

Independent Auditor's Report

To the Members

KPB Fincare Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s KPB Fincare Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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

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

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

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

The Company's 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, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities;

selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
 - 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. *Except- As -15 – Employee benefit.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position. *Refer Note No 3.26*
 - 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 amount is required to be transferred to the Investor Education and Protection Fund by the Company

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

Sd/-

Damodaran P Namboodiri FCA

Chartered Accountant

Membership No.221178

UDIN: 22221178ALGTWK7946

Place : Ernakulam

Date : June 15, 2022

Annexure A to the Independent Auditor's report on the financial statements of KPB Fincare Private Limited for the year ended 31 March 2022 (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties held in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not involve inventories and, accordingly, the requirements under clause 3 (ii) (a) of the Order are not applicable to the Company and hence not commented upon.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable
- (iii) (a) According to the information and explanations given by the management, the principal business of the Company is to give loans. Therefore, in our opinion, the provisions of clause 3(iii)(a) of the Order are not applicable to the Company;
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

The principal business of the Company is to give loans, so the irregular repayments or receipts of loans and advances overdue by more than 90 days are as below;

Number of borrowers	Overdue amount more than 90 days (in Lakhs)
540	62.11

- (d) According to the information and explanations given by the management and audit procedure performed by us, the total amount overdue for more than ninety days is ` 62.11 lakhs, and the reasonable steps have been taken by the company for recovery of the principal and interest;
 - (e) According to the information and explanations given by the management, the principal business of the Company is to give loans. Therefore, in our opinion, the provisions of clause 3(iii)(e) of the Order are not applicable to the Company;
 - (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and security given in respect of which provisions of sections 185 and 186 of the Companies Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, cess and any other statutory dues to the appropriate authorities. The provisions relating to sales-tax, service tax, duty of customs, duty of excise, value added tax are not applicable to the Company.
- According to the information and explanations given to us and audit procedure performed by us, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income-tax, cess, sales-tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues were outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of goods and service tax, provident fund, employees' state insurance, income-tax, cess, sales-tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and audit procedure performed by us, the Company has not surrendered or disclosed any transaction as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year. Therefore, the provisions of clause 3(viii) of the Order are not applicable to the Company.
- (ix) (a) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and audit procedure performed by us, the Company does not have any subsidiary, joint venture or associate company. Therefore, the provisions of clause 3(viii) of the Order are not applicable to the Company.
- (x) (a) According to the information and explanation given by the Management and audit procedure performed by us, the Company has not raised any money by way of initial public offer or further public offer during the year. Further, monies raised by the Company by way of non-convertible debentures were applied for the purposes for which those were raised;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us, no whistle-blower complaints have been received during the year. Therefore, the provisions of clause 3(xi)(c) of the Order are not applicable to the Company;
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) To the best of our knowledge and as explained, the Company is not required to have the Internal Auditor system commensurate with the size and nature of its business, Accordingly, clause 3(xii) of the Order is not applicable.

- (xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) (a) The company is required and obtained the registration under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934);
- (b) The company has not conducted Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given by the Management and audit procedures performed by us, the CSR requirement norms mentioned in section 135(1) of the Companies Act 2013 doesn't applicable to the company during the year, hence the requirements under clause 3 (xx) of the Order are not applicable to the Company and not commented upon.
- (xxi) The Companies (Auditor's Report) Order (CARO) is reported on the standalone financial statements of the Company. Therefore, the provision of clause 3(xxi) of the Order is not applicable to the Company.

Sd/-

Damodaran.P Namboodiri FCA
Chartered Accountant
Membership No.221178

Place : Ernakulam
Date : June 15, 2022

Annexure “B” To The Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of KPB Fincare Private Limited of even date)

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

We have audited the internal financial controls over financial reporting of KPB Fincare Private Limited (“the Company”) as of March 31, 2022 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

Sd/-

Damodaran.P Namboodiri FCA
Chartered Accountant
Membership No.221178

Place : Ernakulam
Date : June 15, 2022

KPB Fincare Private Limited

GE, Ground floor, Easdale Enclave, 83 Sterling Road, Nungambakkam, Chennai, Tamil Nadu

Balance Sheet as at 31st March 2022**(In ₹, '000)**

Particulars	Note No	As at 31 st March 2022	As at 31 st March 2021
I EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3.1	62,531.19	62,531.19
(b) Reserves and surplus	3.2	11,036.25	9,746.57
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	3.3	3,07,246.00	4,03,363.00
(b) Deferred tax liabilities (Net)			
(c) Other Long term liabilities			
(d) Long-term provisions	3.4	4,950.95	1,249.43
4 Current liabilities			
(a) Short-term borrowings	3.5	84,430.00	-
(b) Trade payables		-	-
(c) Other current liabilities	3.6	64,921.93	57,767.40
(d) Short-term provisions	3.7	1,390.00	560.00
Total		5,36,506.32	5,35,217.58
II ASSETS			
1 Non Current Assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	3.8	2,330.48	2,410.16
(ii) Intangible assets	3.8	2,645.05	3,158.12
(iii) Capital work-inprogress		-	-
(iv) Intangible assets under development	3.8	1,513.62	-
(b) Non-current investments			
(c) Deferred tax assets (net)	3.9	1,178.29	245.31
(d) Long-term loans and advances- Financing Activity	3.10	3,55,006.90	3,38,353.99
(e) Long-term loans and advances	3.11	26.39	103.95
(f) Other non-current assets	3.12	1,296.50	1,376.50
2 Current assets			
(a) Current investments			
(b) Cash and cash equivalents	3.13	22,809.56	32,096.50
(c) Short-term loans and advances - Financing Activity	3.10	1,27,359.81	1,32,794.56
(d) Short-term loans and advances	3.14	2,056.44	933.25
(e) Other current assets	3.15	20,283.28	23,745.25
Total		5,36,506.32	5,35,217.58

See accompanying notes to the financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Sd/-

Sd/-

Damodaran P Namboodiri , FCA

Chartered Accountant

Membership No.221178

Vinu Krishnan

Managing Director

DIN : 01743028

T.S.Jagadeesan

Director

DIN: 06775429

Maya P

Company Secretary

Mem No: A31270

Place : Ernakulam

Date : 15.06.2022

Place : Ernakulam

Date : 15.06.2022

KPB Fincare Private Limited

GE, Ground floor, Easdale Enclave, 83 Sterling Road, Nungambakkam, Chennai, Tamil Nadu

Profit and loss statement for the year ended 31 st March, 2022**(In ₹ ,'000)**

Particulars	Note No	From 01.04.2021 to 31.03.2022	From 01.04.2020 to 31.03.2021
I Revenue from operations	3.16	1,02,052.31	90,378.87
II Other income	3.17	1,306.69	1,278.97
III Total Income(I + II)		1,03,359.00	91,657.84
IV Expenses			
Employee benefits expense	3.18	28,186.07	20,897.23
Finance Cost	3.19	53,227.65	49,600.07
Depreciation and amortization expense	3.20	1,469.32	1,488.89
Other expenses	3.21	18,729.25	14,624.78
Total expenses		1,01,612.30	86,610.97
V Profit before exceptional and extraordinary items and tax (III-IV)		1,746.70	5,046.88
VI Exceptional items		-	-
VII Profit before extraordinary items and tax (V - VI)		1,746.70	5,046.88
VIII Extraordinary Items			
IX Profit before tax (VII- VIII)		1,746.70	5,046.88
X Tax expense:			
Current tax		1,390.00	560.00
Deferred tax		-932.98	796.30
		457.02	1,356.30
XI Profit (Loss) for the period from continuing operations (VII-VIII)		1,289.68	3,690.58
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit/ (Loss) (XI + XIV)		1,289.68	3,690.58
XVI Earnings per equity share			
Basic		0.21	0.59
Diluted		0.49	0.47

See accompanying notes to the financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Sd/-

Sd/-

Damodaran P Namboodiri , FCA**Vinu Krishnan****T.S.Jagadeesan****Maya P**

Chartered Accountant

Managing Director

Director

Company Secretary

Membership No.221178

DIN : 01743028

DIN: 06775429

Mem No: A31270

Place : Ernakulam

Place : Ernakulam

Date : 15.06.2022

Date : 15.06.2022

KPB Fincare Private Limited

GE, Ground floor, Easdale Enclave, 83 Sterling Road, Nungambakkam, Chennai, Tamil Nadu

Cash Flow Statement for the year ended 31st March 2022**In terms of AS - 3 on Cash Flow Statement under Indirect Method**

(In ₹, '000)

PARTICULARS	2021-22 (In Rs.)	2020-21 (In Rs.)
A. Cash Flow From Operating Activities :		
Net profit Before Taxation	1,746.70	5,046.88
<i>Adjustments for:</i>		
Depreciation	1,469.32	1,488.89
Interest Debited in P & L	53,227.65	49,600.07
Provision for Standard asset & NPA	3,701.52	211.36
Dbad Debts w/off	694.96	14.67
Operating Profit before Working Capital Changes	60,840.16	56,361.86
(Increase)/Decrease in Loans & Advances - Financing activity	(11,913.12)	(58,933.79)
(Increase)/Decrease in Non current asset ,Loans & Advances	157.56	440.17
(Increase)/Decrease in Current Assets	(5,332.23)	(3,052.37)
Increase/(Decrease) in Other current liabilities	7,154.54	15,842.51
Cash from operations	50,906.91	10,658.39
Income Tax Paid	7,111.00	(240.58)
Net Cash From Operating Activities	58,017.91	10,417.81
B Cash Flow From Investingactivities :		
Purchase of Fixed Assets	(876.58)	(3,989.32)
Intangeble Assets - WIP	(1,513.62)	-
Proceedings from Sale of Fixed Assets	-	-
(Increase)/ Decrease in Deposits	-	-
Net Cash From Investing Activities	(2,390.20)	(3,989.32)
C Cash Flow From Financing Activities:		
Increase /(Decrease) Short Term Loans	-	(10,000.00)
Issue/ (Repayment) of Debentures	(22,537.00)	45,507.00
Issue/ (Repayment) of Bonds	10,850.00	12,150.00
Interest Paid	(53,227.65)	(49,600.07)
Net Cash From Financing Activities	(64,914.65)	(1,943.07)
NET INCREASE / DECREASE IN CASH AND CASH EQVALENTS	(9,286.94)	4,485.42
OPENING CASH AND CASH EQVALENTS	32,096.50	27,611.07
CLOSING CASH AND CASH EQVALENTS	22,809.56	32,096.50

In terms of our report attached.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Sd/-

Sd/-

Damodaran P Namboodiri , FCAChartered Accountant
Membership No.221178**Vinu Krishnan**Managing Director
DIN : 01743028**T.S.Jagadeesan**Director
DIN: 06775429**Maya P**Company Secretary
Mem No: A31270

Place : Ernakulam

Date : 15.06.2022

Place : Ernakulam

Date : 15.06.2022

1. Company Information

KPB Fincare Private Limited ('the company') is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The company is principally engaged in lending activity. The Company has received the certificate of registration B.07.00091 on 12th May, 2017 enabling the Company to carry on business as Non-Banking Financial Company.

KPB Fincare is India's first fully paperless and cashless microfinance institution. Every single loan is disbursed into the bank accounts of the customers after a fully paperless on boarding process – which involves tab based e-KYC and e-sign. Through the cashless MFI, the aim is to empower the deprived sections of the society as well as contribute to the country's digitization process by adopting digital payments.

2. Significant Accounting Policies

a. Basis of preparation

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (IGAAP) under the historical cost convention as a going concern and on accrual basis and in accordance with the provisions of the Companies Act, 2013 and the Accounting Standards specified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended).

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

Prudential norms: The Company Complies all the material aspect, with the prudential norms relating to

the income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in the direction issued by the Reserve Bank of India in terms of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("RBI Directions, 2007), as applicable to the company.

b. Uses of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date

of financial statements and the reported income and expenses during the reporting period.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c. Revenue recognition

General: Revenue is recognised as earned and accrued when it is reasonably certain that its ultimate collection will be made and the revenue is measureable.

Income from loans:

Interest income from loan transactions is accounted for by applying the interest rate implicit in such contracts.

Service charges, documentation charges and other fees on loan transactions are recognised at the commencement of the contract.

Delayed payment charges, fee based income and interest on trade advances are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.

Income on business assets classified as Non-performing Assets, is recognized strictly in accordance with the guidelines issued by The Reserve Bank of India for Non-Banking Financial Companies.

Other Income: In respect of the other heads of income, the Company accounts the same on accrual basis.

d. Provisioning Norms for Standard & Sub-Standard Assets

Non-performing assets are recognized and provided for, as per management estimates, subject to the minimum provision required as per Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 issued vide master direction No DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 as amended from time to time. Similarly, provision on standard assets is also made as per the RBI NSI- ND Directions 17 dated September 01, 2016

e. Property, Plant and Equipments

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment losses if any. Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Notes to the Financial Statements For The Year Ended March 31, 2022

The cost of fixed assets comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use.

Tangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Long Term Loans & Advances.

Losses arising from the retirement of, and gains or losses arising from disposal of tangible assets which are carried at cost are recognised in the Statement of Profit and Loss.

f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life.

g. Depreciation and Amortisation

In respect of fixed assets acquired during the year, depreciation /amortisation is charged on a straight line basis so as to write off the cost of the assets over the useful lives of the assets as prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets are amortised on a Straight Line basis over the estimated useful economic life. Computer Software which is not an integral part of the related hardware is classified as an intangible asset, and amortised over a period of five years, being its estimated useful life.

h. Impairment

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the Company's assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount.

An assessment is also done at each Balance Sheet date whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. The carrying amount of the fixed asset is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for

the asset in prior years. A reversal of impairment loss is recognised in the Statement of Profit and Loss for the year.

After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the fixed asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on written down value basis over its remaining useful life.

i. Investments

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

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. Investment in subsidiary company is stated at cost.

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

j. 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 and they are recognized in the period in which the employee renders the related service.

The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense)

Post-employment benefits:

• Defined contribution plans:

Defined contribution plans are employee state insurance scheme and employee pension scheme all applicable employees and superannuation scheme for eligible employees. The Company's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the financial year to which they relate.

• **Defined benefit plans:**

Eligible Employees receives benefit from the provided fund, which is a defined benefit plan. Both the employee and company make monthly contribution to provided fund plan equal to a specified percentage of covered employee's salary.

The Company makes specified monthly contributions towards to the government administrated pension fund. The Company has no obligation other than the contribution payable to provident fund authorities.

k. Borrowing Cost

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

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

l. Income taxes

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised 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 loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date for any write down, as considered appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. 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 deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

In accordance with the provisions of Section 115BAA of the Income Tax Act 1961, the Company has opted to pay tax at the reduced rate prescribed therein with effect from the current financial year. Consequently, tax expenses for the

year comprising current and deferred tax as per accounting have been recognized using the reduced tax rates applicable. The company need not pay tax under MAT if it opts for Section 115BAA.

m. Compulsorily Convertible Debentures.

A compulsory convertible debenture (CCD) is a type of bond which must be converted into stock by a specified date. It is classified as a hybrid security, as it is neither purely a bond nor purely a stock. A compulsory convertible debenture is a bond that must be converted into stock at its maturity date. CCD offers a return in interest and, later, ownership of shares in the company.

Each CCD will convert into such number of equity shares so as to give the investor the required return, without the investor being required to pay any amount for such conversion

n. Segment Reporting

The Company primarily operates as a Loan company 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. Company operates in a single geographical segment. Hence, secondary geographical segment information disclosure is not applicable.

o. Cash and Cash equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, term deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

p. 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.

q. Classification of Debentures

Company has classified debentures as current and non-current based on the maturity period of debenture as mentioned in debenture certificate.

r. Lease

Where the company is lessee

All the leasing arrangements of the Company are operating lease in respect of its office premises where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset. Such operating lease rental payments are recognized as an expense on accrual basis in the Statement of Profit and Loss.

Where the company is the lessor

Assets subject to operating lease are included in the fixed assets. Lease income on operating lease is recognized in the Statement of Profit and Loss. Costs, including depreciation, are recognized as expenses in the Statement of Profit and Loss.

s. Earnings per share

The basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during 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 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.

t. Contingent liabilities and Contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognized nor disclosed in the financial statement since this result in the recognition of the income that may never realize.

u. Written Offs

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference recorded as an expense in the period of write off. Any subsequent recoveries are credited to statement of profit and loss account

v. Provisions and Contingent liabilities

- A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.
- Provision policy for loan portfolios: Company provides for non-performing loans and advances as mentioned in Para 13 of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016. Provision for standard assets (including interest receivable) is made at 0.25% as mentioned in Para 14 of Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 and shown in the balance sheet as 'Contingent Provisions for standard asset'.
- For restructured asset -The lending institutions shall keep provisions from the date of implementation, which are higher of the provisions held as per the extant IRAC norms immediately before implementation, or 10 percent of the renegotiated debt exposure of the lending institution post implementation (residual debt).

3.1 Share Capital	in ₹ ,000, except as stated otherwise				
	March 31,2022		March 31,2021		
	Particulars	No.	Value	No.	Value
Authorised:					
Equity shares of Rs 10 each	2,00,00,000	2,00,000	2,00,00,000	2,00,000	
Issued, Subscribed & Fully Paid Up:					
Equity shares of Rs 10 each	62,53,119	62,531	62,53,119	62,531	
Total	62,53,119	62,531	62,53,119	62,531	

3.1.1 Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ` Rs. 10 ' per share. Each holder of equity shares is entitled to one vote per share.

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

3.1.2 Reconciliation of shares at the beginning and at the end of the financial year

Equity Shares	March 31,2022		March 31,2021	
	No.	Value	No.	Value
No: of equity shares at the beginning of the year	62,53,119	62,531	62,53,119	62,531
Add: Fresh issue	-	-	-	-
Less: shares bought back	-	-	-	-
Outstanding at the end of the year	62,53,119	62,531	62,53,119	62,531

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

Name of shareholders	March 31,2022		March 31,2021	
	No: of shares	% of	No: of shares	% of
Equity shares of Rs 10 each,fully paid				
KPB Holding Limited	44,90,928	71.82%	44,90,928	71.82%
Sheela Raja Ram	6,00,000	9.60%	6,00,000	9.60%

3.1.4 Particulars of Share held by Promoters of the Company

Name of shareholders	March 31,2022		March 31,2021		% of Changes
	No: of shares	% of	No: of shares	% of	
Equity shares of Rs 10 each,fully paid					
Vinu Krishnan	3	0.00%	3	0.00%	0.00%
T S Jagadeesan	20,003	0.32%	20,003	0.32%	0.00%
Vishnu Prasad B Menon	8,154	0.13%	8,154	0.13%	0.00%

3.2 Reserves and Surplus

Particulars	(In ₹ ,'000)	
	March 31,2022	March 31,2021
3.2.1 Security Premium Account:		
As Per last balance sheet	5,913.96	5,913.96
(+) Additions during the year	-	-
	5,913.96	5,913.96
3.2.2 Revaluation Reserve		
As Per last balance sheet	1,339.35	1,339.35
(+) Additions during the year	-	-
	1,339.35	1,339.35
3.2.3 Statutory Reserve Fund		
As Per last balance sheet	2,267.37	1,529.26
(+) Additions during the year	257.94	738.12
	2,525.31	2,267.37
3.2.4 General Reserve		
Amount as per Last Balance Sheet	1,489.20	1,489.20
(+) Additions/ transfers during the Year	-	-
	1,489.20	1,489.20
3.2.5 Surplus /(Deficit) in Statement of Profit and Loss		
Opening Balance	(1,263.31)	(4,120.48)
Net Profit/(Loss) after tax as per Statement of Profit and Loss	1,289.68	3,690.58
(-) MAT Credit	-	(95.30)
(-) Transfer to Statutory Reserve	(257.94)	(738.12)
Closing Balance	(231.57)	(1,263.31)
Total	11,036.25	9,746.57

3.2.6 Nature and purpose of Reserves

Securities premium

This Reserve represents the premium on issue of equity shares. The reserve can be utilised only for the purposes in accordance with the provisions of the Companies Act, 2013.

Statutory reserve

Statutory Reserve is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934. It requires every non banking finance institution which is a Company to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. The Company has appropriated 20% of the Profit After Tax to the fund for the year.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of profit for the period at a specified percentage in accordance with applicable regulations. After the introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

Retained earnings or Surplus

This reserve represents the cumulative profits of the Company.

3.3 Long-Term Borrowings

(In ₹, '000)

Particulars	Non-Current		Current	
	March 31,2022	March 31,2021	March 31,2022	March 31,2021
Secured				
Non Convertible Debentures	2,30,716.00	3,29,883.00	76,630.00	-
Unsecured				
Compulsory Convertible Debentures	26,000.00	26,000.00	-	-
Subordinated Debt	50,530.00	47,480.00	7,800.00	-
Total	3,07,246.00	4,03,363.00	84,430.00	-

3.3.1 Debt Securities

(In ₹, '000)

Particulars	March 31,2022	March 31,2021
(a) Secured Non-Convertible Debentures - Privately Placed	3,07,346.00	3,29,883.00
(b) Unsecured Non-Convertible Debentures - Privately Placed	-	-
(c) Unsecured Convertible Debentures - Privately Placed	26,000.00	26,000.00
Total (A)	3,33,346.00	3,55,883.00
Borrowings in India	3,33,346.00	3,55,883.00
Borrowings outside India	-	-
Total	3,33,346.00	3,55,883.00

3.3.2 Nature of Security

Non Convertible Debentures are secured by way of first charge on the loan assets along with all the receivables of the company claim which are now due and owing to the company in the course of the business or which at any time herein after become due

Th company has issued 26,000 Compulsorily Convertible Debentures of face value of ` 1,000/- each carrying interest rate of 13.50%. The CCDs are issued are convertible into fully paid equity shares at Rs. 15 per equity share (including Rs. 5 premium) fully paid up 'at the end of the 3 years from the date of allotment or as mutually agreed before the end of the tenure.

There is no continuing default as on the date of balance sheet in repayment of loans and interest.

Non Convertible Debentures - Private

3.3.3 Series wise classification of Non Convertible Debentures			(In ₹, '000)	
Particulars	Date of allotment	Date of maturity	March 31,2022	March 31,2021
NCD/2017/01	19.07.2017	19.07.2022	13,250.00	17,450.00
NCD/2017/02	31.07.2017	31.07.2022	17,380.00	21,380.00
NCD/2017/03	31.08.2017	31.08.2022	8,550.00	12,050.00
NCD/2017/04	30.09.2017	30.09.2022	4,000.00	8,500.00
NCD/2017/05	04.11.2017	04.11.2022	5,000.00	9,000.00
NCD/2017/06	12.12.2017	12.12.2022	10,100.00	12,100.00
NCD/2018/01	02.01.2018	02.01.2023	4,250.00	4,250.00
NCD/2018/02	03.03.2018	03.03.2023	6,000.00	6,000.00
NCD/2018/03	26.03.2018	26.03.2023	3,000.00	3,000.00
NCD/2018/04	31.03.2018	31.03.2023	5,100.00	8,950.00
NCD/2018/05	26.04.2018	26.04.2023	7,900.00	15,000.00
NCD/2018/06	01.06.2018	01.06.2023	2,000.00	4,300.00
NCD/2018/07	12.06.2018	12.06.2023	2,200.00	5,550.00
NCD/2018/08	04.07.2018	04.07.2023	3,000.00	4,500.00
NCD/2018/09	24.08.2018	24.08.2023	6,500.00	9,500.00
NCD/2018/10	20.10.2018	20.10.2013	7,500.00	11,500.00
NCD/2018/11	10.12.2018	10.12.2023	10,400.00	14,400.00
NCD/2018/12	11.02.2019	11.02.2023	10,000.00	11,500.00
NCD/2019/01	12.04.2019	12.04.2024	2,960.00	2,960.00
NCD/2019/02	13.05.2019	13.05.2024	18,552.00	18,552.00
NCD/2019/03	12.06.2019	12.06.2024	16,100.00	17,100.00
NCD/2019/04	12.07.2019	12.07.2024	14,500.00	14,500.00
NCD/2019/05	14.08.2019	14.08.2024	3,000.00	3,000.00
NCD/2019/06	18.09.2019	18.09.2024	5,000.00	5,000.00
NCD/2019/07	18.10.2019	18.10.2024	11,825.00	11,825.00
NCD/2019/08	21.11.2019	21.11.2024	13,374.00	14,374.00
NCD/2019/09	18.12.2019	18.12.2024	4,400.00	4,400.00
NCD/2019/10	15.01.2020	15.01.2025	4,000.00	4,000.00
NCD/2019/11	18.02.2020	18.02.2025	6,435.00	6,435.00
NCD/2019/12	21.03.2020	21.03.2025	2,500.00	2,500.00
NCD/2020/01	27.04.2020	27.04.2025	1,000.00	1,300.00
NCD/2020/02	18.05.2020	18.05.2025	500.00	3,300.00
NCD/2020/03	15.06.2020	15.06.2025	4,800.00	6,287.00
NCD/2020/04	22.08.2020	22.08.2025	12,800.00	14,750.00
NCD/2020/05	17.10.2020	17.10.2025	5,870.00	6,370.00
NCD/2020/06	21.01.2021	21.01.2026	14,300.00	14,300.00
NCD/2021/01	01.12.2021	01.12.2026	24,300.00	-
NCD/2021/02	14.03.2022	14.03.2027	15,000.00	-
Total			3,07,346.00	3,29,883.00

3.3.4 Coupon Rate wise classification of Non Convertible Debentures			(In ₹, '000)	
Coupon rate	March 31,2022	March 31,2021		
Coupon Rate -10	4,600.00	-		
Coupon Rate -10.25	500.00	500.00		
Coupon Rate -11	19,300.00	6,400.00		
Coupon Rate -11.25	10,800.00	31,037.00		
Coupon Rate -11.5	29,200.00	7,400.00		
Coupon Rate-12	90,482.00	1,32,082.00		
Coupon Rate-12.5	1,52,464.00	1,52,464.00		
Total	3,07,346.00	3,29,883.00		

3.3.5 Maturity wise classification of Non Convertible Debentures			(In ₹, '000)
From the Balance Sheet date	(a) Non- current)	Current maturi	Total
Repayable on maturity :			
Maturing beyond 5 years			-
Maturing between 3 years to 5 years	78,570.00	-	78,570.00
Maturing between 1 year to 3 years	1,52,146.00	-	1,52,146.00
Maturing within 1 year	-	76,630.00	76,630.00
Total at face value	2,30,716.00	76,630.00	3,07,346.00
Less: Unamortised discounting charges	-	-	-
Total redemption value, net of unamortized discounting charges	2,30,716.00	76,630.00	3,07,346.00

3.3.6 Subordinated Liabilities			(In ₹, '000)
Particulars	March 31,2022	March 31,2021	
At Amortised Cost:			
(a) Subordinated Debts	58,330.00	47,480.00	
Total (A)	58,330.00	47,480.00	
Subordinated liability in India	58,330.00	47,480.00	
Subordinated liability outside India	-	-	
Total	58,330.00	47,480.00	

3.3.7 Series wise classification of Subordinated Debt					(In ₹, '000)
Particulars	Date of allotment	Date of maturity	March 31,2022		
			March 31,2022	March 31,2021	
SD/2017/01	27.06.2017	17.06.2022	4,300.00	4,300.00	
SD/2017/02	17.08.2017	05.08.2022	1,000.00	1,000.00	
SD/2017/03	30.09.2017	20.09.2022	2,500.00	2,500.00	
SD/2018/01	03.08.2018	03.08.2023	4,600.00	4,600.00	
SD/2018/02	15.09.2018	15.09.2023	8,000.00	8,000.00	
SD/2018/03	26.11.2018	26.11.2023	3,060.00	3,060.00	
SD/2018/04	25.01.2019	25.01.2024	2,810.00	2,810.00	
SD/2019/01	15.01.2020	15.01.2025	3,500.00	3,500.00	
SD/2019/02	18.02.2020	18.02.2025	2,260.00	2,260.00	
SD/2019/03	21.03.2020	21.03.2025	3,300.00	3,300.00	
SD/2020/01	27.04.2020	27.04.2025	1,500.00	1,500.00	
SD/2020/02	18.05.2020	18.05.2025	2,500.00	2,500.00	
SD/2020/03	15.06.2020	15.06.2025	500.00	500.00	
SD/2020/04	22.08.2020	22.08.2025	3,100.00	3,100.00	
SD/2020/05	18.09.2020	18.09.2025	4,550.00	4,550.00	
SD/2021/01	19.04.2021	19.04.2026	10,850.00	-	
Total			58,330.00	47,480.00	

3.3.8 Interest Rate wise classification of Subordinated Debt				(In ₹, '000)
Particulars	Interest %	March 31,2022	March 31,2021	
Subordinated Debt-Cumulative	12.00%	5,000.00	-	
Subordinated Debt-Cumulative	13.00%	10,000.00	10,000.00	
Subordinated Debt-Cumulative	13.50%	2,500.00	2,500.00	
Subordinate Debt- Monthly	12.00%	5,350.00	-	
Subordinate Debt- Monthly	13.00%	22,180.00	22,180.00	
Subordinate Debt- Monthly	13.50%	12,800.00	12,800.00	
Subordinate Debt- Annual	12.00%	500.00	-	
Total		58,330.00	47,480.00	

3.3.9 Maturity wise classification of Subordinated Debt			(In ₹, '000)
From the Balance Sheet date	(a) Non- current	(b) Current mat	Total
Repayable on maturity :			
Maturing beyond 5 years			-
Maturing between 3 years to 5 years	23,000	-	23,000.00
Maturing between 1 year to 3 years	27,530	-	27,530.00
Maturing within 1 year	-	7,800.00	7,800.00
Total at face value	50,530	7,800.00	58,330.00
Less: Unamortised discounting charges	-	-	-
Total redemption value, net of unamortized discounting charges	50,530	7,800.00	58,330.00

3.4 Long-term provisions			(In ₹, '000)
Particulars	March 31,2022	March 31,2021	
Provision for Employee Benefits	-	-	
Others			
Contingent Provision on Standard Asset	1,109.89	1,176.91	
Contingent Provision on Sub Standard Assets	3,841.06	34.87	
Contingent Provision on Doubtful Asset	-	37.65	
Total	4,950.95	1,249.43	

3.5 Short-Term Borrowings			(In ₹, '000)
Particulars	March 31,2022	March 31,2021	
(a) Loans repayable on demand	-	-	
(b) Current maturities of long-term Borrowings	84,430.00	-	
Total	84,430.00	-	

There is no continuing default/default as on the date of balance sheet in repayment of loans and interest.

3.6 Other Current Liabilities			(In ₹, '000)
Particulars	March 31,2022	March 31,2021	
(a) Current maturities of long-term Lease	-	-	
(b) Unclaimed Dividends	-	-	
(c) Interest accrued but not due on borrowings;	53,901.15	39,919.63	
(d) Interest accrued and due on borrowings;	3,569.89	832.80	
(e) Other Payables	-	-	
(i) Statutory remittances (Refer note(i) below)	1,117.04	1,349.57	
(ii) Salaries and Wages Payable	1,855.52	1,817.36	
(iii) Expenses Payable	4,135.51	4,345.77	
(iv) Others	342.81	9,502.27	
Total	64,921.93	57,767.40	

Note (i) Statutory dues includes provident fund, employees state insurance, withholding taxes.

3.7 Short Term Provisions			(In ₹, '000)
Particulars	March 31,2022	March 31,2021	
(a) Provision for Employee Benefit	-	-	
(b) Provision - Others			
(i) Provision for Income Tax	1,390.00	560.00	
Total	1,390.00	560.00	

3 Notes on accounts for the financial year ended 31st March, 2022

3.9 Deferred tax Asset / (Liability)		(In ₹, '000)	
Particulars	March 31,2022	March 31,2021	
A. Deferred tax liabilities	-	-	
B. Deferred tax assets			
On difference between book balance and tax balance of fixed assets	211.57	227.06	
Others	966.72	18.25	
Total	1,178.29	245.31	

3.10 Long Term Loans And Advances - Financing Activities		(In ₹, '000)	
Particulars	March 31,2022	March 31,2021	
Loans and Advances			
Unsecured, considered good			
Non-Current	3,55,006.90	3,38,353.99	
Current	1,27,359.81	1,32,794.56	
Total - A Gross Amount	4,82,366.72	4,71,148.56	
(B)			
(i) Secured by Securities and Assets	-	-	
(ii) Covered by Bank/Government guarantees	-	-	
(iii) Unsecured	4,82,366.72	4,71,148.56	
Total - B Gross Amount	4,82,366.72	4,71,148.56	
(C)			
Loans in India			
(i) Public Sector	-	-	
(ii) Others	4,82,366.72	4,71,148.56	
Total - C Gross Amount	4,82,366.72	4,71,148.56	
Total	4,82,366.72	4,71,148.56	

3.10.1 Loans And Advances - Financing Activity Maturity Wise		(In ₹, '000)			
Particulars	Non Current		Current		
	March 31,2022	March 31,2021	March 31,2022	March 31,2021	
Loans					
(A)					
BDL	-	-	-	19.53	
CL	3,346.54	6,779.73	6,122.75	17,318.48	
I GL	3,51,660.37	3,31,574.26	1,21,094.68	1,13,426.14	
PL	-	-	142.38	2,030.41	
Total (A) - Gross	3,55,006.90	3,38,353.99	1,27,359.81	1,32,794.56	
(B)					
(i) Secured by Securities and Assets	-	-	-	-	
(ii) Covered by Bank/Government guarantees	-	-	-	-	
(ii) Unsecured	3,55,006.90	3,38,353.99	1,27,359.81	1,32,794.56	
Total (B) - Gross	3,55,006.90	3,38,353.99	1,27,359.81	1,32,794.56	
(C)					
Loans in India					
(i) Public Sector	-	-	-	-	
(ii) Others	3,55,007	3,38,354	1,27,360	1,32,794.56	
Total (C) - Gross	3,55,007	3,38,354	1,27,360	1,32,794.56	
Total	3,55,007	3,38,354	1,27,360	1,32,794.56	

3.10.2 Category wise details of Financial Assets		(In ₹, '000)			
Particulars	F.Y. 2021-22				
	Standard	Sub Standard	Doubtful	Total	
BDL	-	-	-	-	
CL	7,951.32	1,517.97	-	9,469.29	
I GL	4,36,004.59	36,750.46	-	4,72,755.05	
PL	0.20	142.18	-	142.38	
Total Closing	4,43,956.11	38,410.61	-	4,82,366.72	

3.10.3 Category wise details of Financial Assets		(In ₹, '000)		
Particulars	F.Y. 2020-21			Total
	Standard	Sub Standard	Doubtful	
BDL	-	-	19.53	19.53
CL	24,073.09	25.11	-	24,098.20
IGL	4,44,676.10	306.18	18.12	4,45,000.41
PL	2,012.97	17.45	-	2,030.41
Total	4,70,762.16	348.74	37.65	4,71,148.56
3.11 Long Term Loans And Advances		(In ₹, '000)		
Particulars	March 31,2022		March 31,2021	
Unsecured, considered good				
Loans and advances to related parties			-	-
Other Advances				
i. Balances with government authorities				
Income Tax refund receivable			26.39	103.95
Total			26.39	103.95
3.12 Other non-current assets		(In ₹, '000)		
Particulars	March 31,2022		March 31,2021	
Unsecured considered good;				
Security Deposit			1,296.50	1,376.50
Total			1,296.50	1,376.50
3.13 Cash And Cash Equivalents		(In ₹, '000)		
Particulars	March 31,2022		March 31,2021	
Balance with banks				
(i) In Current Accounts			22,613.38	29,821.89
(ii) In Deposits Accounts			-	500.00
Cash in Hand			196.18	1,774.60
Total cash and cash equivalents			22,613.38	30,321.89
3.14 Short Term Loans And Advances		(In ₹, '000)		
Particulars	March 31,2022		March 31,2021	
Unsecured, considered good				
Loans and advances to related parties			-	-
Other Loans and Advance				
i. Balances with government authorities				
TDS, TCS and Advance Income Tax			646.51	161.89
GST Receivables			268.55	753.56
ii. Others (Prepaid Expenses and other advances)			1,141.38	17.80
Total			2,056.44	933.25
Advances recoverable in cash or in kind or for value to be received				
3.15 Other Current Assets		(In ₹, '000)		
Particulars	March 31,2022		March 31,2021	
(a) Accruals				
Accrued Interest on Loan			8,007.92	6,981.51
Ex-gratia Interest Receivable			-	1,312.38
Other Income Receivables			972.15	94.00
(b) Others				
Insurance Deposit			109.52	59.52
Insurance recoverable			1,053.12	616.92
Preoperative expenses			-	201.53
Other Receivable			10,140.56	14,479.39
Total			20,283.28	23,745.25

3 Notes on accounts for the financial year ended 31st March, 2022

3.16 Revenue From Operations		(In ₹, '000)	
Particulars	March 31,2022	March 31,2021	
Income from Financing activity	97,169.41	86,445.96	
Processing Fee	4,882.90	2,620.54	
Other Service charges	-	-	
Ex-gratia Interest	-	1,312.38	
Total	1,02,052.31	90,378.87	
3.17 Other Income		(In ₹, '000)	
Particulars	March 31,2022	March 31,2021	
Interest Income	1,192.28	1,278.97	
Other non-operating income (net of expenses directly attributable to such income).			
Interest from Income Tax Dept	5.87	-	
Other Miscellaneous Income	108.54	-	
Total	1,306.69	1,278.97	
3.18 Employee Benefit Expenses		(In ₹, '000)	
Particulars	March 31,2022	March 31,2021	
Salaries and Wages	24,977.73	18,857.60	
Contributions to provident and other funds	1,792.33	1,618.12	
Workmen and Staff Welfare Expenses - Bonus	1,416.00	421.52	
Total	28,186.07	20,897.23	
3.19 Finance Cost		(In ₹, '000)	
Particulars	March 31,2022	March 31,2021	
Interest expense on :			
Borrowings	52,952.96	49,369.67	
Others			
Bank Charges	274.70	230.39	
TOTAL	53,227.65	49,600.07	
3.20 Depreciation And Amortisation Expenses		(In ₹, '000)	
Particulars	March 31,2022	March 31,2021	
Depreciation	613.34	713.34	
Amortisation	855.98	775.55	
Total	1,469.32	1,488.89	

3.21 Other Expenses		(In ₹, '000)	
Particulars		March 31,2022	March 31,2021
Advertisement Expense		8.51	49.84
Annual Maintenance Charge		179.37	-
Audit fees		100.00	85.00
Subscription Charges		31.81	47.14
Boarding Charges		284.48	33.94
Bad debts written off		694.96	14.67
Communication Expense Charges		1,998.44	2,002.79
Electricity Charges		144.77	175.03
Food Expenses		15.28	29.69
Fuel Expenses		2,112.20	1,298.92
Late payment fees - Statutory Payments		68.12	130.48
GST written off		1,046.24	1,295.63
Insurance		407.30	313.22
Labour Welfare Fund Employer Contribution		15.72	18.66
Loan Processing Fees - NBFC		-	50.00
Meeting Expense		0.14	3.29
Membership Fees		141.25	107.99
MFI Reports Subscription Fees		244.74	213.20
NCD Incentive		403.50	557.29
Office Expenses		379.91	360.42
Printing & Stationery		135.54	164.93
Professional fees		1,395.13	1,412.40
Rates & Taxes		7.52	9.02
Rent (Branches and HO)		1,640.03	1,574.44
ROC Expenses		1.30	24.60
Round off		-	0.32
Software Maintenance		3,047.80	3,974.73
Staff welfare expenses		125.81	38.56
Sweeper Charges - Branch		113.53	110.45
Travelling Expenses		19.63	67.78
Vehicle repair expenses		2.09	15.70
Repairs and Maintenance- Others		28.62	-
Water Charges		32.47	30.66
Preoperative expenses written off		201.53	202.64
Provision for Standard Assets		(67.02)	146.52
Provision for Sub Standard Assets		3,806.19	27.18
Provision for Doubtful Assets		(37.65)	37.65
Total		18,729.25	14,624.78

3.21.1 Payment to Auditors Comprises of :		(In ₹, '000)	
Particulars		March 31,2022	March 31,2021
As auditors - statutory audit		65.00	55.00
For taxation matters		25.00	25.00
For other services		10.00	5.00
Total		100.00	85.00

3.21.2 Provisions and Written Offs		(In ₹, '000)	
Particulars	March 31,2022	March 31,2021	
Provision for			
Standard assets	(67.02)	146.52	
Non performing assets	3,768.53	64.83	
Bad debts written off	694.96	14.67	
Total	4,396.48	226.03	

3.22 Earnings Per Share		(In ₹)	
Particulars	March 31,2022	March 31,2021	
Basic			
Profit after tax as reported	12,89,682	36,90,575	
Add: Interest on liability component of compound financial instrument charged to Statement of profit and loss	26,59,300	76,446	
Adjustable net profit after tax	39,48,982	37,67,021	
Weighted average number of equity shares for basic EPS	62,53,119	62,53,119	
Add: Effect of compound financial instrument which are dilutive from the date of allotment (in number)	17,33,333	17,33,333	
Weighted average number of equity shares outstanding during the period	79,86,452	79,86,452	
Basic earnings per share (face value of Rs. 10) -in INR	0.21	0.59	
Diluted			
Profit after tax as reported	12,89,682	36,90,575	
Adjustable net profit after tax	39,48,982	37,67,021	
Weighted average number of equity shares for diluted EPS	79,86,452	79,86,452	
Diluted earnings per share (face value of Rs. 10)- in INR	0.49	0.47	

3.23 Employee Benefits

Details of Employee Benefits : Disclosures required under Accounting Standard 15 – Employee Benefits (Revised 2005)

a. Defined Contribution Plans :

During the Year, the following amounts have been recognised in the Profit and Loss account on account of defined

Particulars	March 31,2022	March 31,2021
Employers Contribution to Provident Fund	1,325.34	1,268.50
Employers Contribution to Employee's State Insurance	467.00	349.62

b. Defined benefit Plans- Gratuity: Nil

3.24 Related party disclosures

3.24.1 Names of Related Parties

(A) Holding	KPB Holdings Ltd
(B) Key Management Personnel	Designation
Vinu Krishnan	Managing Director
Maya P	Company Secretary
(C) Entities in which KMP / Relatives of KMP can exercise significant influence	
KPB Digital Private Limited	
(D) Relatives of Key Management Personnel	Relation
Aruna Krishnan	Wife of Vinu Krishnan
Pranav Krishnan	Son of Vinu Krishnan

3 Notes on accounts for the financial year ended 31st March, 2022

3.24.2 **Related Party transactions during the year:** (In ₹, '000)

Particulars	KMP		Relatives of KMP	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Purchase of CCD of the Company		9,000.00	-	2,000.00
Interest paid on NCD	-	-	326.30	268.28
Interest paid on subordinate debts	-	-	337.50	337.50
Interest paid on CCD	1,215.00	45.73	270.00	7.26
Remuneration paid	5,674.88	3,000.00	-	-

Particulars	Holding Company		Entities in which KMP / Relatives of KMP can exercise significant	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Service Rendered	1,049.50	280.00	4,980.64	7,387.00

3.24.3 **Balance outstanding as at the year end: Asset/ (Liability)** (In ₹, '000)

Particulars	KMP		Relatives of KMP	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
CCD - Private Placed	9,000.00	9,000.00	2,000.00	2,000.00
Interest payable on NCD	-	-	18.67	74.07
Interest payable on SD	-	-	28.13	-
Interest payable on CCD	1,01,250	-	22.50	-

Particulars	Holding Company		Entities in which KMP / Relatives of KMP can exercise significant influence	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Receivables	-	-	9,556.25	12,526.25
Payables	-	-	-	12.16

3.25 **Transaction with non executive director** (In ₹, '000)

Name	Nature of Transaction	March 31, 2022	March 31, 2021
T S Jagadeesan (Director)	Interest paid on CCD	135.00	7.26
Vishnu Prasad B Menon (Director)	Interest paid on CCD	135.00	4.36

3.26 **Contingent liabilities and capital commitments** (In ₹, '000)

Particulars	March 31,2022	March 31,2021
Contingent Liabilities: -		
Claim not acknowledge as debt by the company	-	-
In respect of tax demands where the Company has filed appeal before various	-	-
Capital commitments :-		
	-	-

Future cash outflow in respect of above is determinable only on receipt of judgments /decision pending with various forums/authorities. The Company is of the opinion that the above demands are not tenable and expects to succeed in its appeals/defense. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations

3.27 **Disclosure with regard to dues to Micro Enterprises and Small Enterprises**

The management has initiated the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. The company has not received any intimation from its vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

3 Notes on accounts for the financial year ended 31st March, 2022

3.28 Additional Regulatory Information

Particulars	Denominator	Numerator	Current Period	Previous Period	% of variance*
Liquidity Ratio					
Current Ratio (times)	Current assets	Current liabilities	1.14	3.25	-64.8%
Solvency Ratio					
Debt-Equity Ratio (times)	Total debt	Shareholder's equity	6.06	6.13	-1.2%
Debt Service Coverage Ratio (times)	Earnings available for debt service	Debt service	0.49	0.72	-32.1%
Profitability ratio					
Net Profit Ratio (%)	Net profits	Revenue	1.25%	4.03%	-69.0%
Return on Equity Ratio (%)	Net profits after taxes	Average shareholder's equity	1.80%	5.34%	-66.2%
Return on Capital employed (%)	Earning before interest & tax	Capital employed	11.82%	11.49%	2.8%
Return on Investment (%)	Income generated from investments	Time weighted average investments	-	-	-

***Utilization Ratio**

Current Maturity of Long Term Debts resulted the decrease in the in Current ratio
 Subscribers of Long term debts excersised the put option which resulted the reduction in the Long term Debts
 Provision for NPAs increased substantially which resulted in the redution in the profitability
 Entity has not made any investment hence ratio is not determinable

*The Entity is operating in Service sector- Finance Company, hence Utilization ratios are not determinabile

3.29 **Capital**

Particulars	March 31,2022	March 31,2021
CRAR (%)	17.74	18.34
CRAR - Tier I Capital (%)	13.16	13.51
CRAR - Tier II Capital (%)	4.58	4.82
Amount of subordinated debt raised as Tier - II capital	1,08,50,000	1,21,50,000

3.30 **Investments**

Particulars	March 31,2022	March 31,2021
(In ₹, '000)		
Gross Value of Investments		
(a) India In India	-	-
(b) Outside India	-	-
Provisions for Depreciation		
(a) India In India	-	-
(b) Outside India	-	-
Net Value of Investments		
(a) India In India	-	-
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
Opening balance	-	-
Add : Provisions made during the year	-	-
Less : Write off / write back of excess provisions during the year	-	-
Closing balance	-	-

3.31 **Details of Ratings assigned by credit rating agencies and migration of ratings during the year**

The Company has been assigned following credit rating from rating agencies during the financial year ended 31.03.2022

Instrument	Rating Agency	Rating Assigned	
		March 31,2022	March 31,2021
Long Term Loan Facilities	CARE Ratings Limited	CARE BB-	CARE BB-

3 Notes on accounts for the financial year ended 31st March, 2022

3.32 Provisions and Contingencies	(In ₹, '000)	
Break up of Provisions and Contingencies shown under the head Expenses in the Statement	March 31,2022	March 31,2021
Provisions for depreciation on Investment	-	-
Provision towards NPA	3,768.53	64.83
Provision made towards Income Tax (net of Deferred Tax)	457.02	1,356.30
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	(67.02)	146.52

3.33 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The company does not have any joint venture or subsidiary overseas during the year 2021-22 & 2020-21

3.34 Draw Down from Reserves

No reserves have been draw down during the financial year 2021-22 & 2020-21

3.35 Concentration of Advances (In ₹, '000)

Particulars	March 31,2022	March 31,2021
Total Advances to twenty largest borrowers		
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC		

Note: The Company operates in the business of microfinance providing collateral free loans for fixed amounts ranging from Rs. 2,000 to Rs. 60,000 to women engaged in various income generating activities. As at 31 March 2022, the Company has provided loans to more than 25 Thousand customers and hence, the disclosure relating to concentration to advances, exposures and NPA's are not applicable to the Company.

3.36 Movement of NPAs (In ₹)

Particulars	March 31,2022	March 31,2021
Net NPAs* to Net Advances (%)	7.22%	0.07%
Movement of NPAs* (Gross)		
(a)Opening balance	3,86,394	76,946
(b)Net additions during the year	3,80,24,214	3,09,448
(c)Closing balance	3,84,10,608	3,86,394
Movement of Net NPAs*		
(a)Opening balance	3,13,867	69,252
(b)Net additions during the year	3,42,55,681	2,44,615
(c)Closing balance	3,45,69,547	3,13,867
Movement of provisions for NPAs* (excluding Provisions on Standard Assets)		
(a)Opening balance	72,528	7,695
(b)Provisions made during the year	37,68,533	64,833
(c)Write-off/ write-back of excess provisions	-	-
(d)Closing balance	38,41,061	72,528

3.37 Customer complaints

Particulars	March 31,2022	March 31,2021
No. of complaints pending as at the beginning of the year	-	-
No. of complaints received during the year	5	3
No. of complaints redressed during the year	5	3
No. of complaints pending as at the end of the year	-	-

3 Notes on accounts for the financial year ended 31st March, 2022

3.38 Value of imports calculated on CIF Balance

The company has not imported any goods therefore value of import on CIF basis is Nil during the year 2021-22 (2020-21 – Nil)

3.39 Expenditure in Foreign Currency

The company does not have any expenditure in Foreign Currency during the year 2021-22 (2020-21 – Nil)

3.40 Earning in Foreign Currency

The company does not have any earnings in Foreign Currency during the year 2021-22 (2020-21 – Nil)

Miscellaneous

3.41 In the opinion of the management , the current assets, loans and advances shall realise the value as shown in the balance sheet, if realised in the normal course of business.

3.42 Balance of some of the debtors, creditors & loans and advances are subject to confirmation/reconciliation.

3.43 There has been no significant impact on the operations and financial position of the company on account of the outbreak of COVID-19 pandemic and consequential lock-down restrictions imposed by the Government.

3.44 Other notes as required by Schedule III of the Act are either nil or not applicable hence not disclosed.

3.45 There are no transactions with struck off companies under section 248 or 560

3.46 The company has a single reportable segment i.e. financing which has similar risk & return for the purpose of AS-17 on 'Segment Reporting' notified under the Companies (Accounting Standard) Rules, 2006 as amended. The company operates in a single geographical segment i.e. domestic.

3.47 The Company has not obtained registration from other financial sector regulators except Reserve Bank of India.

3.48 No penalties were imposed by the regulator during the year during the financial year ended Mar 31,2022 (Pre Year: Nil)

3.49 Previous year's figures have been regrouped/rearranged, wherever necessary to conform to current year's classifications/disclosure.

3 Notes on accounts for the financial year ended 31st March, 2022

3.8 Property Plant and Equipments

Particulars	Furniture and Fittings	Electrical Fittings	Computers	Motor Vehicle	Total
Cost:					
As at April 1, 2021	2,937.38	2,842.77	2,674.49	453.62	8,908.26
Additions	281.46	-	252.21	-	533.66
Disposals	-	-	-	-	-
As at March 31, 2022	3,218.84	2,842.77	2,926.70	453.62	9,441.93
Depreciation and impairment:					
As at April 1, 2021	1,329.02	2,669.77	2,084.39	414.93	6,498.10
Additions	234.32	50.37	322.80	5.85	613.34
Disposals	-	-	-	-	-
As at March 31, 2022	1,563.34	2,720.14	2,407.18	420.78	7,111.44
Net book value:					
As at April 1, 2021	1,608.37	173.00	590.11	38.69	2,410.16
As at March 31, 2022	1,655.50	122.63	519.52	32.83	2,330.48

3.8 Intangible Assets

Particulars	Softwares	Licence Fee	Total
Cost:			
As at April 1, 2021	437.00	3,500.00	3,937.00
Additions	342.91	-	342.91
Disposals	-	-	-
As at March 31, 2022	779.91	3,500.00	4,279.91
Depreciation and impairment:			
As at April 1, 2021	78.88	700.00	778.88
Additions	155.98	700.00	855.98
Disposals	-	-	-
As at March 31, 2022	234.87	1,400.00	1,634.87
Net book value:			
As at April 1, 2021	358.12	2,800.00	3,158.12
As at March 31, 2022	545.05	2,100.00	2,645.05

3.8 Intangible assets under development

Particulars	Softwares	Total
Cost:		
As at April 1, 2021	-	-
Additions	1,513.62	1,513.62
Disposals	-	-
As at March 31, 2022	-	1,513.62

(` in lakhs)

Sl. No	Particulars		As at March 31, 2022	
	<u>Liabilities side :</u>		Amount outstanding	Amount overdue
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:			
	(a)	Debitures : Secured : Unsecured (other than falling within the meaning of public deposits)	3,580.70 270.44 -	- - -
	(b)	Deferred Credits	Nil	-
	(c)	Term Loans	Nil	-
	(d)	Inter-corporate loans and borrowing	Nil	-
	(e)	Commercial Paper	Nil	-
	(f)	Public Deposits	Nil	-
	(g)	Other Loans – Secured Loans Unsecured Loans Subordinated debts	- - - 640.32	- - - -
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of			
	(a)	In the form of Unsecured debentures	Nil	-
	(b)	In the form of partly secured debentures i.e. debentures where	Nil	-
	(c)	Other public deposits	Nil	-
<u>Assets side :</u>			Amount outstanding	
3	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :			
	(a)	Secured		-
	(b)	Unsecured		4,903.75
4	Break up of Leased Assets and stock on hire and other assets counting			
	(i)	Lease assets including lease rentals under sundry debtors: (a) Financial lease (b) Operating lease		Nil Nil
	(ii)	Stock on hire including hire charges under sundry debtors: (a) Assets on hire (b) Repossessed Assets		
	(iii)	Other loans counting towards asset financing activities (a) Loans where assets have been repossessed (b) Loans other than (a) above		Nil Nil
5	Break-up of Investments			
	Current Investments :			
	1	Quoted :		
	(i)	Shares (Equity / Preference)		
	(ii)	Debitures and Bonds		-
	(iii)	Units of mutual funds		-
	(iv)	Government Securities		-
	(v)	Others (please specify)		-
	2	Unquoted :		
	(i)	Shares (Equity / Preference)		
	(ii)	Debitures and Bonds		-
	(iii)	Units of mutual funds		-
	(iv)	Government Securities		-
	(v)	Others (please specify)		-

Long Term investments :				
1	Quoted :			
(i)	Shares			
	(a) Equity			
	(b) Preference	-		
(ii)	Debentures and Bonds	-		
(iii)	Units of mutual funds	-		
(iv)	Government Securities	-		
(v)	Others (please specify)	-		
2	Unquoted :			
(i)	Shares			
	(a) Equity			
	(b) Preference			
(ii)	Debentures and Bonds			
(iii)	Units of mutual funds			
(iv)	Government Securities			
(v)	Others (please specify)			
6 Borrower group-wise classification of assets financed as in (3) and (4) above :				
Category		Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2	Other than related parties	-	4,903.75	4,903.75
7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)				
Category		Market Value/FV/NAV	Book Value (Net of Provisions)	
1	Related Parties			
	(a) Subsidiaries			
	(b) Companies in the same group			
	(c) Other related parties			
2	Other than related parties			
Total		-	-	
8 Other information				
Particulars		Amount		
(i)	Gross Non-Performing Assets*			
	(a) Related parties			
	(b) Other than related parties	384.11		
(ii)	Net Non-Performing Assets*			
	(a) Related parties			
	(b) Other than related parties	345.70		
(iii)	Assets acquired in satisfaction of debt	-		

In terms of our report attached.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Sd/-

Sd/-

Damodaran P Namboodiri , FCA

Vinu Krishnan

T.S.Jagadeesan

Maya P

Chartered Accountant

Managing Director

Director

Company Secretary

Membership No.221178

DIN : 01743028

DIN: 06775429

Mem No: A31270

Place : Ernakulam

Place : Ernakulam

Date : 15.06.2022

Date : 15.06.2022

DIRECTORS' REPORT

To,
The Members
KPB Fincare Pvt. Ltd.

Your directors have pleasure in submitting their Thirtieth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March 2022.

1. FINANCIAL RESULTS

The year under review, 2021-22 was the fifth financial year of our microfinance-focused lending business.

The key financial numbers in comparison with the previous year's figures are given below:

Particulars	F.Y 2021-22 (Amt. in Rs.)	F.Y 2020-21 (Amt. in Rs.)
Interest Income from lending activity	9,33,40,667	8,26,81,635
Interest and Finance Expenses	5,32,27,655	4,96,00,067
Net Interest Income	4,01,13,012	3,30,81,568
Other Interest and Income	1,00,18,331	89,76,207
Operating Income	5,01,31,334	4,20,57,775
Operating Expenses	4,69,15,317	3,55,22,008
Depreciation	14,69,325	14,88,892
Profit/(Loss) Before Tax	17,46,702	50,46,875
Current Tax	13,90,000	5,60,000
Deferred Tax	(9,32,980)	7,96,300
Profit/(Loss) for the year	12,89,682	36,90,575
Financial Position as on 31.03.2022		
Total Loans & Advances	48,23,66,715	47,11,48,556
Total Borrowings	39,16,76,000	40,33,63,000
Equity	6,25,31,190	6,25,31,190

The comparison of key operational metrics:

Particulars	F.Y 2021-22 (Amt. in Rs.)	F.Y 2020-21 (Amt. in Rs.)
Average Loan Outstanding	42,78,78,629	39,12,27,342
Balance Sheet Size	53,62,11,199	53,52,17,585
Customers	14,398	15,879
Operating Cost Ratio	10.4%	9.35%
Return on Assets	0.30%	0.94%
Return on Equity	2.06%	5.9%
Net Interest Margin	9.40%	8.5%
CRAR	17.75%	18.34%

2. Highlights of Financial & Business Performance

The second wave of Covid in May & June 2021, impacted us more than the first year of Covid in FY 2021. Our customers who were slowly regaining their livelihoods were impacted to such an extent that they either stopped repaying the loans or in the case of customers who had the ability to repay, stopped taking fresh loans in the fear of not being able to repay additional loans.

This had an impact on the financials of the company in two ways;

1. Slowing repayments forced us to increase the field force by 10% to focus on collections. Though this led to an increase in employee benefit expenses by 34% compared to the previous year, it helped us regain collection efficiency as well collect a majority of the arrears.
2. Our ability to disburse fresh loans reduced drastically in the first three quarters since microfinance customers in our operating areas had at least one arrear reflecting in the credit bureau reports. We acted conservatively in face of adverse market data by not taking unnecessary risks. This led to only a small increase in the average loan outstanding.

By the last quarter of this financial year, we had successfully traversed the most difficult period and started normal operations, both on the disbursements and collections front.

- The company opened two new branches and disbursed 12,270 loans to 8,304 customers through a total of 18 branches in Kerala and Tamil Nadu.
- Total loans and advances of the Company registered a small increase from 47.11 Cr to 48.24 Cr as on 31.03.2022.
- The total income registered an increase of 13% to Rs. 10,33,58,998 from Rs. 9,16,57,842 in 2020-21.
- Borrowings constituted by NCDs, Sub Debt and CCDs registered a decline from 40.33 Cr to 30.72 Cr as on 31.03.2022.
- Employee strength increased from 98 to 118 during the year of which comprised 25 head office employees and 93 branch employees.
- Restructuring of overdue loans resulted in an provisioning of Rs 37 lakhs, which is a significant increase over the Rs 12 lakhs that we had provided in the previous financial year.

3. SOURCES/ APPLICATION OF FUNDS

During the F.Y. 21-22 company raised Rs. 5.01 Cr by way of debt out of which Rs. 3.93 Cr was raised through private placement of secured NCD's and Rs. 1.08 Cr by way of unsecured Subordinated Debt.

4. CHANGES IN SHARE CAPITAL

During the period under review, the paid-up capital is Rs. 6,25,31,190/-

5. COMPOSITION OF BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, no changes were made to the composition of the Board.

Name of Director	Designation
Vinu Krishnan	Managing Director
T S Jagadeesan	Director
Vishnu Prasad B Menon	Director
Maya P	Company Secretary

6. ACCOUNTING POLICY

There have been no material changes and commitments during the financial year of the Company.

8. PARTICULARS OF MATERIAL ORDERS

During the year under review, no Regulator, Court or Tribunal has passed any significant and material order impacting the going concern status and the company's operations in future.

9. NUMBER OF MEETINGS OF THE BOARD

A total of 7 meetings of Board of Directors was held during the year under review. As per Section 173 of the Companies Act, 2013, the Company held at-least one Board Meeting in every three months. The details of the Board Meeting held during the year under review are as under;

Sr. No	Date	Board Strength	No of Directors Present
1	02-04-2021	3	3
2	19-04-2021	3	3
3	02-07-2021	3	3
4	08-09-2021	3	3
5	01-11-2021	3	3
6	01-12-2021	3	3
7	14-03-2022	3	3

11. DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134(5) of the Companies Act, 2013, the Director's hereby confirm that:

i. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii. 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 at the end of the financial year 2021-22 and of the profit of the Company for that period.

iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities.

iv. The Directors have prepared the annual accounts on a going concern basis.

v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such other system were adequate.

12. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE

The reports of the Statutory Auditor for the year ended 31st March 2022 are free from any qualification, reservation or adverse remark by the auditor. The audit reports along with detailed audited financials are attached in the report.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year, company has not given any loans, guarantees or investments under section 186.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 IN THE PRESCRIBED FORM

There has been no materially significant related party transaction between the Company and its Directors, KMPs or the relatives except for those disclosed in the Financial Statements, which are in ordinary course of business.

Pursuant to section 134(3)(h) read with rule 8(2) of the companies (Accounts) Rules, 2014, there are no transactions to be reported under section 188(1) of the Companies Act 2013. Accordingly, the disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act 2013 in Form AOC 2 is not applicable.

15. TRANSFER TO RESERVES

During the year under review, 20% of the Net Profit i.e. Rs. 2.57 lacs have been transferred to statutory reserve.

16. DIVIDEND

The directors have not recommended any dividend for this financial year.

17. THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, IN SUCH MANNER AS MAY BE PRESCRIBED

There is no significant particular, relating to conversion of energy, technology absorption under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. During the period under review, the company has no earnings and outgo in foreign exchange.

18. CORPORATE SOCIAL RESPONSIBILITY

As per Companies Act 2013, the provision of CSR is not applicable on KPB Fincare Pvt Ltd.

19. CHANGE IN THE NATURE OF BUSINESS, IF ANY

None

20. COMPLIANCE WITH RBI GUIDELINES

Your Company being an NBFC has complied with all applicable regulations of the Reserve Bank of India prescribed for NBFCs. As per Non-Banking Finance Companies RBI Directions 1998, the Directors hereby report that the Company did not accept any public deposits during the year and did not have any public deposits outstanding at the end of the year.

21. CODE OF CONDUCT, TRANSPARENCY AND CLIENT PROTECTION

The Company has fully implemented the Reserve Bank of India's Fair Practice Code and Code of Conduct. The same has been displayed on the website and notice board of respective branches of your company.

22. VARIOUS COMMITTEES

KPB Fincare Pvt. Ltd. has 3 Board sub-committees viz.

1. **Finance & Audit Committee:** The FAC Committee comprises three directors namely;
 1. Mr. Vinu Krishnan
 2. Mr. T S Jagadeesan
 3. Mr. Vishnu Prasad B Menon

2. **ALM & Risk Management Committee:** This committee comprises three directors namely;
 1. Mr. Vinu Krishnan
 2. Mr. T S Jagadeesan
 3. Mr. Vishnu Prasad B Menon

3. **Remuneration and Nomination Committee:** This committee comprises three directors namely;
 1. Mr. Vinu Krishnan
 2. Mr. T S Jagadeesan
 3. Mr. Vishnu Prasad B Menon

The committees meet on regular basis and discuss and review various issues as referred in their respective TOR.

23. AUDITOR

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Mr. Damodaran P, ACA (Membership no. 221178), is our Statutory Auditor for the Financial Year 2021-22.

24. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format (MGT 9) is appended as "Annexure 1" to the Board's Report.

25. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

26. HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Sl. No.	Name of the Company	CIN	Holding/ Subsidiary /Associate	% shares held	of Applicable Section
1.	KPB Holdings Limited	U74999KL2016PLC045766	Holding Company	71.82	2(87)
2	KPB Digital Private Limited	U74999KL2018PTC051953	Associate Company	0	2(6)

27. ACKNOWLEDGEMENT

The Directors wish to thank the customers, shareholders, bankers, and other service agencies for their consistent support. The directors especially thank the employees for their substantial contribution to the Company during the period under review.

By order of the Board

For KPB Fincare Pvt Ltd

For KPB Fincare Pvt Ltd

Sd/-

Sd/-

Vinu Krishnan
Managing Director
DIN 01743028

T S Jagadeesan
Director
DIN 06775429

Place: Ernakulam
Date: 15/06/2022

ANNEXURE - I
Form No.MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31st March 2022

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN:	U65191TN1993PTC024410
2.	Registration Date:	16/02/1993
3.	Name of the Company:	KPB Fincare Private Limited
4.	Category/ Sub-Category of the Company:	Company limited by Shares/ Non-govt company
5.	Address of the registered office and contact details:	Regd Office: GE, Ground Floor, Easdale Enclave, New No. 83, Sterling Road, Nungambakkam, Chennai - 600034 Corporate Office: Floor 3, AK Tower, Kalamassery, Kochi, Kerala – 682033
6.	Whether listed company	Unlisted
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main Products/ Services	National Product Classification for Service Sector	% of total turnover of the company
1	Non Banking Financial Services	99711400	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1.	KPB Holdings Limited	U74999KL2016PLC045766	Holding Company	71.82%	2(87)
2	KPB Digital Pvt Ltd	U74999KL2018PTC051953	Associate Company	0	2(6)

g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	62,53,119	62,53,119	100	-	62,53,119	62,53,119	100	-

(ii)Shareholding of Promoters-

Sr. No.	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.	KPB Holdings Limited	4490928	71.82	-	4490928	71.82	-	-
2.	Vinu Krishnan	3	0.00	-	3	0.00	-	-
3.	Jagadeesan T S	20003	0.32	-	20003	0.32	-	-
4.	Krishna Chandran	70000	1.12	-	70000	1.12	-	-
5.	Chithra M	117207	1.87	-	117207	1.87	-	-
6.	Vijayalakshmi Menon	8154	0.13	-	8154	0.13	-	-
7.	Vishnu Prasad	8154	0.13	-	8154	0.13	-	-
8.	Sheela Raja Ram	600000	9.60	-	600000	9.60	-	-
9.	Dinesh Nair	70000	1.12	-	70000	1.12	-	-
10.	Ajith G	50755	0.81	-	50755	0.81	-	-
11.	Rajiv Thampi	10000	0.16	-	10000	0.16	-	-
12.	Mohandas Parayath	15226	0.24	-	15226	0.24	-	-
13.	Syam Sunder S	50000	0.80	-	50000	0.80	-	-
14.	Roopa K Pai	60000	0.96	-	60000	0.96	-	-
15.	Priya Jishnu	12689	0.20	-	12689	0.20	-	-
16.	Suresh Kumar DS	20000	0.32	-	20000	0.32	-	-
17.	Radhakrishnan Nair	200000	3.20	-	200000	3.20	-	-
18.	Girija Anantharaman	250000	4.00	-	250000	4.00	-	-
19.	Rajat Sabharwal	200000	3.20	-	200000	3.20	-	-
	Total	62,53,119	100	-	62,53,119	100	-	-

(iii) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding during the year	
		No. of shares	% of total shares of the company
A.	At the beginning of the year		
1.	Vinu Krishnan	3	0.00004
2.	Jagadeesan T S	20003	0.32
3.	Vishnu Prasad B Menon	8154	0.13
B.	At the end of the year		
1.	Vinu Krishnan	3	0.00004
2.	Jagadeesan T S	20003	0.32
3.	Vishnu Prasad B Menon	8154	0.13

V. INDEBTEDNESS

	Secured Loans excluding deposits	Unsecured Loans	CCD	Total Indebtedness
Indebtedness at the beginning	32,98,83,000	4,74,80,000	2,60,00,000	40,33,63,000
Indebtedness at the end of the financial	30,73,46,000	5,83,30,000	2,60,00,000	39,16,76,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Particulars of Remuneration	Vinu Krishnan (MD) (in Rs.)	Maya (CS) (in Rs.)	Total Amount (in Rs.)
1	Gross Salary (per month)	4,14,700	56,240	4,70,940
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission- as % of profit- others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
6	Others, please specify	NIL	NIL	NIL
7	Ceiling as per the Act	NIL	NIL	NIL

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil