosure of Restructured Accounts

Particulars	No. of Accounts	Amount in '000's
Restructured accounts as on April of Financial Year	-	-
Fresh Restructuring during the year	-	-



### 34 Related Party Disclosure

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Loans & Advances to Wholly owned subsidiaries	6,153	32,103
Investments in Wholly owned Subsidiaries	39,100	39,100

### 35 Customer Complaints

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
No. of complaints pending as at the beginning of the year	Nil	Nil
No. of complaints received during the year	Nil	Nil
No. of complaints redressed during the year	Nil	Nil
No. of Complaints pending as at the end of the year	Nil	Nil

**36** The Company has acquired premises under operating lease agreement that are renewable on a periodic basis at the option of both the lessor and lessee. Rental expenses debited to statement of profit and loss during the year is Rs.14,97,300 (Rs. 14,64,750). The company has only entered into cancellable lease arrangements.

**37** The Company has no loans or advances in the nature of loans granted to promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person except to wholly owned subsidiary for which no terms or period of repayment has been fixed:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding (Rs.in.'000's)	Percentage to the total Loans and Advances in the nature of loans
Wholly owned subsidiary	6,153	100%

**38** The Company has no Intangible Assets under Development as on 31.03.2024, whose completion is overdue or has exceeded its cost compared to its original plan.

**39** The Company has no transaction with the companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956.



- 40** The Company does not have any charges or satisfaction which is yet to be registered with ROC (Registrar of Companies) beyond the statutory period.
- 41** The Company has complied with number of layers of companies are as per clause (87) of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**42 Ratios**

Ratios	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	20.06	15.61	28%	The Current Ratio improved during the year due to higher cash and bank balance at the end of the year.
Return on Equity Ratio	Net Profit After Tax	Average Shareholder's Equity	0.69%	3.81%	-82%	The return on equity ratio declined during the year since company made higher profits due to reversal of NPA in previous year.
Net Profit Ratio	Net Profit After Tax	Net Sales	16.18%	49.58%	-67%	The net profit ratio declined during the year since company made higher profits due to reversal of NPA in previous year.

Return on Capital Employed	Earnings before interest and tax	Capital Employed = Networth + Total Borrowings	1.21%	4.54%	-73%	The return on capital employed declined during the year since company made higher profits due to reversal of NPA in previous year.
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**43** Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

Signatures to Note 1 to 43 forming integral part of accounts.

As per our Report of even date

**For R. Krishnaiyer & Co.**  
Chartered Accountants  
FRN: 001474S

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

Sd/-  
**K. Parvathy Ammal**  
Partner  
M.No.204767

Sd/-  
**A.P.M. Mohamed Hanish IAS**  
Managing Director  
DIN: 02504842

Sd/-  
**M.M. Abdul Basheer**  
Director  
DIN: 00120916

Sd/-  
**Arun Kumar V.K**  
Company Secretary

Sd/-  
**Remesh Sheno S**  
Chief Financial Officer

Place: Cochin  
Date: 24.08.2024

Place: Cochin  
Date: 24.08.2024



Amount in Rs. '000

Sl.No.	Particulars	Amount out-standing as on 31 <sup>st</sup> March 2024
<b>4</b>	<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	92,670
	(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:	5,006
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-

Amount in Rs. '000

Sl.No.	Particulars	Amount out-standing as on 31 <sup>st</sup> March 2024
<b>5</b>	<b><u>Break-up of Investments :</u></b>	
	<u>Current Investments :</u>	
	<u>1 Quoted :</u>	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	<u>2 Unquoted :</u>	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

	<u>Long Term investments :</u>	
	1. <u>Quoted :</u>	
	(i) Shares : (a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. <u>Unquoted :</u>	
	(i) Shares : (a) Equity	39,100
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

Amount in Rs. '000

<b>6</b>	<b>Borrower group-wise classification of assets financed as in (3) and (4) above :</b>	<b>Amount net of provisions as on 31st March 2024</b>		
	<b>Category</b>	<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	<b>1. Related Parties **</b>			
	(a) Subsidiaries	-	6,153	6,153
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
	2. Other than related parties	97,676	-	97,676
	<b>Total</b>	<b>97,676</b>	<b>6,153</b>	<b>1,03,829</b>

Amount in Rs. '000

<b>7</b>	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b>		
	<b>Category</b>	<b>Market Value/ Break up or fair value or NAV</b>	<b>Book Value (Net of Provisions)</b>
	<b>1. Related Parties **</b>		
	(a) Subsidiaries	12,104	39,100
	(b) Companies in the same group	-	-

	(c) Other related parties	-	-
	2. Other than related parties	-	-
	<b>Total</b>	<b>12,104</b>	<b>39,100</b>

Amount in Rs. '000

8	Other Information	Total as on 31 <sup>st</sup> March 2024
	Particulars	
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	2,893
	(ii) Net Non-Performing Assets	
	(a) Related parties	-
	(b) Other than related parties	266
	(iii) Assets acquired in satisfaction of debt	-

As per our Report of even date

**For R. Krishnaiyer & Co.**  
Chartered Accountants  
FRN: 001474S

Sd/-  
**K. Parvathy Ammal**  
Partner  
M.No.204767

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

Sd/-  
**A.P.M. Mohamed Hanish IAS**  
Managing Director  
DIN: 02504842

Sd/-  
**M.M. Abdul Basheer**  
Director  
DIN: 00120916

Sd/-  
**Arun Kumar V.K**  
Company Secretary

Sd/-  
**Remesh Shenoj S**  
Chief Financial Officer

Place: Cochin  
Date: 24.08.2024

Place: Cochin  
Date: 24.08.2024

9. Property, Plant and Equipment

Rs.in.'000

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2023	Addition	Deduction	As at 31.03.2024	As at 01.04.2023	For the Year	Deduction	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
<b>A. Tangible Assets</b>										
Building	542	-	-	542	174	18	-	191	351	369
Furniture & Fixture	4,645	-	-	4,645	4,401	-	-	4,401	244	244
Computers	870	27	-	897	736	67	-	803	94	133
Office Equipment	354	6	-	360	333	10	-	343	17	21
Electrical Equipments	1,933	-	-	1,933	1,619	36	-	1,655	278	314
Vehicle	2,306	-	-	2,306	444	365	-	809	1,497	1,862
<b>Total Tangible Assets (A)</b>	<b>10,649</b>	<b>33</b>		<b>10,682</b>	<b>7,706</b>	<b>496</b>	<b>-</b>	<b>8,202</b>	<b>2,480</b>	<b>2,943</b>
<b>B. Intangible Assets</b>										
Computer Software	312	-	-	312	312	-	-	312	-	-
<b>Total Intangible Assets (B)</b>	<b>312</b>	<b>-</b>	<b>-</b>	<b>312</b>	<b>312</b>	<b>-</b>	<b>-</b>	<b>312</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>10,961</b>	<b>33</b>	<b>-</b>	<b>10,994</b>	<b>8,018</b>	<b>496</b>	<b>-</b>	<b>8,514</b>	<b>2,480</b>	<b>2,943</b>
<b>Previous Year</b>	10,961	-	-	10,961	7,252	766	-	8,018	2,943	3,709



**R. KRISHNA IYER & Co.**  
**CHARTERED ACCOUNTANTS**  
**134, "JYOTHY", PANAMPILLY NAGAR, COCHIN – 682036.**  
**Tel:-91-484-2314426, 2318159, 2310221, 2322048, 2322148**  
**e-mail:- mail@rkiandco.in**  
**Fax: -91-484-2318159**

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## **INDEPENDENT AUDITOR'S REPORT**

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**To the Members of  
Cheraman Financial Services Limited**

### **REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

#### **Opinion**

We have audited the accompanying consolidated financial statements of **Cheraman Financial Services Limited** and its subsidiary (together referred to as "the Group"), which comprise the balance sheet as at 31<sup>st</sup> March 2024, and the Consolidated statement of Profit and Loss and Consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the 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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements

and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

### **Emphasis of Matter**

We draw attention to **Clause 1(g)(f)** to the **Report on Other Legal and Regulatory Requirements** which describes that the Company's accounting software does not have an audit trail feature as required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. Our opinion is not modified in respect of this matter.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

### **Information other than the financial statements and auditors' report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report 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 consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibility of Management for Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results 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 Consolidated Financial Results.

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 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 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 and the operating effectiveness of such controls, refer to our separate Report in '**Annexure A**' which is based on the auditors' reports of the Company and its subsidiary companies incorporated in

India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Group has disclosed the impact of pending litigations on its financial position in its financial statements **(Refer note No.27 and 30)**.
  - b) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. **(Refer note No.31)**.
  - c) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d) (i) The management has represented that, to the best of its knowledge and belief, 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:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
    - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party; or
    - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
  - (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

- e) The dividend has not been declared or paid during the year by the Company and hence compliance as per Section 123 of Companies Act is not applicable.
- h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, there has been no remuneration paid by the company to its directors during the current year. Hence we have nothing to report in this regard. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
- i) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For R. Krishna Iyer & Co**  
Chartered Accountants

Sd/-  
**K. Parvathy Ammal**  
Partner | M. No.204767  
FRN: 01474S

Place: Cochin  
Date: 24.08.2024

**‘Annexure A’ to the Independent Auditors’ Report of Cheraman Financial Services Limited for the year ended 31.03.2024  
(Referred to in our report of even date)**

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**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **Cheraman Financial Services Limited** (“the Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of that date.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal financial control over financial reporting established by the respective companies 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.

**Management’s Responsibility for Internal Financial Controls**

The respective Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (the “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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting



records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

### **Meaning of Internal Financial Controls with reference to financial statements**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements 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**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For R. Krishna Iyer & Co**  
Chartered Accountants

Sd/-  
**K. Parvathy Ammal**  
Partner | M. No.204767  
FRN: 01474S

Place: Cochin  
Date: 24.08.2024

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2024**

Particulars	Note No	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
<b><u>EQUITY AND LIABILITIES:</u></b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	3,38,700	3,38,700
(b) Reserves and Surplus	3	(68,155)	(74,862)
<b>(2) Non-Current Liabilities</b>			
(a) Other Long Term Liabilities	4	35,366	31,945
(b) Long-Term Provisions	5	682	619
<b>(3) Current Liabilities</b>			
(b) Trade Payables	6	610	4,851
(c) Other Current Liabilities	7	7,348	3,616
(d) Short-Term Provisions	8	5,433	5,339
<b>Total</b>		<b>3,19,984</b>	<b>3,10,208</b>
<b><u>ASSETS:</u></b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets	9		
(i) Tangible Assets		2,534	3,057
(ii) Intangible Assets		28,807	31,685
(b) Long Term Loans and Advances	10	54,642	94,297
<b>(2) Current Assets</b>			
(b) Trade Receivables	11	3,463	2,180
(c) Cash and Bank Balances	12	1,32,285	1,06,133
(d) Short-Term Loans and Advances	13	92,454	71,511
(e) Other Current Assets	14	5,799	1,344
<b>Total</b>		<b>3,19,984</b>	<b>3,10,208</b>
<b>Significant Accounting Policies</b> 1			
The accompanying notes form an integral part of the financial statements.			
As per our Report of even date			
<b>For R. Krishnaiyer &amp; Co.</b>		<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants   FRN: 001474S			
Sd/-	Sd/-	Sd/-	
<b>K. Parvathy Ammal</b>	<b>A.P.M. Mohamed Hanish IAS</b>	<b>M.M. Abdul Basheer</b>	
Partner   M.No.204767	Managing Director   DIN: 02504842	Director   DIN: 00120916	
	Sd/-	Sd/-	
	<b>Arun Kumar V.K</b>	<b>Remesh Shenoi S</b>	
	Company Secretary	Chief Financial Officer	
Place: Cochin		Place: Cochin	
Date: 24.08.2024		Date: 24.08.2024	

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

Particulars	Note No	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
<b>I. INCOME</b>			
a) Revenue from Operations	15	24,687	36,310
b) Other Income	16	1,103	1,330
<b>Total Revenue (a+b)</b>		<b>25,790</b>	<b>37,641</b>
<b>II. EXPENSES</b>			
a) Employee Benefit Expenses	17	7,260	6,672
b) Provisions and Write offs	18	-	2,488
c) Depreciation and Amortization Expenses	9	3,434	3,670
d) Other Expenses	19	5,708	5,828
<b>Total Expenses (a+b+c)</b>		<b>16,402</b>	<b>18,658</b>
<b>III. Profit/(Loss) Before Tax (I-II)</b>		<b>18,983</b>	<b>6,647</b>
<b>IV. Tax Expense:</b>			
a) Current Tax		1,541	1,563
b) Short/ (Excess) Provision of Previous Years		1,141	83
c) MAT input tax credit entitlement (Refer Note -10.1)		-	(31)
d) MAT Credit Lapsed			
<b>V. Profit/ (Loss) After Tax (III-IV)</b>		<b>6,707</b>	<b>17,368</b>
<b>VI. Minority Interest</b>		-	-
<b>VII. Profit/ (Loss) attributable to Shareholders</b>		<b>6,707</b>	<b>17,368</b>
<b>VIII.Earning per Equity Share of Rs.10 each</b> Basic & Diluted	20	0.20	0.51
<b>Significant Accounting Policies</b> 1			
The accompanying notes form an integral part of the financial statements.			
As per our Report of even date			
<b>For R. Krishnaiyer &amp; Co.</b>		<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants   FRN: 001474S			
Sd/-	Sd/-	Sd/-	
<b>K. Parvathy Ammal</b>	<b>A.P.M. Mohamed Hanish IAS</b>	<b>M.M. Abdul Basheer</b>	
Partner   M.No.204767	Managing Director   DIN: 02504842	Director   DIN: 00120916	
	Sd/-	Sd/-	
	<b>Arun Kumar V.K</b>	<b>Remesh Shenoj S</b>	
	Company Secretary	Chief Financial Officer	
Place: Cochin		Place: Cochin	
Date: 24.08.2024		Date: 24.08.2024	

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

Particulars	2023-24 Rs.in.'000	2022-23 Rs.in.'000
<b>A. Cash Flow From Operating Activities</b>		
Profit/ (Loss) Before Tax & Exceptional Items	9,388	18,983
Adjustments for:		
Depreciation and Amortisation	3,434	3,670
Provision for Standard Assets	(115)	(47)
Provision for Non-Performing Assets	-	(13,908)
<b>Operating Profit before working capital changes</b>	<b>12,707</b>	<b>8,698</b>
Movements in working capital:		
Increase/ (decrease) in other long term liabilities	3,421	5,148
Increase/ (decrease) in long term provisions	155	(67)
Increase/ (decrease) in Trade Payables	(4,241)	(236)
Increase/ (decrease) in other current liabilities	3,732	(5,854)
Increase/ (decrease) in short term provisions	118	832
Decrease/ (increase) in long-term loans & advances	39,655	12,488
Decrease/ (increase) in Trade Receivables	(1,283)	496
Decrease/ (increase) in short-term loans & advances	(21,253)	24,021
Decrease/ (increase) in other current assets	(4,455)	2,382
<b>Net change in working capital</b>	<b>15,849</b>	<b>39,212</b>
<b>Cash generated from/ (used in) operations</b>	<b>28,556</b>	<b>47,909</b>
Direct Taxes Paid (net of Refund)	(2,371)	(1,155)
<b>Cash generated from/ (used in) from operating activities (A)</b>	<b>26,185</b>	<b>46,754</b>
<b>B. Cash Flow from Investing Activities</b>		
Sale of Fixed assets	-	-
Purchase of Fixed assets	(33)	-
<b>Net cash flow from/ (used in) investing activities (B)</b>	<b>(33)</b>	<b>-</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of Share capital	-	-
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents(A+B+C)</b>	<b>26,152</b>	<b>46,754</b>
Cash & Cash Equivalents at the beginning of the year	1,06,133	59,380
<b>Cash &amp; Cash Equivalents at the end of the year (Note 12)</b>	<b>1,32,285</b>	<b>1,06,133</b>
As per our Report of even date		
<b>For R. Krishnaiyer &amp; Co.</b>	<b>For and on behalf of the Board of Directors</b>	
Chartered Accountants   FRN: 001474S		
Sd/-	Sd/-	Sd/-
<b>K. Parvathy Ammal</b>	<b>A.P.M. Mohamed Hanish IAS</b>	<b>M.M. Abdul Basheer</b>
Partner   M.No.204767	Managing Director   DIN: 02504842	Director   DIN: 00120916
	Sd/-	Sd/-
	<b>Arun Kumar V.K</b>	<b>Remesh Shenoj S</b>
	Company Secretary	Chief Financial Officer
Place: Cochin		Place: Cochin
Date: 24.08.2024		Date: 24.08.2024

## NOTES TO CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS

### 1 Significant Accounting Policies

#### 1.1 Basis of Accounting

- a) The financial statements of the Parent Company & Subsidiaries are prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP), on accrual basis under historical cost convention as a going concern. The Parent Company & Subsidiaries have prepared these financial statements to comply with the requirements of mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013(Act) read with rule 7 of the Companies (Accounts) Rules, 2014 along with Master Directions issued by Reserve Bank of India vide Notification No. DNBR.PD.007/03.10.119/2016-17 for Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Companies. The accounting policies adopted for the preparation of financial statements are consistent with those of the previous year except when a newly issued accounting standards is initially adopted or a revision to an existing standard requires a change in the accounting policy hitherto in use and when the statute mandate the change.
- b) As per the Master Directions issued by Reserve Bank of India vide Notification No. DNBR.PD.007/03.10.119/2016-17 for Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Companies not accepting public funds, the Company is exempt from the compliance of requirements of Chapter IV of the applicable Master Directions which contains the principles of Income Recognition, Asset Classification & Provisioning Requirements. However, as a matter of prudence, the management of the company has decided to mandatorily follow the IRAC norms prescribed by Reserve Bank of India for all the advances extended except for the amount advanced to subsidiary companies. In the case of subsidiary companies, the recognition of income shall be on accrual basis and the asset classification and provisioning will be based on the management estimate and judgement regarding the probability of recovery.

- c) As required by Schedule III of Companies Act, 2013, the Parent Company & subsidiaries have classified assets and liabilities into current and non-current based on the operating cycle. An operating cycle is the time between the acquisition of assets and their realization in cash or cash equivalents. Since in case of non-banking financial company normal operating cycle is not applicable, the operating cycle for parent company has been considered as 12 months.

## 1.2 Principles of Consolidation

The Consolidated Financial Statement (CFS) of the Group has been prepared based on a line by-line consolidation of the Balance Sheet, as at March 31, 2024 and Statement of profit and loss and cash flows of the Parent Company and its two fully owned Subsidiaries Cheraman Funds Management Ltd & Cheraman Infrastructure Pvt Ltd for the year ended March 31, 2024.

Suits India Pvt Ltd, a subsidiary of the Parent Company is excluded from the scope of consolidation from financial year 2018-19, as it no longer satisfies the conditions prescribed for consolidation as per Para 11 of Accounting Standard 21.

The financial statements of the Subsidiaries used for consolidation are drawn for the same reporting period as that of the Parent Company i.e. year ended March 31, 2024.

All material inter-company transactions and balances between the entities have been eliminated in the CFS.

The CFS has been prepared using uniform accounting policies, except as stated otherwise, for similar transactions and is presented to the extent possible, in the same manner as the Parent Company's standalone financial statements.

The excess of cost to the parent Company of its investment in the subsidiary companies over its equity of the subsidiary companies, at the date on which the investment in the subsidiary companies are made, is recognized as Goodwill being an asset in the CFS.

Minority interest, if any, in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the date on which investment are made by the parent Company in the subsidiary companies and further movement in their share in the equity, subsequent to the date of investment as stated above.

### **1.3 Use of Estimates**

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires management of Parent Company & Subsidiaries to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and reported amounts of revenues and expenses during the reporting period.

### **1.4 Revenue Recognition**

Income from assets on finance included in revenue from operations as Annualised Cost to Customer represents income arrived at based on Internal Rate of Return method. Such income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable. Penal interest on overdue amounts is recognised on actual collection basis which is charged based on management decision.

Upfront / processing fees collected from the customer for processing lease are primarily towards documentation charges. This is accounted as income when the amount becomes due provided recovery thereof is certain.

### **1.5 Tangible & Intangible Assets**

Tangible & Intangible assets are stated at original cost of acquisition/ installation net off accumulated depreciation, amortization and impairment losses. The cost of fixed assets includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition/ installation.

### **1.6 Expenditure in Respect of Build Operate & Transfer Projects**

Expenditure incurred in respect of Build, Operate & Transfer projects which does not represent company's own assets are classified as "BOT Project Expenditure" and shown under the head Intangible Assets.



### **1.7 Impairment of Tangible & Intangible Assets**

At each Balance Sheet date, the company reviews the carrying amount of fixed assets to determine whether there is any indication that those assets have suffered impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the assets to their present value.

### **1.8 Depreciation of Tangible & Intangible Assets**

Depreciable amount for Tangible & Intangible Assets is the cost of the asset, or other amount substituted for the cost, less its estimated residual value. Depreciation on tangible assets has been provided on the Straight-Line Method (SLM) by adopting the useful life prescribed as per Part C of Schedule II to the Companies Act, 2013 and retaining 5% of the original cost as residual value, except for assets having value less than Rs.10,000/- which are depreciated at 100% in the year of purchase. Cost of Software is treated as Intangible Assets and is amortised over a period of three years in accordance with Accounting Standard (AS) 26. Intangible Asset consisting of BOT Project Expenditure is amortized over the period of operation on straight line basis.

### **1.9 Investments**

Investments intended to be held for not more than one year are classified as current investments. All other investments are classified as non-current investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Non-Current investments are carried at cost. However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

### **1.10 Finance Lease**

As per para 26 of Accounting Standard (AS) -19 on Leases, the assets given under financial leases are recognised in the Balance Sheet as receivables at an amount equal to net investments in the leases. The finance charges earned are recognised periodically in the books of accounts and the principal component in the lease rentals is reduced from the receivables periodically. Even though, the lease transactions is deemed as sales under the KVAT Act and CST Act, the same is not disclosed as sales/ purchase in

the financial statements, following the principles as laid down in Accounting Standard 19.

### **1.11 Provision for Standard/ Non-Performing Assets and Doubtful Debts**

The Parent Company being a Non-systematically important non-deposit taking company and not accepting public funds is exempt from the applicability of Chapter IV of the applicable Master Direction which deals with Income recognition, Asset Classification and Provisioning Norms. Provision for bad and doubtful lease/ hire rent receivables are based on management best estimate and Principles of Prudence.

### **1.12 Preliminary Expenses**

Preliminary/ Pre-incorporation expenses incurred are written off to Statement of Profit & Loss in the year in which it is incurred in accordance with Accounting Standard 26 issued by ICAI.

### **1.13 Employee Benefits**

Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the employee has rendered service.

The Parent Company & subsidiaries provides Gratuity/ Leave Encashment benefit to all employees which is a defined benefit plan. This liability is unfunded and the company pays these benefits as and when the employee leaves the organization. Provision for the year is made on the assumption that this benefit is to be paid to all employees at the end of the accounting year.

### **1.14 Taxes on Income**

Current Tax is provided and determined as the amount of tax payable in respect of taxable income for the period. Deferred Tax is provided and recognized on timing differences between taxable income and accounting income subject to consideration of prudence. Deferred tax is not recognized as assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realize such assets.

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

### **1.15 Provisions and Contingencies**

A provision is recognised when the parent Company & subsidiaries have a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

### **1.16 Cash Flow Statement**

Consolidated Cash Flows are reported using the Indirect Method, whereby net profit before tax is adjusted for the effect of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**2 Share Capital**

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
<b>Authorised Capital</b> 1,000,000,000 Equity Shares of Rs. 10/- each	<b>1,00,00,000</b>	<b>1,00,00,000</b>
<b>Issued and Subscribed and Fully Paid Up</b> 3,38,70,000 (3,38,70,000) Equity Shares of Rs. 10/- each fully paid up	3,38,700	3,38,700
	<b>3,38,700</b>	<b>3,38,700</b>

**2.1 Terms/ Rights Attached to Equity Shares:**

The parent company has only one class of equity shares having par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.2 Reconciliation of Outstanding Shares:**

Particulars	31 <sup>st</sup> March 2024		31 <sup>st</sup> March 2023	
	No of Shares	Rs.in.'000	No of Shares	Rs.in.'000
Opening as on 1 <sup>st</sup> April	3,38,70,000	3,38,700	3,38,70,000	3,38,700
Add: Issued during the year	-	-	-	-
Closing as on 31 <sup>st</sup> March	<b>3,38,70,000</b>	<b>3,38,700</b>	<b>3,38,70,000</b>	<b>3,38,700</b>

**2.3 Details of Shareholders Holding more than 5% Shares of the parent Company:**

Name of the Shareholder	No. of shares as on 31 <sup>st</sup> March 2024	% of holding	No. of shares as on 31 <sup>st</sup> March 2023	% of holding
Mr. Siddeek Ahmed Haji P	60,00,000	17.71	60,00,000	17.71
Mr. Abdulla Poyil	40,00,000	11.81	40,00,000	11.81
M/s. KSIDC Ltd	36,70,000	10.84	36,70,000	10.84
Mr. Ibrahim Haji P. A	35,00,000	10.33	35,00,000	10.33
Mr. J. K. Menon	30,00,000	8.86	30,00,000	8.86
Mr. Yusuffali M. A	30,00,000	8.86	30,00,000	8.86
Mr. P. Mohamad Ali	22,00,000	6.50	22,00,000	6.50
Mr. Asharf Ali M. A	20,00,000	5.90	20,00,000	5.90

**2.4 Shares held by promoters for the year ended 31<sup>st</sup> March 2024**

Name of the Shareholder	No. of shares as on 31 <sup>st</sup> March 2024	% of holding	% of change during the year
Mr. Siddeek Ahmed Haji P	60,00,000	17.71	-
Mr. Yusuffali M. A	30,00,000	8.86	-
Mr. P. Mohamad Ali	22,00,000	6.50	-
Mr. Ibrahim Haji P. A	35,00,000	10.33	-
Mr. Asharf Ali M. A	20,00,000	5.90	-
Mr. Pokkinary Ahammed	9,99,999	2.95	-
Mr. E. M. Najeeb	4,00,000	1.18	-
Mr. P. V. Abdul Wahab	2,00,000	0.59	-
Mr. V. K. C. Mammed Koya	1,00,000	0.30	-
Mr. N. K. Mohammed Ali	1,00,000	0.30	-
M/s. Kerala State Industrial Development Corporation Limited (KSIDC Ltd)	36,70,000	10.84	-
<b>Total</b>	<b>2,21,69,999</b>	<b>65.46</b>	

### 3 Reserves & Surplus

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
a) Statutory Reserve		
Balance at the beginning of the year	7,524	4,941
Add: Amount transferred from surplus in the statement of Profit and Loss	468	2,583
<b>TOTAL</b>	<b>7,992</b>	<b>7,524</b>
b) Surplus in Statement of Profit & Loss		
Balance at the beginning of the year	(82,387)	(97,172)
Add: Profit/ (Loss) for the year	6,707	17,368
Less: Appropriations		
Transfer to Statutory Reserve	468	2,583
<b>TOTAL</b>	<b>(76,148)</b>	<b>(82,387)</b>
<b>TOTAL (a + b)</b>	<b>(68,155)</b>	<b>(74,862)</b>

- 3.1 Statutory Reserve Fund represents the reserve fund created under Section 45IC of Reserve Bank of India Act, 1934.

### 4 Other Long Term Liabilities

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
a) Others		
Security Deposit - Leasing	30,926	27,505
Rent Deposit	4,440	4,440
<b>TOTAL</b>	<b>35,366</b>	<b>31,945</b>

### 5 Long Term Provisions

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
i) For Employee Benefit:		

Provision for Gratuity	561	407
ii) Contingent Provisions against Standard Assets	121	213
<b>TOTAL</b>	<b>682</b>	<b>619</b>

## 6 Trade Payables

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
a. Total outstanding dues of micro enterprises and small enterprises	-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	610	4,851
<b>TOTAL</b>	<b>610</b>	<b>4,851</b>

### Outstanding for the following periods from due date of payment

As At 31.03.2024	Less than 1 year	1 – 2 years	2-3 years	More than 3 years
MSME	-	-	-	-
Others	-	110	-	500
Disputed Dues - MSME	-	-	-	-
Undisputed Dues - MSME	-	-	-	-
<b>Total</b>	-	<b>110</b>	-	<b>500</b>

### Outstanding for the following periods from due date of payment

As At 31.03.2023	Less than 1 year	1 - 2 years	2-3 years	More than 3 years
MSME	-	-	-	-
Others	460	-	150	4,241
Disputed Dues - MSME	-	-	-	-
Undisputed Dues - MSME	-	-	-	-
<b>Total</b>	<b>460</b>	-	-	<b>4,241</b>

## 7 Other Current Liabilities

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
a) Advance Received for Services to be rendered in relation to leasing	5,200	286
b) Other Payables:		
i) Statutory Remittances	834	354
ii) Expenses Payable	431	374
iii) Security Deposit - Leasing	884	2,602
<b>TOTAL</b>	<b>7,348</b>	<b>3,616</b>

## 8 Short Term Provisions

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
i) For Employee Benefit:		
Provision for Leave Encashment	1,150	1,009
ii) Contingent Provisions against Standard Assets	116	140
iii) Provision for Non-Performing Assets	2,627	2,627
iii) Provision for Income Tax	1,540	1,563
<b>TOTAL</b>	<b>5,433</b>	<b>5,339</b>

## 9 Movement of Provision for NPA

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
Opening Balance	2,627	16,535
Provision made during the year	-	2,627
Write off/ Write back of excess provision	-	(16,535)
<b>TOTAL</b>	<b>2,627</b>	<b>2,627</b>



## 10 Long Term Loans & Advances

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
(a) Security Deposits		
Unsecured, Considered Good	1,024	1,040
<b>TOTAL</b>	<b>1,024</b>	<b>1,040</b>
(b) Income Tax Advance (net of provisions)	-	-
(c) MAT Credit Entitlement	5,353	5,353
<b>TOTAL</b>	<b>5,353</b>	<b>5,353</b>
(d) Others		
Secured, Considered Good		
i) Assets on Hire Purchase Finance		
- To Related Party	-	-
- To Others Standard Assets	44,568	87,904
<b>TOTAL</b>	<b>44,568</b>	<b>87,904</b>
Secured, Considered Good		
ii) Assets on Term Finance		
- To Related Party	-	-
- To Others Standard Assets	3,697	-
<b>TOTAL</b>	<b>54,642</b>	<b>94,297</b>

Assets under finance lease to others include Non Performing Assets, provided in accordance with the RBI guidelines applicable for Lease and Hire purchase assets. The gross amount, provision made and Net amount are as follows:

	2023-24			2022-23		
	Standard Assets	Sub Standard Assets	Total	Standard Assets	Sub Standard Assets	Total
Gross Amount	44,568	-	44,568	87,904	-	87,904
Cumulative NPA Provn	-	-	-	-	-	-
Reversal of NPA Provn	-	-	-	-	-	-
<b>Total</b>	<b>44,568</b>	<b>-</b>	<b>44,568</b>	<b>87,904</b>	<b>-</b>	<b>87,904</b>

**10.1** MAT Credit Entitlement represents the Income Tax paid for the current year and that of the previous year based on computation of book profit, which is available for set off against the tax liability based on normal computation. Based on future projections, the Management expects that there will be sufficient future taxable income to take credit for the MAT paid.

**11 Trade Receivables**

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
(a) Outstanding for a period exceeding six months	-	-
(b) Others Secured, Considered good	3,463	2,180
<b>TOTAL</b>	<b>3,463</b>	<b>2,180</b>

**Outstanding for the following periods from due date of payment**

As At 31.03.2024	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 Years
Undisputed trade receivable considered good	3,463	-	-	-
Disputed trade receivable considered good				
<b>Total</b>	<b>3,463</b>	-	-	-

**Outstanding for the following periods from due date of payment**

As At 31.03.2023	Less than 6 Months	6 Months - 1 Year	1 - 2 years	2-3 Years
Undisputed trade receivable considered good	2,180	-	-	-
Disputed trade receivable considered good				
<b>Total</b>	<b>2,180</b>	-	-	-

## 12 Cash & Bank Balances

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
Cash & Cash Equivalents		
i) Balance with Banks		
- In Current Account	1,32,275	1,06,131
ii) Cash on Hand	10	2
<b>TOTAL</b>	<b>1,32,285</b>	<b>1,06,133</b>

## 13 Short Term Loans & Advances

Particulars	As at 31 <sup>st</sup> March 2024 Rs.in.'000	As at 31 <sup>st</sup> March 2023 Rs.in.'000
(a) Balance with Government Authorities	-	8,130
(b) Advance income tax (Net)	1,807	3,225
(c) Loans & Advances		
Secured, Considered Good		
i) Assets on Hire Purchase Finance		
- To Related Party	-	-
- To Others	48,102	56,999
Secured, Considered Good		
ii) Assets on Term Finance		
- To Related Party	-	-
- To Others	1,309	-
Unsecured, Considered Good		
i) Advances recoverable in kind or for value to be received	41,226	3,157
Less: Provision for Doubtful Advance	-	-
ii) Other Advances	10	-
<b>TOTAL</b>	<b>92,454</b>	<b>71,511</b>

Assets under finance lease to others include Non-Performing Assets, provided in accordance with the RBI guidelines applicable for Lease and Hire purchase assets. The gross amount, provision made and Net amount are as follows:

	2023-24			2022-23		
	Standard Assets	Sub-standard Assets	Total	Standard Assets	Sub-standard Assets	Total
Gross Amount	46,519	2,893	49,412	54,106	2,893	56,999
Cumulative NPA Provn	-	2,627	2,627	16,535	2,627	19,162
Reversal of NPA Provn	-	-	-	(16,535)	-	(16,535)
<b>Total</b>	<b>46,519</b>	<b>266</b>	<b>46,785</b>	<b>54,106</b>	<b>266</b>	<b>54,372</b>

#### 14 Other Current Assets

Particulars	As at	As at
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Rs.in.'000	Rs.in.'000
(a) Accruals		
(i) Interest Accrued on Deposits	55	48
(ii) Accrued Annualised Cost to Customer	1,217	762
<b>TOTAL</b>	<b>1,272</b>	<b>809</b>
(b) Assets intended for lease	4,527	535
<b>TOTAL</b>	<b>4,527</b>	<b>535</b>
<b>TOTAL (a +b+c+d)</b>	<b>5,799</b>	<b>1,344</b>

Pending entering into lease agreement, the equipment purchased based on the request to make available equipment on lease is considered as Other assets.

#### 15 Revenue From Operations

Particulars	For the Year	For the
	Ended	Year Ended
	31.03.2024	31.03.2023
	Rs.in.'000	Rs.in.'000
Revenue From sale of Services:-		
Annualised Cost to Customer	13,488	16,722
Reversal of NPA Provision	-	8,590
Excess Provn for Standard Assets Reversed	115	47
Other Operating Income	871	739

Rental Income	10,212	10,212
<b>TOTAL</b>	<b>24,687</b>	<b>36,310</b>

## 16 Other Income

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
Interest Received on IT Refund	37	102
Interest Others	-	2
Interest on Fixed Deposit	7	6
Miscellaneous Income	1	-
Excess Gratuity Reversed	-	-
Excess liability Written Back	1,058	1,220
Profit on Sale of Asset	-	-
Excess Provision for Standard Assets	-	-
Round Off	-	-
<b>TOTAL</b>	<b>1,103</b>	<b>1,330</b>

## 17 Employee Benefit Expenses

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
Salaries, Wages and Bonus	6,750	6,272
Contribution to Provident and other Funds	328	297
Staff Welfare Expenses	28	91
Gratuity	155	11
<b>TOTAL</b>	<b>7,260</b>	<b>6,672</b>

## 18 Provisions and Write Offs

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
Provision for Non-Performing Assets	-	2,488
Advances written Off	-	-

Bad Debts Written Off	-	-
<b>TOTAL</b>	-	<b>2,488</b>

## 19 Other Expenses

Particulars	For the Year	For the
	Ended	Year Ended
	31.03.2024	31.03.2023
	Rs.in.'000	Rs.in.'000
Legal and Professional Fees	749	687
Travelling Expenses	446	305
Rent	1,574	1,540
Office General Expenses	887	970
Electricity & Water Charges	279	243
Repairs and Maintenance	-	-
(a) Building	-	-
(b) Others	205	206
Rates, Taxes and Filing Fees	660	731
Rebate on Pre-closure	-	135
Postage & Telephone Charges	126	118
Loss on sale of assets	-	-
Annuity to Muttawalli	600	600
Bank Charges	1	2
Other Expenses	46	157
Provision Against Standard Assets	-	-
Payment to Auditor		
(a) Statutory Audit Fee	120	120
(b) Taxation Matters	15	15
<b>TOTAL</b>	<b>5,708</b>	<b>5,828</b>

## 20 Earnings Per Share

Particulars	For the Year	For the Year
	Ended	Ended
	31.03.2024	31.03.2023
	Rs.in.'000	Rs.in.'000
Profit/ (Loss) Attributable to Equity Share Holders in Rs.'000's	6,707	17,368

Weighted Average Number of Equity Share Outstanding (Nos)	3,38,70,000	3,38,70,000
<b>Earnings Per Share in Rs.</b>	<b>0.20</b>	<b>0.51</b>

**21 The financial Statements of the following Subsidiaries have been consolidated as per Accounting Standard 21 on Consolidated Financial Statements:**

Name of the Subsidiary	Country of incorporation	% of holding as on 31 <sup>st</sup> March 2024	% of holding as on 31 <sup>st</sup> March 2023
Cheraman Funds Management Limited	India	100%	100%
Cheraman Infrastructure Private Limited	India	100%	100%

**22** The financial statement of Suits India Pvt Ltd, a subsidiary in which the Parent Company holds 86.25% stake has been excluded from consolidation pursuant to para 11 of AS 21 from financial year 2018-19. The company has closed down its business activities and the secured financial creditors have started revenue recovery proceedings against the company. Further the assets of the company are unable to satisfy even the secured creditors and the company is no longer a going concern. The Parent Company has fully provided for the diminution in the value of investment in this subsidiary.

**23 Information on Related Party Transactions as Required by Accounting Standard (AS) - 18 For The Year Ended 31<sup>st</sup> March 2024**

**23.1 Details of Related Parties**

Description of Relationship	Names of Related Parties
Key Management Personnel - Holding Company	Mr. A.P.M. Mohamed Hanish IAS - Managing Director
Enterprises under control of persons having significant influence over the company and with whom transactions were carried out during the year	Eram Property Network Private Ltd

**24 Details of related party transactions during the year ended 31<sup>st</sup> March 2024 - Nil**

**25 Pursuant to the Accounting Standard (AS-19) – Leases, the following information is given:**

**25.1** The Company has given certain assets on lease which effectively transferred substantially all of the risks and benefit incidental to the ownership.

**25.2** Though the invoice for the purchase of assets intended for finance lease is in the name of the Company, based on lease agreement, substantially all risks and benefit incidental to the ownership of the asset is transferred to the lessee, the asset is not considered as the fixed asset of the Company.

**25.3 The total gross investment in these leases and the present value of minimum lease payment receivable as on 31<sup>st</sup> March 2024 is as under:**

**As At 31.03.2024**

	<b>Gross investment in Lease</b>	<b>Unearned Finance Income</b>	<b>Present Value of Receivables</b>
i) Not later than one year	56,039	7,937	48,102
ii) Later than one year and not later than five years	48,223	4,693	45,530
iii) Later than five years	1,086	48	1,038
<b>Total</b>	<b>1,05,348</b>	<b>12,678</b>	<b>92,670</b>

**As At 31.03.2023**

	<b>Gross investment in Lease</b>	<b>Unearned Finance Income</b>	<b>Present Value of Receivables</b>
i) Not later than one year	69,583	12,584	56,999
ii) Later than one year and not later than five years	99,256	11,352	87,904
iii) Later than five years	-	-	-
<b>Total</b>	<b>1,68,839</b>	<b>23,936</b>	<b>1,44,903</b>

**26 Earnings and Expenditure in Foreign Currency**

<b>Particulars</b>	<b>For the Year Ended 31.03.2024 Rs.in.'000</b>	<b>For the Year Ended 31.03.2023 Rs.in.'000</b>



(a) Earnings in Foreign Currency	-	-
(b) Expenditure in Foreign Currency		
Travel Expenses	212	158
<b>Total Expenditure in Foreign Currency</b>	<b>212</b>	<b>158</b>

**27 Contingent Liabilities, Commitments (to the extent not provided for)**

Particulars	For the Year Ended 31.03.2024 Rs.in.'000	For the Year Ended 31.03.2023 Rs.in.'000
a) Contingent Liabilities:		
i) Claims against the company not acknowledged as debt		
- Bond given to Customs for warehousing of imported equipment meant for leasing	5,000	5,000
- Claim made by ESIC, Sub Regional Office, Ernakulam	1,532	1,532
- Claim made by DCIT, CPC-ITD, Bengaluru	-	114
ii) Others	Nil	Nil
b) Commitments	Nil	Nil

**28 Additional Information as required by Paragraph 2 of General Instruction for preparation of Consolidated Financial Statements to Schedule III to Companies Act, 2013**

Rs.in.'000

Name of the Entity	Net Assets ie total assets minus total liabilities		Share of Profit or Loss	
	As a % of Consolidated Net Assets	Amount	As a % of Consolidated Net Profit/ (Loss)	Amount
<b>Parent:</b> Cheraman Financial Services Ltd	92.5%	2,86,375	34.9%	2,342
<b>Subsidiaries</b>				
<b>Indian</b>				

Cheraman Funds Management Ltd	-2.0%	(6,094)	-2.0%	(133)
Cheraman Infrastructure Private Ltd	9.5%	29,361	67.1%	4,498
<b>Consolidated Amount</b>		<b>3,09,643</b>		<b>6,707</b>

- 29** Based on the information available with the Company and has been relied upon by the auditors, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year ended 31<sup>st</sup> March 2024 together with interest paid /payable are required to be furnished.
- 30** Litigation: The Parent Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The management of the company does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations.
- 31** The Parent Company & Subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 32** The Parent Company & its subsidiaries are having only few employees and the provision for long term employee benefits such as Gratuity and Earned leave are made based on the assumption that such benefits are payable to all employees at the end of the year. The Management is of the opinion that since there are only few employees, there will not be any material impact for the provision made without assessing the liability on actuarial basis.
- 33** Cheraman Funds Management Ltd a wholly owned subsidiary of Parent Company has accumulated loss and its net worth is fully eroded as on the balance sheet date. However, the business plan of the company is having future prospects and it is expected that the performance of the Company in the coming years will improve so as to wipe off the accumulated loss in near future. Further the Holding Company is having the ability to infuse sufficient funds. Therefore, the company is having the ability to continue as going concern as on the date of Balance Sheet.

- 34** The Management had made an effort to identify components having significant cost to the total cost of the asset and is having different useful life than that of the whole of the asset. Based on a technical evaluation, no components having these characteristics had been identified, which is having a material impact on the measurement of depreciation.

**36 Sectoral Exposure**

Sectors	Current Year			Previous Year		
	Total Exposure (Rs.in'000s)	Gross NPA (Rs.in'000s)	Percentage of Gross NPA to total exposure to the sector	Total Exposure (Rs.in'000s)	Gross NPA (Rs.in'000s)	Percentage of Gross NPA to total exposure to the sector
Industry						
1. Medium Services	-	-	-	-	-	-
1. Tourism Hotels & Restaurant	3,027	2,893	95.55%	3,184	2,893	90.86%
2. Retail Trade	841	-	-	35,134	-	-
3. Other Services	93,808	-	-	1,06,586	-	-
	<b>97,676</b>	<b>2,893</b>	<b>2.96%</b>	<b>1,44,903</b>	<b>2,893</b>	<b>2.00%</b>

**37 Disclosure of Restructured Accounts**

Particulars	No. of Accounts	Amount in '000s
Restructured accounts as on April of Financial Year	-	-
Fresh Restructuring during the year	-	-

Restructuring pertains to moratorium for payment of hire rentals.

**38 Customer Complaints**

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023

No. of complaints pending as at the beginning of the year	Nil	Nil
No. of complaints received during the year	Nil	Nil
No. of complaints redressed during the year	Nil	Nil
No. of complaints pending as at the end of the year	Nil	Nil

- 39** The Parent Company and subsidiaries have acquired premises under operating lease agreement that are renewable on a periodic basis at the option of both the lessor and lessee. Rental expenses debited to statement of profit and loss during the year is Rs.15,74,103 (PY Rs. 15,39,883). The company has only entered into cancellable lease arrangements.
- 40** Title deeds of Immovable Property not held in name of the Parent Company & Subsidiaries – NIL.
- 41** The Parent Company & Subsidiaries have not revalued its Property, Plant and Equipment during the year by a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.
- 42** The Parent company & Subsidiaries have no loans or advances in the nature of loans granted to promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person.
- 43** The Parent Company & Subsidiaries have no Intangible Assets under Development as on 31.03.2024, whose completion is overdue or has exceeded its cost compared to its original plan.
- 44** The Parent Company & Subsidiaries does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- 45** The Parent Company & Subsidiaries have not been declared willful defaulter by any bank or financial institution or other lender or government or government authority.
- 46** The Parent company & Subsidiaries have no transaction with the companies struck off under Section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

- 47** The Parent Company & Subsidiaries does not have any charges or satisfaction which is yet to be registered with ROC (Registrar of Companies) beyond the statutory period.
- 48** The Parent Company & Subsidiaries have complied with number of layers of companies are as per clause (87) of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**49 Ratios**

Ratio	Numerator	Denominator	31.03.2024	31.03.2023	% Change
Current Ratio (Refer 1 below)	Current Assets	Current Liabilities	17.47	13.12	33%
Return on Equity Ratio (Refer 2 below)	Net profit After Tax	Average Shareholder's Equity	1.98%	5.13%	-61%
Net Profit Ratio (Refer 3 below)	Net Profit After Tax	Net Sales	27.17%	47.89%	-43%
Return on Capital Employed (Refer 4 below)	Earnings before interest and tax	Capital Employed = Networth + Total Borrowings	3.47%	7.19%	-52%

1. The Current Ratio improved during the year due to higher cash and bank balance at the end of the year.
2. The return on equity ratio declined during the year since the parent company made higher profits due to reversal of NPA in previous year.
3. The net profit ratio declined during the year since the parent company made higher profits due to reversal of NPA in previous year.
4. The return on capital employed declined during the year since the parent company made higher profits due to reversal of NPA in previous year.

**50** Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

Signatures to Note 1 to 50 forming integral part of accounts.

As per our Report of even date

**For R. Krishnaiyer & Co.**  
Chartered Accountants  
FRN: 001474S

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

Sd/-  
**K. Parvathy Ammal**  
Partner  
M.No.204767

Sd/-  
**A.P.M. Mohamed Hanish IAS**  
Managing Director  
DIN: 02504842

Sd/-  
**M.M. Abdul Basheer**  
Director  
DIN: 00120916

Sd/-  
**Arun Kumar V.K**  
Company Secretary

Sd/-  
**Remesh Sheno S**  
Chief Financial Officer

Place: Cochin  
Date: 24.08.2024

Place: Cochin  
Date: 24.08.2024

**Form AOC-I**  
**Statement containing salient features of the Financial Statements of**  
**Subsidiaries and Joint Ventures**  
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of  
Companies (Accounts) Rules, 2014)

**PART “A”: SUBSIDIARIES**

1	Name of the Subsidiary	Cheraman Funds Management Ltd	Cheraman Infrastructure Private Ltd	*Suits India Private Ltd
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A	N.A
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A	N.A	N.A
4	Share capital	17,500	21,600	828
5	Reserves & surplus	(23,564)	7,760	(3,694)
6	Total assets	82	35,527	14,932
7	Total Liabilities	6,176	6,166	17,797
8	Investments	-	-	-
9	Turnover	-	10,212	4,621
10	Profit before taxation	(133)	6,059	(8,528)
11	Provision for taxation	-	1,561	-
12	Profit after taxation	(133)	4,498	(8,528)
13	Proposed Dividend	-	-	-
14	% of shareholding	100%	100%	86.25%

**Note:**

Names of subsidiaries which are yet to commence operations – Nil

Names of subsidiaries which have been liquidated or sold during the year – Nil

\*Suits India Pvt Ltd figures are as per the latest available audited balance sheet for the year ended 31.03.2018.

**PART “B”: Associates and Joint Ventures – Nil**

1	Latest audited Balance Sheet Date	N.A
2	Shares of Associate/Joint Ventures held by the Company as at the year-end:	N.A
	Number of shares	N.A
	Amount of Investment in Associate/ Joint Venture	N.A
	Extend of Holding %	N.A
3	Description of how there is significant influence	N.A
4	Reason why the Associate/ Joint Venture is not consolidated	N.A
5	Networth attributable to Shareholding as per latest audited Balance Sheet	N.A
6	Profit/ (Loss) for the year	N.A
	i) Considered in Consolidation	N.A
	ii) Not Considered in Consolidation	N.A

Names of Associate/ Joint Ventures which are yet to commence operations – Nil

Names of Associate/ Joint Ventures which have been liquidated or sold during the year - Nil

**For R. Krishnaiyer & Co.**  
Chartered Accountants  
FRN: 001474S

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

Sd/-  
**K. Parvathy Ammal**  
Partner  
M.No.204767

Sd/-  
**A.P.M. Mohamed Hanish IAS**  
Managing Director  
DIN: 02504842

Sd/-  
**M.M. Abdul Basheer**  
Director  
DIN: 00120916

Sd/-  
**Arun Kumar V.K**  
Company Secretary

Sd/-  
**Remesh Sheno S**  
Chief Financial Officer

Place: Cochin  
Date: 24.08.2024

Place: Cochin  
Date: 24.08.2024



9. Property, Plant and Equipment

Rs.in.'000

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2023	Additions	Deductions	As at 31.03.2024	As at 01.04.2023	For the Year	Deduction	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
<b>A. Tangible Assets</b>										
Building	542	-	-	542	174	18	-	191	351	369
Furniture & Fixture	4,672	-	-	4,672	4,428	-	-	4,428	244	244
Computers	903	27	-	930	769	67	-	835	95	135
Office Equipment	644	6	-	650	609	10	-	619	31	35
Electrical Equipments	2,675	-	-	2,675	2,264	97	-	2,361	315	413
Vehicle	2,306	-	-	2,306	444	365	-	809	1,497	1,862
<b>Total Tangible Assets(A)</b>	<b>11,744</b>	<b>33</b>	<b>-</b>	<b>11,777</b>	<b>8,688</b>	<b>556</b>		<b>9,244</b>	<b>2,534</b>	<b>3,057</b>
<b>B. Intangible Assets</b>										
Computer Software	395	-	-	395	395	-	-	395	-	-
BOT Project	51,405	-	-	51,405	19,720	2,878	-	22,598	28,807	31,685
<b>Total Intangible Assets(B)</b>	<b>51,800</b>	<b>-</b>	<b>-</b>	<b>51,800</b>	<b>20,115</b>	<b>2,878</b>	<b>-</b>	<b>22,993</b>	<b>28,807</b>	<b>31,685</b>
<b>Total (A+B)</b>	<b>63,544</b>	<b>33</b>	<b>-</b>	<b>63,577</b>	<b>28,803</b>	<b>3,434</b>	<b>-</b>	<b>32,237</b>	<b>31,341</b>	<b>34,742</b>
<b>Previous Year</b>	63,544	-	-	63,544	25,133	3,670	-	28,803	34,742	38,412