



CHEMMANUR
Credits and Investments Limited

ANNUAL REPORT 2018

ABOUT THE COMPANY

Chemmanur Credits and Investments Limited (CCIL) promoted by Mr. Bobby Chemmanur, is a part of the Bobby Chemmanur International Group which enjoys a business tradition of more than 150 years with major focus on jewellery line of business. The Group ventured in to the area of Financial Services with the incorporation of Chemmanur Credits and Investments Limited. The Company was incorporated on 16th Dec. 2008 and registered with Reserve Bank of India as a Non-Banking Financial Company (NBFC) on 10th June, 2010. The company which commenced commercial operations by opening branches on 24th August, 2011 is classified as a Loan Company under NBFC category and is engaged in the business of granting Gold Loans, Microfinance Loans and Small Business Loans. In addition to loan business, the company is handling other business activities such as Money Transfer from foreign countries, Domestic Money Transfer to any part of India, Air / Rail / Bus ticket booking, arranging holiday packages and Visas to selected foreign countries etc.

Mr. C. D. Bobby, Chairman of the Group is well known for his business acumen and philanthropic activities. His dynamism and vision led the Group grow into an internationally well-known group catering to more than 20 Crore people around the world. His business skills were duly recognized and acknowledged by the business community all over the world. Through innovative business acumen and customer friendly approaches the Group acquired the trust of the people. The Group diversified its line of business activities to various other areas such as Real Estate, Builders and Developers, Chits, Nidhi company, Supermarkets, E-commerce Business etc. by incorporating separate companies. Bobby Chemmanur International Group recognised the noble concept of Corporate Social Responsibility years back, and has already made advances in this direction.

Chemmanur Credits and Investments Limited helped lakhs of people to accomplish their financial aspirations. We will continue to drive transformation roadmap in step with the changing times, while at the same time staying true to our core values of customer centricity, stakeholder integrity and quick adoption of top-notch technology for seamless operations. No matter what our customer's economic status is, our products aim at delivering value to the customer. We believe in transparency and in following the laws of the land without ambiguity. We value the contributions of all our stakeholders and we take special pride in recognising those contributions.

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Forward Looking Statements

In this Annual Report we have disclosed information to enable investors to understand the prospects of the Company which may be forward looking. This report may contain statements based on anticipation and judgement of the Management. Although we believe in their realisation, we are unable to guarantee the same since the achievement of the results is subject to risks and uncertainties associated with prevailing economic scenario. The actual results may vary from the expectations and anticipation. Readers are advised to keep these factors in mind.

Board of Directors



Mr. C.D. Bobby
Chairman and Managing Director



Mr. Jisso C. Baby
Whole-time Director
Public Relations & Corporate Affairs



Mr. Lijo Moothedan
Director



Mr. P.M. Rajagopal
Director



Mr. E. Habeebul Rahiman
Director

Management Team

Mr. T. K.Thomas

Chief Executive Officer

Mr. Manikantan S.V.

General Manager (Sales, Mktg. & Recovery)

Mr. Jayakumar K.

AGM & Head - HR

Mr. N.N.Kumar

Head - Ops. & Risk Management

Mr. Pramod M

Chief Financial Officer

Mr. Arun Kumar

Head - Credit Division

Mr. Aneesh Antony

Head – Information Technology

Mr. Raveendranathan N.

Sr. Manager - Administration

Ms. Priya Menon

Company Secretary

Registrar and Share Transfer agents:

S.K.D.C. Consultants Limited

Category I Registrar and Share Transfer agents,

Kanapathy Towers, 3rd Floor,1391/A1, Sathy Road, Ganapathy, Coimbatore- 641 006

Ph:+91 422 6549995,2539835/836 Email: info@skdc-consultants.com

Statutory Auditors:

M/s Cheeran Varghese & Co,

Chartered Accountants, Mundupalam First Cross Road, Thrissur- 680 001

Secretarial Auditor:

Mr. V.K. Kerala Varma,

Practicing Company Secretary,

Sree Kovilakam, Green Park Avenue,Thiruvambadi P.O ,Thrissur-680 021

Chemmanur Credits and Investments Limited

CIN: U65923KL2008PLC023560

Regd. Office : Mangalodhayam Building, Round South, Thrissur, Pin-680001

Ph: 0487-3041200, 2424010

Email: mail@chemmanurcredits.com Website: www.chemmanurcredits.com

Notice

Notice is hereby given that the Tenth Annual General Meeting of the Shareholders of Chemmanur Credits and Investments Limited will be held on Friday, 28th September, 2018 at 03.00 pm at the Registered Office of the company at Mangalodhayam Buildings, Round South, Thrissur- 680 001 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited profit and loss account for the financial year ended 31st March 2018 and the Balance Sheet as at that date, the report of the Board of Directors and the Report of Auditors.
2. To consider the retirement of Mr. Lijo Moothedan (DIN: 00877403) Director, who retires by rotation, and being eligible, offers himself for re-appointment.

Special Business

3. Re- appointment of Mr. P.M.Rajagopal as Independent Director of the Company.

To consider and if thought fit to pass with or without modification, the following resolution as a special resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. P.M.Rajagoapl (DIN :07177470) ,who was re-appointed as an Independent Director of the Company by the Board of Directors at its meeting held on 07th May,2018 and whose term of office expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term up to five consecutive years commencing from 25th March, 2018.

4. Issue of fully secured Redeemable Non-Convertible Debentures (NCDs).

To consider and if thought fit to pass with or without modification, the following resolution as a special resolution:

“RESOLVED THAT pursuant to sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 18 of the Companies (Share capital and Debenture) Rules 2014 and Rule 14 of the Companies (Prospectus and allotment of Securities) Rules 2014 as amended from time to time and applicable circulars Issued by Reserve Bank of India, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include any committee appointed by the Board thereof), to make offers, invitations to subscribe and issue fully secured redeemable non convertible debentures (NCDs), up to an aggregate limit of Rs.150 cr (Rupees One hundred and fifty Crore only) in one or more tranches on private placement basis or public issue, listed or unlisted and whether rated or otherwise having such face value as may be decided by the Board during the period commencing from the date of this Annual General Meeting until the conclusion of the next Annual General Meeting to such persons eligible to subscribe the issue on such terms and conditions including the rate of interest, tenure and security cover thereof etc.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to prepare and authenticate offer letters, issue and allot debentures, create charge, execute all such deeds, documents, instruments and writings at its sole and absolute discretion as deemed necessary in relation thereto.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) or Officer(s) of the company or to the Debenture Committee appointed by the Board to handle such matters, to give effect to the aforesaid Resolution”

5. Issue of Equity Shares on Preferential Basis

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to Sections 42 & 62 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification thereto or reenactment thereof for the time being in force), and the provisions of any rules/regulations/guidelines issued/framed by the Central Government, Reserve Bank of India, Articles of Association of the Company, and subject to the approval, consent, permission and/or sanction, as may be required from the Central Government, Reserve Bank of India, and any other appropriate authority, Institution or Body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission

and/or sanction, the approval of the Company be and is hereby accorded to the Board of Directors of the Company to create, offer, issue, and allot up to 2,50,00,000 (Two crore fifty lakh) Equity Shares of Rs.10/-(Rupees ten) each at par as per the provisions for preferential issues on such further terms and conditions, including payment of monies as may be approved or finalized by the Board of Directors to the person being the Promoters of the company.

Name of the proposed Allottee	PAN	Category
Chemmanur Devassykutty Bobby	ACFPB6597C	Promoter

RESOLVED FURTHER THAT the relevant date for the purpose of the issue of equity shares be 28.08.2018, being 30 days prior to 28.09.2018 (i.e., the date on which the meeting of the general body of shareholders in relation to the proposed issue is to be held).

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to the provisions of the memorandum and articles of association of the company and shall rank pari passu in all respects with the existing Equity Shares of the Company and shall be subject to such lock in period, if any, applicable for such preferential issues.

FURTHER RESOLVED THAT for the purpose of giving effect to the aforesaid resolution under Sections 42 & 62 of the Companies Act, 2013, the Board be and is hereby authorized to constitute or form a Committee or delegate all or any of its powers to any Director(s) / Committee duly constituted by the Board, at its absolute discretion to give effect to the aforesaid resolution and is authorized to take all such steps and do such acts, deeds, and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and to take such actions and give such directions as they may consider as necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable to give effect to this resolution including but not limited to:

- 1) approving the term sheet for the preferential allotment;
- 2) approving the issue price, the number of Equity Shares to be allotted, the basis of allocation and allotment of Equity Shares;
- 3) arranging the delivery and execution of all contracts, agreements and all other documents, deeds, and instruments as may be required or desirable in connection with the issue of Equity Shares by the Company;
- 4) authorizing any officers of the company to file requisite forms with Registrar of Companies, to make all such necessary applications with the appropriate authorities and make the necessary regulatory filings in this regard;
- 5) affixing the Common Seal of the Company on any agreement(s)/document(s) as may be required to be executed in connection with the above as per the procedure prescribed in the Articles of Association of the Company;
- 6) doing all such acts, deeds, matters and things and executing all such other documents and paying all such fees, as it may, in its absolute discretion, deem necessary or desirable for the purpose of the transactions;
- 7) authorizing or delegating all or any of the powers herein above conferred to any or more persons, if need be."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept any modification in the proposal as may be required but subject to such conditions as the Central Government or such other appropriate authority may impose at the time of their approval as agreed by the Board."

6. Extension of redemption (maturity) period of NCDs issued under series NCD 2012/VI, NCD 2012/VII, NCD 2012/VIII and NCD 2013/IX

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Sections 48 and 110 of the Companies Act, 2013 and corresponding rules and other applicable provisions of the Companies Act, 2013, if any, the consent of the Company be and is hereby accorded for extension of redemption (maturity) period for NCDs under series NCD 2012/VI, NCD 2012/VII, NCD 2012/VIII for another 48 months and for NCDs under Series NCD 2013/IX for another 60 months."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) or Officer(s) of the company or to the Debenture Committee appointed by the Board to handle such matters, to give effect to the aforesaid Resolution"

By Order of the Board
For Chemmanur Credits and Investments Limited
Sd/-
C.D.Boby
(DIN 00046095)
Chairman & Managing Director

Notes

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.**
2. Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of item Nos. 4 to 7 is annexed hereto and forms part of this notice.
3. Pursuant to section 91 of the companies Act 2013 the register of members and the share transfer books of the company will remain closed from 22.09.2018 to 28.09.2018 (both days inclusive).
4. Members are requested to: (a) intimate changes, if any, in their registered addresses to the Company / Registrar and Transfer Agents (RTA) at the address available in the Annual Report, (b) quote ledger folio numbers in all their correspondence, and (c) bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
5. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed form no. SH 13 duly filled in to the RTA. The prescribed form can be obtained from the Company / RTA.
6. Members who would like to ask questions on Accounts are requested to send their questions to the Registered Office of the company at least 10 days before the Annual General Meeting to enable the company to prepare suitable replies to such questions.
7. Documents referred to in the notice and the explanatory statement shall be kept open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 10.00 a.m. to 1.00 p.m. except holidays, up to the date of the meeting.
8. The following statutory registers are open for inspection of members and others at the registered office of the Company as prescribed in the respective sections of the Companies Act, 2013 as specified below:
 - a) Register of contracts or arrangements in which Directors are interested under section 189 of the Companies Act, 2013 shall be open for inspection on all working days during business hours.
 - b) Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Companies Act, 2013 shall be open for inspection on all working days during business hours.

The aforesaid registers shall be kept open for inspection at the Annual General Meeting by any person attending the meeting.

ANNEXURE TO NOTICE

Explanatory Statements under Section 102 (1) of the Companies Act, 2013

Item no. 3

Pursuant to Section 161 of the Companies Act, 2013 Mr. P.M.Rajagopal was appointed as one of the Independent Directors of the Company, from 25th March, 2015. Since then he has been actively participating in the discussions and deliberations on matters related to the Company, giving guidance wherever required and also keeping a close association in the overall affairs of the Company. Mr. P.M.Rajagopal with his long experience in RBI and regulatory matters has been helpful to the Company in taking policy decisions. His term of office as an Independent Director expired on 25.03.2018 and your Board thinks that his experience in financial and regulatory matters can be utilized in the coming years as well.

Therefore subject to the approval of members of the Company in General Meeting and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 07th May, 2018 have decided to re-appoint Mr.P.M. Rajagopal as an Independent Director of the company for a further period of five years with effect from 25.03.2018 to 24.03.2023.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the re- appointment of Mr. P.M.Rajagopal as an Independent Director for a period of five years is now being placed before the Members in General Meeting for their approval.

Mr. P.M. Rajagopal is interested and concerned in the Resolution mentioned at Item No.4 of the Notice. Other than Mr. P.M. Rajagopal, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in this resolution.

Item No.4

As per the provisions of Section 42 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to Non-Convertible Debentures (“NCD”) on a private placement basis or public issue, is required to obtain the prior approval of the Shareholders by way of a Special Resolution, which can be obtained once a year for all the offers and invitations for such NCDs during the year.

The approval of the members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any, of the Act read with the Rules made thereunder, to enable the Company to offer or invite subscriptions for the NCDs issued on private placement basis or public issue. The NCDs are proposed to be issued with face values of Rs.1000/ each and shall be as per the applicable guidelines issued by the Reserve Bank of India in this regard.

The Directors recommend the Resolution given in the Notice, for the approval of the Members of the Company. None of the Directors of the Company, Key Managerial Persons and their relatives is interested in the resolution.

Item no.5

The Board of Directors of the Company has approved the proposal to issue equity shares for an aggregate amount of Rs. 25,00,00,000/- on preferential basis to mobilize funds to meet the expected credit growth of the Company in the coming periods. As required under the applicable Rules, the required information is appended below:-

- Objects of the Issue: To meet the expected credit growth of the Company.
- Intention of Promoters/Key Managerial personnel to subscribe to the offer: The issue is made to one of the promoters of the Company.
- Shareholding Pattern before and after the Issue of the shares involved in the present resolution is as under

Category of Allottee	Shareholding Pattern			
	Pre issue Shares held	% of total holding	Post issue Shares held	% of total holding
Promoters	5,02,17,800	83.70	7,52,17,800	88.49
Companies In which Directors are interested	70,00,000	11.67	70,00,000	8.24
Public	27,82,200	4.63	27,82,200	3.27
Total	6,00,00,000	100.00	8,50,00,000	100.00

- The Company will complete the issue and allotment of equity shares within the time limit as prescribed under the regulation applicable for preferential issue.

- Identity of proposed allottee(s), percentage of expanded capital to be held by them:

Name of the Proposed Allottee	Present Holding	% to Pre Issue Capital	Present Issue	% to Post Issue Capital
C.D.Boby	4,99,97,800	83.33	2,50,00,000	88.23

There will not be any change in the Management or control of the Company on account of this proposed preferential issue.

- f) Lock in Requirements: The shares to be allotted on preferential basis shall not be subject to any lock in period.
- g) Practicing Professional's Certificate: The certificate received from the Practicing Company Secretary that the preferential issue is being made in accordance with the applicable rules and regulations shall be placed before the members at the Annual General Meeting.
- h) Relevant Date: Relevant date for the purpose of preferential Issue is 28.08.2018 (being 30 days prior to the date of Annual General meeting) where resolution is being considered for approval.
- i) Pricing of the Issue: The Issue and allotment of Equity shares offered by this preferential issue is being made to the allottees at par.

Section 62 of the Companies Act, 2013 provides that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in the manner as laid down in Section unless shareholders in general meeting decides otherwise by passing a Special Resolution. Therefore your Board seeks the consent of the shareholders by way of special resolution as detailed in the notice. Except Mr.C.D.Boby none of the other Directors, Key Managerial personnel of the Company and their relatives are, in any way, concerned or interested in the Resolution.

Item No.6

In deference to the demand raised by a section of the NCD holders to extend the redemption (maturity) period of NCDs issued by the Company under series for NCD 2012/VI, NCD 2012/VII, NCD 2012/VIII and NCD 2013/ IX, the Company obtained the approval of NCD holders by passing a resolution for extension of redemption (maturity) period of NCDs under Series NCD 2012/VI, NCD 2012/VII, NCD 2012/VIII for another 48 months and NCDs under Series NCD 2013/ IX for another 60 months. The Board of Directors, therefore, resolved to extend the redemption (maturity) period of the said NCDs as above as approved by the NCD holders. It is required to obtain the consent of the three- fourths of the Shareholders for variation in rights attached to the NCDs. Hence the Company is approaching the Shareholders in the ensuing AGM for their consent for extension of redemption (maturity) period of NCDs as above. Your Directors recommend passing the aforesaid resolution as special resolution. None of the Directors of the Company, Key Managerial Persons, and their relatives is interested in the resolution.

By Order of the Board
For Chemmanur Credits and Investments Limited

Sd/-
Chairman and Managing Director

Thrissur
10.08.2018

Directors' Report

To
The Members of
Chemmanur Credits and Investments Limited

Your Directors are pleased to present the 10th Annual Report of the company, together with the Audited Accounts for the financial year ended on 31st March 2018 and the report of the Statutory Auditors thereon.

1. Financial Results

(Amount in Rupees)

Description	2017-18	2016-17
Total Income	70,93,97,522.00	66,89,45,659.00
Total Expenditure	68,16,48,550.00	60,15,13,951.00
Profit before prior period items and tax	2,77,48,972.00	6,74,31,708.00
Prior period items	(2,46,61,484.00)	(35,63,334.00)
Profit before tax	5,24,10,456.00	7,09,95,042.00
Less: Tax Expenses	1,66,30,873.00	2,16,52,420.00
Profit for the Year	3,57,79,583.00	4,93,42,622.00

2. Dividend

Though the company has come out with good performance and profitability, in view of the proposed expansion plan and future development of the company, your Board of Directors does not recommend any dividend for the Financial Year 2017-18.

3. Capital and reserves

The paid up equity share capital of the company as on 31st March, 2018 was Rs.60 cr. There was no preferential issue, rights issue, bonus issue etc. of equity shares and preference shares during the financial year 2017-18. Company had transferred Rs.71, 55, 917.00 representing 20% of net profit to statutory reserve during the year.

4. Working results

During the financial year, the Company could make a net profit of Rs.3,57,79,583.00 for the year ended 31st March, 2018. Total income increased by Rs.4.05 cr. out of which Rs.2.74 cr. was contributed by Commission Income.

As on 31.03.2018 the Company had a total loan portfolio of Rs.256 cr. and was managing a total asset size of Rs.323 cr.

5. Business Outlook.

The organised gold loan market in India is expected to grow to over Rs. 3 lakh crore by 2020 at a 3 year CAGR of 13.7% according to a recent KPMG report. The report mentions that gold loan companies will increasingly address the risk of gold price volatility by offering more variants of shorter tenure loan products of 3-6 months. The advent of the Small Finance Banks (SFBs) is likely to increase competition. Also, an analysis of the market share within the organised Indian gold loan industry shows that gold loan NBFCs command a larger market share. Though banks offer gold loans at relatively lower interest rates, NBFCs offer a better value proposition to customers with their exclusive focus on gold loans, easy processing, lower TAT, flexible schemes, wider branch network and relatively longer working hours. The share of NBFCs in the total credit granted by NBFCs and banks put together rose from 9.5% in 2008 to 15.5% as of March 2017, a pointer to the rising significance of NBFCs as a source of finance. NBFCs have gained market share during the year despite the slowdown in the economy during the first half and a sharper focus on retail loans by banks. Moreover, there is no doubt that the improved performance by NBFCs has helped to bridge the credit gap in the country and reduced the dependence on banking institutions by providing an alternate source of finance to people and allowing individuals and entities with lower credit ratings also access to finance.

Being the largest business, after gold loans, microfinance is strategically important to the Company. The business is both scalable and profitable and hence will be a key growth driver for the Company. This can potentially improve the competitive position, geographical diversification, and sustenance of strong profitability and healthy asset quality. Among the risk factors are the geographical concentration in revenue profile, the rapid growth in portfolio in the last couple of years, and the risks arising from potential regulatory and legislative changes in the microfinance sector. Natural calamities and loss of income by customers can lead to delay in recovery and emergence of potential Non-Performing Assets in this sector.

6. Internal Control.

The Company's management is responsible for establishing and maintaining internal financial and operational controls. These responsibilities include the design, implementation and maintenance of adequate internal financial and operational controls operating effectively for ensuring the orderly and efficient conduct of business, including adherence to company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information. In keeping with the size of the Company and its business model, your Company has developed over the years, a proper, adequate internal audit and control system. The control system ensures that the Company's assets are safeguarded and protected. The audit system also takes care to see that revenue leakages and losses to the Company are prevented and our income streams are protected. The control system enables reliable financial reporting. A full-fledged Operations and Risk Management Department has been set up to conduct timely and frequent internal audit to evaluate the adequacy of systems and procedures and also to evaluate the status of compliance to Company's guidelines and other statutory requirements. The Department has to ensure the quality of assets pledged and also evaluates the adequacy of risk management systems at its operating units. The field level Auditors report their findings with the Operations & Risk Management Department at the Registered Office of the Company. Under the present Audit Architecture, the Internal Auditor at the Registered Office reports to the Audit Committee of the Board regarding significant audit findings and also preventive and corrective measures to protect the interests of the Company. The Audit Committee undertakes an evaluation of the adequacy and effectiveness of internal control systems. It also oversees the implementation of audit recommendations especially involving the risk management measures. Apart from monitoring the internal control measures adopted by the Audit department, the Committee also imparts guidance and constructive suggestions for improvement of the audit function in the Company.

7. Resources

Mobilisation of resources at optimal cost and its deployment in the most profitable and secured manner constitutes the two important functions of the Company. In addition to Equity the main source of funding for the Company continues to be Non-Convertible Debentures (NCDs), Subordinated Debt and credit line from State Bank of India. As at the end of the last Financial Year the Company had outstanding NCDs and Subordinated Debt of Rs. 92.77 cr. and Rs.104.39 cr. respectively. Management has been making continuous efforts to broaden the resource base of the Company so as to maintain its competitive edge. In its effort to reduce cost of funding by availing cheaper resources, the Company has already requested State Bank of India for sanction of more credit and is also planning to approach more banks for finance. Raising finance from other financial institutions by assigning the loan portfolio is also being considered to raise more resources. Your Directors are confident that the Company will be able to raise adequate resources for onward lending in line with its business plans.

8. Compliance with NBFC regulations

Your Company has complied with all the regulatory provisions of the Reserve Bank of India applicable to Non-Deposit taking Non-Systemically important Non-Banking Financial Companies. As on March 31, 2018, the Company maintained a comfortable Leverage Ratio of 3.75 as against the permissible ratio of 7 and a very high Capital to Risk Adjusted Assets Ratio of 22.68 for Tier I Capital as against the requirement of 12.

9. Deposits

As you are aware, your Company is a non-deposit taking Non-Banking Financial Company and hence it will not accept any deposit coming within the purview of public deposits. A resolution has already been passed by your Board to this effect.

10. Equity Share Issuances

During the year 2017-18 the Company has not issued any Equity shares.

11. Changes in Directors and Key Managerial Personnel

1. Mr. Jisso.C.Baby, who retired, on rotation, as Director and who offered himself for re-appointment was re-appointed as Director in the last Annual General Meeting held on 28th September, 2017.
2. Mr.P.M.Rajagopal was re-appointed as Independent Director on the Board with effect from 25.03.2018 as per resolution passed by the Board, subject to ratification by the members in this Annual General Meeting.
3. There was no change in Key Managerial Personnel during the Financial Year 2017-18.

12. Declaration from Independent Directors on annual basis

The company has received necessary declarations from the Independent Directors of the company as per section 149(7) of the Companies Act,2013 in conformity with the criteria laid down in Section149 (6) of Companies Act, 2013.

13. Report on Corporate Governance

The Company has been practicing principle of good CorporateGovernance over the years. The endeavour of the Company is not only to comply with the regulatory requirements but also adhere to good Corporate Governance standards that lays strong emphasis on integrity, transparency and overall accountability. The report on Corporate Governance forms integral part of this

annual report.

14. Statutory Disclosures

Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return in Form MGT- 9 is annexed as 'Annexure I'.

Meetings of the Board

During the financial year 2017-18, the Board met on eleven occasions. viz; 28/04/2017,09/06/2017,29/06/2017,10/08/2017, 15/09/2017,28/09/2017, 23/11/2017,03/01/2018,31/01/2018 ,05/03/018 and 22/03/2018.

Related Party Transactions.

Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in Form AOC-2 is annexed as 'Annexure II'.

Policy on Appointment of Directors

Pursuant to the provisions of Section 134(3)(e), the Company's policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) is annexed as 'Annexure III'.

Particulars of Loans, Guarantees or Investments

The company has not given any loan, guarantees, securities or investment under section 186 of the Companies Act, 2013.

Risk Management Policy

Your Company has an Internal Risk Management Policy wherein material risks faced by the Company including Operational Risk, Regulatory Risk, Price Risk, Interest Rate Risk and Credit Risk are identified and assessed. The Risk Management Committee periodically reviews the various risks faced by the Company and advises the Board on risk mitigation plans.

Details of policy Developed and Implemented by the Company on its Corporate Social Responsibility Initiatives.

The provisions of section 135 and Rules made thereunder with respect to Corporate Social Responsibility are not applicable to the Company for the last Financial Year. However the company has been actively supporting various Corporate Social Responsibility initiatives taken up by the Group and its Chairman Mr. C.D. Bobby.

Formal Annual Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria stated in the Performance Evaluation Policy.

The performance of the Board and the Committees was evaluated by all the Directors including the Independent Directors. Detailed procedure is included in the Performance Evaluation Policy of the Company as given in Annexure III.

15. Audit and Auditors' Report

Statutory Audit

M/s Cheeran Varghese & Co., Chartered Accountants, Mundupalam First Cross Road, Thrissur- 680 001, were appointed in the Eighth Annual General Meeting as Statutory Auditors of the company for the period commencing from the close of the Eighth Annual General Meeting to the close of the Eleventh Annual General Meeting, subject to ratification of such appointment in every subsequent Annual General Meeting, on such remuneration as may be decided by the Board of Directors. As per the Section 40 of the Companies Ammendment Act (2017) ratification of appointment of Auditors is not required from the date of notification of relevant Section i.e. from 07.05.2018 onwards. Therefore no resolution for ratification of appointment of Auditors are proposed during the year. Auditors' Report along with accompanying notes is attached for information of all Members.

Secretarial Audit

The Board appointed Mr.V.K. Kerala Varma, Practicing Company Secretary, Sree Kovilakom, Green Park Avenue, Thiruvambady, Thrissur 680 021 to conduct Secretarial Audit for the Financial Year 2017-18. Secretarial Audit Report for year ended on March 31, 2018 as provided by Mr.Kerala Varma, is annexed to this Report.

The reports issued by Statutory Auditors and Secretarial Auditor do not contain any qualification, reservation, adverse remark or disclaimer.

16. Credit Rating

Your Company's Long Term Bank Facilities are rated by CRISIL, one of the leading credit rating agencies in the country. The Credit Rating assigned to the Company is as follows:

Rating agency	Facilities	Amount (Rs. in Crore)	Ratings	Date
CRISIL	Long Term Bank Loan Facilities	25	BBB-Stable	18.09.2017
CARE	Non-Convertible Debentures(Public Issue)	100	BB+	23.03.2017

17. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is as follows:

Conservation of Energy

Your Company being a Non-Banking Financial Company, its activities are not energy intensive. However, your Company has taken adequate measures for conservation of energy, wherever possible.

Technology Absorption

Your Company being a Non-Banking Financial Company, its activities do not require adoption of any specific technology. However, your Company has been in the forefront in implementing latest Information technologies and tools towards enhancing customer convenience as well as security efficiency.

Foreign Exchange Earnings and Outgo

The Company does not have any foreign exchange earnings and outgo during the period covered under this report.

18. Directors' Responsibility Statement

Directors' Responsibility Statement pursuant to the provisions of section 134 (5) of Companies Act, 2013 on the accounts of the Company for the year ended 31st March, 2018 is given below:

In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material deviations, if any.

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 on March 31, 2018 and of the Profit of the Company for the period then ended.

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 in safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The Directors have prepared the Financial Statements on a going concern basis.

The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.

The Directors have devised proper system to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2017-18.

19. Sexual Harassment of women at work place

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and rules framed thereunder.

20. Details of Auctions Held During the Year 2017-18.

Additional disclosures as required by Circular DNBS.CC.PD.No.356/03.10.01/2013-2014 dated September 16th, 2013 issued by

Reserve Bank of India on auction of gold ornaments pledged by borrowers, during the financial year 2017-18 are given below.

Year	No. of Loan Accounts	Principal amount outstanding at the dates of auction(A) (Rs.)	Interest amount outstanding at the dates of auction (B) (Rs.)	Total (A+B)(Rs.)	Value fetched (Rs.)
2017-18	3934	14,30,49,418.00	5,68,78,552.00	19,99,27,970.00	18,28,39,068.00

No sister concerns of the Company participated in the auctions during the year ended March 31, 2018.

21. Significant and material orders passed by Regulators or Courts or Tribunals

There are no material orders passed by the regulators or courts or tribunals, which could impact the going concern status of the Company and its future operation.

22. Material event subsequent to the date of Financial Statement

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the FY 2017-18 and the date of this report.

23. Acknowledgement.

Your Directors take this opportunity to place on record their appreciation to all its employees and the Management for their hard work, spirited efforts, dedication and loyalty to the company which helped the company maintain its growth.

The Directors also wish to place on record their appreciation for the support extended by the Promoters, Shareholders, Investors, Customers, Well-wishers, Company's Auditors, Reserve Bank of India, Registrar of Companies and other Regulatory and Government Departments / Authorities.

By Order of the Board
For Chemmanur Credits and Investments Ltd.

Sd/-
C.D.Boby
(DIN 00046095)
Chairman & Managing Director

Thrissur
10.08.2018

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1. CIN	U65923KL2008PLC023560
2. Registration Date	16/12/2008
3. Name of the Company	Chemmanur Credits and Investments Limited
4. Category/Sub-category of the Company	Company Limited By Shares Non -Banking Financial Company
5. Address of the Registered Office & Contact details	Mangalodhayam Building, Round South, Thrissur, Pin-680001 Ph:0487 3041200, 2424010 Email:mail@chemmanurcredits.com Website:www.chemmanurcredits.com
6. Whether listed company	NO
7. Name, Address & Contact details of the Registrar & Transfer Agent, if any.	S.K.D.C. Consultants Limited Category I Registrar and Share Transfer agents, Kanapathy Towers, 3rd Floor, 1391/A1, Sathy Road, Ganapathy, Coimbatore- 641006 Ph: +91 422 6549995, 2539835-836 Email: info@skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10.00 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Non Banking Financial Company	Gold Loan	65.15
		Small Business Loan	12.77

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary/Associate	% of shares held	Applicable Section
-	-	N I L		-	

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**(i) Category-wise Share Holding:-**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year * [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	Nil	49197800	49197800	81.996	Nil	5,02,37,800	5,02,37,800	83.730	1.734
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	Nil	49197800	49197800	81.996	Nil	5,02,37,800	5,02,37,800	83.730	1.734
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) =									
A(1) + A(2)	Nil	49197800	49197800	81.996	Nil	5,02,37,800	5,02,37,800	83.730	1.734

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
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):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	7000000	7000000	11.667	-	7000000	7000000	11.667	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	1940000	1940000	3.233	-	1650000	1650000	2.750	-0.483
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	1862200	1862200	3.104	--	1112200	1112200	1.853	-1.251
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	Nil	10802200	10802200	18.004	Nil	9762200	9762200	16.270	-1.734
Total Public Shareholding (B)=(B)(1)+ (B)(2)	Nil	10802200	10802200	18.004	Nil	9762200	9762200	16.270	-1.734
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	Nil	60000000	60000000	100.000	Nil	60000000	60000000	100.000	

ii) Shareholding of Promoter:-

Sl.	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	C.D.Boby	48957800	81.596	0.00	49997800	83.330	0.00	1.734
2	Jisso C. Baby	35000	0.058	0.00	35000	0.058	0.00	Nil
3	Lijo Moothedan	35000	0.058	0.00	35000	0.058	0.00	Nil
4	Smitha Boby	55000	0.092	0.00	55000	0.092	0.00	Nil
5	Nishanth Thomas	30000	0.050	0.00	30000	0.050	0.00	Nil
6	Deena Lijo	30000	0.050	0.00	30000	0.050	0.00	Nil
7	Jose Chakkappan	55000	0.092	0.00	55000	0.092	0.00	Nil

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares *	% of total shares of the company
1	Mr. C.D. Bobby				
	At the beginning of the year	4,89,57,800	81.596		
	15.09.2017 Bought (Transfer)	7,70,000		4,97,27,800	82.880
	22.03.2018 Bought (Transfer)	2,70,000		4,99,97,800	83.330
	At the end of the year	-	-	4,99,97,800	83.330
2	Mr. Jisso C. Baby				
	At the beginning of the year	35,000	0.058		
	At the end of the year	-	-	35,000	0.058
3	Mr. Lijo Moothedan				
	At the beginning of the year	35,000	0.058		
	At the end of the year	-	-	35,000	0.058
4	Ms. Smitha Bobby				
	At the beginning of the year	55,000	0.092		
	At the end of the year	-	-	55,000	0.092
5	Mr. Nishanth Thomas				
	At the beginning of the year	30,000	0.050		
	At the end of the year	-	-	30,000	0.050
6	Ms. Deena Lijo				
	At the beginning of the year	30,000	0.050		
	At the end of the year	-	-	30,000	0.050
7	Mr. Jose Chakkappan				
	At the beginning of the year	55,000	0.092		
	At the end of the year	-	-	55,000	0.092

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Dr. M R Ravi	100000	0.167	100000	0.167
2.	Dr. Ravindranath C	100000	0.167	100000	0.167
3.	Jayabharathi .K	90000	0.150	90000	0.150
4.	Balan.T.M	50000	0.083	50000	0.083
5.	Anilkumar.M.V	50000	0.083	50000	0.083
6.	Ramakrishnan Akkal	50000	0.083	50000	0.083
7.	Bibin Balan	50000	0.083	50000	0.083
8.	Sumitha.V.G	45000	0.075	45000	0.075
9.	Sunny C V	45000	0.075	45000	0.075
10.	M. Sadanandan	80000	0.133	30000	0.050

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. C.D. Bobby - Managing Director				
	At the beginning of the year	4,89,57,800	81.596		
	15-09-2017 Bought (Transfer)	7,70,000		4,97,27,800	82.880
	22.03.2018 Bought (Transfer)	2,70,000		4,99,97,800	83.330
	At the end of the year	-	-	4,99,97,800	83.330
2	Mr. Jisso C. Baby- Whole Time Director				
	At the beginning of the year	35,000	0.058		
	At the end of the year	-	-	35,000	0.058
3	Mr. Lijo Moothedan - Director				
	At the beginning of the year	35,000	0.058		
	At the end of the year	-	-	35,000	0.058
4	P.M. Rajagopal -Director				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
5	Pramod M.				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
6	Priya Menon				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1539600144	921258314	0	2460858458
ii) Interest due but not paid	7262147	1411831	0	8673978
iii) Interest accrued but not due	73354331	216978236	0	290332567
Total (i+ii+iii)	1620216622	1139648381	0	2759865003
Change in Indebtedness during the financial year				
* Addition	0	154755000	0	154755000
* Reduction	363897359	13160000	0	377057359
Net Change	-363897359	141595000	0	-222302359
Indebtedness at the end of the financial year				
i) Principal Amount	1175702785	1062853314	0	2238556099
ii) Interest due but not paid	11969689	19946853	0	31916542
iii) Interest accrued but not due	26127541	200805761	0	226933302
Total (i+ii+iii)	1213800015	1283605928	0	2497405943

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		C.D. Bobby	Jisso C. Baby	Lijo Moothedan	P.M. Rajagopal	
1	Gross salary	60,00,000.00	14,74,783.00			74,74,783.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,00,000.00	14,74,783.00	-	-	74,74,783.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
	- Bonus					
2	Stock Option					
3	Sweat Equity					
4	Commission- as % of profit-					
5	Others, please specify					
	Total (A)	60,00,000.00	14,74,783.00	-	-	74,74,783.00

Ceiling as per the Act :Ceiling as per Sn. 197 of the Companies Act, 2013 read with Schedule V is Rs.84 lakh. The remuneration paid to MD/WTD is well within the said limit.

B. Remuneration to other Directors

Sl. No.	Name of Director	Particulars of Remuneration			Total
		Fee for attending board/ Committee meetings	Commission	Others, please specify	
1	P.M. Rajagopal	5,50,000.00	-	-	5,50,000.00
2	E. Habeebul Rahman	5,50,000.00	-	-	5,50,000.00
	Total	11,00,000.00	-	-	11,00,000.00

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

Sl. No	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial Officer	
1	Gross salary	10,20,769	12,11,074	22,31,843
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit others, specify...			
5	Others, please specify			
	Total	10,20,769	12,11,074	22,31,843

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties/punishments/compounding of offences for the year ending 31st March 2018.

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure- II

FORM NO. AOC -2

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

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

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

2. Details of contracts or arrangements or transactions at Arm's length basis

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Chemmanur Gold Palace International Ltd.
	Nature of contracts/arrangements/transaction	Rent Received
	Duration of the contracts/arrangements/transaction	Ongoing process; was approved earlier
	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.1,22,82,981.00
	Date of approval by the Board	Ongoing process; was approved earlier
	Amount paid as advances, if any	Nil
2.	Name (s) of the related party & nature of relationship	Chemmanur International Jewellers
	Nature of contracts/arrangements/transaction	Purchase of gold coins for contest winners as part of marketing activity.
	Duration of the contracts/arrangements/transaction	One time purchase
	Salient terms of the contracts or arrangements or transaction including the value, if any	Gold Purchase-Rs.3,50,550.00
	Date of approval by the Board	31.01.2018
	Amount paid as advances, if any	Nil
3	Name (s) of the related party & nature of relationship	Boby Chemmanur (No.1) Chits Private Limited
	Nature of contracts/arrangements/transaction	Commission Received
	Duration of the contracts/arrangements/transaction	Ongoing process; was approved earlier
	Salient terms of the contracts or arrangements or transaction including the value, if any	Commission on chit subscriptions collected as Agent - Rs.1,82,688.00
	Date of approval by the Board	Ongoing process; was approved earlier on 25/11/2014

By Order of the Board
For Chemmanur Credits and Investments Limited

Sd/-
C.D. Boby
(DIN 00046095)
Chairman & Managing Director

Place: Thrissur
Date 10.08.2018

ANNEXURE III

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

Nomination and Remuneration Committee ("the Committee") evaluates the range of skills, experience, expertise and diversity of the existing Directors and identifies criteria for the new role giving consideration to the Company's strategic objectives, the dynamism of the existing Board, and gaps which need to be filled. The following steps are involved in the process

1. The Committee based on enquiries on various channels identifies suitable candidates.
2. Potential candidates are considered with reference to their skills, experience, expertise, diligence, soundness of judgment, availability, their ability to add value to the Board, and their interest in the Company and its business.
3. The Company will undertake due diligence before appointing Directors to verify character references, qualifications, prior experience and other governmental checks, if appropriate.
4. The proposed Directors will be given the opportunity to undertake due diligence of the Company including access to information and meeting with the Senior Executives and other Directors (where appropriate and subject to a confidentiality agreement as deemed necessary by the Board) which would be pertinent to their ability to make an informed decision as to their suitability and support of the Company.
5. The Committee recommends appropriate candidates for appointment to the Board. The Board will consider the recommendation and if appropriate, extend an invitation to the candidate to join the Company. In case of selected Director, he/she will initially be appointed as Additional Director by the Board. Members at the request of the Board approve the appointment of the person as Director in the Next Annual General Meeting.
6. Once a Director is appointed Company will do necessary filings with various regulatory authorities and provide the necessary disclosures under the Companies Act, 2013 and Rules made there under.
7. As per the Board's timely assessment, appointed Director can be inducted as member of various Committees. As a member of the Board, appointed Director along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:
 - Requirements under the Companies Act, 2013 and Rules made thereunder
 - Accountability under the Director's Responsibility Statement,
 - Protecting and enhancing the Company's brand.
 - Adhering to various assessment criteria in the evaluation policy.
8. Every Director appointed in the Company shall give disclosure of interest in the first meeting of every financial year.

Independent Directors

The remuneration payable to Independent Directors shall be in accordance with various provisions of Companies Act, 2013, Rules framed thereunder read with Schedule IV subject to the discretion of the Board of Directors.

Non- Independent Directors/ Executive Directors

The remuneration payable to Non- Independent Directors/ Executive Directors shall be in accordance with various provisions of Companies Act, 2013, Rules framed thereunder read with Schedule V subject to the discretion of the Board of Directors.

PERFORMANCE EVALUATION POLICY

The Company's Board of Directors is dedicated to act in good faith, exercise their judgment on an informed basis and in the best interest of the Company and its stakeholders.

As, one of the most important functions of the Board of Directors is to oversee the functioning of Company's top management, this policy aims at establishing a procedure for conducting periodical evaluation of Director's performance and formulating the criteria for determining qualifications, positive attribute and independence of each and every Director of the Company. Also the Board of Directors of the Company shall oversee the performance of the committees constituted. In addition, the Nomination and remuneration Committee shall carry out the evaluation of performance of every Director, Key managerial Personnel and Senior Management in accordance with the criteria contained herein. It shall be the duty of the Company to organize the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the Directors' and committees' effectiveness, to maximize their strength and to tackle their shortcomings. The Board of Directors shall undertake the following activities on an annual basis:

- I. Review the various strategies of the Company and accordingly set the performance objectives for Directors, consistent with the varying nature and requirements of Company's business.
- II. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

In conformity with the requirement of the Act, the performance evaluation of all the Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. Independent Directors are required to evaluate the performance of Non-Independent Directors and Board as a whole. The Independent Directors of the Company shall hold at least one meeting in a year to exercise the functions as mentioned in the Companies Act, 2013 and its applicable Schedules.

Evaluation Factors

The Board of Directors shall take into consideration the following parameters for the purpose of evaluating the performance of a particular Director:

Independent Directors

Some of the specific issues and questions that should be considered in the performance evaluation of an Independent Director are set out below:

Sl.No Assessment Criteria

1. Attendance and participations in the Meetings
2. Adherence to ethical standards & code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest
3. Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
4. Interpersonal relations with other Directors and Management
5. Objective evaluation of Board's performance, rendering independent, unbiased opinion
6. Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
7. Safeguarding interest of whistle-blowers under vigil mechanism and safeguard of confidential information

Non-Independent Directors/Executive Directors

Some of the specific issues and questions that should be considered in the performance evaluation of Non-Independent Director /WTD/ CMD are set out below.

Sl.No Assessment Criteria

1. Attendance and participations in the Meetings
2. Contribution towards growth of the Company including actual vis-à-vis budgeted performance.
3. Leadership initiative, like new ideas and planning towards growth of the Company and steps initiated towards branding of the Company
4. Adherence to ethical standards & code of conduct of Company
5. Team work attributes and supervising & training of staff members
6. Compliance with policies, reporting of frauds, violation etc. and disclosure of interest
7. Safeguarding of interest of whistle blowers under vigil mechanism and safeguard of confidential information

Board of Directors/Committees

Sl.No Assessment Criteria

1. Is the composition of the Board /Committee appropriate with the right mix of knowledge and skills required to drive organizational performance in the light of future strategy ?
2. Members of the Board /Committee meet all applicable independence requirements.
3. The Board of Directors /Committee is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
4. The Board of Directors /Committee are effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
5. Are sufficient numbers of Board/Committee meetings, of appropriate length, being held to enable proper consideration of issues ?
6. The Chairman of the Board/Committee effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.
7. Nomination and appointment of Board members and their remuneration follow clearly established procedures using known criteria as laid down by the Nomination and Remuneration Committee
8. Company has necessary Committees which are required and these Committees are working effectively

Review

The performance evaluation process and related tools will be reviewed by the Nomination and Remuneration Committee on need basis and the Committee may periodically seek independent external advice in relation to the process.

The, Committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution at a meeting of the Nomination and Remuneration Committee.

CORPORATE GOVERNANCE REPORT

The Company's philosophy of Code of Governance

The Company's philosophy of Corporate Governance is aimed at assisting the Management of the Company in the efficient conduct of its business and meeting its obligations to stakeholders and is guided by a strong emphasis on transparency, accountability and integrity. The endeavor of the Company is not only to comply with the regulatory requirements but also to practice good corporate governance. The Company believes that good governance practices, internal control systems, transparent operational activities and proper risk management system are essential for sustainable business. The Company focuses on enhancement of long term shareholder value without compromising on ethical standards, corporate social and business responsibilities. The Company believes that its business plans should be consistent with the above objective leading to sustained corporate growth and long-term benefit to all. The Company follows this principle in all its business dealings and decisions.

A. Board of Directors, composition and attendance.

1. Composition of Board

Your Company has a competent and highly professional team of Board Members. There are five Directors on the Board of the Company having diverse experience and expertise in their respective areas. The composition of the Board meets the criteria as prescribed by the Companies Act, 2013. This composition also fulfils the norms prescribed by Reserve Bank of India. Out of the five Directors, two are Executive Directors, one is a Non-Executive Director and two are Independent Directors. All the Independent Directors have confirmed that they meet the criteria of Independence as per Section 149(6) of the Companies Act, 2013. None of the Directors on the Board holds Directorships in more than ten Public Companies. None of the Directors is related to each other. None of the Independent Directors of the Company holds Independent Directorship in more than seven listed companies and none of them is serving as a Whole Time Director in any listed company. None of the Independent Directors of your Company has any material pecuniary relationship with the Company, its Promoters or its Management, which may affect the independence of the judgment of the Director.

2. Board Meetings and Attendance of Board

During the period from 01/04/2017 to 31/03/2018 the Board met on 11 occasions viz; 28/04/2017, 09/06/2017, 29/06/2017, 10/08/2017, 15/09/2017, 28/09/2017, 23/11/2017, 03/01/2018, 31/01/2018, 05/03/2018 and 22/03/2018 to discuss and formulate important business strategies and policies. The gap between two consecutive meetings was less than 120 days. Details regarding Board Members, meetings attended, and directorship in other companies, if any, are appended below:

Sl. No.	Name of Director	Director Identification Number	Date of Appointment	Status	No. of Meetings attended	Directorship In other public Limited Companies
1.	Mr. CD Bobby	00046095	16/12/2008	Chairman and Managing Director	4	1
2.	Mr. Jisso. C. Baby	01622660	16/12/2008	Whole Time Director (Public Relations & Corporate Affairs)	10	1
3.	Mr. Lijo Moothedan	00877403	16/12/2008	Director	7	1
4.	Mr. P. M. Rajagopal	07177470	25/03/2015	Independent Director	11	NIL
5.	Mr. E. Habeebul Rahiman	06973269	24/03/2017	Independent Director	11	NIL

Non-Executive Directors' Compensation : Presently, no compensation is paid to Non-Executive Directors of the company.

3. Change in Board of Directors during FY 2017-18

- Mr. Jisso C. Baby, who retired, on rotation, as Director and who offered himself for re-appointment was re-appointed as Director in the last Annual General Meeting held on 28th September, 2017.
- Mr. E. Habeebul Rahiman who was appointed as Additional Director on the Board on 24/03/2017, was appointed as Independent Director by the Members in the last Annual General Meeting held on 28th September, 2017. His appointment fulfills the requirement of a second Independent Director on the Board.

4. Information Provided to the Board Members

The Board agenda with proper explanatory notes is prepared and circulated well in advance to all the Board members. All statutory and other matters of significant importance are tabled before the Board to enable it to discharge its responsibility of strategic supervision of the Company. The Board also reviews periodical compliances of all applicable laws, rules and regulations. At the Board Meeting, members have full freedom to express their opinion and decisions are taken after detailed deliberations. It plays a primary role in ensuring good governance and smooth functioning of the Company. In addition to monitoring Company's overall corporate performance, it sets standards of corporate behavior and ensures transparency in corporate dealing. The Board also discusses and reviews the legal compliance of the Company with respect to RBI directions and general compliance under all the applicable enactments.

B. Sub Committees of the Board.

The Board has constituted sub-committees of the Board. Each Committee of the Board functions according to the terms of reference as

approved by the Board. Meeting of each sub-committee is convened by the respective Committee Chairman. The composition and terms of reference of these sub-committees including the number of meetings held during the financial year and the related attendance are given below.

1. Audit Committee

The Company has constituted a qualified and independent Audit Committee as required under Section 177 of the Companies Act, 2013. The Committee has three members well qualified to handle accounts, finance, audit and legal matters. The Audit Committee of your Company acts as a link between the Independent Auditors, Internal Auditors, the Management and the Board of Directors and oversees the financial reporting process. The Audit Committee is provided with all necessary assistance and information for enabling it to carry out its function effectively. The Audit Committee met Eleven times during 2017-18 viz. 28/04/2017, 09/06/2017, 29/06/2017, 10/08/2017, 15/09/2017, 28/09/2017, 23/11/2017, 03/01/2018, 31/01/2018, 05/03/2018 and 22/03/2018. The constitution, record of attendance of meetings and other details of the Audit Committee of the Company are given below:

Sl.No.	Name of Member	Position Held	Category	No of Meetings attended
1.	Mr. P. M. Rajagopal	Chairman	Independent Director	11
2.	Mr. E. Habeebul Rahiman	Member	Independent Director	11
3.	Mr. Jisso C. Baby	Member	Whole Time Director (Public Relations & Corporate Affairs)	10

The Chief Executive Officer, the Chief Financial officer and the Internal Auditor are invited to the Audit Committee meetings. Company Secretary acts as Secretary to the Committee. The Chairman of the Audit Committee Mr. P.M. Rajagopal was present at the Annual General Meeting of the company held on 28-09-2017.

Terms of reference of the Audit Committee are as follows:

1. Overseeing Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to our Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement in our Board's report in terms of clause (5) of Section 133 of the Companies Act, 2013.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by Management.
 - iv. Significant adjustments made in the financial statements arising out of audit findings.
 - v. Compliance with legal requirements relating to financial statements.
 - vi. Disclosure of any related party transactions, and
 - vii. Qualifications, if any, in the draft audit report.
5. Reviewing with the Management the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the Management performance of the statutory and internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
8. Discussion with internal auditors regarding any significant findings and follow-up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before audit commences about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
11. To look into the reasons for substantial defaults, if any, in the payments to the debenture holders, shareholders and creditors.
12. Carrying out any other function as may be entrusted to the committee by the Board from time to time.

The Board Audit Committee can invite such Executives as it considers appropriate to be present at the meetings of the Committee.

2. Nomination and Remuneration Committee

In compliance with Section 178 of Companies Act, 2013 the Board constituted "Nomination and Remuneration Committee". The terms of reference of the committee includes, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria and review their performance. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best talents and is commensurate with the performance of individual. The Committee met on 22/03/2018 to consider the re-appointment of Mr. P.M.Rajagopal as Independent Director.

Sl.No.	Name of Member	Position Held	Category	No of Meetings attended
1.	Mr. E. Habeebul Rahiman	Chairman	Independent Director	1
2.	Mr. P.M.Rajagopal	Member	Independent Director	—
3.	Mr. Jisso C.Baby	Member	Whole Time Director (Public Relations & Corporate Affairs)	1
4.	Mr. Lijo Moothedan	Member	Non-Executive Director	1

The Chief Executive Officer, the Chief Financial officer and the General Manager - Sales, Mktg. & Recovery are invited to attend the Nomination and Remuneration Committee meetings. Company Secretary acts as Secretary to the Committee. The Chairman of the Nomination and Remuneration Committee Mr. E.Habeebul Rahiman was present at the Annual General Meeting of the company held on 28/09/2017.

3. Stakeholders Relationship Committee

Stakeholders Relationship Committee is authorized to consider and resolve the grievances of security holders of the company and to approve all such matters relating to it and do all such acts, deeds, matters and things as it may, at its discretion, deem necessary and desirable. The Stakeholders Relationship Committee met Eight times during FY 2017-18 viz. 28/04/2017,09/06/2017, 29/06/2017,10/08/2017,15/09/2017,28/09/2017, 31/01/2018 and 22/03/2018.

Terms of reference of the Stakeholders Relationship Committee are as follows:

1. Efficient transfer of shares and debentures including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressing of shareholders and investor complaints on non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates, etc.;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by the Company.
4. Complaints on Allotment and listing of shares and debentures;
5. Reference to statutory and regulatory authorities regarding investor grievances;
6. Ensure proper and timely attendance and redressal of investor queries and grievances and to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Sl.No.	Name of Member	Position Held	Category	No of Meetings attended
1.	Mr. P.M Rajagopal	Chairman	Independent Director	8
2.	Mr. E. Habeebul Rahiman	Member	Independent Director	8
3.	Mr.C.D Bobby	Member	Managing Director	4
4.	Mr.Jisso.C.Baby	Member	Whole Time Director (Public Relations and Corporate Affairs)	8

The Chairman of the Stakeholders Relationship Committee Mr. P.M. Rajagopal was present at the Annual General Meeting held on 28.09.2017.

4 Risk Management Committee

Evaluation of business risk and managing the risk has always been an ongoing process in your Company. The Company has set up a Risk Management Committee for identifying, monitoring and minimizing risk. The Risk Management Committee met Eight times during FY 2017-18 viz. 28/04/2017,09/06/2017, 29/06/2017,10/08/2017,15/09/2017,28/09/2017, 31/01/2018 and 22/03/2018.

The terms of reference of the Risk Management Committee are as follows.

- ♦ To overlook the activities and functions of ALCO.
- ♦ Monitoring the market risk levels of the company by ensuring adherence to the various risk-limits set by the Board.
- ♦ Articulating the current interest rate view and a view on future direction of interest rate movements and base its decisions for future business strategy on this view as also on other parameters considered relevant.
- ♦ Reviewing the business strategy of the company both on the assets side and the liabilities side, consistent with the interest rate view, budget and pre-determined risk management objectives which will include;
 - I. Determining the desired maturity profile and mix of the assets and liabilities.
 - II. Product pricing for both assets side as well as liabilities side.
 - III. Deciding the funding strategy i.e. the source and mix of liabilities or sale of assets, the proportion of fixed vs. floating rate funds, wholesale vs. retail funds, money market vs. capital market funding , domestic vs. foreign currency funding, etc.
 - IV. Reviewing the results of and progress in implementation of the decisions made in the previous meetings.

Sl.No.	Name of Member	Position Held	Category	No of Meetings attended
1.	Mr. E. Habeebul Rahiman	Chairman	Independent Director	8
2.	Mr. P.M.Rajagopal	Member	Independent Director	8
3.	Mr.C.D. Bobby	Member	Managing Director	4
4.	Mr. Jisso C. Baby	Member	Whole Time Director (Public Relations & Corporate Affairs)	8

The Chief Executive Officer, the Chief Financial Officer and the Internal Auditor are invited to attend the Risk Management Committee meetings. Company Secretary acts as Secretary to the committee.

5. Debenture Committee

The Debenture Committee was constituted by the Board to oversee and approve all matters in connection with issue, allotment, and other formalities of Redeemable Non-Convertible Debentures. The Committee comprised of the following members as on 31st March, 2018.

Sl.No.	Name of Member	Position Held	Category
1.	Mr. Jisso C. Baby	Chairman	Whole Time Director (Public Relations and Corporate Affairs)
2.	Mr.T.K.Thomas	Member	Chief Executive Officer
3.	Mr. Pramod M.	Member	Chief Financial Officer
4.	Ms. Priya Menon	Member	Company Secretary

6. Asset Liability Management Committee (ALCO)

The Asset Liability Management Committee ensures proper balance of assets and liabilities of the company as per guidelines issued by Reserve Bank of India from time to time. The Committee comprised of the following members as on 31st March, 2018.

Sl.No.	Name of Member	Position Held	Category
1.	Mr. Jisso.C.Baby	Chairman	Whole Time Director (Public Relations and Corporate Affairs)
2.	Mr.T.K.Thomas	Member	Chief Executive Officer
3.	Mr. Pramod. M	Member	Chief Financial Officer
4.	Ms. Kumar N.N	Member	Head Operations and Internal Auditor
5.	Mr. S.V. Manikantan	Member	(GM –Sales, Mktg. &Recovery)

Company Secretary acts as Secretary to the Committee.

C. General Body Meetings.

Details of last three Annual General Meetings of the Company are given below:-

Year	Date	Time and Place	Details of special resolution passed
2017	28/09/2017	3.00PM. Registered office of the company at Mangalodhayam Building Round South, Thrissur	Appointment of Mr. E.Habeebul Rahiman as Director of the Company. Issue of fully secured redeemable non- convertible Debentures (NCDs). Issue of equity shares on preferential basis., Payment of remuneration to Mr.C.D.Boby (Chairman and Managing Director of the Company)
2016	30/09/2016	3.00PM. Registered office of the company at Mangalodhayam Building, Round South, Thrissur.	Reappointment of Mr.Jisso.C.Baby as Whole Time Director (Public Relations and Corporate affairs). Issue of fully secured redeemable non- convertible Debentures (NCDs)and unsecured Subordinated Debts on Private Placement basis. Issue of equity shares on preferential basis
2015	29/09/2015	3.00 P.M. Registered Office of the Company at Mangalodhayam Building, Round South, Thrissur.	Appointment of Mr.P.M.Rajagopal as Director of the Company Adoption of new Memorandum of Association Adoption of new Articles of Association Issue of fully secured redeemable non- convertible Debentures (NCDs) and unsecured Subordinated Debts on Private Placement basis. Issue of equity shares on preferential basis

Details of Extra Ordinary General Meetings held during the period.

No Extra Ordinary General Meeting was conducted during the period.

D. Means of communication to shareholders.

The company has its website at www.chemmanurcredits.com wherein all important details related to the company are given.

General Shareholder Information.

1.	Name and Address of the Company	Chemmanur Credits and Investments Limited, Mangalodhayam Building, Round South, Thrissur, Pin-680001 Ph:0487-3041200 / 2424010 Email:mail@chemmanurcredits.com Website:www.chemmanurcredits.com
2.	CIN no:	U65923KL2008PLC023560 dated 16/12/2008
3.	RBI Reg. No.	N16-00185
4.	Annual General Meeting	28.09.2018 at the Registered Office of the Company at Mangalodhayam Building, Round South, Thrissur – 680 001
5.	Financial Year	2017-18
6.	Date of Book Closure	22.09.2018 to 28.09.2018 (both days inclusive).
7.	Statutory Auditors	M/s Cheeran Varghese & Co, Chartered Accountants, Mundupalam First Cross Road, Thrissur- 680 001
8.	Registrar and Share Transfer agents	S.K.D.C. Consultants Limited. Category I Registrar and Share Transfer Agents, Kanapathy Towers, 3 rd Floor, 1391/AI, Sathy Road, Ganapathy, Coimbatore- 641006 Ph: +91 422 6549995, 2539835/836 Email: info@skdc-consultants.com

Distribution of Share holding

Value In Rs.	No. of persons	% to total	Amount (inRs.)	% to total
Up to - 5000	-	-	-	-
5001-10000	-	-	-	-
10001-20000	-	-	-	-
20001-30000	-	-	-	-
30001-40000	-	-	-	-
40001-50000	-	-	-	-
50001-100000	164	77.73	1,65,00,000	2.75
100000 and above	47	22.27	58,35,00,000	97.25
TOTAL	211	100.00	60,00,00,000	100.00

Dematerialization of shares.

The shares of the company are in physical form and are not available for demat at present.

Common agency for physical transfer.

Share transfers and all other investor related activities are attended to and processed at the office of the Registrars and Transfer Agents as detailed above.

E. Human Resources

Your Company has always considered its employees as backbone of the Company and is aimed at providing employee satisfaction, so as to enable them to deliver better results year over year. As on 31st March, 2018, the Company had 716 employees in its rolls at various levels of organizational structure. Your Company is always committed in providing its employees with ample opportunities to learn and advance in their career.

F. Cautionary Statement

Statements made herein describing the Company's expectations or predictions are "forward looking" statements. The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, government and regulatory policies and directions, macro and micro economic development within/outside the country etc.

By order of the Board
 For Chemmanur Credits and Investments Limited.

Sd/-
 C.D.Boby
 (DIN 00046095)
 Chairman & Managing Director.

Thrissur
 Date:10.08.2018

INDEPENDENT AUDITORS' REPORT

To the Members of
Chemmanur Credits and Investments Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Chemmanur Credits and Investments Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash flow statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material mis-statement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material mis-statement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2018, and its **profit** and cash flows for the period ended on that date.

Emphasis of Matter

(i) We draw attention to **Note No.33** of financial statement regarding the policies of the company on treatment of interest on debentures held & loan taken from Chairman and its impacts on financial statements of the company. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2008, we give in Annexure – III, a statement on the matters specified in the paragraph 3 and 4 of the said directions
3. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash flow statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 II'; and
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer **Note No: 41** to the financial statements.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For CHEERAN VARGHESE & CO
Chartered Accountants
Firm Registration No : 050061S

Sd/-
C.V. VARGHESE
PARTNER
M. No: 020644

Place : THRISSUR,
Date :10/08/2018

Annexure I to the Auditors' Report

The Annexure I referred to in our report to the members of **Chemmanur Credits and Investments Limited** ("the Company") for the period ended on March 31, 2018. We report that:

- i. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) All the assets have not been physically verified by the management during the period but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the Company does not hold any immovable property and thus paragraph 3 (i) (c) of the Order is not applicable.
- ii. The Company is a Non-Banking Financial Company, primarily rendering Financial Services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- iii. According to the information and explanations given to us, the Company has not 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. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, made any investments, provided any guarantees, and given any security to which the provisions of section 185 and 186 of the Companies Act, 2013 are applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and accordingly paragraph 3 (v) of the Order is not applicable.
- vi. Being a financial company, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- vii. (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. According to the information and explanation given to us there were no arrears of outstanding 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 the records of the Company examined by us, there are no dues of Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax which have not been deposited on account of any dispute except the following.

Governing Statutes	Nature of Dispute	Amount	Period to which the amount relates	Forum where dispute is pending
CBDT	Demand of Income tax	18,68,101.00	A.Y. 2012-13	Commissioner of Income Tax (Appeals) Thrissur.
Central Tax and Central Excise	Demand of Service Tax and Penalty	10,41,651.00	A.Y. 2012-13	The Assistant commissioner of central Tax and Central Excise.

- vii. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders during the year.
- ix. The company has not obtained any term loans or raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, managerial remuneration has been paid in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements of the Company as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph (xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly paragraph (xv) of the Order is not applicable.
- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has obtained the required registration under section 45-IA of the Reserve Bank of India Act, 1934.

For CHEERAN VARGHESE & CO

Chartered Accountants
Firm Registration No : 050061S
Sd/-
C.V. VARGHESE
PARTNER
M. No: 020644

Place : THRISSUR,
Date : 10/08/2018.

Annexure II to the Auditors' Report

The Annexure II referred to in our report to the members of **Chemmanur Credits and Investments Limited** (the Company) for the year ended on March 31, 2018.

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

We have audited the internal financial controls over financial reporting of **Chemmanur Credits and Investments Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note on audit of internal financial controls over financial reporting (the 'Guidance Note') and the standards on auditing (the 'Standards') issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgment, including the assessment of the risks of material mis-statement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material mis-statements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 issued by the ICAI.

For CHEERAN VARGHESE & CO

Chartered Accountants

Firm Registration No : 050061S

Sd/-

C.V. VARGHESE

PARTNER

M. No: 020644

Place : THRISSUR,
Date : 10/08/2018.

Annexure III to the Auditors' Report

To
The Board of Directors
Chemmanur Credits and Investments Limited

We have audited the Balance Sheet of Chemmanur Credits and Investments Limited as on **31st March, 2018** and also the Statement of Profit and Loss and Cash Flow Statement for the period ended on that date annexed thereto. As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions 2016, and according to the information and explanations given to us, we give below, a statement on matters specified in paragraphs 3 and 4 of the said directions:

1. The Company is engaged in the business of Non-Banking Financial institution and it has obtained the certificate of registration as provided in section 45 IA of the RBI Act, 1934.
2. The Company is entitled to hold Certificate of Registration in terms of Asset/Income Pattern as on 31st March, 2018.
3. The Company has complied with the Net Owned Fund requirement as laid down in "Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016".
4. The Board of Directors of the Company has passed a resolution for non-acceptance of Public Deposits.
5. The Company has not accepted any public deposits during the year under review
6. According to the information and explanation given to us, the Company has complied with the prudential norms on Income Recognition, Accounting Standards, Asset Classification, Provisioning for bad and doubtful debts as specified in the directions issued by the Reserve Bank of India in terms of the Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
7. The Company has not been classified as NBFC-MFI during the year ended March 31, 2018.

The report has been issued pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016 and is issued to the Board of Directors of the company as required by Paragraph 2 of such directions and should not be used for any other purposes.

For CHEERAN VARGHESE & CO
Chartered Accountants
Firm Registration No : 050061S
Sd/-
C.V. VARGHESE
PARTNER
M. No: 020644

Place : THRISSUR,
Date : 10/08/2018.

Balance Sheet as at 31, March, 2018

Particulars	Note No.	Amount in ₹	
		As at	
		March 31, 2018	March 31, 2017
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	3	60,00,00,000.00	60,00,00,000.00
Reserves and Surplus	4	8,29,81,661.00	4,72,02,078.00
		68,29,81,661.00	64,72,02,078.00
Non-Current Liabilities			
Long-Term Borrowings	5	87,10,91,314.00	1,02,15,94,814.00
Deferred Tax Liabilities (Net)	6	47,86,960.00	(15,28,640.00)
Other Long Term Liabilities	7	7,88,04,048.00	14,30,94,753.00
Long Term Provision	8	34,76,112.00	21,53,344.00
		95,81,58,434.00	1,16,53,14,271.00
Current Liabilities			
Short-Term Borrowings	9	24,53,91,785.00	25,01,96,644.00
Other Current Liabilities	10	1,33,15,30,852.00	1,37,10,82,342.00
Short-Term Provisions	11	1,15,34,036.00	5,44,98,818.00
		1,58,84,56,673.00	1,67,57,77,804.00
TOTAL		3,22,95,96,768.00	3,48,82,94,153.00
ASSETS			
Non-current assets			
Fixed Assets			
Tangible Assets			
Tangible Assets	12	32,14,77,204.00	31,27,65,191.00
Accumulated Depreciation / Amortization		11,86,29,237.00	9,54,06,684.00
		20,28,47,967.00	21,73,58,507.00
Intangible Assets			
Intangible Assets	12	87,00,332.00	73,37,908.00
Accumulated Depreciation / Amortization		30,76,535.00	22,67,451.00
		56,23,797.00	50,70,457.00
Capital Work-In-Progress	13	4,83,534.00	0.00
Long-Term Loans and Advances	14	0.00	11,01,956.00
Other Non Current Assets	15	3,67,09,680.00	3,41,02,363.00
		3,71,93,214.00	3,52,04,319.00
Current Assets			
Cash and Bank Balances	16	22,66,50,956.00	4,61,64,334.00
Short-Term Loans and Advances	17	2,56,09,30,307.00	2,98,13,76,783.00
Other Current Assets	18	19,63,50,527.00	20,31,19,753.00
		2,98,39,31,790.00	3,23,06,60,870.00
Total		3,22,95,96,768.00	3,48,82,94,153.00

For and on behalf of the Board

Sd/-
Boby CD
 Chairman and MD (DIN 00046095)
 Sd/-
Pramod M
 Chief Financial Officer
 Place : Thrissur
 Date : 10/08/2018.

Sd/-
Jisso C Baby
 Director (DIN 01622660)
 Sd/-
Priya Menon
 Company Secretary

As per our report of even date attached

For Cheeran Varghese & Co.,
 Chartered Accountants
 Firm Registration No.050061S
 Sd/-
C.V. Varghese
 Partner
 M.No. 020644

Statement of profit and loss for the year ended 31, March , 2018

Particulars	Note No.	Amount in ₹	
		Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from Operations	19	69,03,58,238.00	65,60,62,858.00
Other Income	20	1,90,39,284.00	1,28,82,801.00
Total Revenue		70,93,97,522.00	66,89,45,659.00
Expenses			
Finance Costs	21	29,46,97,260.00	29,79,25,660.00
Employee Benefits Expense	22	16,56,24,753.00	14,19,06,852.00
Other Expenses	23	19,72,17,083.00	13,77,98,164.00
Depreciation and Amortization Expense	24	2,41,09,454.00	2,38,83,275.00
Total Expenses		68,16,48,550.00	60,15,13,951.00
Profit Before Exceptional, Extraordinary, Prior Period Items and Tax		2,77,48,972.00	6,74,31,708.00
Exceptional Items		0.00	0.00
Profit Before Extraordinary Items, Prior Period Items and Tax		2,77,48,972.00	6,74,31,708.00
Extraordinary Items		0.00	0.00
Profit Before Prior Period Items and Tax		2,77,48,972.00	6,74,31,708.00
Prior Period Items	25	(2,46,61,484.00)	(35,63,334.00)
Profit Before Tax		5,24,10,456.00	7,09,95,042.00
Tax Expenses			
Current Tax		1,01,33,396.00	2,56,93,310.00
Deferred Tax		63,15,600.00	(40,79,350.00)
Minimum Alternate Tax		0.00	0.00
Tax Paid For Earlier Years		1,81,877.00	38,460.00
Total Tax Expense		1,66,30,873.00	2,16,52,420.00
Profit For The Year		3,57,79,583.00	4,93,42,622.00
Earnings per equity share [nominal value of share ₹10]	26		
Basic earnings per share (₹)		0.60	0.82
Diluted earnings per share (₹)		0.60	0.82
Summary of significant accounting policies	2.1		

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

For and on behalf of the Board

Sd/-
Boby CD
Chairman and MD (DIN 00046095)

Sd/-
Pramod M
Chief Financial Officer
Place : Thrissur
Date :10/08/2018.

Sd/-
Jisso C Baby
Director (DIN 01622660)

Sd/-
Priya Menon
Company Secretary

As per our report of even date attached

For Cheeran Varghese & Co.,
Chartered Accountants
Firm Registration No.050061S
Sd/-
C.V. Varghese
Partner
M.No. 020644

Cash Flow Statement For The Year Ended March 31, 2018

Particulars	Amount in ₹	
	As at March 31, 2018	As at March 31, 2017
A. Cash flows from operating activities		
Net Profit	3,57,79,583.00	4,93,42,622.00
Adjustment for :-		
Add: Depreciation	2,41,09,454.00	2,38,83,275.00
Provision for Non Performing Assets	0.00	1,63,12,786.00
Contingent Provision for Standard Assets	0.00	5,07,834.00
Loss on Sale of Fixed Asset	5,52,103.00	10,65,089.00
Interest on Shortfall of Advance Tax	89,931.00	13,65,616.00
Interest Paid on Debentures & SD	28,08,81,573.00	27,40,38,491.00
Interest Paid on SBI CC A/C	1,11,18,191.00	1,66,32,189.00
Provision for Deferred Tax	63,15,600.00	(40,79,350.00)
Provision for Income Tax	1,01,33,396.00	2,56,93,310.00
Provision for Gratuity	13,22,768.00	21,53,344.00
Tax Paid for Earlier Years	1,81,877.00	38,460.00
Less: Interest received from Bank	66,64,419.00	2,94,114.00
Excess Provision for Depreciation Reversed	16.00	35,63,334.00
Excess Provision for NPA Reversed	2,46,34,918.00	0.00
Income Tax Refund Received	26,550.00	0.00
Operating Profit Before Changes In Working Capital	33,91,58,573.00	40,30,96,218.00
Changes In Working Capital:		
(Increase)/Decrease in Short Term Loans and Advances	42,04,46,476.00	(20,39,03,907.00)
(Increase)/Decrease in Long Term Loans and Advances	11,01,956.00	11,01,956.00
(Increase)/Decrease in Other Current Assets	67,69,226.00	3,04,88,700.00
(Increase)/Decrease in Other Non-Current Assets	(4,43,617.00)	15,47,473.00
Increase / (Decrease) in Other Current Liabilities	(3,68,48,195.00)	7,24,43,252.00
Cash Generated From Operations	73,01,84,419.00	30,47,73,692.00
Income Tax Paid	3,08,72,218.00	1,01,65,662.00
Net Cash From Operating Activities	69,93,12,201.00	29,46,08,030.00
B. Cash Flows From Investing Activities		
Interest Received from Bank	66,64,419.00	2,94,114.00
Capital Work in Progress	(4,83,534.00)	0.00
Proceeds from Sale of Fixed Assets	1,17,412.00	3,01,171.00
Purchase of Fixed Assets	(1,08,21,753.00)	(76,75,104.00)
Net Cash From Investing Activities	(45,23,456.00)	(70,79,819.00)
C. Cash Flows From Financing Activities		
Issue of Shares	0.00	0.00
Proceeds From Issue of Debentures	5,15,05,000.00	9,25,35,000.00
Repayment of Debentures	(41,05,97,500.00)	(25,30,05,000.00)
Proceeds from Issue of SD	15,47,55,000.00	24,92,40,000.00
Proceeds from/Repayment to Loan from Director	(1,31,60,000.00)	(15,16,00,000.00)
Proceeds from/Repayment to SBI Cash Credit Loan	(48,04,859.00)	5,80,38,252.00
Interest Paid on Debentures & SD	(28,08,81,573.00)	(27,40,38,491.00)
Interest Paid on SBI CC A/C	(1,11,18,191.00)	(1,66,32,189.00)
Net Cash From Financing Activities	(51,43,02,123.00)	(29,54,62,428.00)
Net Increase in Cash and Cash Equivalents	18,04,86,622.00	(79,34,217.00)
Cash and Bank Balance at Beginning of Period	4,61,64,334.00	5,40,98,551.00
Cash and Bank Balance at end of Period	22,66,50,956.00	4,61,64,334.00
Components of Cash and Cash Equivalent at the end of the period		
Current Account with Banks	15,81,40,944.00	2,95,39,620.00
Cash on Hand	6,20,10,012.00	1,66,24,714.00
Fixed Deposit Maturity less than 3month	65,00,000.00	0.00
Total	22,66,50,956.00	4,61,64,334.00

Sd/-
Boby CD
 Chairman and MD (DIN 00046095)
 Sd/-
Pramod M
 Chief Financial Officer
 Place : Thrissur
 Date :10/08/2018.

Sd/-
Jisso C Baby
 Director (DIN 01622660)
 Sd/-
Priya Menon
 Company Secretary

For Cheeran Varghese & Co.,
 Chartered Accountants
 Firm Registration No.050061S
 Sd/-
C.V. Varghese
 Partner
 M.No. 020644

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

Chemmanur Credits and Investments Limited is a Public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is a Non Systemically Important Non-Deposit Taking Non-Banking Financial Company Registered under section 45IA of RBI Act, 1934. The Company is a professionally managed financial institution with all the key operational posts starting from its Branch Managers to senior positions being held by senior professionals who held key positions in major public sector banks and other leading finance companies. Performance of the company had also shown remarkable improvement over the years.

Summary of Significant accounting policies

2.1 Basis of Preparation & Presentation of Financial statements.

The Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these Financial Statements to comply in all material respects with Accounting Standards notified under The Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Reserve Bank of India as applicable to a Non Systemically Important Non-Deposit Accepting NBFC. The Financial Statements have been prepared on an accrual basis and under the historical cost convention except for interest on non-performing assets which are recognized on realization basis. The Accounting Policies adopted in the preparation of Financial Statements are consistent with those of previous year.

The preparation of financial statements in conformity with Indian GAAP requires the Management to make judgments, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Although these estimates are based on the Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

During the year ended March 31, 2018, the Company has complied with the requirements of Schedule III of Companies Act 2013 for the preparation and presentation of its financial statement. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

2.2 Tangible Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. The cost includes purchase consideration, financing costs till commencement of commercial production and other directly attributable costs incurred to bring an Asset to its working condition for its intended use. Subsidy received towards specific assets is reduced from the cost of fixed assets. Fixed assets taken on Finance Lease are capitalized. The costs of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress

2.3 Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on straight line basis using the rates arrived at based on the useful lives prescribed under Schedule II to the Companies Act, 2013. The company has used the following life to provide depreciation on its fixed assets.

Asset	Useful Life
Furniture & Fittings	10 Years
Electrical Fittings	10 Years
Computer	3 Years
Plant and Equipment	15 Years
Vehicles	8 Years
Strong Room-RCC Frame Structure	60 Years

2.4 Intangible Asset

Intangible Assets are recorded at the consideration paid for acquisition less accumulated amortization and accumulated impairment, if any. Intangible assets are amortized over their estimated useful life subject to a maximum period of 10 years on straight line basis, commencing from the date the asset is available to the company for its use.

Expenditure for acquisition and implementation of software system is recognized as part of the intangible asset and amortized on straight line basis over a period of 10 years being the maximum period available for writing off of intangible asset.

2.5 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

2.6 Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when

annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken in to account, if available. If no such transactions can be identified, an appropriation valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.7 Leases

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

2.8 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Any inter class transfer should be with the approval of the board and as per RBI regulation. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Quoted current investments for each category is valued at cost or market value whichever is lower. Unquoted investments in the units of mutual fund in the nature of current investment are valued at the net asset value declared by the mutual fund in respect of each particular scheme. Long-term 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.

2.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In a situation where management believes that the recovery of interest is uncertain due to change in the price of the gold or otherwise, the Company recognizes income on such loans only to the extent it is confident of recovering interest from its customers through sale of underlying security or otherwise.

Interest income on loans given is recognized under the internal rate of return method. Such interests, where installments are overdue in respect of non-performing asset are recognized on realization basis as in accordance with the guidelines issued by Reserve Bank of India for Non-Banking Financial Companies. Any such income recognized and remaining unrealized after the installments become overdue with respect to nonperforming asset is reversed.

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

Interest on deposit is recognized on a time proportion basis taking in to account the amount outstanding and the rate applicable.

2.10 Employee Benefits

Short term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as Short term employee benefits. These benefits include benefits like salaries, wages, short term compensated absence such as paid annual leave and sickness leave. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period.

Long term Employee Benefits

Defined benefit plans:

The Company accounts for its liability for future gratuity benefits based on actuarial valuation determined every year by consulting actuary using Projected Unit Credit Method. Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

2.11 Foreign currency transaction

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

Exchange differences on restatement/settlement of all other monetary items are recognised in the Statement of Profit and Loss.

2.12 Taxes on Income

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in

accordance with the income-tax Act, 1961 enacted in India.

Deferred tax charge or credit reflects the tax effects of timing difference between accounting income and taxable income for the period. The deferred tax charge of credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized, only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

Deferred Tax Assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.13 Provisions and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Provision policy for gold loan and other loan portfolios: Company provides for non-performing loans and advances as mentioned in Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016. Provision for standard assets is made at 0.25% as mentioned in Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and shown in the balance sheet as 'Contingent Provisions for standard asset'.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

2.14 Segment Reporting

The Company primarily operates in the business of "Gold Loan" and its operations are in India. Since the Company has not operated in any other reportable segments, as per AS 17 'Segment Reporting', no segment reporting is applicable.

2.15 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.16 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.17 Debenture Redemption Reserve

No Debenture Redemption Reserve is required to be created for privately placed debentures of Non-Banking Finance Companies.

2.18 Cash Flow Statement

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

2.19 Surplus on auction of pledged gold

The Company has a policy of refund of any surplus that arises on auction of gold ornaments pledged as security in the case of defaulted loan accounts in accordance with the terms of the agreement with the customers.

NOTE: 3 SHARE CAPITAL**March 31, 2018****March 31, 2017**

Authorized shares 80000000 equity shares of ₹10 each (Previous year 800,00,000 equity shares of ₹ 10 each) 200000 Preference shares of ₹1,000 each (Previous year - 200000 Preference shares of ₹1,000 each)	800,000,000.00 200,000,000.00 1,000,000,000.00	800,000,000.00 200,000,000.00 1,000,000,000.00
Issued, subscribed and fully paid-up shares 60000000 equity shares of ₹10/- each (Previous year 60000000 equity shares of ₹ 10/- each)	600,000,000.00	600,000,000.00
Total issued, subscribed and fully paid-up share capital	600,000,000.00	600,000,000.00

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

	March 31, 2018		March 31, 2017	
	No.	Amount	No.	Amount
At the beginning of the year	60000000	600,000,000.00	60000000	600,000,000.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	60000000	600,000,000.00	60000000	600,000,000.00

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having face value ₹ 10/- (PY ₹ 10/-) per share. All these shares have the same rights and preferences with respect to the payment of dividend, repayment of capital and voting. The dividend proposed by your Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Number of Bonus Shares Issued	Nil	Nil	Nil	Nil	Nil

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

	March 31, 2018		March 31, 2017	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
C.D. Bobby	49997800	83.33%	48957800	81.60%
Chemmanur Gold Palace International Limited	7000000	11.67%	7000000	11.67%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders.

e. Notes on splitting of Shares

During the financial year 2014-15 company has split its nominal value of shares from ₹100 to ₹10

NOTE:4**Amount in ₹**

RESREVES AND SURPLUS	As at March 31, 2018	As at March 31, 2017
a)Statutory Reserve		
Balance at the beginning of the year	1,63,92,096.00	65,23,572.00
Add: Amount transferred from surplus in the Statement of Profit and Loss	71,55,917.00	98,68,524.00
Balance at the end of the year	2,35,48,013.00	1,63,92,096.00
b)Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	3,08,09,982.00	(86,64,116.00)
Profit/ Loss for the year	3,57,79,583.00	4,93,42,622.00
Less: Appropriations		
Transfer to Statutory reserve	71,55,917.00	98,68,524.00
Total appropriations	71,55,917.00	98,68,524.00
Net surplus in the statement of profit and loss	5,94,33,648.00	3,08,09,982.00
Total Reserves and Surplus	8,29,81,661.00	4,72,02,078.00

a)Statutory Reserve:Statutory Reserve represents the Reserve Fund created under Section 45-IC of the Reserve Bank of India Act, 1934. An amount of ₹ 71,55,917.00 (Previous Year – ₹98,68,524.00) representing 20% of Net Profit is transferred to the Fund for the year. No appropriation was made from the Reserve Fund during the year.

NOTE: 5

Amount in ₹

Long-term borrowings	As at March 31, 2018	As at March 31, 2017
Secured: Non-Convertible Debentures - Private Placement (Note No.29)	10,48,63,000.00	29,95,86,500.00
Unsecured: Subordinated Debt(Note No.31)	76,11,65,000.00	70,37,85,000.00
Loans and Advances from Related Parties: Loan From Director(Note No.33)	50,63,314.00	1,82,23,314.00
Total	87,10,91,314.00	1,02,15,94,814.00
The above amount includes		
Secured Borrowings	10,48,63,000.00	29,95,86,500.00
Unsecured Borrowings	76,62,28,314.00	72,20,08,314.00
Total	87,10,91,314.00	1,02,15,94,814.00
Aggregate amount of loans guaranteed by directors	0.00	0.00
Aggregate amount of loans guaranteed by others	0.00	0.00

NOTE: 6

Amount in ₹

Deferred Tax Asset/(Liability)(Net)	As at March 31, 2018	As at March 31, 2017
Deferred Tax Liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting.	(74,67,930.00)	(80,98,410.00)
Gross Deferred Tax Liability	(74,67,930.00)	(80,98,410.00)
Deferred Tax Asset		
Provision For Substandard Asset	16,06,850.00	89,61,670.00
Provision For Gratuity	10,74,120.00	6,65,380.00
Gross Deferred Tax Asset	26,80,970.00	96,27,050.00
Net Deferred Tax Asset/(Liability)	(47,86,960.00)	15,28,640.00

NOTE: 7

Amount in ₹

Other Long Term Liabilities	As at March 31, 2018	As at March 31, 2017
Others		
Interest Accrued But Not Due On Long Term Borrowings	7,58,40,358.00	14,15,41,606.00
Interest Accrued And Due On Long Term Borrowings	29,63,690.00	13,53,147.00
Advance Received From Western Union Money Transfer	0.00	2,00,000.00
Total	7,88,04,048.00	14,30,94,753.00

NOTE: 8

Amount in ₹

Long Term Provision	As at March 31, 2018	As at March 31, 2017
Provision For Employee Benefits:		
Provision For Gratuity(Note:35)	34,76,112.00	21,53,344.00
Total	34,76,112.00	2153344.00

NOTE: 9

Amount in ₹

Short Term Borrowings	As at March 31, 2018	As at March 31, 2017
Loans Repayable on Demand		
Secured		
SBI Cash Credit Account	24,53,91,785.00	25,01,96,644.00
Total	24,53,91,785.00	25,01,96,644.00
(a) Aggregate Loans Guaranteed by Directors	24,53,91,785.00	25,01,96,644.00
(b) Aggregate Loans Guaranteed by Others	0.00	0.00

9.1 For details of securities offered Refer Note :43

A. State Bank of India Cash Credit- Sanctioned Limit ₹ 2500 Lakhs

- Security: i. Primary Security
ii. Collateral Security (See Note No:43)

NOTE:10

Amount in ₹

Other Current Liabilities	As at March 31, 2018	As at March 31, 2017
Current Maturities of Long-Term Borrowings		
Non-Convertible Debentures (Refer Note 29)	82,28,72,500.00	96,80,44,500.00
Subordinated Debt(Refer Note 31)	28,27,05,000.00	199250000.00
Unpaid Matured NCD	25,75,500.00	21772500.00
Unpaid Matured Subordinated Debt	1,39,20,000.00	0.00
Interest Accrued on Unpaid Matured Debentures	13,20,178.00	5557008.00
Interest Accrued on Unpaid Matured Subordinated Debt	85,68,287.00	0.00
Interest Accrued but not due on Short Term Borrowings	15,10,92,944.00	14,87,90,961.00
Interest Accrued and due on Short Term Borrowings	1,90,64,387.00	17,63,823.00
Statutory Dues Payable	80,88,831.00	26,33,747.00
Employee Related Payables	13,40,529.00	3,97,052.00
Retention Payable	14,34,282.00	12,73,452.00
Rent Payable	47,64,322.00	43,14,297.00
Payable For Expenses	8,24,623.00	12,18,835.00
Others	1,29,59,469.00	1,60,66,167.00
Total	1,33,15,30,852.00	1,37,10,82,342.00

NOTE: 11

Amount in ₹

Short Term Provisions	As at March 31, 2018	As at March 31, 2017
Other Provisions		
Provisions for Taxation (Note No:32)	0.00	1,83,29,864.00
Contingent Provision for Standard Assets	63,33,874.00	71,66,790.00
Provision for Non Performing Assets	52,00,162.00	2,90,02,164.00
Total	1,15,34,036.00	5,44,98,818.00

NOTE: 12**Tangible Assets**

Description	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.17	Additions	Deductions	As at 31.03.18	As at 01.04.17	Additions	Deductions	Other Adjustments	As at 31.03.18	As at 31.03.17	As at 31.03.18
Furniture & Fittings	180223778.00	4657621.00	0.00	18,48,81,399.00	64922783.00	18088112.40	0.00	0.00	83010895.00	115300995.00	101870504.00
Plant & Machinery	50916130.00	4057244.00	747316.00	5,42,26,058.00	5523467.00	2100501.00	77817.00	0.00	7546151.00	45392663.00	46679907.00
Computer	12373388.00	737464.00	0.00	1,31,10,852.00	10240025.00	789761.08	0.00	0.00	11029786.00	2133363.00	2081066.00
Electrical Fittings	14735920.00	7000.00	0.00	1,47,42,920.00	4972558.00	1455478.63	0.00	0.00	6428037.00	9763362.00	8314883.00
Motor Vehicle	843350.00	0.00	0.00	8,43,350.00	743560.00	57622.00	0.00	0.00	801182.00	99790.00	42168.00
RCC Frame Structure	53672625.00	0.00	0.00	5,36,72,625.00	9004291.00	808894.99	0.00	0.00	9813186.00	44668334.00	43859439.00
TOTAL	312765191.00	9459329.00	747316.00	321477204.00	95406684.00	23300370.11	77817.00	0.00	118629237.00	217358507.00	202847967.00
Previous Year	307322918.90	7089261.00	1646989.07	312765191.00	76088880.56	23161866.00	3844063.00	0.00	95406684.00	231234038.00	217358507.00

Intangible Assets

Description	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.17	Additions	Deductions	As at 31.03.18	As at 01.04.17	Additions	Deductions	Other Adjustments	As at 31.03.18	As at 31.03.17	As at 31.03.18
Intangible Assets	7337908.00	1362424.00	0.00	8700332.00	2267451.00	809084.00	0.00	0.00	3076535.00	5070457.00	5623797.00
TOTAL	7337908.00	1362424.00	0.00	8700332.00	2267451.00	809084.00	0.00	0.00	3076535.00	5070457.00	5623797.00
Previous Year	5884711.00	1453197.00	0.00	7337908.00	1546042.00	721409.00	0.00	0.00	2267451.00	4338669.00	5070457.00

NOTE: 13

Amount in ₹

Capital work-in-progress	As at March 31, 2018	As at March 31, 2017
Work in Progress	4,83,534.00	0.00
Total	4,83,534.00	0.00

NOTE: 14

Amount in ₹

Long Term Loans and Advances	As at March 31, 2017	As at March 31, 2016
Staff Advance	0.00	11,01,956.00
Total	0.00	11,01,956.00
(a) Secured considered good	0.00	0.00
(b) Unsecured Considered Good	0.00	11,01,956.00
(c) Doubtful	0.00	0.00
(d) Loans and Advances due by Directors or the officers of the Company or any of them either severally or Jointly with any other person	0.00	0.00
(e) Loans and Advances due by Partnership firms or Private companies respectively in which director is a partner or a director or member	0.00	0.00
	0.00	0.00

NOTE: 15

Amount in ₹

Other Non -Current Asset	As at March 31, 2018	As at March 31, 2017
Gold Ornaments	6,880.00	6,880.00
	6,880.00	6,880.00
Security Deposits		
Unsecured Considered Good		
Rental deposits	3,34,57,204.00	3,30,20,649.00
Other Security Deposits	10,81,896.00	10,74,834.00
Income Tax refund receivable	21,63,700.00	0.00
	3,67,02,800.00	3,40,95,483.00
Total	3,67,09,680.00	3,41,02,363.00

NOTE: 16

Amount in ₹

Cash and Bank Balances	As at March 31, 2018	As at March 31, 2017
Cash and Bank Balances		
Balances With Banks:		
Cash On Hand	15,81,40,944.00	2,95,39,620.00
Deposits With Maturity Less Than 3month	6,20,10,012.00	1,66,24,714.00
Others		
Deposits With Maturity More Than 3 Months But Less Than 12 Months	65,00,000.00	0.00
	0.00	0.00
Total	22,66,50,956.00	4,61,64,334.00

NOTE: 17

Amount in ₹

Short Term Loans and Advances	Year ended March 31, 2018	Year ended March 31, 2017
Loan Portfolio		
Secured - Gold Loan	1,94,15,05,132.00	2,08,59,43,406.00
Loan Against Debentures	0.00	3,75,265.00
GSL Account	29,55,33,657.00	0.00
Unsecured- Personal loan	1,05,20,753.00	12,96,23,988.00
Micro Finance Loan	26,49,56,265.00	31,89,99,727.00
SME Loan	0.00	3,951.00
SBL Loan	4,73,12,544.00	44,25,65,297.00
MAT Credit Entitlement	0.00	27,63,193.00
Staff Advance	11,01,956.00	11,01,956.00
Total	2,56,09,30,307.00	2,98,13,76,783.00
Secured (a)Secured considered good	2,22,92,34,015.00	2,08,37,52,658.00
(b)Secured-Substandard	38,06,758.00	4,62,473.00
(c)Secured Doubtfull	14,93,056.00	19,72,834.00
(d)Secured Loss asset	25,04,960.00	1,30,706.00
Unsecured (a)Unsecured Considered Good	30,54,17,472.00	78,72,04,056.00
(b)Unsecured-Substandard	1,84,60,719.00	8,84,23,809.00
(c)Unsecured Doubtfull	13,327.00	1,94,30,247.00
(d)Unsecured Loss asset	0.00	0.00
(d)Loans and Advances due by Directors or the officers of the Company or any of them either severally of Jointly with any other person	0.00	0.00
(e)Loans and Advances due by Partnership firms or Private companies respectively in which director is a partner or a director or member	0.00	0.00

NOTE: 18

Amount in ₹

Other Current Asset	Year ended March 31, 2018	Year ended March 31, 2017
Interest Accrued on Loan Portfolio	17,88,88,844.00	19,79,81,281.00
Interest receivable on fixed deposit	22,527.00	0.00
	17,89,11,371.00	19,79,81,281.00
Prepaid Expenses	13,13,516.00	11,79,123.00
Cenvat Credit	0.00	1,47,085.00
Advances Recoverable in Cash or Kind		
Unsecured, considered good		
Other Advances	1,60,91,678.00	38,12,264.00
TDS Receivable	33,961.00	0.00
Total	19,63,50,527.00	20,31,19,753.00

Contingent Liabilities:

Claims against the Company not acknowledged as debts (Note No.41)	29,09,752.00	18,68,101.00
TOTAL	29,09,752.00	18,68,101.00

NOTE: 19

Amount in ₹

Revenue from operations	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income		
- Gold loans	46,21,47,467.00	44,32,70,463.00
- Other loans	25,12,640.00	8,19,851.00
- Micro Finance	6,69,89,647.00	5,55,99,465.00
- SME loans	0.00	86,90,474.00
-SBL Loan	9,06,13,878.00	11,97,58,645.00
-GSL	1,12,25,847.00	0.00
Revenue From other services		
- Commission etc..	3,77,93,163.00	1,03,76,503.00
- Service Charge, Documentation Fee etc.	1,90,75,596.00	1,75,47,457.00
Total	69,03,58,238.00	65,60,62,858.00

NOTE: 20

Other Income	Amount in ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
Interest income on Bank and other deposits	66,64,419.00	2,94,114.00
Rental Income	1,22,82,981.00	1,25,21,738.00
Lease Rentals	0.00	12,777.00
Auction Charges	13,267.00	26,625.00
Auction Loss Recovery	78,617.00	27,547.00
Total	1,90,39,284.00	1,28,82,801.00

NOTE: 21

Finance Cost	Amount in ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
Interest		
- on Debentures	12,18,29,254.00	15,09,25,201.00
- on Subordinated Debt	15,90,52,319.00	12,31,13,290.00
- on SBI Cash Credit	1,11,18,191.00	1,66,32,189.00
Other borrowing cost		
- Bank Charges	20,27,372.00	13,62,112.00
- Interest on Statutory Dues	0.00	2,23,022.00
- Interest on Short fall of Advance tax	89,931.00	13,65,616.00
- Commission paid	5,80,193.00	43,04,230.00
Total	29,46,97,260.00	29,79,25,660.00

NOTE: 22

Employee Benefit expense	Amount in ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, Wages and Bonus	13,41,80,710.00	11,24,86,179.00
Contribution to Provident Fund and ESI	74,63,540.00	56,99,105.00
Incentive	2,20,19,342.00	2,13,95,136.00
Gratuity paid	6,03,183.00	1,38,750.00
Gratuity Provision	13,22,768.00	21,53,344.00
Staff welfare expenses	35,210.00	34,338.00
Total	16,56,24,753.00	14,19,06,852.00

NOTE: 23

Other expense	Amount in ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
Electricity	68,03,200.00	71,32,988.00
AMC Charges	21,70,185.00	36,85,539.00
Inauguration Expenses	1,13,181.00	28,442.00
Software Maintenance	9,99,788.00	9,74,932.00
Rent	5,14,31,485.00	5,02,78,016.00
Rates and Taxes	6,70,039.00	4,15,852.00
Insurance	7,72,558.00	9,80,396.00
Repairs and Maintenance	23,61,068.00	34,55,292.00
Advertising and Sales Promotion	18,95,164.00	13,50,615.00
Service Tax Paid	4,43,954.00	18,28,375.00
Office Expenses	74,38,330.00	50,55,811.00
TDS Paid	0.00	5,77,325.00
Travelling and Conveyance	75,97,059.00	61,65,002.00
Communication Costs	75,32,373.00	71,74,154.00
Printing and Stationery	23,34,746.00	15,77,956.00
Payment to Auditors	3,85,000.00	3,50,000.00
Legal and Professional Fees	22,63,054.00	25,61,350.00
Security Charges	18,75,835.00	61,62,464.00
Auction Recovery Charges	0.00	3,01,693.00
Loss on Sale of Asset	5,52,103.00	10,65,089.00
Books and Periodicals	7,639.00	0.00
Interest Waived on NPA	0.00	1,95,12,926.00
Miscellaneous Expenses	4,02,880.00	3,43,327.00
Provision for Standard Assets	0.00	5,07,834.00
Provision for Substandard Assets	0.00	1,63,12,786.00
Bad Debt Written Off	9,91,67,442.00	0.00
Total	19,72,17,083.00	13,77,98,164.00

NOTE: 24

Amount in ₹

Depreciation And Amortization Expense	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation of Tangible Assets	2,33,00,370.00	2,31,61,866.00
Amortization of Intangible Assets	8,09,084.00	7,21,409.00
Total	2,41,09,454.00	2,38,83,275.00

NOTE: 25

Amount in ₹

Prior Period Items	Year ended March 31, 2018	Year ended March 31, 2017
Excess Depreciation Provision Provided Reversed	16.00	35,63,334.00
Income Tax Refund Received For (AY 2016-17)	26,550.00	0.00
Excess Provision for Standard Asset Provided Reversed	8,32,916.00	0.00
Excess Provision for Substandard Asset Provided Reversed	2,38,02,002.00	0.00
Total	2,46,61,484.00	35,63,334.00

NOTE: 26**Earning per Share (EPS)**

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

	Amount in ₹	
	Year ended March 31, 2018	Year ended March 31, 2017
Net profit for calculation of basic EPS	3,57,79,583.00	4,93,42,622.00
Weighted average number of equity shares in calculating basic EPS (Nos.)	6,00,00,000.00	6,00,00,000.00
Effect of dilution:		
Stock options granted under ESOP (Nos.)	0.00	0.00
Weighted average number of equity shares in calculating diluted EPS (Nos.)	6,00,00,000.00	6,00,00,000.00
Basic earnings per share (₹)	0.60	0.82
Diluted earnings per share (₹)	0.60	0.82

27. MICRO AND SMALL ENTERPRISES:

Based on and to the extent of the information received by the company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, there are no amounts due to MSME as at 31 March 2018.

The relevant particulars as at the year-end as required under the MSMED Act are furnished here below:

Particulars	Year ended 31-Mar-18	Year ended 31-Mar-17
a) Principal amount due and remaining unpaid to suppliers as at the year end	0.00	0.00
b) Interest accrued and due to suppliers on the above amount as at the year end	0.00	0.00
c) Interest paid to suppliers in terms of section 16 of the MSMED Act	0.00	0.00
d) Payment made to suppliers (other than interest) beyond the appointed day, during the year	0.00	0.00
e) Interest paid to suppliers (other than section 16 of the MSMED Act)	0.00	0.00
f) Interest due and payable to suppliers for payments already made (for the period of delay, if any)	0.00	0.00
g) Interest accrued and remaining unpaid at the year end	0.00	0.00
h) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	0.00	0.00

28. The Applicability of The Kerala Money-Lenders Act, 1958 to Non-Banking Financial Companies is pending before Honorable Supreme Court of India.

29. Notes on Non-Convertible Debentures (NCDs) issued under Private Placement.**i. Nature of Securities**

Debentures Secured by a floating charge on the book debts of the company on loan receivables & other unencumbered assets having a market value equivalent to 110% of outstanding balance of debentures.

ii. Classification of Debentures as Current and Non-Current

Company has classified the debentures as current and non-current based on the earliest put option available to debenture holders. The actual redemption pattern may be different since the debenture holders have the right to waive their put option. If they are classified as current and non-current based on the original maturity, current maturity may be less than the amount what we have recognised now.

iii. Details of rate of interest and maturity pattern from the date of the balance sheet are as under:

As on 31st March 2018

Redeemable at par within	Rate of interest				Total
	<=13.5%	>13.5%<=14.5%	>14.5%<=16.1%	>16.1%<=30%	
Long-term borrowings					
4 Year and Above	0.00	0.00	0.00	64,500.00	64,500.00
4 Years	0.00	0.00	0.00	8,500.00	8,500.00
3 Years	20673000.00	0.00	0.00	0.00	2,06,73,000.00
2years	8,41,17,000.00	0.00	0.00	0.00	8,41,17,000.00
Total	10,47,90,000.00	0.00	0.00	73,000.00	10,48,63,000.00
Current Maturities of Long-term Borrowings					
Less than 1 Year	81,78,04,000.00	43,51,000.00	5,17,000.00	2,00,500.00	82,28,72,500.00
Total	81,78,04,000.00	43,51,000.00	5,17,000.00	2,00,500.00	82,28,72,500.00
Grand Total	92,25,94,000.00	43,51,000.00	5,17,000.00	2,73,500.00	92,77,35,500.00

As on 31st March 2017

Redeemable at par within	Rate of interest				Total
	<=13.5%	>13.5%<=14.5%	>14.5%<=16.1%	>16.1%<=30%	
Long-term borrowings					
4 Year and Above	27,00,000.00	6,00,000.00	0.00	73,000.00	33,73,000.00
4 Years	38,00,000.00	0.00	0.00	0.00	38,00,000.00
3 Years	1,64,41,000.00	0.00	0.00	0.00	1,64,41,000.00
2years	27,34,70,000.00	23,00,000.00	2,000.00	2,00,500.00	27,59,72,500.00
Total	29,64,11,000.00	29,00,000.00	2,000.00	2,73,500.00	29,95,86,500.00
Current Maturities of Long-term Borrowings					
Less than 1 Year	92,44,33,000.00	1,04,03,000.00	85,000.00	3,31,23,500.00	96,80,44,500.00
Total	92,44,33,000.00	1,04,03,000.00	85,000.00	3,31,23,500.00	96,80,44,500.00
Grand Total	1,22,08,44,000.00	1,33,03,000.00	87,000.00	3,33,97,000.00	1,26,76,31,000.00

30. Non-Convertible Debentures series wise outstanding balance as on Balance sheet Date

Particulars	As on 31 st Mar. 2018	As on 31 st Mar. 2017	Particulars	As on 31 st Mar. 2018	As on 31 st Mar. 2017
NCD 2011/11-01	0.00	11,20,000.00	NCD 2016/15-A	1,23,00,000.00	1,20,00,000.00
NCD 2012/02(DD)	72,000.00	19,80,000.00	NCD 2016/15-B	97,00,000.00	97,00,000.00
NCD 2012/03(TD)	73,500.00	1,30,000.00	NCD 2016/15-C	1,43,32,000.00	2,13,32,000.00
NCD 2012/04	0.00	1,45,02,000.00	NCD 2016/15-D	1,10,00,000.00	1,10,00,000.00
NCD 2012/05	0.00	2,23,29,000.00	NCD 2016/15-E	1,55,05,000.00	1,55,05,000.00
NCD 2012/06	9,12,79,000.00	14,21,41,000.00	NCD 2016/15-F	2,19,48,000.00	2,29,98,000.00
NCD 2012/07	7,37,25,000.00	7,99,57,000.00		8,47,85,000.00	9,25,35,000.00
NCD 2012/08	26,36,77,000.00	28,06,70,000.00	NCD 2017/16-A	28,00,000.00	0.00
NCD 2012/09	13,14,15,000.00	35,99,89,000.00	NCD 2017/16-B	95,25,000.00	0.00
(See Note 1)	56,02,41,500.00	90,28,18,000.00	NCD 2017/16-C	1,25,30,000.00	0.00
NCD 2014/11A	0.00	25,00,000.00	NCD 2017/16-D	1,80,50,000.00	0.00
NCD 2014/11	2,00,00,000.00	2,00,00,000.00	NCD 2017/16-E	70,00,000.00	0.00
NCD 2014/11B	2,70,00,000.00	2,70,00,000.00	NCD 2017/16-F	16,00,000.00	0.00
(See Note 2)	4,70,00,000.00	4,95,00,000.00		5,15,05,000.00	0.00
NCD 2015/12 -	5,60,95,000.00	6,31,20,000.00	Grand Total	92,77,35,500.00	1,26,76,31,000.00
NCD 2015/13 -	11,76,84,000.00	14,97,33,000.00			
NCD 2015/14 -	1,04,25,000.00	99,25,000.00			
(See Note 3)	18,42,04,000.00	22,27,78,000.00			

RBI Circular Numbers:

Note1: NCD issued in Private Placement Prior to July 2013 before introduction of specific guidelines by RBI

Note2: RBI introduced new regulations vide circular No: RBI/2012-13/560 DNBD(PD) CC No. 330 /03.10.001/2012-13
Main features were

- Private placement by all NBFCs shall be restricted to not more than 49 investors, identified upfront by the NBFC.
- The minimum subscription amount for a single investor shall be ₹ 25 lakh and in multiples of ₹10 lakh thereafter.
- There should be a minimum time gap of at least six months between two private placements.

Note3: RBI revised guidelines vide circular No: RBI/2014-15/475 DNBR (PD) CC No.021/03.10.001/2014-15**Main features are**

- i. The minimum subscription per investor shall be ₹ 20,000 (Rupees Twenty thousand);
- ii. The issuance of private placement of NCDs shall be in two separate categories, those with a maximum subscription of less than ₹ 1 crore and those with a minimum subscription of ₹1 crore and above per investor;
- iii. There shall be a limit of 200 subscribers for every financial year, for issuance of NCDs with a maximum subscription of less than ₹1 crore, and such subscription shall be fully secured;

31. Notes on Subordinated Debt Certificates issued under Private Placement.

Details of rate of interest and maturity pattern from the date of the balance sheet are as under:

As on March 31, 2018

Maturity Date	<= 13.5%	> 13.5 <= 14.5%	> 14.5% <= 16.1%	> 16.1% <= 30%	Total
Long-term borrowings					
5 Year and Above	12,17,95,000.00	0.00	0.00	0.00	12,17,95,000.00
4 Year to 5 years	32,32,00,000.00	0.00	0.00	0.00	32,32,00,000.00
3 Year to 4 years	18,04,50,000.00	0.00	0.00	0.00	18,04,50,000.00
2 Year to 3 years	1,67,20,000.00	0.00	0.00	0.00	1,67,20,000.00
1 Year to 2 years	6,13,30,000.00	0.00	5,76,70,000.00	0.00	11,90,00,000.00
Total	70,34,95,000.00	0.00	5,76,70,000.00	0.00	76,11,65,000.00
Current Maturities of Long-term Borrowings					
Less than 1 Year	10,74,60,000.00	1,83,85,000.00	15,68,60,000.00	0.00	28,27,05,000.00
Total	10,74,60,000.00	1,83,85,000.00	15,68,60,000.00	0.00	28,27,05,000.00
Grand Total	81,09,55,000.00	1,83,85,000.00	21,45,30,000.00	0.00	1,04,38,70,000.00

As on March 31, 2017

Maturity Date	<= 13.5%	> 13.5 <= 14.5	> 14.5% <= 16.1%	> 16.1% <= 30%	Total
Long-term borrowings					
5 Year and Above	10,77,95,000.00	0.00	0.00	0.00	10,77,95,000.00
4 Year to 5 years	18,29,45,000.00	0.00	0.00	0.00	18,29,45,000.00
3 Year to 4 years	1,13,40,000.00	0.00	0.00	0.00	1,13,40,000.00
2 Year to 3 years	6,13,30,000.00	0.00	5,76,70,000.00	0.00	11,90,00,000.00
1 Year to 2 years	10,74,60,000.00	1,83,85,000.00	15,68,60,000.00	0.00	28,27,05,000.00
Total	47,08,70,000.00	1,83,85,000.00	21,45,30,000.00	0.00	70,37,85,000.00
Current Maturities of Long-term Borrowings					
Less than 1 Year	9,55,000.00	9,90,35,000.00	9,92,60,000.00	0.00	19,92,50,000.00
Total	9,55,000.00	9,90,35,000.00	9,92,60,000.00	0.00	19,92,50,000.00
Grand Total	47,18,25,000.00	11,74,20,000.00	31,37,90,000.00	0.00	90,30,35,000.00

32. Notes on Income Tax Provision/(Refundable)

Particulars	As at March 31 2018	As at March 31 2017
Provision For Income Tax		
2014-15	38,57,986.00	38,57,986.00
2015-16	41,36,055.00	41,36,055.00
2016-17	2,70,58,926.00	2,70,58,926.00
2017-18	1,02,23,327.00	0.00
(A)	4,52,76,294.00	3,50,52,967.00
Less : Advance Tax		
2014-15	13,76,399.00	13,76,399.00
2015-16	0.00	0.00
2016-17	0.00	0.00
2017-18	72,50,000.00	0.00
(B)	86,26,399.00	13,76,399.00
Tax Deducted at Source		
2014-15	24,81,587.00	24,81,587.00
2015-16	27,37,915.00	27,37,915.00
2016-17	16,03,259.00	16,03,259.00
2017-18	23,73,834.00	0.00
(C)	91,96,595.00	68,22,761.00
Mat Credit Entitlement		
2016-17	71,25,803.00	71,25,803.00
2017-18	27,63,193.00	0.00
(D)	98,88,996.00	71,25,803.00
Self assessment tax paid		
2016-2017	13,98,140.00	13,98,140.00
2017-18	1,83,29,864.00	0.00
(E)	1,97,28,004.00	13,98,140.00
Provision Net of Advance tax and TDS (A)-((B)+(C)+(D)+(E))	(21,63,700.00)	1,83,29,864.00

33. Company has taken loan from Mr. Bobby.C.D, Director and Chairman of the Company and also issued debentures to him. Year end balance of loan from Mr. Bobby.C.D and debentures issued is ₹50,63,314.00 and ₹23,30,000.00 respectively. He has also bought Subordinated Debts from other holders and year end balance of such subordinated debt is ₹12,40,000.00. There is an agreement executed on November 03, 2016 between Mr. Bobby.C.D and the Company contains terms and conditions governing loan availed by the Company from Mr. Bobby.C.D. As per this agreement Mr. Bobby.C.D has waived his right to receive interest on loan. Therefore no interest is charged on loan accepted from Mr. Bobby.C.D during the year.

34. Disclosure as per AS-15

i. Defined Benefit Plan

Particulars	31-Mar-18	31-Mar-17
Contribution to Employee's Provident Fund	38,17,352.00	29,96,490.00
Contribution to Employee's State Insurance	37,17,093.00	24,46,027.00
Contribution to Employee's Group Insurance	2,72,817.00	2,56,588.00

35. Defined Benefit Plan Disclosure as per AS-15

Project Unit Credit Actuarial Method was applied to assess the Plan liabilities owing to all forms of admissible exit. The benefit was taken as defined in terms of Payments of Gratuity Act or the Company Gratuity Rules whichever more favourable to the beneficiaries. Gratuity ceiling limit was taken at '20lakhs.

A) Key Assumptions	As on 31 March 2018	As on 31 March 2017
Mortality Table	Indian Assured Lives Mortality[2006-08] Ultimate	Indian Assured Lives Mortality[2006-08] Ultimate
Attrition Rate	1.00%	1.00%
Discount Rate	7.50% p.a.	7.50% p.a.
Rate of increase in compensation level	5.00% p.a.	5.00% p.a.
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Expected Average Remaining Working Lives of Employees (years)	19.38	20.59

Reconciliation of opening and closing balances of the present value of the defined benefit obligation and plan assets:

Particulars	As on 31 March 2018	As on 31 March 2017
A) Changes in Present Value Obligations		
Present Value of Obligation at the beginning of the period	21,53,344.00	0
Interest Cost	1,82,403.00	14,378.00
Past Service Cost (Non-Vested)	-	-
Past Service Cost (Vested)	-	-
Current Service Cost	5,57,409.00	3,93,037.00
Benefits Paid	(6,03,183.00)	0
Actuarial (Gain)/Loss	11,86,139.00	17,45,929.00
Defined Benefit Plan at the end of the Year	34,76,112.00	21,53,344.00
B) Changes in the Fair Value of Plan Assets		
Fair Value of the Plan Assets at the beginning of the Period	0.00	0.00
Acquisition Adjustments	0.00	0.00
Expected Return on Plan Assets	0.00	0.00
Contributions	0.00	0.00
Benefits Paid	0.00	0.00
Actuarial Gain/(Loss) on Plan Assets	0.00	0.00
Fair Value of Plan Assets at the end of the Period	0.00	0.00
C) Fair Value of Plan Assets		
Fair Value of Plan Assets at the Beginning of the Period	0.00	0.00
Acquisition Adjustments	0.00	0.00
Actual Return on Plan Assets	0.00	0.00
Contributions	0.00	0.00
Benefits Paid	0.00	0.00
Fair Value of Plan Assets at the end of the period	0.00	0.00
Present Value of Obligations at the end of the Period	34,76,112.00	21,53,344.00
Funded Status	(34,76,112.00)	(21,53,344.00)

Particulars	As on 31 March 2018	As on 31 March 2017
D) Actuarial Gain/(Loss) Recognized		
Actuarial Gain/(Loss) for the Period – Obligation	(11,86,139.00)	(17,45,929.00)
Actuarial Gain/(Loss) for the Period – Plan Assets	0	0
Total Gain/(Loss) For the Period	(11,86,139.00)	(17,45,929.00)
Actuarial Gain/(Loss) recognized in the Period	11,86,139.00	17,45,929.00
Unrecognized actuarial gains/(Losses) at the end of the period	0	0
E) The Amounts to be Recognised in Balance Sheet and Statement of Profit And Loss		
Present Value of Obligations at the end of the Period	34,76,112.00	21,53,344.00
Fair Value of Plan Assets at the end of the period	0	0.00
Funded Status	(34,76,112.00)	(21,53,344.00)
Unrecognized actuarial (Gains)/Losses	0	0.00
Net Asset/Liability Recognised in Balance Sheet	34,76,112.00	21,53,344.00
F) Expense Recognized In the Statement of Profit and Loss		
Current Service Cost	5,57,409.00	3,93,037.00
Past Service Cost	0.00	0.00
Interest Cost	1,82,403.00	14,378.00
Expected Return on Plan Asset	0.00	0.00
Curtailement Cost /(Credit)	0.00	0.00
Settlement Cost /(Credit)	0.00	0.00
Net Actuarial Gain/(Loss) Recognised in the period	11,86,139.00	17,45,929.00
Expenses Recognised in the statement of Profit and Loss	19,25,951.00	21,53,344.00
G) Movements in Liability Recognised In the Balance sheet		
Opening Net Liability	21,53,344.00	0.00
Expenses as above	19,25,951.00	21,53,344.00
Contributions / Benefits Paid	(6,03,183.00)	0.00
Closing Net Liability	34,76,112.00	21,53,344.00

i. Note on provision for gratuity

Particulars	As on 31 March 2018	As on 31 March 2017
Short Term Liability Value (current)	0.00	0.00
Long Term Liability value (Non-current)	34,76,112.00	21,53,344.00
Total value of the obligation	34,76,112.00	21,53,344.00

36. Provision for Standard and Non-Performing Assets as per Prudential Norms.

In terms of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016, Company has made provisions for Standard Assets as well as Non-Performing Assets as per the table below:

Gold Loan

Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	2018	2017	2018	2017	2018	2017
Standard Assets	1,93,37,00,358	2,08,33,77,393	48,34,251	52,08,443	1,92,88,66,107	2,07,81,68,950
Sub Standard Assets	38,06,758	4,62,473	3,80,676	46,247	34,26,082	4,16,226
Doubtful Asset	14,93,056	19,72,834	4,55,127	5,52,583	10,37,929	14,20,251
Loss Asset	25,04,960	1,30,706	25,04,960	1,30,706	0	0
Total	1,94,15,05,132	2,08,59,43,406	81,75,014	59,37,979	1,93,33,30,118	2,08,00,05,427

Other Loans

Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	2018	2017	2018	2017	2018	2017
Standard Assets	59,98,49,173	78,33,38,907	14,99,623	19,58,347	59,83,49,550	78,13,80,560
Sub Standard Asset	1,84,60,719	8,84,23,809	18,46,072	88,42,381	,66,14,647	7,95,81,428
Doubtful Asset	13,327	1,94,30,247	13,327	1,94,30,247	0	0
Loss Asset	0	0	0	0	0	0
Total	61,83,23,219	89,11,92,963	33,59,022	3,02,30,975	61,49,64,197	86,09,61,988

Particulars	GROSS NPA	NET NPA
Percentage of Non - Performing asset to Total loans outstanding	1.03%	0.82%
Percentage of Gold Loan Non-Performing Asset to Total Gold loan outstanding	0.40%	0.23%

Note No 37. Capital to Risk Asset Ratio [CRAR]

(Amount in ₹)

Particulars	Current Year	Previous Year
i) CRAR (%)	34.22%	28.00%
ii) CRAR – Tier I Capital (%)	22.68%	18.53%
iii) CRAR – Tier II Capital (%)	11.55%	9.47%
iv) Tier 1 Capital	67,73,57,864.00	64,06,02,981.00
v) Tier 2 Capital	34,50,12,806.00	32,74,68,280.50
vi) Risk Weighted Assets	2,98,72,20,328.00	3,45,74,95,430.00

Calculation of Tier I Capital

Particulars	2017-18	2016-17
Paid Up Share Capital	60,00,00,000.00	60,00,00,000.00
Capital Reserve	0.00	0.00
Statutory Reserve	2,35,48,013.00	1,63,92,096.00
General Reserve	0.00	0.00
Profit & Loss Account	5,94,33,648.00	3,08,09,982.00
Total	68,29,81,661.00	64,72,02,078.00
Less:		
Intangible Asset	56,23,797.00	50,70,457.00
Deferred Tax Asset	0.00	15,28,640.00
Total	56,23,797.00	65,99,097.00
Tier I Capital	67,73,57,864.00	64,06,02,981.00

Calculation of Tier II Capital

Particulars	2017-18	2016-17
Subordinated Debt	33,86,78,932.00	32,03,01,490.50
Provision for standard assets	63,33,874.00	71,66,790.00
Tier II Capital	34,50,12,806.00	32,74,68,280.50

Calculation of Risk Weighted Assets

Weighted risk assets - On Balance Sheet items	Value of Asset	% of Weight Risk	Weighted Asset
1. On-Balance Sheet Assets			
(i) Cash and bank balances including fixed deposits and certificates of deposits with banks	22,66,50,956.00	0%	0.00
(ii) Investments			
a. Approved Securities	0.00	0%	0.00
b. Bonds of public sector banks	0.00	20%	0.00
c. Fixed deposits / certificates of deposits /bonds of public financial institutions	0.00	100%	0.00
d. Shares of all companies and debentures / bonds/ commercial papers of all companies and units of all mutual funds	0.00	100%	0.00
(iii) Current Assets			
a. Stock on hire (net book value)	0.00	100%	0.00
b. Intercorporate loans / deposits	0.00	100%	0.00
c. Loans and advances fully secured against deposits held by the company itself	0.00	0%	0.00
d. Loans to staff	0.00	0%	0.00
e. Other secured loans and advances considered good (Net of Provision)	2,22,36,60,930.00	100%	2,22,36,60,930.00
f. Bills purchased / discounted	0.00	100%	0.00
g. Others :			
Advances	11,01,956.00	100%	11,01,956.00
Other current & non -current assets	23,30,37,680.00	100%	23,30,37,680.00
Other Loans and advance(Net of provision)	32,46,33,385.00	100%	32,46,33,385.00

Weighted risk assets - On Balance Sheet items	Value of Asset	% of Weight Risk	Weighted Asset
(iv) Fixed Assets (net of depreciation)			
a. Assets leased out (net book value)	0.00	100%	0.00
b. Premises	0.00	100%	0.00
c. Furniture & Fittings	10,18,70,504.00	100%	10,18,70,504.00
d. Other Fixed Assets	10,09,77,463.00	100%	10,09,77,463.00
(v) Other Assets			
a. Income tax deducted at source(Net of Provision)	23,73,834.00	0%	0.00
b. Advance tax paid	72,50,000.00	0%	0.00
c. Interest due on Government Securities	0.00	0%	0.00
d. Deferred Tax Asset	0.00	0%	0.00
e. Intangible Asset	56,23,797.00	0%	0.00
f. Capital Work In Progress	4,83,534.00	100%	4,83,534.00
2. Off Balance Sheet Items			
(i) Credit Against the Company not acknowledged as debt	29,09,752.00	50%	14,54,876.00
Total	3,23,05,73,791.00		2,98,72,20,328.00

Note No38. Loan to Asset Values

Amount in ₹

Particulars	March 31,2018	March 31,2017
Gold Loan	1,94,15,05,132.00	2,08,59,43,406.00
Total Assets	3,22,95,96,768.00	3,48,98,22,793.00
% of Gold Loan to total Assets	60.12%	59.77%

Note No: 39 - Leverage Ratio

Particulars	2017-18	2016-17
Total Liabilities	3,22,95,96,768.00	3,48,98,22,793.00
Less: Share Capital	60,00,00,000.00	60,00,00,000.00
Less: Reserves & Surplus	8,29,81,661.00	4,72,02,078.00
Less: Provision	1,15,34,036.00	5,44,98,818.00
Total Outside Liabilities (A)	2,53,50,81,071.00	2,78,81,21,897.00
Share Capital	60,00,00,000.00	60,00,00,000.00
Reserves and Surplus	8,29,81,661.00	4,72,02,078.00
Less: Deferred revenue expenditure	13,13,516.00	11,79,123.00
Less: Intangible Asset	56,23,797.00	50,70,457.00
Less: Deferred Tax Asset	0.00	15,28,640.00
Total Owned Funds (B)	67,60,44,348.00	63,94,23,858.00
Leverage Ratio (A) / (B)	3.75	4.36

40. Additional disclosures as required by circular no DNBS.CC.PD.No.356/03.10.01/2013-2014 dated September 16, 2013

issued by the Reserve Bank of India:

Auction of Gold ornaments pledged as security in the defaulted loan accounts

Sl. No:	Number of Loan Accounts	Principal Amount outstanding at the dates of auction (A)	Interest Amount outstanding at the dates of auction (B)	Total (A+B)	Value fetched
1	3934	14,30,49,418.00	5,68,78,552.00	19,99,27,970.00	18,28,39,068.00

Note: No sister concerns participated in the auctions during the year ended March 31, 2018

41. Pending Litigations on the Financial position of the Company

Amount in ₹.

Claims against the Company not acknowledged as debts

March 31, 2018

March 31, 2017

	March 31, 2018	March 31, 2017
(i) Income Tax demand for the A.Y. 2012-13	18,68,101.00	18,68,101.00
The Joint Commissioner of Income Tax, Thrissur has issued an order imposing penalty u/s 271D of the Income Tax Act amounting to '24,90,805.00 for violating provisions of 269SS for the A.Y. 2012-13. Appeal against the order has been filed with the Commissioner of Income Tax (Appeals) Thrissur. Company has made a pre-deposit of '6,22,704.00.		
(ii) Income Tax demand for the A.Y. 2012-13	0.00	0.00
Income tax appeal is pending with the commissioner of Income Tax (Appeals), Thrissur for the AY 2012-2013. Appeal is filed by the company against the order under sec 143(3) of the Income Tax act 1961, issued by the income tax officer, ward1(2), Thrissur making an addition by disallowing various expenditures. The addition didnot increase the tax liability of the company but it has reduced the carry forward losses to the subsequent years. The total amount of addition is Rs. 9587477.00.		
(iii) Income Tax demand for the A.Y. 2013-14	0.00	0.00
Income tax appeal is pending with the commissioner of Income Tax (Appeals), Thrissur for the AY 2013-2014. Appeal is filed by the company against the order under sec 143(3) of the Income Tax act 1961, issued by the Assistant Commissioner of Income-Tax, Circle-1(1), Thrissur making an addition by disallowing expenditure. The addition did not increase the tax liability of the company but it has reduced the carry forward losses to the subsequent years. The total amount of addition is ' 9858886.00.		
(iv) Income Tax demand for the A.Y. 2014-15	0.00	0.00
Income tax appeal is pending with the commissioner of Income Tax (Appeals), Thrissur for the AY 2014-2015. Appeal is filed by the company against the order under sec 143(3) of the Income Tax act 1961, issued by the Assistant Commissioner of Income-Tax, Circle-1(1), Thrissur making an addition by disallowing expenditure. The addition did not increase the tax liability of the company but it has reduced the carry forward losses to the subsequent years. The total amount of addition is ' 1,26,55,206.00.		
(v) Service Tax and penalty demanded for the AY 2012-13	10,41,651.00	0.00
The Assistant commissioner of central Tax and Central Excise, Thrissur has issued an order demanding '8,74,793.00 as service tax including educational cess and secondary higher educational cess U/S 73(2) of the Finance Act 1994 for the AY 2012-13 and imposing penalty U/S 78 of the Finance Act amounting to '4,37,397.00 and '5,000.00 under section 77(2) of the Finance Act 1994. Appeal against the order has been filed with The Assistant Commissioner of Central Tax and Central Excise. Company has made a pre-deposit of '2,75,539.00		

42. Disclosure of related party's transaction in accordance with Accounting Standard (AS-18) " Related Party Disclosures" issued by The Institute of Chartered Accountants of India.

a) Name of related parties

Relationship	As on 31-03-2018	As on 31-03-2017
Associates	<ol style="list-style-type: none"> CDB 24 Karat Gold and diamonds Private Limited. CDB 24 Karat International Jewellers (Manjeri) Pvt. Ltd CDB 24 Karat International Jewellers Private Limited. Pushyaragam jewellers (koyilandi) private limited. Chemmanur Gold Palace International Ltd Boby Chemmanur (No.1) Chits Private Ltd Boby Chemmanur Airlines Private Ltd Boby Housing and Construction Private Limited CD Boby Developers and Builders Private Ltd CDB Infrastructure Private Limited BDC Realty and Infra Private Limited DBC Real Estate Developers Private Ltd. Boby Chemmanur Nidhi Limited Boby Chemmanur International Developers LLP Chemmanur International Jewellers LLP Boby Bazar Private Limited Phygicart e-Commerce Private Limited Chemmanur International Jewellers Chemmanur Bose Jewellers Chemmanur Fashion Jewellers, Manjery Chemmanur Fashion Jewellers, Sulthan bathery 	<ol style="list-style-type: none"> CDB 24 Karat Gold and diamonds Private Limited. CDB 24 Karat International Jewellers (Manjeri) Pvt. Ltd CDB 24 Karat International Jewellers Private Limited. Pushyaragam jewellers (Koyilandi) private limited. Kohinoor Gold Durbar Private Limited. Indraneelam Jewellery Mart(Tirur) Private Limited Vydooryam Fashion Jewellers (Chemmad) Private Limited Chemmanur Gold Palace International Ltd BobyChemmanur (No.1) Chits Private Ltd BobyChemmanur Airlines Private Ltd Boby Housing and Construction Private Limited CD Boby Developers and Builders Private Ltd CDB Infrastructure Private Limited BDC Realty and Infra Private Limited DBC Real Estate Developers Private Ltd. Ripples Associates India Private Limited BobyChemmanur Nidhi Limited BobyChemmanur International Developers LLP Chemmanur International Jewellers LLP Chemmanur International Jewellers Chemmanur Fashion Jewellers, Manjery Chemmanur Fashion Jewellers, Sulthan Bathery
Key Management Personnel	<ol style="list-style-type: none"> Boby.C.D (Chairman & MD) Priya Menon (CS) Jisso C Baby (WTD) Mr. Pramod.M (CFO) 	<ol style="list-style-type: none"> Boby.C.D (Chairman & MD) Priya Menon (CS) Jisso C Baby (WTD) Mr. Pramod.M (CFO)
Relatives of Key Management Personnel	<ol style="list-style-type: none"> Mrs. Smitha Boby Mrs. Bymi Joffi 	<ol style="list-style-type: none"> Mrs. Smitha Boby Mrs. Bymi Joffi

(b) Related Party Transactions During the Year

Amount in ₹

Particulars	Associates		Key Management Personnel		Relatives of Key Management Personnel	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Loan Repaid						
Loan Repaid to Chairman	0.00	0.00	1,31,60,000.00	15,16,00,000.00	0.00	0.00
Interest Paid						
Boby.C.D (NCD and SD purchased from other Investors)	0.00	0.00	3,37,207.00	6,54,480.00	0.00	0.00
Bymi Joffy	0.00	0.00	0.00	0.00	59,394.00	0.00
Subordinated debt repayment						
Boby.C.D	0.00	0.00	10,00,000.00	0.00	0.00	0.00
Commission Received						
Boby Chemmanur (No.1) Chits Private Ltd	1,82,688.00	0.00	0.00	0.00	0.00	0.00
Chit Collection Received						
BobyChemmanur (No.1) Chits Private Ltd	1,05,57,824.00	1,07,19,810.00	0.00	0.00	0.00	0.00
Chit Collection Repaid						
Boby Chemmanur (No.1) Chits Private Ltd	1,05,57,824.00	1,07,19,810.00	0.00	0.00	0.00	0.00
Remuneration to chairman						
Boby.C.D	0.00	0.00	60,00,000.00	0.00	0.00	0.00
Remuneration to Whole time Director						
Jisso C Baby	0.00	0.00	14,74,783.00	6,97,000.00	0.00	0.00
Remuneration to Company Secretary						
Priya Menon	0.00	0.00	10,20,769.00	9,59,907.00	0.00	0.00
Remuneration to Chief Financial Officer						
Pramod .M	0.00	0.00	12,11,074.00	7,37,720.00	0.00	0.00
Gold Purchase						
Chemmanur International Jewellers	3,50,550.00	3,33,146.00	0.00	0.00	0.00	0.00
Rent Received						
Chemmanur Gold Palace International Ltd.	1,22,82,981.00	1,25,21,738.00	0.00	0.00	0.00	0.00

43. SECURITY OFFERED (For availing Cash Credit from State Bank of India)**1. PRIMARY SECURITY**

Hypothecation of loan receivables to the extent of ₹ 48.00 crs(both present & future) of the Company.

2. COLLATERAL SECURITY**a. IMMOVABLE PROPERTY**

784.62 Cents Of Land In Sy No. 147/197/7, 983/1P,985/1, 986/1p, 987/1p, 985/1p, 147/197/8, 147/197/3, 984/1p, In Ollukkara Village, Thrissur Taluk, Ollukkara SRO in the name of M/s. C.D Boby Developers and Builders Pvt Ltd

b. 5.93 Cents Of Land In Sy No. 984/3p In Ollukkara Village, Thrissur Taluk, Ollukkara SRO in the name of Boby Housing and Constructions Pvt. Ltd.

c. 25.26 Cents of Land and building admeasuring 278.81 sq m. thereon comprised in Sy No 205/4P of Aranattukara Village, Thrissur Taluk, Ayyanthole SRO, Thrissur District. In the Name of C D Boby

3. THIRD PARTY GUARANTEES**A. Personal Guarantees of**

1. Sri.Boby.C.D
2. Sri. Lijo Moothedan
3. Sri. Jisso C Baby

B. Corporate guarantees of

- 1.M/s. C.D. Boby Developers and Builders Pvt. Ltd.
2. M/s. Boby Housing and Constructions Pvt. Ltd.

Rate of Interest:**10.75% PA**

44. Additional Information to the Statement of Profit and Loss

Particulars	Amount in `	
	March 31, 2018	March 31, 2017
(a) Value of Imports calculated on C.I.F basis by the company during the Financial Year in respect of -		
I. Raw Materials	0.00	0.00
II. Components and Spare Parts;	0.00	0.00
III. Capital Goods	0.00	0.00
(b) Expenditure in Foreign currency during the financial year on account of Royalty, Know how, professional and consultation fees, interest and other matters	0.00	0.00
(c) Total value if all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total components	0.00	0.00
(d) The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related	0.00	0.00
(e) Earnings in foreign exchange classified under the following heads namely :-		
I. Export of goods calculated on F.O.B basis	0.00	0.00
II. Know-how ,professional and consultation fees;	0.00	0.00
III. Interest and Dividend;	0.00	0.00
IV. Other Income, indicating the nature thereof	0.00	0.00

Sd/-
Boby CD
Chairman and MD (DIN 00046095)

Sd/-
Jisso C Baby
Director(DIN 01622660)

As per our report of even date attached
For Cheeran Varghese & Co.,
Chartered Accountants
Firm Registration No.050061S

Sd/-
Priya Menon
Company Secretary

Place : Thrissur,
Date : 10/08/2018

Sd/-
C.V. Varghese
Partner
M.No. 020644

**Schedule to the Balance Sheet of a Non-Banking Financial Company
(As required in terms of Paragraph 18 of Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company
(Reserve Bank) Directions, 2016).**

Particulars	Amount Outstanding (Rs. in Lakh)	Amount Overdue
Liability Side :		
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
a) Debentures :		
Secured	9,277.36	Nil
Unsecured (other than falling within the meaning of public deposit)	10,438.70	Nil
(b) Deferred Credits	Nil	Nil
(c) Term Loans	Nil	Nil
(d) Inter – corporate loans and borrowings	Nil	Nil
(e) Commercial Paper	Nil	Nil
(f) Public Deposits	Nil	Nil
(g) Other Loans (Specify nature)		
1. Unsecured Loan From Chairman	50.63	Nil
2. Breakup of (i)(f) above (outstanding public deposit inclusive in interest accrued thereon but not paid)		
(a) in the form of unsecured debentures	Nil	Nil
(b) in the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	Nil	Nil
(c) other public securities	Nil	Nil

*See note 1 below

Asset Side:	Amount Outstanding (Rs. in Lakh)
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	
(a) Secured	22370.39
(b) Unsecured	3238.92
4 Break-up of Leased Assets and stock on hire and other assets counting toward AFC activities	
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial Lease	Nil
(b) Operating Lease	Nil
(ii) Stock on hire including hire charges under sundry debtors	
(a) Asset on Hire	Nil
(b) Repossessed Assets	Nil
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	Nil
(b) Loans other than (a) above	Nil
5 Break up of Investments :	
Current Investments:	Nil
1. Quoted:	Nil
(i) Shares (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (specify)	Nil
2. Unquoted:	Nil
(i) Shares (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (specify)	Nil

Long Term Investments Quoted/ Unquoted:	Amount Outstanding (Rs. in Lakh)
(i) Shares (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (specify)	Nil

6 Borrower group-wise classification of assets financed as in (2) and (3) above :
(see note 2 below)

Category	Amount net of provisions(Rs. in Lakh)		
	Secured	Unsecured	Total
1. Related Parties			
(a) subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	22,281.25	3,212.71	25493.96
Total	22,281.25	3,212.71	25493.96

7 Investor group-wise classification of all investments(current and long term) in shares and securities (both quoted and unquoted);(see note 3 below)

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

8 Other Information

Particulars	Amount (Rs. in Lakh)
(i) Gross Non – Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	262.79
(ii) Net Non-Performing Assets	Nil
(a) Related Parties	Nil
(b) Other than related parties	210.79
(iii) Assets acquired in satisfaction of debt	Nil

*Notes:

- As defined in point xxiv of paragraph 3 of Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016)
- Provisioning norms shall be applicable as prescribed in the Non- Systemically Important Non-Banking Financial (Non – Deposit Accepting of Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.

For and on behalf of the Board

Sd/-

Boby CD

Chairman and MD (DIN 00046095)

Sd/-

Pramod M.

Chief Financial Officer

Place : Thrissur

Date : 10/08/2018

Sd/-

Jisso C Baby

Director(DIN 01622660)

Sd/-

Priya Menon

Company Secretary

As per our report of even date attached

For Cheeran Varghese & Co.,

Chartered Accountants

Firm Registration No.050061S

Sd/-

C.V. Varghese

Partner

M.No. 020644

SECRETARIAL AUDIT REPORT

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

For the Financial Year Ended 31st March, 2018

To,
 The Members,
 Chemmanur Credits and Investments Limited,
 Mangalodhayam Building, Round South, Thrissur,
 Pin-680001 Ph: 0487-3041200, 2424010

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Chemmanur Credits and Investments Limited, CIN No: U65923KL2008PLC023560 (hereinafter called the company). Secretarial Audit was conducted for the Financial Year ended on 31st March, 2018, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Chemmanur Credits and Investments Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the period covered under the audit as aforesaid, complied with the statutory provisions listed hereunder and also that the company has proper Board processes in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year Ended 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act 1956 and Rules made thereunder to the Extent Applicable.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; - Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - Not Applicable
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- Not Applicable
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); - Not Applicable
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Not Applicable
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - Not Applicable
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not Applicable
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not Applicable
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable
 - (i) Securities and Exchange Board of India (Depositories and participants) Regulations, 1996. - Not Applicable
- (vi) The following laws, regulations, directions, orders, applicable specifically to the Company:
 - a) The Reserve Bank of India Act, 1934
 - b) Non-Banking Financial Companies (Non-Deposit Accepting or Holding) prudential norms(Reserve Bank) ,Directions,2007
 - c) Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions 2008
 - d) Reserve Bank of India Guidelines on raising money through Private Placement of NCDs by NBFCs
 - e) Guidelines on Corporate Governance issued by Reserve Bank of India for NBFCs
 - f) Reserve Bank of India "Know your Customer" (KYC) Guidelines –Anti Money Laundering Standards-Prevention of Money Laundering Act 2002-obligations of NBFC.
 - g) Notification of Reserve Bank of India, on future approach towards monitoring of frauds in NBFCs

- h) Guidelines on Fair Practices Code for NBFCs
- i) Memorandum of instructions governing Money Changing Activities notified by Reserve Bank of India.
- j) Money Transfer Service Scheme notified by Reserve Bank of India.

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

- (i) Secretarial Standards 1 & 2 relating to General and Board Meeting which were issued by The Institute of Company Secretaries of India have been complied with.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), - Not Applicable, as Company is not listed

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

I further report that Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the minutes. I understand that there were no dissenting views for being captured in the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines including fiscal laws and labour laws etc.

I further report that during the audit period the company has taken specific actions, wherever necessary having a major bearing on the Company's Affairs in pursuance of the above referred laws, regulations and guidelines referred to above.

Place: Thrissur
Date: 10/08/2018

V.K. KERALA VARMA
PRACTICING COMPANY SECRETARY
FCS No. 1445
C P No: 2262

Form No. MGT-11**Proxy form**

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

CIN : **U65923KL2008PLC023560**
 Name of the company : Chemmanur Credits and Investments Limited
 Regd. Office : Mangalodhayam Building, Round south, Thrissur 680 001

Name of the member(s) :	
Registered address :	
E-mail Id	Folio No/ Client Id :

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

1. Name:		
Address:		Signature:..... ,
E-mail Id:		

or failing him

2. Name:		
Address:		Signature:..... ,
E-mail Id:		

or failing him

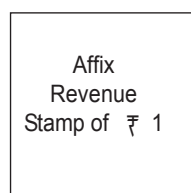
3. Name:		
Address:		Signature:..... ,
E-mail Id:		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Tenth Annual General Meeting of the Company, to be held on the Friday, **28th September 2018 at 3.00 PM** at the registered office of the company and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution
Ordinary business	
1.	Adoption of financial statements for the year ended 31 st March 2018 and the Directors' and Auditors' Reports thereon.
2.	Re-appointment of Mr.Lijo.Moothedan, Director, who retires by rotation and being eligible, offers himself for reappointment.
Special business	
3.	Re- appointment of Mr. P.M.Rajagopal as Director (Independent)
4.	Issue of NCDs
5.	Preferential Issue of Equity Shares.
6.	Extension of redemption (maturity) period of NCDs issued under series NCD 2012/VI, NCD 2012/VII, NCD 2012/VIII, NCD 2013/IX

Signed this..... day of September 2018

Signature of Proxy holder(s) Signature of shareholder



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



Chemmanur Credits and Investments Limited

CIN: U65923KL2008PLC023560

Mangalodhayam Building,

Round South, Thrissur, Pin-680001

Ph: 0487-3041200, 2424010

Email: mail@chemmanurcredits.com

Website: www.chemmanurcredits.com

ATTENDANCE SLIP

Tenth Annual General Meeting 28.09.2018

Folio No. / DP ID Client ID No.	
Name of the First named Member/ Proxy	
Name of Joint Member(s), if any:	
No. of Shares held	

I/We certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the Tenth Annual General Meeting of the Company being held on **Friday, 28th September, 2018** at 3.00 p.m at the Registered Office of the company at Mangalodhayam Buildings, Round South, Thrissur- 680 001.

Signature of First holder/Proxy:	
Signature of 1st Joint holder:	
Signature of 2nd Joint holder:	

- Note (s):
- 1. Please duly fill and sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.**
 - 2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting**

Corporate Information

1. Registered office of the Company
Chemmanur Credits and Investments Limited
Mangalodhayam Building, Round South,
Thrissur, Pin-680001
Ph:0487-3041200, 2424010
Email:mail@chemmanurcredits.com
Website:www.chemmanurcredits.com
2. Company Registration Number CIN no: U65923KL2008PLC023560
3. Reserve Bank Reg. No. N16-00185
4. Chairman and Managing Director Mr. C. D. Boby
5. Whole Time Director Mr. Jisso. C. Baby
6. Chief Executive Officer Mr. T. K.Thomas
7. Chief Financial Officer Mr. Pramod M.
8. Company Secretary Ms. Priya Menon
9. Statutory Auditors M/s Cheeran Varghese & Co,
Chartered Accountants, Mundupalam First Cross Road,
Thrissur- 680 001
10. Secretarial Auditor Mr. V.K.KeralaVarma,
Practicing Company Secretary,
Sree Kovilakam, Green Park Avenue,
Thiruvambadi P.O ,Thrissur-680 021.
11. Registrar and Share Transfer agents S.K.D.C. Consultants Limited.
Category I Registrar and Share Transfer agents,
Kanapathy Towers,3rd Floor,1391/A1, Sathy Road,
Ganapathy, Coimbatore- 641006 Ph: +91 422 6549995,2539835/836
Email: info@skdc-consultants.com
12. Bankers M/s South Indian Bank Ltd.,
M/s Dhanlaxmi Bank,
M/s HDFC Bank,
M/s State Bank of India,
M/s Central Bank of India,



- ▶ GOLD LOAN
- ▶ BUSINESS LOAN
- ▶ MICRO FINANCE
- ▶ DEBENTURES
- ▶ MONEY TRANSFER
- ▶ "X-PAY" - DOMESTIC MONEY TRANSFER
- ▶ TICKET BOOKING AIR / RAIL / BUS
- ▶ TOURIST VISA



CHEMMANUR
Credits and Investments Limited



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