

PNY SABHA FINANCE LIMITED

CIN: U65910KL1995PLC009493

Reg. Office: 7/276A, Peringottukara Namboothiri Yogakshema Sabha Building, Anthikad,
Thrissur – 680 641

Website: www.pnysabha.com E mail: accounts@pnysabha.com Ph: 0487-2630208

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

To,
The Members,

Your directors have pleasure in presenting their 27th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2022.

Financial Highlights:

During the year under review, performance of your company was as under (in ₹ lakh):

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Revenue	2324	2540
Expense	3107	3222
Profit/(Loss) before taxation	(783)	(682)
Less : Tax Expense	(266)	(168)
Profit/(Loss) after tax	(517)	(514)

State of the Company's Affairs and Future Outlook:

The company has earned revenue from operations amounting to ₹2317 lakhs in the FY 2021-22 compared to ₹2531 lakhs earned in the FY 2020-21. The company has earned total revenue amounting to ₹2324 lakhs in the FY 2021-22 compared to ₹2540 lakhs in the FY 2020-21.

The total expenditure of the company has come down from ₹3222 lakhs in the FY 2020-21 to ₹3107 lakhs in the FY 2021-22.

The company has incurred loss before taxation amounting to ₹783 lakhs during the current FY as against loss before taxation amounting to ₹682 lakhs incurred during previous FY. The company has incurred loss after tax amounting to ₹517 lakhs during FY 2021-22 as against loss after tax amounting to ₹514 lakhs incurred during FY 2020-21.

The Board of directors has initiated adequate measures to curb the expenses and enhance profitability of the company. The Board expects better prospects in the coming year.

Change in nature of business:

During the year of report there was no change in the nature of business of the company.

Cont'd.....2

Dividend:

The Board of Directors has not recommended any dividend to its members during the year.

Amounts Transferred to Reserves:

The company has not transferred any amount to its reserve during the year of report.

Changes in Share Capital:

The authorized share capital of the company has remained unchanged during the year. The issued, subscribed and paid up share capital of the company has increased from ₹43,62,21,910/- as on FY ended 31.03.2021 to ₹44,70,96,410/- as on FY ended 31.03.2022.

Issue of Equity Shares with Differential Rights/Employee Stock Options/Sweat Equity Shares:

The company has not issued any shares with differential rights or shares under an employee stock option scheme or sweat equity shares during the year.

Particulars of Loan, Guarantees and Investments under Section 186:

The company has not given any loan or guarantee or provided any security or made investments pursuant to section 186 of the Companies Act, 2013 during the year of report.

Composition of the Board:

The Board of directors of the company comprises of eleven (11) directors as on 31.03.2022. Their names, designation, date of appointment and the number of Board meetings attended by each of them are given below:

<i>Sl. No.</i>	<i>Name of Director</i>	<i>Designation</i>	<i>Date of Appointment</i>	<i>No. of Board meetings attended</i>
1.	M S Predeep	Managing Director	28.06.2007	10
2.	P U Divakaran	Director	28.06.2007	10
3.	K T Narayanan	Director	01.12.2004	9
4.	T V Vasudevan	Director	22.09.2017	9
5.	P Raman Namboothiri	Director	13.08.2011	10
6.	P N Sandeep	Director	13.08.2011	10
7.	K B Brahmadathan	Director	20.09.2015	9
8.	N D Unnikrishnan	Director	22.09.2017	9
9.	P K N Namboodiri	Director	22.09.2017	9
10.	M S Kesavan	Director	22.10.2016	10
11.	M Vasudevan	Director	14.07.2020	10

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Board Meetings:

During the Financial Year 2021-22, ten (10) meetings of the Board of directors of the company were held. Board meeting dates and the attendance of directors are given below:

Sl. No.	Date of Meeting	Board Strength	No. of directors present
1.	05.04.2021	11	11
2.	27.04.2021	11	11
3.	18.06.2021	11	11
4.	04.08.2021	11	11
5.	31.08.2021	11	11

Sl. No.	Date of Meeting	Board Strength	No. of directors present
6.	08.11.2021	11	11
7.	29.12.2021	11	9
8.	21.01.2022	11	8
9.	26.02.2022	11	11
10.	31.03.2022	11	11

Particulars of Contract or Arrangements with Related Parties:

The company has provided remuneration to its directors during the year for carrying out day to day functions related to the management of the company. The company had provided remuneration to CFO, being Key Managerial Personnel, for services rendered in his professional capacity. The company has been using the land owned by Peringottukara Namboothiri Yogakshema Sabha for its business activities and for which the company has been paying rent over a period of time. PNY Sabha Finance Ltd. has been acting as collection agents for private companies under the same management, PNYS Chit Funds Kerala Pvt. Ltd. and PNYS Securities India Pvt. Ltd. and for the above service rendered the company has received commission during the year. Particulars of related party transactions pursuant to section 188 of the Companies Act, 2013, are included in Form AOC - 2 enclosed with this report.

Explanation to Auditor's Remarks:

The company is in the process of developing and installing new ERP software in a phased manner. The company had earlier estimated that the new ERP software shall become fully operational from December 2021 onwards. However due to unforeseen circumstances the target could not be achieved as per schedule. The Board of directors hopes that the current issues relating to identification of NPA and calculation of NPA provisions along with automatic adjustment of interest reversal as per RBI prudential norms shall be eliminated completely once the new software becomes fully operational.

Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo:

Considering the nature of business of the company no comment is required on conservation of energy and technology absorption.

There has not been any foreign exchange earnings or outgo during the financial year.

Material Changes Affecting the Financial Position of the Company:

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year and the date of the report.

Cont'd.....4

Details of Subsidiary, Joint Venture or Associates:

No other company had become a Subsidiary, Joint Venture or Associate of the company or ceased to be so during the year.

Risk Management Policy:

The company has taken measures to formulate a policy for the effective management of risks faced by the company.

Details of significant & material orders passed by the regulators or courts or tribunal:

The regulators or courts or tribunals had not passed any significant and material orders during the year which impacted the going concern status of the company or the company's operations in future.

Adequacy of Internal Financial Control with Reference to the Financial Statements:

The company has an effective and adequate financial control system in place. The Board has adopted policies and procedures to ensure the orderly and efficient conduct of its business, safeguarding of its assets, the prevention and detection of frauds and errors and the accuracy and completeness of accounting records.

Deposits:

The company has not accepted any deposits covered under the provisions of the Companies Act, 2013, and also there are no outstanding deposits as at the end of the financial year.

Commission:

The company has not provided any commission to its MD/WTD and hence the provisions relating to disclosure as required under section 197(14) of the Companies Act, 2013 are not applicable.

Corporate Governance:

Details of remuneration provided to directors during the year as required under Schedule V of the Companies Act, 2013 are as follows:

Sl. No.	Director	Remuneration (₹)
1.	M S Predeep	4,50,000
2.	K T Narayanan	4,55,823
3.	P N Sandeep	4,29,928
4.	M S Kesavan	4,09,823

Cont'd.....5

Independent Director:

The independent directors have provided to the Board the declaration as required under section 149(7) of the Companies Act, 2013 regarding the criteria of independence laid down in section 149(6) of the Companies Act, 2013.

Details of Directors and Key Managerial Personnel:

Sri. M S Predeep (DIN: 00323900) was re-appointed as managing director of the company for a term of two years with effect from 01.01.2022 as per decision of Board of directors dated 29.12.2021. No other changes have occurred in the Board of directors of the company during the year.

Sri. Akhil Sathessan, CFO, being a whole time key managerial personnel of the company, resigned with effect from 28.09.2021.

Sri. T V Vasudevan, Sri. N D Unnikrishnan and Sri. P K N Namboodiri, directors of the company, are retiring by rotation in the ensuing annual general meeting. All the retiring directors, except Sri. T V Vasudevan, are seeking re-appointment as directors. Sri. T V Vasudevan has expressed his unwillingness to be re-appointed as a director.

Audit Committee:

The audit committee consists of Sri. M Vasudevan (Chairman), Sri. K B Brahmadathan and Sri. P U Divakaran as its members.

During the FY 2021-22, two (02) meetings of the audit committee were held on 30.07.2021 and 08.11.2021, respectively. The meetings were attended by all the members of the committee.

During the year there were no cases of non acceptance of recommendations of the audit committee by the Board of directors.

Nomination & Remuneration Committee:

The nomination and remuneration committee consists of Sri. K B Brahmadathan (Chairman), Sri. M Vasudevan and Sri. P U Divakaran as its members.

During the FY 2021-22, two (02) meetings of the nomination and remuneration committee were held on 08.11.2021 and 29.03.2022, respectively. The meetings were attended by all the members of the committee.

The committee chiefly deals with matters relating to the size and composition of the Board, succession plans, evaluation of performance, Board diversity and remuneration framework and policies thereon. The committee is in the process of formulating detailed criteria relating to the determination of qualifications, positive attributes and independence of directors and recommendation of candidates to the Board as well as a policy relating to remuneration of directors, key managerial personnel and other employees.

Secretarial Audit Report:

The provisions of the Companies Act, 2013 and the rules framed there under relating secretarial audit report are not applicable to the company.

Corporate Social Responsibility (CSR) Policy:

The provisions of the Companies Act, 2013 and the rules made there under relating to Corporate Social Responsibility are not applicable to the company.

Annual Evaluation:

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of governance. The main aspects of evaluation included the contribution to governance, participation in planning and fulfillment of obligations and responsibilities.

Vigil Mechanism:

The company has established a vigil mechanism for the directors and employees of the company to report their genuine concerns or grievances as per section 177 of the Companies Act, 2013. The audit committee of the Board shall deal with the grievances raised under the vigil mechanism. The company had not received any complaints/grievances during the year under report.

Internal Complaints Committee:

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013].

Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The company has not received any complaints during the financial year.

Disclosure u/s 143(12):

The auditors of the company have not reported any fraud pursuant to section 143(12) of the Companies Act, 2013.

Statutory Auditors:

The present statutory auditors of the company, M/s. T V Ganesa Iyer & Co., Chartered Accountants, Thrissur, were appointed for a period of five years in the 25th Annual General Meeting held on 30.12.2020. The statutory auditors shall hold office till the conclusion of the 30th Annual General Meeting of the company.

Cost Auditors:

The company is not required to appoint a Cost Auditor pursuant to the provisions of the Companies Act, 2013.

Cost Records:

The company is not required to maintain cost records pursuant to Section 148(1) of the Companies Act, 2013.

Directors Responsibility Statement:

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a. in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Annual Return:

Pursuant to section 92(3) read with Section 134(3)(a) the Annual Return is available on the company's website at http://pnysabha.com/images/finance/Form_MGT_7-PNY-SABHA.pdf

Acknowledgment:

We thank our valued shareholders, auditors, bankers, clients and Government authorities for their support. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board of Directors

Place: Thrissur
Date : 26.08.2022

Sd/-
M S Predeep
(DIN: 03601676)
(Managing Director)

Sd/-
P U Divakaran
(DIN: 01608147)
(Chairman)



T. V. GANESA IYER & CO.

CHARTERED ACCOUNTANTS
Branch : 1444/D51, Lavanya,
Civil Lane Road, Ayyanthole,
Thrissur -680003, Ph : 9947378540
Email : ca.rekha2016@gmail.com

Partners : K K BABU, FCA, DISA
P V VASUDEVAN, FCA
REKHA RAMACHANDRAN, FCA

Independent Auditors' Report

To the Members of PNY Sabha Finance Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of PNY Sabha Finance Limited ("the company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Qualified 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 'Auditors' 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.

Key audit matters

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

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

Emphasis of Matter

1. During the course of audit, it has come to our notice that the gold offered as security by the borrowers towards gold loan has been repledged by the company as security for the purpose of term loan from South Indian Bank mentioned in Note 9 to the financial statements.
2. As more specifically explained in Note 2 to the financial statements, the Company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, loan assets, investments and other receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of the financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.
3. As explained in Qualified opinion of Report on the Internal Financial Controls (Annexure B to this report), there is a material risk in identification and classification of NPA and reversal of interest on NPA accounts as the company's ERP is not capable of doing this and it requires manual intervention.
4. Regarding the NPA provision, the company has classified the loan assets in the financial statements as secured and unsecured, and the provisions are provided subject to the minimum provision required as per the master direction Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as detailed in note no.30 & 11 to the financial statements.
However, the valuation of primary & collateral securities offered for loans are done as per management's best estimate, and we have relied on it.

5. With respect to investment in kuri of Peringottukara Namboothiri Yogakshema Sabha by the company, we draw your attention to note no.14.1 of the financial statements, where it is mentioned that no income/loss is recognised during the year as it can be quantified and recognised only after the completion of term of kuri since the term is not expired yet.

Our opinion is not modified in respect of these matters.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of

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

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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:

- a) 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.
- b) 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.

- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.
 - e. On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Companies Act, 2013, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,
 - i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities '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; and
 - ii) No funds have been received by the company from any person (s) or entity(ies), including foreign entities '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.
 - iii) Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

(v) The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Companies Act, 2013 is not applicable for the year under consideration.

For and on behalf of

TV Ganesa Iyer & Co

Chartered Accountants

Firm's registration number:000856S

Sd/-

Rekha Ramachandran

Partner

Membership number: 236116

Place: Thrissur

Date:

UDIN:



Annexure A to the Independent Auditors' Report

The Annexure referred to in our report to the members of PNY Sabha Finance Limited for the year Ended on 31.03.2022.

We report that:

(i)

a.

- 1) The company is maintaining fixed asset register showing full particulars including quantitative details and situation of Property, Plant & Equipment and Intangible Assets except for some assets like furniture & fixtures and office equipment where records are maintained in groups.
- 2) According to information and explanations given to us, and the record of the company examined by us the company has maintained proper records showing full particulars of Intangible Assets

- b. According to the information given to us, the fixed Assets have been physically verified by the management in a phased manner over a period of two years. In our opinion this periodicity of physical verification is reasonable having regard to size of company and nature of asset.
- c. According to the information and explanations given to us, the title deeds of the immovable properties included in Property, Plant & Equipment are held in the name of the Company.
- d. According to the information and explanations given to us and the records of the company examined by us, the company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and hence the reporting requirements under paragraph 3(i)(d) of the order is not applicable to the company.
- e. According to the information and explanations given to us and the records of the company examined by us, there are no proceedings initiated or pending against the company as at March 31,2022 for holding any benami property under the Benami Transactions (prohibition) Act, 1988(as amended in 2016) and rules made thereunder.

- (ii) a. The company is an NBFC and hence it does not hold any physical inventory. Hence paragraph 3(ii)(a) of the order is not applicable to company.

b. The company has sanctioned working limits in excess of five crore rupees from banks on the basis of security of Current Assets. On the basis of information and explanations provided to us, we have noticed some differences between monthly returns/provisional statements(unaudited) filed by the company with such banks when compared with the Books of Accounts and other relevant information provided by the company, the details of which is as follows:

(Amount ₹ in lakhs)

Date of Statement of Loan Receivables	As per Books of Accounts	As per Statement filed	Difference
30.04.2021	14,782.74	14,799.32	16.58
31.05.2021	14,699.51	14,735.25	35.74
30.06.2021	14,490.81	14,523.65	32.84
31.07.2021	14,282.35	14,317.87	35.52
31.08.2021	13,952.51	13,986.99	34.48
30.09.2021	13,549.14	13,582.70	33.57
31.10.2021	13,684.28	13,687.05	2.76
30.11.2021	13,557.80	13,558.31	0.51
31.12.2021	13,705.55	13,707.14	1.59
31.01.2022	13,676.04	13,674.64	1.40
28.02.2022	13,422.02	13,420.63	1.40
31.03.2022	13,579.45	13,578.00	1.44

(iii)

- The company is a Non systemically important non deposit taking Non-Banking Financing Company engaged in the business of granting Loans and hence paragraph 3(ii)(a) of the order is not applicable to company.
- In our opinion and according to the information and explanation given to us the investment made, security given and the terms and conditions of the grant of all loans and advances in the nature of loans during the year are prima facie, not prejudicial to the interest of the company. The company has not provided any guarantees during the year, according to the information and explanation given to us.
- The Company being a Non-Banking Financing Company registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of said Act/Rules, particularly, the income recognition, asset classification and provisioning norms,

monitors repayment of principal and payment of interest by its customers as stipulated. In our opinion and according to information and explanations given to us in respect of Loans and Advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in case of repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the company in course of its periodic regulatory reporting.

- d) Based on the information and explanations provided, in respect of loans granted by the company there is no overdue of more than 90 days as at the balance sheet date except for the following cases:

(Amount ₹ in lakhs)

No. of cases	Principal and Interest Amount overdue
1,672	580.33

The above information is based on the reports available from the companies ERP system. As explained in Qualified opinion of Report on the Internal Financial Controls (Annexure B to this report), there is a material risk in identification of overdue accounts as the company's ERP is not capable of doing this and it requires manual intervention.

- e) The company is a Non-banking Financing Company primarily engaged in lending business and hence paragraph 3(iii)(e) of the order is not applicable to company.
- f) According to the information and explanation given to us, the company has not granted any loans and advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year and hence paragraph 3(iii)(f) of the order is not applicable to company.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and section 186 of the act applicable to the company in respect of grant of loans, making investments and providing guarantees and securities as applicable.
- (v) According to the information and explanation given to us, the company has not accepted any deposit from the public to which the directives issued by the Reserve Bank of India and provisions of section 73 to section 76 or any other relevant provision of the act and rules framed thereunder and hence paragraph 3(v) of the order is not applicable to company.

(vi) The central government has not prescribed maintenance of cost records under section 148(1) of the act for any of the services rendered by the company. Accordingly, paragraph 3(vi) of the order is not applicable.

(vii)

- a) According to the information and explanation given to us and on the basis of our examination of the records of the company, amount deducted/accrued in the books of accounts in respect of undisputed statutory dues including PF, income tax, sale tax, vat, service tax and other material statutory dues have been regularly deposited during the year by the company with appropriate authorities except minor delay in payment of undisputed PF and ESI during the year. According to the information and explanation given to us, no undisputed amount payable in respect of PF, income tax, VAT, GST, service tax and other statutory dues are in arrears as at 31st March 2022 for a period of more than 6 months from date they became payable.
- b) According to the information and explanation given to us there are no material dues of income tax or sales tax or service tax which has not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, there are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) According to the information and explanations given to us and based on examination of records, the company has not made any default in repayment of loans or borrowings to financial institution, banks, government or debenture holders except in the following cases of overdue debentures.

(Amount ₹ in lakhs)

Nature of Borrowing	Amount not paid on due date	Whether Principal or interest	No. of days delay or unpaid	Remarks
Debentures	2.50	Principal	21	Paid in April 2022
Debentures	0.57	Interest	21	Paid in April 2022

Debentures	2.50	Principal	65	Paid in May 2022
Debentures	2.00	Principal	59	Paid in may 2022
Debentures	0.10	Interest	59	Paid in may 2022
Debentures	2.00	Principal	87	Paid in June 2022
Debentures	0.59	Interest	87	Paid in June 2022
Debentures	6.00	Principal	16	Paid in April 2022
Debentures	0.05	Interest	16	Paid in April 2022
Debenture	20.00	Principal	31	Paid in April 2022
Debenture	1.50	Interest	31	Paid in April 2022
Debenture	5.00	Principal	48	Paid in April 2022
Debenture	0.17	Interest	48	Paid in May 2022
Debenture	3.00	Principal	Due on December,2012	*Not paid till date.
Debenture	6.50	Principal	Due on March,2021	*Not paid till date.
Debenture	1.50	Principal	Due on September,2021	*Not paid till date.
Debenture	1.80	Interest	Due on March,2021	*Not paid till date.
Debenture	0.0125	Interest	Due on March,2021	*Not paid till date.
Debenture	0.05657	Interest	Due on September,2021	*Not paid till date.

*As per the information and explanations given to us, payments to the deceased debenture holders were defaulted due to pending dispute regarding nominees/legal heirs of the deceased.

(ix)

- a) According to the information and explanation given to us and based on examination of records, The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- b) According to the information and explanation given to us, the company has not taken any term loans from banks or financial institutions during the year.
- c) According to the information and explanation given to us, the funds raised on a short-term basis have not been utilised for long term purposes.
- d) According to the information and explanation given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- e) According to the information and explanation given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x)

- a) According to the information and explanation given to us and based on examination of records, the company did not raise any money by way of IPO or further public offer (including debt instrument) and accordingly the reporting requirement under paragraph 3(x)(a) of the order is not applicable to company.
- b) According to the information and explanation given to us the company has not made any preferential allotment or private placement of equity shares or fully or partly or optionally convertible debentures during the year and hence, the reporting requirements under paragraph 3(x)(b) of the order is not applicable to company.

(xi)

- a) During the course of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the company or on the company noticed or reported during the year, nor have been informed or of such case by the management.

- b) No report under Section 143 (12) of the Act has been filed in the Form ADT 4 regarding any frauds, as prescribed under rule 13 of The Companies (Audit and Auditors) Rules 2014 with Central Govt. during the year and up to the date of this report.
 - c) We have taken into consideration the whistle blower complaints received by the company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The company is not a Nidhi Company accordingly the reporting requirements under paragraph 3(xii)(a), (b), (c) are not applicable to the company.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the company, transactions with related party are in compliance with section 177 and 188 of the act and details of such transactions have been disclosed in note no.27 to the financial statements as required by applicable accounting standards.
- (xiv) According to the information and explanation given to us and based on our examination of the records ,the company does not come under the preview of section.135 of the Companies Act,2013 and applicable Rules and hence reporting requirement under paragraph 3(xiv) is not applicable.
- (xv) According to the information and explanation given to us and based on our examination of records of the company, the company has not entered into any non-cash transaction with the directors or persons connected with him. Accordingly paragraph 3(xv) is not applicable.
- (xvi)
- a) The company is required to be registered under section 45-IA of the Reserve Bank of India Act and it has obtained registration dated 15th December 2011.
 - b) According to the information and explanation given to us, the company has not conducted any Non-Banking or housing financing activities without obtaining a valid certificate of registration from Reserve Bank of India as per RBI Act 1934.
 - c) The company is not a Core Investment Company as defined in regulations made by RBI and hence reporting under paragraph 3(xvi)(c) not applicable.
 - d) According to the information and explanation given to us, there is no core investment company within the group (as defined in the core investment Companies (Reserve Bank) Directions, 2016), Accordingly the reporting under Paragraph 3(xvi)(c) not applicable.
- (xvii) The company has incurred cash loss of Rs 463.11 Lakhs in the financial year and Rs 549.36 lakhs in the immediately preceding financial year.
- (xviii) There has not been any resignation of Statutory auditors during the year.
- (xix) According to the information and explanation given to us and based on our examination of records of the company, on the basis of financial ratios, ageing and expected dates of realization of financial

assets, payment of financial liabilities and other information accompanying the financial statement and our knowledge of Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing have come to our attention which causes us to believe that any material uncertainty exists as on the date of audit report indicating that company is not capable of meeting its liability existing at the date of balance sheet as and when they fall due within a period of one year from 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 facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from balance sheet date, will get discharged by the company as and when they fall due.

- (xx) As the compliance under to section 135(5) of the Act is not applicable to the company, the reporting requirements under paragraph 3(xx)(a) and 3(xx)(b) are not applicable to the company.
- (xxi) The company is not required to prepare consolidated financial statements and accordingly, the reporting requirement under Paragraph 3(xxi) not applicable.

For and on behalf of

TV Ganesa Iyer& Co

Chartered Accountants

Firm's registration number:000856S

Sd/-

Rekha Ramachandran

Partner

Membership number: 236116

Place: Thrissur

Date:

UDIN:



**Annexure B to the Independent Auditors' Report of even date on the Financial Statements of PNY
Sabha Finance Limited**

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

We have audited the internal financial controls over financial reporting of PNY Sabha Finance Limited 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 Company's management is responsible for establishing and maintaining internal financial controls based on 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to information's and explanations given to us the following material weakness has been identified as at 31st March 2022:

The companies ERP is not capable of identifying and accordingly reverse interest income in accordance with prudential norms prescribed by RBI. Hence there is a material risk in identifying and classification of NPA.

The company's ERP is not capable of identifying NPA and accordingly calculating the NPA provisions along with automatic adjustment of interest reversal as mandated by RBI prudential norms and it requires manual intervention. Hence there is a material risk in identification and classification of NPA.

A "Material Weakness" is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except to the possible effect of material weakness described above in which case we have extended our audit procedures to cover , the company has maintained in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 2022, based on internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the guidance note on Audit of internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India

TV Ganesa Iyer & Co

Chartered Accountants

Firm's registration number:000856S

Sd/-

Rekha Ramachandran

Partner

Membership number: 236116

Place: Thrissur

Date:

UDIN:

PNY SABHA FINANCE LIMITED BALANCE SHEET AS AT 31-MARCH-2022				
(Amount ₹ in lakhs)				
Particulars		Notes	As at March 31, 2022	As at March 31, 2021
I	EQUITY & LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	4	4,470.96	4,362.22
	(b) Share Application money		-	-
	(c) Reserves and surplus	5	(3,005.39)	(2,488.59)
			1,465.57	1,873.63
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	6	9,798.86	9,733.95
	(b)Deferred tax Liability (net)		-	-
	(c) Other long-term liabilities	7	135.17	155.25
	(d) Long-term provisions	8	67.58	72.87
			10,001.61	9,962.07
4	Current liabilities			
	(a) Short-term borrowings	9	3,594.98	4,640.69
	(b) Trade Payable		-	-
	(c) Other current liabilities	10	532.52	720.52
	(d) Short-term provisions	11	1,652.67	1,401.75
			5,780.17	6,762.95
	TOTAL		17,247.35	18,598.65
II	ASSETS			
1	Non-current assets			
	(a) Property, Plant & Equipment and Intangible assets			
	i) Property, Plant & Equipment	12	491.62	516.64
	ii) Intangible assets	13	23.84	13.44
	iii) Capital work in progress		-	-
	iv) Intangible Asset under development		-	-
	(b) Non-current Investments	14	-	18.97
	(c) Deferred tax assets (net)	15	1,192.29	925.67
	(d) Long-term loans and advances	16	612.75	684.11
	(e) Other non-current assets	18	-	-
			2,320.51	2,158.85
2	Current assets			
	(a) Current Investments	14	-	-
	(b) Cash and Cash equivalence	17	254.40	199.57
	(c) Trade receivable		-	-
	(d) Short-term loans and advances	16	13,374.15	14,815.91
	(e) Other current assets	18	1,298.29	1,424.32
			14,926.84	16,439.80
	TOTAL		17,247.35	18,598.65

Company Overview

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Summary of significant accounting policies

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Additional Information

27 to 52

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

As per our report of even date attached

For and on behalf of the board of directors

For T.V.GANESA IYER & CO

PNY SABHA FINANCE LIMITED

Firm registration number: 000856S

Chartered Accountants

REKHA RAMACHANDRAN, FCA

Partner

Membership No: 236116

Sd/-

M.S.Predeep

[Managing Director]

(DIN: 00323900)

Sd/-

P.U.Divakaran

[Chairman]

(DIN:01608147)

Sd/-

K.B.Brahmadathan

[Independent Director]

(DIN:06701347)

Place: Thrissur

Date: 26.08.2022

Place: Thrissur

Date: 26.08.2022

PNY SABHA FINANCE LIMITED				
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-MARCH-2022				
(Amount ₹ in lakhs)				
PARTICULARS		Notes	Year ended March 31, 2022	Year ended March 31, 2021
I	INCOME			
	Revenue from operations	19	2,316.76	2,530.65
II	Other income	20	6.91	9.49
III	TOTAL INCOME (I + II)		2,323.67	2,540.14
IV	Expenses			
	Employee benefits expense	21	942.40	1,104.04
	Finance costs	22	1,540.04	1,694.82
	Depreciation and amortisation expenses	23	69.39	70.42
	Other expenses	24	266.18	289.51
	Provision and writtenoff	25	289.07	63.32
	TOTAL EXPENSES		3,107.08	3,222.11
V	Profit before exceptional and extraordinary items and tax (III-IV)		(783.42)	(681.97)
VI	Exceptional item		-	-
VII	Profit before extraordinary items and tax (V- VI)		(783.42)	(681.97)
VIII	Extraordinary Items		-	-
IX	Profit /(Loss)before tax (VII-VIII)		(783.42)	(681.97)
X	Tax expenses			
	Current tax		-	0.26
	Deferred tax		(266.62)	(167.96)
	Total tax expense		(266.62)	(167.70)
XI	Profit / (Loss) from continuing operations (IX-X)		(516.80)	(514.27)
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)		(516.80)	(514.27)
XVI	Earnings per equity share [nominal value of share Rs.10]	26		
	Basic			
	Computed on the basis of profit from continuing operations		(1.18)	(1.18)
	Computed on the basis of total profit for the year		(1.18)	(1.18)
	Diluted			
	Computed on the basis of profit from continuing operations		(1.18)	(1.18)
	Computed on the basis of total profit for the year		(1.18)	(1.18)

Company Overview

Summary of significant accounting policies

Additional Information

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

As per our report of even date attached

For T.V.GANESA IYER & CO

Firm registration number: 000856S

Chartered Accountants

1 & 2

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27 to 52

For and on behalf of the board of directors

PNY SABHA FINANCE LIMITED

Sd/-

M.S.Predeep

[Managing Director]

(DIN: 00323900)

Sd/-

P.U.Divakaran

[Chairman]

(DIN:01608147)

Sd/-

K.B.Brahmadathan

[Independent Director]

(DIN:06993910)

Place: Thrissur

Date: 26.08.2022

Place: Thrissur

Date: 26.08.2022

PNY SABHA FINANCE LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31-March-2022 (Amount ₹ in lakhs)		
PARTICULARS	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from operating activities		
Profit before tax	(783.42)	(681.97)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization	69.39	70.42
Profit/(Loss) on sale of fixed assets	-	-
Provision for non performing assets	253.46	62.00
Provision for standard assets	(2.55)	(0.31)
Provision for gratuity	-	-
Provision for Leave Encashment	(5.28)	18.09
Operating profit before working capital changes	(468.39)	(531.77)
Movements in working capital :		
Increase/ (decrease) in other current liabilities	(188.00)	1,335.77
Decrease / (increase) in long-term loans and advances	59.64	595.79
Decrease / (increase) in short-term loans and advances	1,441.76	(315.95)
Decrease / (increase) in other current assets	126.05	(70.01)
Cash generated from /(used in) operations	1,439.45	1,545.60
Direct taxes paid (net of refunds)	-	-
Net cash flow from/ (used in) operating activities (A)	971.06	1,013.83
Cash flows from investing activities		
Purchase of Property, Plant & Equipment, including CWIP and capital advances	(54.77)	(241.35)
Investment in any other securities	18.97	186.59
Net cash flow from/ (used in) investing activities (B)	(35.80)	(54.76)
Cash flows from financing activities		
Proceeds from issuance of equity share capital	108.75	52.91
Long-term borrowings (net)	64.91	(793.07)
Other long term liabilities	(20.08)	(195.75)
Short-term borrowings (net)	(1,045.71)	26.61
Net cash flow from/ (used in) in financing activities (C)	(892.13)	(909.31)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	43.13	49.76
Cash and cash equivalents at the beginning of the year	152.84	103.08
Cash and cash equivalents at the end of the year	195.97	152.84
Components of cash and cash equivalents		
Cash on hand	119.94	86.74
With banks- on current account	76.03	66.10
Total cash and cash equivalents (Refer Note 17.1)	195.97	152.84

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

As per our report of even date attached

For and on behalf of the board of directors

For T.V.GANESA IYER & CO

Firm registration number: 000856S

Chartered Accountants

PNY SABHA FINANCE LIMITED

REKHA RAMACHANDRAN, FCA

Partner

Membership No: 236116

Sd/-

M.S.Predeep

[Managing Director]

(DIN: 00323900)

Sd/-

P.U.Divakaran

[Chairman]

(DIN:01608147)

Sd/-

K.B.Brahmadathan

[Independent Director]

(DIN:06993910)

Place: Thrissur
Date: 26.08.2022

Place: Thrissur
Date: 26.08.2022

PNY SABHA FINANCE LIMITED

Notes to financial statements for the year ended 31-March 2022

Note: 1) Company Overview

PNY SABHA FINANCE LTD formerly known as Perigottukara Namboothiri Yoghakshema Sabha Credit & Investments Limited was incorporated on 06th October 1995 (originally incorporated under the name M/S Shine Sun Finance Limited) is a Non Banking Financial Company within the meaning of Reserve Bank of India Act, 1934.

The paid up capital of the company is ₹ 44,70,96,410 fully paid up (divided into 4,47,09,641 Equity shares of Rs. 10/- each).

Note: 2)

The Company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment and Intangible asset, loan assets, investments and other receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of the financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Note: 3) Significant Accounting Policies

a. AS 1: Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise stated. They confirm to Generally Accepted Accounting Principles (GAAP) in India, which comprises mandatory accounting standard prescribed by the Companies (Accounting Standards) Rules and guidelines issued by the Reserve Bank of India (RBI).

All assets and liabilities have been classified as current or non current as per the operating cycle criteria set out in the Schedule III to the Companies Act 2013.

Revenue recognition and expenses accounting

Income is recognised on accrual basis on performing assets and on realisation basis in respect of non performing assets as per the prudential norms prescribed by Reserve Bank of India. Expenditure is accounted for on accrual basis, unless otherwise stated.

b. AS 3: Cash Flow Statement

Cash flows are reported using the indirect method, where by net profit before tax 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 item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

c. Use of estimates

The preparation of the financial statements requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates are provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed assets and intangible assets.

PNY SABHA FINANCE LTD**Notes to financial statements for the year ended 31-March 2022****d. AS 9: Revenue Recognition**

Revenue is primarily in the nature of Interest received and receivable. Revenue is recognised in accordance with the guidance note on accrual basis of accounting issued by ICAI. Accordingly, where the income could not be determined with certain amount of exactitude or the realisation of which is doubtful, the same is not accrued. Accordingly income is not accrued on Non-performing Credit exposures. Income on such credit exposures is accounted on realisation basis. The company has followed the prudential norms prescribed by the Reserve Bank of India in respect of Income Recognition and provision for Bad and doubtful debts.

Rebate has been provided to some customers for the repayment of non performing loans and the interest income in respect of such loans which is considered in previous year is written off to the extent of ₹2,13,684.

Income from Kuri investment is recognised on realisation basis

e AS 10: Accounting For Property, Plant and Equipment and Intangible Asset

Property, Plant & Equipment and Intangible Assets are stated at cost net of recoverable taxes and include amounts added on revaluation less accumulated depreciation and accumulated impairment loss, if any. The cost comprises of purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working conditions for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment and Intangible Asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment and Intangible Asset, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

f. Accounting for Depreciation

Depreciation is provided on the basis of useful life of the assets as per the provisions of Companies Act, 2013.

Nature of Asset		Useful life
Plant & Equipment		5years
Furniture & Fixtures		10years
Vehicle		8years
Office Equipment	Computer	3years
Office Equipment-	Others	5years
Building	Building is not put to use during the year, hence no depreciation is charged.	

g AS 13: Investments

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

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

PNY SABHA FINANCE LTD**Notes to financial statements for the year ended 31-March 2022****h AS 15: Employee Benefits****h.1 Gratuity**

The company has a defined benefit gratuity plan and the scheme is funded with Life insurance corporation of India.

The company pay premium to LIC as intimated by them from time to time based on the actuarial valuation done by them as per projected unit credit method.

Details of Actuarial valuation	(Amount ₹ in lakhs)	
	31-March-2022	31-March-2021
Present Value of obligations at the end of the year	213.25	175.91
Fair Value of Plan Assets at the end of the year	236.76	214.49
Net Asset	23.51	38.58
Current Service Cost	23.37	23.74
Interest Cost	13.55	13.37
Expected Return on Plan Asset	(15.60)	(14.96)
Net Actuarial Gain	(0.89)	(25.64)
Total expense recognised as premium to LIC	20.43	(3.49)
Add : Charges & GST (LIC)	2.00	1.94
Total	22.43	(1.55)
Add : Gratuity(short amount) paid	-	0.05
Short in amount recognised in last year	17.70	-
Premium for new policy	0.37	-
Expense recognised in statement of profit and loss	40.50	(1.50)

h.2 Provident Fund

Eligible employees of the company receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Company make monthly contributions to a defined provident fund plan and the company's contribution is charged to the statement of profit and loss.

i AS 16: Borrowing Cost

Borrowing cost, if any that are attributable to the acquisition or construction or production of qualifying assets are capitalised as the part of cost of such assets. A qualifying asset is the one that necessary takes substantial period of time to get ready for intended use. All other borrowing cost are charged to revenue.

j AS:17 Segment Reporting

The company operates in a single reportable segment, financing, this, in the context of accounting standard 17 is considered to constitute one single primary segment.

k AS19: Lease Accounting

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

PNY SABHA FINANCE LTD

Notes to financial statements for the year ended 31-March 2022

l AS 22: Accounting For Taxes On Income

Tax expenses comprise current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax reflects the impact of timing differences between taxable income and accounting income originating during the current year and capable of reversal in subsequent years. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred taxes are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits

m AS 26: Intangible Assets

Intangible assets represent computer software whose cost is amortised over its expected useful life of 3 years.

n AS 28: Impairment of Assets

Company is reviewing the assets at each Balance Sheet date to determine whether there is any indication that the assets may be impaired. If any indications exist then the recoverable amount of the assets is estimated and impairment loss is recognised whenever the carrying amount of the asset exceeds the recoverable amount.

o Provisions

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

Provision policy for loans:

Secured and other loan are classified /provsions are provided,as per managements best estimate,subject to the minimum provision required as per the master direction Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 .

p Contingencies

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 statement.

PNY SABHA FINANCE LIMITED

Notes to financial statements for the year ended 31-March 2022

	(Amount ₹ in lakhs)	
4.Share capital	As at March 31, 2022	As at March 31, 2021
Authorized shares		
7,50,00,000 (31st March 2021: 7,50,00,000) equity shares of ₹.10/- each	7,500.00	7,500.00
Issued, subscribed and fully paid-up shares		
4,47,09,641 (31 March 2021: 4,36,22,191) equity shares of ₹.10/- each	4,470.96	4,362.22
Total issued, subscribed and fully paid-up share capital	4,470.96	4,362.22

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

(Amount ₹ in lakhs)				
Equity shares				
	As at March 31, 2022		As at March 31, 2021	
	Number	₹	Number	₹
At the beginning of the year	4,36,22,191	4,362.22	4,30,73,041	4,307
Shares Issued during the year	10,87,450	108.75	5,49,150	55
Shares bought back during the period	-	-	-	-
Outstanding at the end of the period	4,47,09,641	4,470.96	4,36,22,191	4,362.22

b. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

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

	As at March 31, 2022		As at March 31, 2021	
	Number	% holding in the class	Number	% holding in the class
Equity shares of ₹ 10 each fully paid				
Peringottukara Namboodiri Yogakshema Sabha	1,41,39,179	31.62	1,24,76,883	28.60

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

e. Disclosure of shareholding of promoters as at March 31, 2022

Name of Promoters	As at March 31, 2022		As at March 31, 2021		Percentage of change during the year
	No. of shares held	Percentage of share holding	No. of shares held	Percentage of share holding	
Mr. Divakaran Pazhangaparambu unnikrishnan	10,960.00	0.02	10,960.00	0.03	-
Mr. Predeep Mankore Sankaran	50,000.00	0.11	46,500.00	0.11	-
Mr . Narayanan Kanjiyil Thamarappilli	17,904.00	0.04	15,404.00	0.04	-
Mr.. Raman Namboodiri Punnappilly	11,500.00	0.03	11,500.00	0.03	-
Raman Namboothiri	13,845.00	0.03	11,345.00	0.03	-
Mr. Sandeep Paikkattu Neelakandan	10,019.00	0.02	5,019.00	0.01	0.01
Mr. Kesavan Mankore Subramanian	10,000.00	0.02	10,000.00	0.02	-
Damodaran	2,650.00	0.01	2,650.00	0.01	-
Mr. Thekkedath Amallur Vasudevan					
Mr.Narayanan Namboodiri					
Pazhangaparambu Mana Unnikrishnan					
Namboodiri	1,120.00	0.0025	1,120.00	0.0026	-

PNY SABHA FINANCE LIMITED**Notes to financial statements for the year ended 31-March 2022****(Amount ₹ in lakhs)**

5. Reserves and surplus	As at March 31, 2022	As at March 31, 2021
Statutory reserve		
Balance as per the last financial statements	34.95	34.95
Add: Transferred from surplus balance in the statement of Profit and Loss	-	-
Closing Balance	34.95	34.95
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(2,523.54)	(2,009.28)
Profit for the year	(516.80)	(514.27)
Less: Appropriations	-	-
Transfer to Statutory reserve	-	-
Depreciation reserve	-	-
Total appropriations	-	-
Net surplus in the statement of profit and loss	(3,040.34)	(2,523.54)
Total Reserves and Surplus	(3,005.39)	(2,488.59)

Notes:

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

PNY SABHA FINANCE LIMITED
Notes to financial statements for the year ended 31-March 2022
(Amount ₹ in lakhs)

6. Long-term borrowings	Non-current portion		Current maturities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Bonds/ debentures				
Subordinate debt (Unsecured) 8,914.77 bonds (Previous year 9,336.62 bonds) of ₹ 1,000 each.	7,425.00	7,309.72	1,489.77	2,026.90
Non convertible debentures (Secured) 3,48,615 (Previous year - 3,87,462) 10% - 13% (Previous year 10% - 13%) Secured Non-convertible Debentures of ₹ 1,000/- each redeemable at par at the end of the term of each series of debentures ranging between 1-5 years.	2,300.00	2,272.64	1,186.15	1,601.98
Term loans from Banks(Secured)	73.86	151.59	-	70.00
	9,798.86	9,733.95	2,675.92	3,698.88
The above amount includes				
Secured borrowings	2,373.86	2,424.23	1,186.15	1,671.98
Unsecured borrowings	7,425.00	7,309.72	1,489.77	2,026.90
Net amount	9,798.86	9,733.95	2,675.92	3,698.88

Note:

a. Subordinate debt are unsecured and are subordinated to the claim of other creditors. It is issued for a maximum period of 5-6 years and no premature closing is allowed.

b.Term loan from South Indian Bank was repayable in 20 equated quarterly installments of ₹ 35,00,000 each along with interest, from the date of loan, viz., 1 February 2011.After availing moratorium,the balance principal amount is repayable in 9 equated quarterly installments of ₹ 36,93,221 each along with interest from 09.09.2020. The loan is secured by hypothecation of entire current assets of the company including loan receivables along with debenture holders and Dhanalakshmi Bank. Collateral security provided is Land and building owned by PNY Sabha(96.25 cents of land in Sy.Nos. 313/2,3,314/1,2,3,4, office rooms in Sy.no.445/2,1463/2).

PNY SABHA FINANCE LIMITED

Notes to financial statements for the year ended 31-March 2022

6 A) Non Convertible Debentures and Subordinated debts from related parties**(Amount ₹ in lakhs)**

Particulars	Associates / Enterprises owned		Key Management Personnel		Relatives of key management personnel		Total	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Debentures issued during the period								
Leela E N	-	-	-	-	-	5.00	-	5.00
Debentures redeemed during the period								
	-	-	-	-	-	-	-	-
Amounts payable (net) to related parties								
(Outstanding Debentures)								
Peringottukara Namboothiri Yogakshema Sabha	-	3.28	-	-	-	-	-	3.28
<u>Subordinate debt</u>								
Peringottukara Namboothiri Yogakshema Sabha	-	5.54	-	-	-	-	-	5.54
Soya Ms	-	-	-	-	-	10.00	-	10.00
Sreelatha	-	-	-	-	-	20.00	-	20.00
Divakaran P U	-	-	1.00	-	-	-	1.00	-

PNY SABHA FINANCE LIMITED

Notes to financial statements for the year ended 31-March 2022

Note 6 (contd.)

Subordinate debts

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

(Amount ₹ in lakhs)

As at March 31, 2022

Redeemable at par within	Rate of interest					
	< 12%		>= 12% < 14%		Total	
	No.	₹	No.	₹	No.	₹
Due within 4-5 years	1,60,505	1,605.05	-	-	1,60,505.00	1,605.05
Due within 3-4 years	1,59,495	1,594.95	-	-	1,59,495.00	1,594.95
Due within 2-3 years	2,28,711	2,287.11	-	-	2,28,711.00	2,287.11
Due within 1-2 years	1,93,789	1,937.89	-	-	1,93,789.00	1,937.89
Due within 1 year	1,28,977	1,289.77	20,000.00	200.00	1,48,977.00	1,489.77
Grand Total	8,71,477.00	8,714.77	20,000.00	200.00	8,91,477.00	8,914.77

Add :Unclaimed Subordinate debt (Matured but not claimed)

123.61

Total

9,038.38

As at March 31, 2021

Redeemable at par within	Rate of interest					
	< 12%		>= 12% < 14%		Total	
	No.	₹	No.	₹	No.	₹
Due within 4-5 years	1,59,495	1,594.95	-	-	1,59,495.00	1,594.95
Due within 3-4 years	2,28,711	2,287.11	-	-	2,28,711.00	2,287.11
Due within 2-3 years	1,93,789	1,937.89	-	-	1,93,789.00	1,937.89
Due within 1-2 years	1,28,977	1,289.77	20,000	200	1,48,977.00	1,489.77
Due within 1 year	1,73,551	1,735.51	29,139	291	2,02,690.00	2,026.90
Grand Total	8,84,523	8,845.23	49,139	491	9,33,662.00	9,336.62

Add :Unclaimed Subordinate debt (Matured but not claimed)

75.49

Total

9412.11

PNY SABHA FINANCE LIMITED

Notes to financial statements for the year ended 31-March 2022

Note 6 (contd.)

B) Debentures (Secured)

i) Redeemable Non Convertible Debentures of ₹. 1,000/- each - Terms of repayment

As at March 31, 2022

(Amount ₹ in lakhs)

Redeemable at par within	Rate of interest					
	< 12%		>= 12% < 14%		Total	
	No.	₹	No.	₹	No.	₹
Due with in 2-3 years	80,000.00	800.00	-	-	80,000.00	800.00
Due with in 1-2 years	1,50,000.00	1,500.00	-	-	1,50,000.00	1,500.00
Due with in 1 year	1,51,59,329.00	1,186.15	-	-	1,18,615.00	1,186.15
Grand Total	1,53,89,329.00	3,486.15	-	-	3,48,615.00	3,486.15

Add :Unclaimed debentures (Matured but not claimed)

51.00

Total

3,537.15

As at March 31, 2021

Redeemable at par within	Rate of interest					
	< 12%		>= 12% < 14%		Total	
	No.	₹	No.	₹	No.	₹
Due with in 2-3 years	1,49,900	1,499.00	-	-	1,49,900	1,499.00
Due with in 1-2 years	1,18,615	1,186.15	-	-	1,18,615	1,186.15
Due with in 1 year	1,08,649	1,086.49	-	-	1,08,649	1,086.49
Grand Total	3,77,164	3,771.64	-	-	3,77,164	3,771.64

Add :Unclaimed debentures (Matured but not claimed)

116.99

Total

3888.63

Nature of Security

- * NCDs are secured by the floating charge on all loan receivable of all branches.
- * NCDs are offered upto a period of 5 years

PNY SABHA FINANCE LIMITED
Notes to financial statements for the year ended 31-March 2022
(Amount ₹ in lakhs)

7. Other long term liabilities	Non-current portion		Current portion	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on long term borrowings				
1. For Subordinate Debt	132.67	152.75	251.37	363.57
2. For Non convertible debentures	-	-	86.78	132.37
Sundry Deposits	2.50	2.50	-	-
	-	-	-	-
TOTAL	135.17	155.25	338.15	495.94

8. Long-term provisions	Non-current portion		Current portion	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<u>Provision for employee benefits</u>				
Provision for gratuity	-	-	-	-
Provision for leave encashment	67.58	72.87	-	-
TOTAL	67.58	72.87	-	-

9. Short-term borrowings	Non-current portion		Current portion	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Overdraft/Cashcredit facility from Bank- Secured (Refer Note 9.1)				
Repayable on demand				
Dhanalaxmi Bank	-	-	118.75	225.62
South Indian Bank	-	-	746.01	760.74
South Indian Bank Gold Loan	-	-	54.30	58.42
Current maturities of long-term borrowings (Refer Note 6)	-	-	2,675.92	3,595.90
TOTAL	-	-	3,594.98	4,640.69
The above amount includes				
Secured borrowings	-	-	3,594.98	1,044.79
Unsecured borrowings	-	-	-	-
TOTAL	-	-	3,594.98	1,044.79

Note 9.1 Details of security

a) Dhanalaxmi Bank Cashcredit is secured by charge on entire receivables , gold loan receivables of the company along with the charge of debenture holders & South Indian Bank along with collateral security of Land and building owned by PNY Sabha(90.75 cents of land in Sy.Nos.313/2,3,314/1,2,3,4,office rooms in Sy.no.445/2,1063/2) and fixed deposit amounting to Rs.30,00,000/-

b) South Indian Bank Cashcredit is secured by floating charge on entire current assets including gold receivables along with debentureholders and Dhanalaxmi Bank. Collateral security provided is Land and building owned by PNY Sabha(96.25 cents of land in Sy.Nos.313/2,3,314/1,2,3,4,office rooms in Sy.no.445/2,1463/2)

c) South indian bank Gold loan is secured by Repledge of gold ornaments obtained as collateral security for loans sanctioned by the Company.

PNY SABHA FINANCE LIMITED**Notes to financial statements for the year ended 31-March 2022****(Amount ₹ in lakhs)**

10. Other current liabilities	As at March 31, 2022	As at March 31, 2021
Current maturities interest accrued but not due on borrowings (Refer note 7)	338.15	495.94
Unclaimed Debentures	51.00	116.99
Unclaimed Subordinated debt	123.61	75.49
<u>Statutory Due Payable</u>		
P.F.Payable	12.22	12.25
T.D.S Payable	1.83	8.87
ESI Payable	1.89	1.76
ESI damages Payable	-	3.96
GST & kerala flood cess Payable	-	0.16
Labour welfare fund Payable	0.12	0.06
Audit fee Payable	1.10	1.13
Employee related payables	0.47	0.49
Expenses Payable	1.73	3.40
Others payable	0.40	0.03
TOTAL	532.52	720.52

(Amount ₹ in lakhs)

11. Short Term Provisions	As at March 31, 2022	As at March 31, 2021
Provision for NPA	1,626.87	1,373.40
Provision for Standard Assets	25.80	28.35
TOTAL	1,652.67	1,401.75

Note :

Secured loans are classified or provided for as per management estimates, subject to the minimum provision required as per Non Banking Financial Company Prudential Norms(Reserve Bank) Directions as follows

Classification of loans**Provisioning Policy**

Standard Assets	0.25%
Sub Standard Assets	10.00%
Doubtful Assets	100 % for unsecured portion & 20-50% for secured portion
Loss Assets	100 % provided if not written down in books

12. PROPERTY, PLANT & EQUIPMENT

(Amount ₹ in lakhs)

Cost or valuation	Land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
As at March 31, 2020	44.21	-	21.79	605.30	19.23	171.74	862.26
Additions	171.21	22.05	0.52	27.75	-	9.28	230.82
Disposals	-	-	-	-	-	-	-
As at March 31, 2021	215.42	22.05	22.31	633.05	19.23	181.02	1,093.08
Additions	0.03	-	1.09	25.93	-	8.90	35.95
Disposals	-	-	-	-	-	-	-
As at March 31, 2022	215.45	22.05	23.40	658.98	19.23	189.92	1,129.03
Depreciation							
	Land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office Equipment	Total
As at March 31, 2020	-	-	19.26	342.26	11.21	138.84	511.57
Charge for the year	-	-	1.02	49.79	2.28	11.77	64.87
Disposals/adjustments	-	-	-	-	-	-	-
As at March 31, 2021	-	-	20.28	392.05	13.49	150.61	576.44
Charge for the year	-	-	0.57	46.72	2.28	11.40	60.97
Disposals/adjustments	-	-	-	-	-	-	-
As at March 31, 2022	-	-	20.85	438.77	15.77	162.01	637.41
Net Block							
As at March 31, 2022	215.45	22.05	2.55	220.21	3.46	27.91	491.62
As at March 31, 2021	215.42	22.05	2.04	241.00	5.74	30.40	516.64

Note-

1. Depreciation on the fixed assets are provided based on the useful life of the Assets, as per Part C of Schedule II, of the Companies Act 2013.

2. Land & Building is acquired in satisfaction of debt. No depreciation is charged on the value of building as the same is not put to use.

The Company holding land costing ₹ 44.2 Lakhs (Survey No. 167/7B-6), as on 12.12.2019 ₹ 1,45.29 Lakhs (Survey No. 313/5B), as on 31.03.2021 and ₹ 48 Lakhs (Survey No. 313/4), as on 31.03.2021

PNY SABHA FINANCE LIMITED

Notes to financial statements for the year ended 31-March 2022

13. Intangible assets

(Amount ₹ in lakhs)

Particulars	Computer software
Gross block	
As at March 31, 2020	59.29
Purchase	-
Acquisitions through amalgamation	10.53
	-
	-
As at March 31, 2021	69.82
Purchase	-
Acquisitions through amalgamation	18.82
	-
	-
	-
As at March 31, 2022	88.64
<u>Amortisation</u>	-
As at March 31, 2020	50.83
Charge for the year	-
	5.55
	-
As at March 31, 2021	56.38
Charge for the year	-
	8.42
As at March 31, 2022	64.80
Net block	-
As at March 31, 2022	23.84
As at March 31, 2021	13.44

* Intangible assets are amortised over a period of 3 years.

PNY SABHA FINANCE LIMITED
Notes to financial statements for the year ended 31-March 2022
(Amount ₹ in lakhs)

14. Current investments	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Kuri investments	-	18.97	-	-
TOTAL	-	18.97	-	-

Note 14.1

No income/loss on kuri investment is recognised during the year as it can be quantified and recognised only after the completion of term of kuri and the term is not expired yet. There no balance in kuri investment account as all kuries were auctioned and auction amount is still pending to be recovered and the same is shown as kuri receivable under the head Other Current Assets.

(Amount ₹ in lakhs)

15. Deferred tax assets (net)	As at March 31, 2022	As at March 31, 2021
<u>Deferred tax liability</u>		
Impact of depreciation charged to the statement of profit and loss and allowed as per tax provisions	(26.26)	(21.93)
	-	-
Gross deferred tax liability	(26.26)	(21.93)
<u>Deferred tax asset</u>		
Provision for standard and doubtful debts and advances	429.69	364.45
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	11.46	8.92
Provision for leave encashment	17.57	18.95
Unabsorbed depreciation and carry forward of losses	724.88	530.38
Gross deferred tax asset/(liability)	1,166.03	903.75
Net deferred tax asset	1,192.29	925.67

PNY SABHA FINANCE LIMITED
Notes to financial statements for the year ended 31-March 2022
(Amount ₹ in lakhs)

16. Loans and advances	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Portfolio Loan				
Secured, considered good	58.33	238.36	10,091.47	11,112.62
- Gold	-	-	9,787.59	10,844.86
- Business Loan	-	-	34.10	-
-Vehicle loan	17.65	139.09	204.16	158.51
-EDI Loan	5.40	1.43	5.93	12.29
-Pronote Loan	35.28	97.84	59.69	96.96
Secured, considered doubtful	-	-	3,160.05	3,524.87
- Pronote Loan	-	-	2,539.18	2,876.97
- Business Loan	-	-	236.19	214.80
-Vehicle loan	-	-	326.55	374.62
-EDI Loan	-	-	58.13	58.48
Unsecured, considered good	136.95	22.30	33.10	111.22
- Pronote Loan	136.95	22.30	-	-
-Group Loan	-	-	33.10	111.22
Unsecured, considered doubtful	-	-	67.20	43.62
-Group Loan	-	-	67.20	43.62
(A)	195.28	260.67	13,351.82	14,792.34
Other advances (Unsecured & considered good)				
Other advances	-	-	22.33	23.57
B)	-	-	22.33	23.57
Deposits (Unsecured & considered good)				
Telephone Deposit	0.01	0.02	-	-
Rent Security Deposit	417.47	423.43	-	-
C)	417.48	423.45	-	-
Total (A+ B+C)	612.75	684.11	13,374.15	14,815.91

Loans and advances due by employees & officers, related parties etc.	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Loans to employees include				
Dues from executive directors(related party):				
Secured	3.72	1.92		
Unsecured:	2.37	-		
Dues from officers and staff:				
Secured	-	-	-	-
Unsecured:	136.88	22.30	-	-
Loans to related parties(other than directors)	-	-	-	-
Secured	-	-	10.56	25.31
Unsecured	-	-	-	-

Provision for Non performing assets and standard assets are shown separately under short term provisions. (Refer Note 11)

Note: Loan Portfolio includes Suit filed accounts balance amounting to ₹ 2,49,30,360,50,642 (P.Y. ₹ 2,46,50,642) and Arbitration accounts balance amounting to ₹ 27,18,54,958 (P.Y. ₹ 29,07,72,047)

PNY SABHA FINANCE LIMITED
Notes to financial statements for the year ended 31-March 2022
(Amount ₹ in lakhs)

17. Cash and cash equivalents	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
17.1 Cash and cash equivalents				
Cash in hand	-	-	119.94	86.74
Balances with banks:				
On current accounts	-	-	76.03	66.10
	-	-	195.97	152.85
17.2 Term deposit (remaining maturity maturity less than 12 months)	-	-	58.43	46.72
TOTAL	-	-	254.40	199.57

Note;

Term deposit includes Fixed Deposit with South Indian Bank Ltd amounting to ₹ 45.66 Lakhs @ 7.50% maturing on 28.09.2022 and Dhanalaxmi bank Ltd amounting to Rs. 3.76 Lakhs @ 6.25 % maturing on 21.05.2022 and Rs. 8 Lakhs @ 6.25% maturing on 23.03.2022 and HDFC Bank Ltd amounting to Rs. 1 Lakh @ 4.9% maturing on 31.07.2022

(Amount ₹ in lakhs)

18. Other assets	Non-current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Stamp paper & Revenue Stamp	-	-	0.20	0.20
Stock of stationery	-	-	5.67	6.89
Commission receivable	-	-	6.82	0.16
Advance tax and tax deducted at source	-	-	11.48	37.45
Refund receivable	-	-	34.40	29.62
KVAT security deposit	-	-	0.25	0.25
Security Deposit-CDSL	-	-	1.50	1.50
Security Deposit-NSDL	-	-	1.50	1.50
GST Receivable	-	-	24.47	22.81
Prepaid Expenses	-	-	8.46	8.42
Others	-	-	0.61	0.11
(A)	-	-	95.36	108.91
Others				
Western Union	-	-	0.23	-
Domestic Money Transfer	-	-	1.41	1.13
Paul Money DMTS	-	-	0.12	0.12
Fair Value of Planned Asset	-	-	23.51	38.58
Interest accrued but not due:				
Loan Portfolio	-	-	458.87	548.96
Kuri Receivable (Refer Note No. 14.1)	-	-	715.36	726.62
Gold Auction Receivable	-	-	3.43	-
(B)	-	-	1,202.93	1,315.41
Total (A + B)	-	-	1,298.29	1,424.32

PNY SABHA FINANCE LIMITED

Notes to financial statements for the year ended 31-March 2022

(Amount ₹ in lakhs)

19. Revenue from operations	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Interest		
Gold Loan	2,183.32	2,361.12
Pronote Loan	68.71	42.56
Vehicle Loan	12.77	54.89
EDI Loan	1.12	0.77
Group Loan	2.09	28.43
Business Loan	0.20	1.09
Revenue from other financial services		
Money transfer(Commission)	17.80	8.44
Other Operating Revenue		
Processing charges & Other income	30.75	33.34
Revenue from operations	2,316.76	2,530.65

(Amount ₹ in lakhs)

20. Other income	Year ended March 31, 2022	Year ended March 31, 2021
Income From investment	-	0.84
Interest on Income tax Refund	2.67	4.02
Interest income on Bank Deposits	4.24	3.12
Gratuity (net benefit)	-	1.50
TOTAL	6.91	9.49

* As per the prudential norms, suit filed interest is considered on cash basis.

PNY SABHA FINANCE LIMITED**Notes to financial statements for the year ended 31-March 2022****(Amount ₹ in lakhs)**

21. Employee benefit expense	Year ended March 31, 2022	Year ended March 31, 2021
Salaries & allowances, wages and bonus	772.00	765.81
Contribution to provident and other fund	71.15	66.85
Gratuity expense (Refer Note h.1)	40.50	-
Staff welfare & training expenses	22.77	232.36
ESI expense	17.12	16.12
Leave Encashment	18.86	22.90
TOTAL	942.40	1,104.04

(Amount ₹ in lakhs)

22. Finance costs	Year ended March 31, 2022	Year ended March 31, 2021
Interest & Bank Charges		
on Debentures	315.81	441.10
on Bank Borrowings	118.92	132.06
on Subordinate debt	1,105.31	1,121.66
TOTAL	1,540.04	1,694.82

(Amount ₹ in lakhs)

23. Depreciation and amortization expense	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of tangible assets	60.97	64.87
Amortization of intangible assets	8.42	5.55
TOTAL	69.39	70.42

PNY SABHA FINANCE LIMITED
Notes to financial statements for the year ended 31-March 2022
(Amount ₹ in lakhs)

24. Other expenses	Year ended March 31, 2022	Year ended March 31, 2021
Advertising and sales promotion	2.72	2.17
Bank charges and documentation charges	19.69	11.12
Business promotion expenses	0.76	0.98
Service Tax & GST Paid	6.12	6.13
Directors' sitting fees	2.05	2.41
AMC	11.90	10.45
Electricity and water charges	18.48	18.58
Filing Fees	0.94	0.61
Inauguration expenses	0.56	0.29
Insurance	7.74	7.82
Legal Expense	1.81	-
Membership fee	0.58	-
Meeting Expenses	0.78	0.68
Miscellaneous expenses	1.97	2.73
Payment to auditor	1.02	1.15
Postage and telegram	0.69	0.74
Printing and stationery	7.37	10.25
Professional charges	16.16	18.61
Rates and taxes	2.84	2.98
Rent	117.69	112.32
Commission paid	6.48	15.71
ESI Damages & Penalty	2.11	11.32
Telephone charges	23.42	21.66
Travelling and conveyance	5.98	26.43
<u>Repairs and maintenance</u>	-	-
Vehicles	1.87	1.76
Others	4.45	2.63
Total	266.18	289.51
Payment to Auditor	Year ended March 31, 2022	Year ended March 31, 2021
For		
Statutory Audit	1.02	1.12
Other Certifications	0.03	0.03
Total	1.05	1.15

(Amount ₹ in lakhs)

25. Provision and writeoff	Year ended March 31, 2022	Year ended March 31, 2021
Provision for NPA	253.46	62.00
Provision for Standard Assets	(2.55)	(0.31)
Bad debts/advances written off	38.15	1.64
Total	289.06	63.32

PNY SABHA FINANCE LIMITED**Notes to financial statements for the year ended 31-March 2022****PNY SABHA FINANCE LTD****26 AS 20: Earnings Per Share**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

Earnings per share (EPS)

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

	31-March-2022	(Amount ₹ in lakhs) 31-March-2021
Total operations for the year		
Profit/(loss) after tax	(517)	(514)
Net profit/(loss) for calculation of basic EPS	(517)	(514)
Net profit/(loss) for calculation of diluted EPS	(517)	(514)
	No.	No.
Weighted average number of equity shares in calculating basic EPS	438	435
Effect of dilution:	NIL	NIL
Weighted average number of equity shares in calculating diluted EPS	438	435
EPS	(1.18)	(1.18)

PNY SABHA FINANCE LIMITED

Notes to financial statements for the year ended 31-March 2022

27 AS:18 Related Party Disclosure

Names of Related Parties

Associates / Enterprises owned or significantly influenced by key management personnel or their relatives

Peringottukara Namboothiri Yogakshema Sabha

PNYS Chit Funds Kerala Private Limited

PNY Securities India Private Limited

Key Management Personnel

K.T.Narayanan

M S Kesavan

P N Sandeep

P U Divakaran

N D Unnikrishnan

M.S.Predeep

Brahmadhathan K B

P M Narayanan

P R Raman Namboothiri

M.Vasudevan

Dhaneesh.M.R

T V Vasudevan

PKN Namboothiri

Nayana Gopal

Akhil Satheesan

Relatives of key management personnel

Soya M.S.

Radhadevi S

Maheswaran Bhattathiripad

*Related parties have been identified on the basis of declaration received by the Company from its directors and other records available. The same has been relied upon by the auditors.

Related Party Transactions

(Amount ₹ in lakhs)

Particulars	Associates / Enterprises owned		Key Management Personnel		Relatives of key management personnel		Total	
	31-Mar-2022	31-Mar-2021	31-Mar-2022	31-Mar-2021	31-Mar-2022	31-Mar-2021	31-Mar-2022	31-Mar-2021
Debentures Issued During The Period								
Note .5 A	-	-	-	-	-	5.00	-	5.00
Debentures Redeemed The Period								
Note .5 A	-	1.05	-	10.00	-	8.45	-	19.50
Investment In Kuri								
Peringottukara Namboothiri Yogakshema Sabha	2.91	21.32	-	-	-	-	2.91	21.32
Payment Towards Kuri Auction Amount								
Peringottukara Namboothiri Yogakshema Sabha	1.13	37.56	-	-	-	-	1.13	37.56
Loan Issued								
Pronote Loan								
Narayanan K T	-	-	0.25	0.85	-	-	0.25	0.85
Kesavan Ms	-	-	0.50	-	-	-	0.50	-
Sandeep P N	-	-	0.25	-	-	-	0.25	-
Gold Loan								
Pny Chit Funds Kerala Private Limited	43.68	26.08	-	-	-	-	43.68	26.08

Loan Repayment Received								
Pronote Loan								
Narayanan K T	-	-	0.09	0.02	-	-	0.09	0.02
P.N.Sandeep	-	-	0.12	0.10	-	-	0.12	0.10
M.S.Kesavan	-	-	0.20	0.10	-	-	0.20	0.10
Gold Loan								
Pny Chit Funds Kerala Private Limited	32.07	0.89	-	-	-	-	32.07	0.89
Peringottukara Namboothiri Yogakshema Sabha	-	0.01	-	-	-	-	-	0.01
Loan Interest Received								
Pronote Loan								
Narayanan K T	-	-	0.10	0.01	-	-	0.10	0.01
P.N.Sandeep	-	-	0.08	0.04	-	-	0.08	0.04
M.S.Kesavan	-	-	0.02	0.01	-	-	0.02	0.01
Gold Loan								
Pny Chit Funds Kerala Private Limited	0.71	0.43	-	-	-	-	0.71	0.43
Peringottukara Namboothiri Yogakshema Sabha	-	0.00004	-	-	-	-	-	0.00004
Remuneration To Directors								
M.S.Predeep	-	-	4.50	7.06	-	-	4.50	7.06
K.T.Narayanan	-	-	4.56	4.49	-	-	4.56	4.49
P.N.Sandeep	-	-	4.30	4.25	-	-	4.30	4.25
M.S.Kesavan	-	-	4.10	3.90	-	-	4.10	3.90
Sitting Fee								
M.S.Predeep	-	-	0.18	0.20	-	-	0.18	0.20
P U Divakaran	-	-	0.18	0.20	-	-	0.18	0.20
K.T.Narayanan	-	-	0.16	0.20	-	-	0.16	0.20
P.N.Sandeep	-	-	0.18	0.18	-	-	0.18	0.18
M.S.Kesavan	-	-	0.18	0.20	-	-	0.18	0.20
N D Unnikrishnan	-	-	0.16	0.20	-	-	0.16	0.20
Brahmadathan K.B	-	-	0.24	0.30	-	-	0.24	0.30
P.M.Narayanan	-	-	-	0.18	-	-	-	0.18
P.R.Raman Namboothiri	-	-	0.18	0.20	-	-	0.18	0.20
M Vasudevan	-	-	0.27	0.15	-	-	0.27	0.15
T V Vasudevan	-	-	0.16	0.20	-	-	0.16	0.20
P.K.Narayanan Namboothiripad	-	-	0.16	0.20	-	-	0.16	0.20
Remuneration To Kmp								
Akhil Satheesan	-	-	2.86	6.35	-	-	2.86	6.35
Nayana Gopal	-	-	-	3.92	-	-	-	3.92
Allowance To Directors								
M.S.Predeep	-	-	1.20	1.32	-	-	1.20	1.32
K.T.Narayanan	-	-	0.36	0.36	-	-	0.36	0.36
P.N.Sandeep	-	-	0.36	0.36	-	-	0.36	0.36
M.S.Kesavan	-	-	0.33	0.36	-	-	0.33	0.36
Brahmadathan K.B	-	-	0.16	0.23	-	-	0.16	0.23
P.M.Narayanan	-	-	-	0.14	-	-	-	0.14
M Vasudevan	-	-	0.18	0.05	-	-	0.18	0.05

Rent Paid								
Peringottukara Namboothiri Yogakshema Sabha	8.95	7.90	-	-	-	-	8.95	7.90
Interest Paid On Debentures								
Peringottukara Namboothiri Yogakshema Sabha	-	1.19	-	-	-	-	-	1.19
Leela E N	-	-	-	-	0.98	-	0.98	-
Soya .M.S	-	-	-	-	-	1.00	-	1.00
Kuri Income Received								
Peringottukara Namboothiri Yogakshema Sabha	-	0.84	-	-	-	-	-	0.84
Commission Received								
Pny Chit Funds Kerala Private Limited	12.34	6.47	-	-	-	-	12.34	6.47
Pnys Securities India Private Limited	0.59	0.41	-	-	-	-	0.59	0.41
	102.38	104.15	26.57	46.33	0.98	14.45	129.93	164.93

PNY SABHA FINANCE LIMITED

Notes to financial statements for the year ended 31-March 2022

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Asset classification and provision for Non performing Assets

(As per RBI Prudential Norms)

(Amount ₹ in lakhs)

Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Gold Loan						
Standard Asset	9,787.59	10,844.86	24.47	27.11	9,763.13	10,817.75
Sub Standard Asset	-	-	-	-	-	-
Doubtful Asset	-	-	-	-	-	-
Loss Asset	-	-	-	-	-	-
Total	9,787.59	10,844.86	24.47	27.11	9,763.13	10,817.75
Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Pronote Loan						
Standard Asset	231.92	179.67	0.58	0.45	231.34	179.22
Sub Standard Asset	19.90	27.76	1.99	2.78	17.91	24.98
Doubtful Asset	2,519.28	2,849.21	1,317.00	1,089.03	1,202.28	1,760.18
Loss Asset	-	-	-	-	-	-
Total	2,771.10	3,056.64	1,319.57	1,092.26	1,451.54	1,964.38
Particulars	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Other Loans						
Standard Asset	300.34	313.98	0.75	0.78	299.59	313.20
Sub Standard Asset	247.67	108.08	24.77	10.81	222.90	97.27
Doubtful Asset	440.40	729.44	283.11	270.78	157.29	458.66
Loss Asset	-	-	-	-	-	-
Total	988.41	1,151.50	308.62	282.37	679.78	869.13

PNY SABHA FINANCE LIMITED

28(i) NPA MOVEMENT

(Amount ₹ in lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
Particulars	Gold Loan	Pronote Loan	Other Loans	Gold Loan	Pronote Loan	Other Loans
A.Opening NPA as on 01.04.2021	-	2,876.97	837.53	-	2,883.36	989.27
B.Addition during the year	-	8.75	33.08	-	35.45	110.44
C.Total (A+B)	-	2,893.93	888.36	-	2,943.74	1,203.37
D.Reduction during the year	-	355.28	199.75	-	66.78	262.18
E.Closing NPA as on 31.03.2022 (D-E)	-	2,538.65	688.60	-	2,876.97	837.53

PNY SABHA FINANCE LIMITED

29 Debenture Reconciliation

The Company has issued debentures which are secured by a charge in favour of the Trustees over such of the movable/immovable properties as the case may be of the Company.

(Amount ₹ in lakhs)

Particulars	Nos	₹
UNDER LV SERIES	50,000	500.00
UNDER LVI SERIES	29,265	292.65
UNDER LVII SERIES	39,350	393.50
UNDER LVIII SERIES	50,000	500.00
UNDER LIX SERIES	50,000	500.00
UNDER LX SERIES	50,000	500.00
UNDER LXI SERIES	50,000	500.00
UNDER LXII SERIES	30,000	300.00
Total debenture as per Note 6	3,48,615	3,486.15

Add :Unclaimed debentures (Matured, but not claimed)	51.00
Total	3,537.15

30 Additional disclosures as required by circular no DNBS.CC.PD.No.265/03.10.01/2011-2012

	As at March 31, 2022	As at March 31, 2021
Total Gold loan portfolio	9,788	10,845
Total Assets	17,247	18,599
Gold loan portfolio as a %age of total assets	56.75%	58.31%

Disclosure pursuant to reserve bank of india notification DNBS.CC>PD.No.356/03.10.01/2013-14 dated September 16,2013 purtaining to gold loans.

(Amount ₹ in lakhs)

No. of Loan accounts	Outstanding Loan amounts	Sale Consideration of the Gold
103.00	75.24	73.97

31 Additional disclosures as required by circular no RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6thAugust,2020.

Restructed assets and provision as on 31st March,2022. Nil

32 Disclosure under MSMED Act 2006:

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

As at March 31, 2022 As at March 31, 2021

33 Expenditure in foreign currency	NIL	NIL
34 Value of import on CIF Basis	NIL	NIL
35 Contingent liability and commitments	NIL	NIL

PNY SABHA FINANCE LIMITED
Notes to financial statements for the year ended 31-March 2022

Additional Regulatory Information

- 36** The Company does not possess any Immovable Property (other than properties where the company is the lessee and lease agreement are duly executed in favour of lessee) whose title deeds are not held in the name of the company during the financial year ended March 31, 2022 and March 31, 2021.
- 37** The Company has not revalued its Property, Plant and Equipment during the year.
- 38** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 39** Disclosure relating to loans or advances granted to promoters, directors KMPs and the related parties either severally or jointly with any other person, that are:

- (a) repayable on demand; or

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	6.09	0.05%
Directors and KMPs (Other than promoters)	-	-
Related Parties	10.56	0.08%

- (b) without specifying any terms or period of repayment Nil

- 40** The company has not been declared as wilful defaulter by any bank or financial institution or other lenders.
- 41** The Company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 42** All charges or satisfaction are registered with ROC within the statutory period for financial year ended March 31, 2022 and March 31, 2021. No charges or satisfaction are yet to be registered with ROC beyond the statutory period.
- 43** Disclosure regarding compliance with number of layers of companies is not applicable to the company.

44 Ratio analysis:

Ratio	Units	Numerator	Denominator	For the Year ended 31.03.2022	For the Year ended 31.03.2021	% Variance	Reason for change in ratio by more than 25%
Current ratio	No. of times	Current Assets	Current Liabilities	2.58	2.43	6.23%	-
Debt-equity ratio	No. of times	Outside liabilities	Owned Fund	56.37	16.32	245.44%	Increase in NPA and provisions
Debt service coverage ratio	Not Applicable						*
Return on equity ratio	Percentage	Net Profit after taxes	Average Shareholder's Equity	-30.95%	-24.44%	26.66%	Increase in NPA and provisions
Inventory turnover ratio	Not Applicable						
Trade receivables turnover ratio	Not Applicable						
Trade payables turnover ratio	Not Applicable						
Net capital turnover ratio	Not Applicable						*
Net profit ratio	Percentage	Net Profit	Net Sales	-22.31%	-20.32%	9.77%	-
Return on capital employed	Percentage	Earning before interest & taxes	Capital Employed	5.29%	6.26%	-15.52%	-
Return on investment	Not Applicable						

* The company is an NBFC, these ratios are not applicable since the same will not give correct details

- 45** Disclosure regarding scheme of Arrangements in terms of Section 230 to 237 of the Companies Act is not applicable to the Company.

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

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities(intermediaries), with the understanding that the intermediary shall;

i. 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

ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- 47** The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 48** There is no undisclosed income of previous year which is disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 49 Submission of statement to bank**
The company has availed credit facilities from bank or financial institution during current year with hypothecation of asset under finance, book debt and other receivables as stated in Note 9. The quarterly returns or statements of Loan receivable filed by the company with said banks, are on the basis of provisional statements and there is some difference in figures with book of accounts.
- 50** The company is not covered under section.135 of the Companies Act, hence the disclosure relating to Corporate Social Responsibility activities is not applicable.
- 51** The Company have not traded or invested in crypto currency or virtual currency during the Financial year.
- 52** Previous years' figures have been recast/restated to conform to the classification of the current year.

As per our report of even date attached

For T.V.GANESA IYER & CO

Firm registration number: 000856S

Chartered Accountants

REKHA RAMACHANDRAN, FCA

Partner

Membership No: 236116

For and on behalf of the board of directors

PNY SABHA FINANCE LIMITED

Sd/-

M.S.Predeep

[Managing Director]

Partner

Sd/-

P.U.Divakaran

[Chairman]

[Managing Director]

Sd/-

K.B.Brahmadathan

[Independent Director]

(DIN:06701347)

Place: Thrissur

Date: 26.08.2022

Place: Thrissur

Date: 26.08.2022

PNY SABHA FINANCE LTD

Schedule to the Balance Sheet of a non-deposit taking, non-banking financial company

(as required in terms of paragraph 13 of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Amount ₹ in lakhs)

Sl No	Particulars as on 31st march 2021		
Liabilities side :			
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
(a)	Debentures : Secured	3,486.15	51.00
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)		
(b)	Deferred Credits	-	-
(c)	Term Loans	-	-
(d)	Inter-corporate loans and borrowing	-	-
(e)	Commercial Paper	-	-
(f)	Other Loans:		
	Subordinate bond	8,914.77	123.61
	Bank	3,668.85	-
	Others	-	-

* Please see Note 1 below

Assets side :

Amount outstanding

(2) **Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :**

(a)	Secured	13,309.85
(b)	Unsecured	100.30

(3) **Break up of Leased Assets and stock on hire and other assets counting towards AFC activities**

(i)	Lease assets including lease rentals under sundry debtors :	-
(a)	(a) Financial lease	-
(b)	(b) Operating lease	-
(ii)	Stock on hire including hire charges under sundry debtors:	-
(a)	Assets on hire	-
(b)	Repossessed Assets	-
(iii)	Other loans counting towards AFC activities	
(a)	Loans where assets have been repossessed	-
(b)	Loans other than (a) above	-

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

Current Investments:

1 Quoted :

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

2 Unquoted :

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

Long Term investments:

1 Quoted :

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

2 Unquoted :

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

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

Please see Note 2 below

Category		Amount net of provisions		
		Secured	Unsecured	Total
1. Related Parties **				
(a)	Subsidiaries	-	-	-
(b)	Companies in the same group	-	-	-
(c)	Other related parties	10.56	-	10.56
2. Other than related parties				
		3.72	139.26	142.97
	Total	14.27	139.26	153.53

** As per Accounting Standard of ICAI

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

Please see note 3 below

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

(7) **Other Information :**

	Amount outstanding
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	3,227.25
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	1,600.39
Assets acquired in satisfaction of debt	237.50

1. As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.

2. Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

For and on behalf of the board of directors of

PNY SABHA FINANCE LIMITED

M.S.Predeep
[Managing Director]
(DIN: 00323900)

P.U.Divakaran
[Chairman]
(DIN:01608147)

Place: Thrissur
Date: 26.08.2022

K.B.Brahmadathan
[Independent Director]
(DIN:06701347)