MUNOTH
FINANCIAL SERVICES LTD

Regd. Office :
Munoth Centre, Suite No. 46 & 47, 3rd Floor,
343, Triplicane High Road, Chennai - 600 005. INDIA
Tele : 91-44-28591185, Fax : 91-44-28591188
E-mail : info@munothfinancial.com
CIN : L65991TN1990PLC019836

July 22, 2022

M/s. Bombay Stock Exchange Limited,
Phiroze Jheejeebhoy Towers,
Dalal Street
Mumbai- 400 001

Ref: Scrip Code: 531821 - MUNOTH fINANCIAL SERVICES LIMITED

Sub: Intimation for the 31st Annual General Meeting along with Annual Report for F.Y. 2021-22, Book Closure and E-Voting Related activities pursuant to Regulation 30, 34 and 42 of SEBI(LODR) Regulations, 2015

Respected Sirs,

Pursuant to provisions of Regulation 30, 34 and 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with General Circular No. 14/2020 dated 08.04.2020, General Circular No. 17/2020 dated 13.04.2020 and General Circular No. 20/2020 dated 05.05.2020 that has enabled convening of the Annual General Meeting (AGM) through video conferencing or other audio visual means, we wish to inform you that:

1. The 31st Annual General Meeting ("AGM") is scheduled to be held on Thursday, August 18, 2022 at 11:00 A.M through Video Conferencing or other audio visual to transact businesses as set out in the Notice of AGM and no physical meeting will be held. This will ensure safety of the shareholders while providing an opportunity to attend the AGM.

2. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations the Company is providing facility to the members to cast their votes by electronic means, through CDSL on all resolutions as set out in the notice for the AGM to those members, who are holding share either in physical or in electronic form as on the cut-off date i.e. August 11, 2022.

3. The remote e-voting will commence at (9:00 A.M. IST) on Monday, August 15, 2022 and ends at (5:00 P.M. IST) on Wednesday , August 17 , 2022, remote e-Voting module shall be disabled by CDSL upon expiry of aforesaid period. Members are required to cast their votes by Remote e -voting only during voting period and however, they may attend the AGM through VC/OAVM but shall not be entitled to cast their votes at Annual General Meeting .

4. The e-voting instructions and the process to join meeting through video conferencing is set out in Notice, which forms part of the Annual Report; and

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5. Register of Members and Share Transfer Books of the Company shall remain closed from Friday, August 12, 2022 to Thursday, August 18, 2022 (both days inclusive) for the purpose of AGM. Copy of Notice of AGM dated May 27, 2022 along with Annual Report for the Financial Year 2021-22 of the Company is enclosed and the same is also made available on the website www.munothfinancial.com.

This is for your information and records.

Thanking you,

,
Sincerely,

For Munoth Financial Services Limited

A G Nandini

Company Secretary

MUNOTH FINANCIAL SERVICES LTD. CHENNAI-5.

Munoth Financial Services Limited

31st Annual Report 2021-22

BOARD OF DIRECTORS	Mr. Lalchand Munoth, Chairman (DIN No: 01693640) Mr. Jaswant Munoth, Managing Director (DIN No: 00769545) Mr. Bharat Munoth (DIN No: 00769588) Mr. Vikas Munoth (DIN No: 00769366) Ms. Lakshika Mehta (DIN No: 07183815) Mr. Sakthivelmurugan Masagounder (DIN No.08531800)
COMPANY SECRETARY	Ms. A G Nandini
AUDITORS	M/s. Kumbhat & Co., Chartered Accountants Chennai
SECRETARIAL AUDITOR	Mr. N Selvam Practicing Company Secretary Mr. V. Ramasubramanian Peer reviewed PCS (secretarial audit report 2021-22)
BANKERS	HDFC Bank Bank of Baroda
LEGAL ADVISORS	Aiyar & Dolia Advocates 29 & 30, Law Chambers High Court Buildings Chennai - 600 104.
REGISTRARS AND SHARE TRANSFER AGENTS	Cameo Corporate Services Limited “Subramanian Building” 1, Club House Road, Chennai - 600 002.
REGISTERED OFFICE	Munoth Centre, Suite No. 46 & 47 3rd Floor, 343, Triplicane High Road, Chennai - 600 005.
CIN NO:	**L65991TN1990PLC019836**

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MUNOTH FINANCIAL SERVICES LIMITED
CIN NO: L65991TN1990PLC019836
Regd. Office : Suite No.46 & 47, Munoth Centre, 343, Triplicane High Road,
3rd Floor, Chennai - 600 005.

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Thirty First (31st) Annual General Meeting of the members of Munoth Financial Services Limited will be held on Thursday, August 18, 2022 at 11:00 A.M through video conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial statements of the Company for the financial year ended March 31, 2022 including the audited Balance Sheet as on that date and the Statement of Profit and Loss for the year ended as on that date and cash flow statement as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.Vikas Munoth (DIN No: 00769366) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Bharat Munoth (DIN No. 00769588) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
4. Reappointment of Auditors

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 139 (8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, rules, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and upon recommendation of the Audit Committee & Board of Directors, M/s. Kumbhat & Co, Chartered Accountants, having FRN: 001609S, be and are hereby reappointed as Statutory Auditors of the Company to hold the office from closure of 31st Annual General Meeting until the conclusion of the 36th Annual General Meeting of the Company to be held in 2027, at such remuneration plus applicable taxes, and out of pocket expenses on the terms as mentioned in the explanatory statement attached and out of pocket expenses, and as mutually agreed with the Board of Directors, considering recommendation of the Audit Committee of the Company."

By order of the Board
For **MUNOTH FINANCIAL SERVICES LIMITED**

Place: Chennai
Date: 27-05-2022

LALCHAND MUNOTH
CHAIRMAN
DIN : 01693640

NOTES:

EXPLANATORY STATEMENT:

The relevant explanatory statement as set out in the notice is annexed hereto.

AGM THROUGH VIDEO CONFERENCING (VC)/OTHER AUDIO VISUAL MEANS (OAVM):

In view of the continuing Covid-19 pandemic, maintenance of social distance norms, the Government of India, the Ministry of Corporate Affairs ("MCA") has vide its circular no.20/2020 dated May 5, 2020 and Circular no. 02/2021 dated January 13, 2021 read with Circular Nos. 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as "SEBI Circulars") permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

.**PROXY:**

Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

CORPORATE MEMBERS ATTENDING THROUGH THEIR AUTHORISED REPRESENTATIVES:

Corporate members attending the meeting through their authorized representatives pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company, at least 48 hours prior to the start of voting, scanned copies of the following documents through email at cs@munothfinancial.com

a) a certified copy of the Board resolution authorizing their representatives

b) Photograph of the Representative.

CLOSURE OF REGISTER OF MEMBERS:

The Register of Members and the Share Transfer Books of the Company will remain closed from August 12, 2022 to August 18, 2022 (both days inclusive).

CHANGE OF PARTICULARS:AND UPDATION OF EMAIL ADDRESS :

Members holding shares in dematerialised form are requested to intimate all particulars of mandates,nominations, power of attorney, change of address, change of name, e-mail address, contact numbers,etc. to their Depository Participant (DP). Members who are holding shares in physical form are requested to intimate such details to Cameo Corporate Services Ltd, " through web module https://investors.cameoindia.com/, wherein the shareholders can log in and register his email id and mobile number against the folio number in which they hold the shares.

NOTICE OF AGM AND ANNUAL REPORT :

The Annual Report for the year 2021-22 containing the Notice for 31st AGM , is being sent only in electronic form, to all the shareholders whose names appear on the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services

(India) Limited (CDSL) as at the close of business hours on July 15, 2022 and who have registered their email id with the Company/ Depositories. Any member, who has not registered his email id may register his/her ID with RTA and may also request for a copy of Annual Report electronically.

DEMATERIALISATION OF SHARES:

The company's equity shares have been notified for compulsory dematerialisation. Accordingly trading of these shares through Stock Exchange would be facilitated if the share certificates are dematerialised.

Members having the physical share certificates are advised to consider opening of a Demat account with an authorised Depository participant and arrange for dematerialising their shareholdings in the company.

REQUEST TO MEMBERS:

In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the year 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.munothfinancial.com, websites of the Stock Exchange- BSE Limited at www.bseindia.com.

Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. It is strongly recommended that shareholders having more than one folio in the same name or with identical names in the same order in case of Joint holdings, are requested to write to the company's Share Transfer Agents, viz Cameo Corporate Services Ltd immediately along with the relevant share certificates to enable consolidation of such holdings in a single folio. If the shares are jointly held such requests should be signed by all the joint holders.

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and issued circulars stating that the service of notice/documents including Annual Reports can be sent through e-mail to its members. To support this green initiative of the Government in full measure Members who are yet to register/update their email addresses with the Company or with the Depository Participants are once again requested to register/ update the same for receiving the Notices, Annual Reports and other documents through electronic mode. Members holding shares in physical form may get their email addresses registered/ updated by providing their Name, Folio Number, E-mail ID and consent to receive the Notices, Annual Reports and other documents through electronic mode, by sending an email at cs@munothfinancial.com or intimate such details to Cameo Corporate Services Ltd, " through web module https://investors.cameoindia.com/,wherein the shareholders can log in and register his email id and mobile number against the folio number in which they hold the shares.

PROCEDURE TO ATTEND MEETING

a) Log in Procedure:

(i) Members may attend the Meeting through VC/OAVM viz. Zoom App. with the following Link https://us02web.zoom.us/j/83130811343?pwd=d2grS0hFWEM5SlFZb3dtaW4wVVZQZz09

Meeting ID: 831 3081 1343

Passcode: 195786

and/or by using Meeting ID: and Passcode: through smart phone or "laptop, connected through broadband.

(ii) Participants Connecting from Mobile Devices or Tablets or through Laptop via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

(iii) Members can login and join 30 (Thirty) minutes prior to the schedule time and window for joining shall be kept open till the expiry of 30 (Thirty) minutes after the schedule time; or the closing of the meeting, whichever is earlier.

(iv) The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

(v) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.munothfinancial.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.

(vi) In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020,2021 or become due in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January13 ,2021 and subsequent amendments.

b) Instructions for Remote E-Voting:

VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

Voting Rights are reckoned on the basis of the shares registered in the names of the members/ beneficial owners as on the record date fixed for this purpose i.e. 11/08/2022.

It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

(i) The voting period begins on August 15, 2022 at 9 A.M. and ends on August 17, 2022 at 5 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 11, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would be entitled to attend the meeting.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the

participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders**, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**.

Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular**,** Login method for e-Voting **for Individual shareholders holding securities in Demat mode, if applicable** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication,

	you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(i) Login method for e-Voting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on “Shareholders” module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ii) After entering these details appropriately, click on "SUBMIT" tab.

(iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(x) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xii) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@munothfinancial.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/ 43.

   All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk evoting@cdslindia.com or call on 022-23058542/43.

   Mr.N Selvam, practicing Company Secretary has been appointed as scrutinizer for conducting the e- voting process in fair and transparent manner.

   The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website www.munothfinancial.com and on the website of CDSL within a period not exceeding two working days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (‘the Act”)

The following statements sets out all material facts relating to the relavant Business mentioned in the accompanying notice.

ITEM NO. 4 :Reappointment of Statutory Auditors

The members of the Company at the 31st Annual General Meeting held on August 24, 2021 had approved the appointment of M/s. Kumbhat & Co, Chartered Accountants, as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. C K Prusty & Associates, Chartered Accountants,to hold the office of the Statutory auditor from the conclusion of the 30th Annual General Meeting till the conclusion of 31st Annual General Meeting.

In accordance with the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 (‘the Act’) read with the Companies (Audit and Auditors) Rules, 2014, the Company can appoint or reappoint an audit firm as Statutory Auditors for not more than two terms of five consecutive years. The Board of Directors, at its meeting held on May 27, 2022, based on the recommendation of the Audit Committee, approved the re-appointment of M/s. Kumbhat & Co, Chartered Accountants for the first term of five years to hold office from the conclusion of the 31st AGM till the conclusion of the 36th AGM to be held in the year 2027, at a remuneration up to 1.05 lakhs per annum plus applicable taxes and reimbursement of out-of-pocket expenses for the financial year ended March 31, 2023 and propose the same for approval of the members. Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the statutory auditors under various regulations on a fee mutually agreed between auditors and Board of Directors with the approval of audit committee.

The Board of Directors and the Audit Committee shall approve the revision in the remuneration of the statutory auditors, for the balance part of the tenure, based on the performance review and any additional efforts on account of changes in regulations or management processes or other considerations.

In regards to appointment of Statutory Auditors referred to in item no. 4 of the Notice, the brief profile of the Auditors is as under:

M/s. Kumbhat & Co (FRN: 001609S) is a partnership firm with 10 partners and is supported by experts and consultants in various areas with a staff strength of about 80. The firm operates in four major cities headquartered in Chennai and branches at Coimbatore, Bengaluru and Mumbai and Pan India network with most modern and state of the art infrastructure. It offers professional services in the field of Income Tax, GST, Customs, Accounting, Auditing, Advisory and Management Consultancy. representing clientele before Tax and Statutory authorities for compliance, appeals and refunds to over 3000 clietele across India.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice of the 31st Annual General Meeting. The Directors recommend the resolution for approval by the members.

By order of the Board
For **MUNOTH FINANCIAL SERVICES LIMITED**

Place : Chennai
Date : 27-05-2022

LALCHAND MUNOTH
CHAIRMAN
DIN : 01693640

DIRECTORS' REPORT

To The Members

Your Directors have pleasure in presenting their Thirty First Annual Report together with the Audited Accounts for the year ended March 31, 2022

FINANCIAL RESULTS:

Particulars	2021-2022 Rs.in '000	2020-2021 Rs. in '000
Revenue from operations	5407.66	5368.46
Other Income	1364.17	165.92
Total Expenses	7247.05	6508.20
Profit or(Loss) before exceptional items and tax	(475.22)	(973.82)
Less: Exceptional items	0	0
Profit or (Loss) after Exceptional items and before tax Expenses	(475.22)	(973.82)
Less: Tax Expenses (Current & Deferred)	10.16	47.61
Profit/(Loss) for the year	(485.38)	(1021.43)
Other Comprehensive Income		
Change in fair valueof equity instruments	1920.00	525.00
Re-measurement of Post Employment defined benefit plan	71.42	238.65
Total Comprehensive Income for the year	1506.04	(257.78)
Earnings Per Share		
- Basic Earning per Share	(0.09)	(0.20)
- Diluted Earning per Share	(0.09)	(0.20)

REVIEW OF BUSINESS OPERATIONS:

During the financial year 2021-22, the Company's total revenue has increased to INR 67.72 Lakhs from INR 55.34 lakhs in the previous financial year.

The Company has made a loss of INR 4.85 Lakhs in the current financial year as against a loss of INR 10.21 Lakhs in the last financial year.

Stock Broking:

Income from stock broking operations has decreased to INR 35.86 Lakhs from INR 41.87 Lakhs in the previous financial year.

The Company provides institutional broking business and is empanelled with several public sector banks and insurance companies.

Depository participant:

As a Depository Participant the company offers facilities to both institutional and retail investors to maintain their investments in securities in electronic form. Income from Depository operations has increased to INR 6.26 Lakhs from INR 5.18 Lakhs in the previous financial year.

Merchant Banking & Portfolio Management Services:

The Company continues to provide PMS Advisory services.

The Company's MBD division is providing valuation services in accordance with the requirement of the various acts/statutory requirements.

Income from Merchant Banking & PMS has increased to INR 11.95 Lakhs as against INR 6.62 Lakhs in the previous year.

FUTURE PROSPECTS

The company will continue to focus on Investment Banking, PMS Advisory services and Institutional Broking business.

INDIAN ACCOUNTING STANDARDS (IND AS)

The Ministry of Corporate Affairs (MCA) on February 15, 2015 notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of companies .Ind As has replaced the previous Indian GAAP as per the Companies Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies 2013, (the 'Act') and other relevant provisions of the Act. The financial statements for the year ended March 31, 2018 are the first financial statements the Company has prepared in accordance with Ind AS with the date of transition as April 1, 2016.

DIVIDEND:

The Board of Directors has decided not to recommend any dividend.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN 31ST MARCH 2022 (THE END OF THE FINANCIAL YEAR and 2nd JULY 2022 (THE DATE OF REPORT)

There were no material changes and commitments affecting the financial position of the company between 31st March 2022 (the end of the financial year) and 2nd July 2022 (the date of the report).

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

The Company has no activities relating to conservation of energy, technology absorption, foreign exchange earnings and outgo and hence the provisions of Section 134(m) of the Companies Act, 2013 is not applicable to the Company.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Risk Management Committee of the Company continuously monitors business and operations risk through an efficient risk management system.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable for the financial year 2021-22.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not provided working capital loan, Guarantee or provided security. The details of investments made by the company are given in the notes to the financial statements.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

The Company has conducted 5 Board meetings during the financial year under review. The board is presented with all the relevant information well in advance before each meeting on various matters affecting the working of the company and the Directors have separate and independent access to senior management at all times. The dates of the Board Meetings were May 28, 2021, July 19, 2021 August 10, 2021, November 12, 2021 and February 8, 2022.

AUDIT COMMITTEE:

The Audit Committee has Ms. Lakshika Mehta (Chairman), Mr. Sakthivelmurugan Masagounder and Mr. Jaswant Munoth as members. All the recommendations made by the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE:

The Remuneration Committee has Mr. Sakthivelmurugan Masagounder (Chairman), Ms. Lakshika Mehta and Mr. Jaswant Munoth as members. The committee is vested with all necessary powers and authority to determine and recommend the remuneration payable to Executive Directors.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARE OF THEIR DUTIES:

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Director's qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished as Annexure 1 and is attached to this report.

SHAREHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to Companies Act 2013, the Board of Directors had reconstituted Shareholders'/ Investor Grievance Committee with the new name Shareholders relationship committee. The committee specifically looks into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report etc. In addition, the committee also oversees the share transfers.

The Committee has Ms. Lakshika Mehta (Chairman), Mr. Sakthivelmurugan Masagounder and Mr. Jaswant Munoth as Members

The chairperson or the member authorized by him of each of the committees constituted under Section 178 attended the general meeting of the Company.

EVALUATION:

The aspects covered in the evaluation included the contribution made by the Directors to the corporate governance practices, long term strategic planning, fulfillment of Director's obligations and fiduciary responsibilities and active participation at the Board and Committee meetings. The effectiveness of Board / Committee processes were assessed based on the Directors' inputs received during the meetings of the Board and one to one meeting by the Chairman with the Directors.

EXTRACT OF ANNUAL RETURN:

The Extract of Annual return as on March 31, 2022 as per the amendment though MCA Circular dated 24/08/2020 is available in the weblink www.munothfinancial.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review, as stipulated under 34(2)(e) of SEBI(LODR) Regulations is presented in separate section forming part of the Annual Report as Annexure 2

DIRECTOR'S RESPONSIBILITY STATEMENT:

As required in Clause (c) of Sub- Section (3) of Section 134 of the Companies Act, 2013, your Director confirms and state that

a) In the preparation of the annual accounts, the applicable accounting standards have 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 at the close of the financial year ended 31st March 2022 and of the Profit/Loss of the company for the year ended 31st March 2022

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

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

e) The Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f) 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.

DEPOSITS:

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of balance sheet.

DIRECTORS AND KMP

Re appointment of Directors retiring by rotation

Pursuant to Section 152 of the Companies Act, 2013, Mr. Vikas Munoth and Mr. Bharat Munoth retire by rotation and being eligble offers themselves for reappointment

Information pursuant to Regulation 36(3) of SEBI (LODR) Regulations for Directors retiring by rotation and being eligible offers themselves for reappointment

1. Brief resume of Mr.Vikas Munoth and nature of his expertise in specific functional areas:

Mr. Vikas Munoth is retiring by rotation at this Annual General Meeting and being eligible offers himself of reappointment

Mr. Vikas Munoth, aged 45 years (Date of Birth : 26/03/1977) holds a Bachelor Degree in Commerce and holds a post-graduate diploma in Business Management specializing in Finance and Marketing. He is also a Chartered Financial Analyst and specialises in fundamental and technical analysis. He has extensive

years of experience and knowledge in the field of Capital Markets. He was appointed as whole time Director on September 27, 2001.He is also the Director of Munoth Communication Limited and Munoth Industries Limited.

As on March 31, 2022, his shareholding in the Company is 10,14,500 shares and has no shares held by/ for other persons on a beneficial basis.

He has attended all the 5 board meetings held on 28/05/2021; 19/07/2021; 10/08/2021; 12/11/2021 and 08/02/2022 by the company

Disclosure of relationships between directors inter-se: Mr. Lalchand Munoth is the father of Mr. Vikas Munoth and Mr. Bharat Munoth& Mr. Jaswant Munoth are brothers of Mr. Vikas Munoth.

2. Brief resume of Mr. Bharat Munoth and nature of his expertise in specific areas.

Mr. Bharat Munoth is retiring by rotation at this Annual General Meeting and being eligible offers himself of reappointment. Mr. Bharat Munoth, aged 52 years (DOB:02/03/1970) is a commerce graduate and he has extensive knowledge and experience in the field of finance and investments. He is the director of the company since 1992.He is also the director of Munoth Communication Limited, Munoth Bioscience Limted, South India chemicals and Leasing Private Limited, Maharana Finance and Investments Private Limited and Shankeswar Finance and Investments Private Limited.

As on March 31, 2022, his shareholding in the Company is 7,17,900 shares and has no shares held by/ for other persons on a beneficial basis.

He has attended all the 5 board meetings held on 28/05/2021; 19/07/2021; 10/08/2021; 12/11/2021 and 08/02/2022 by the company

Disclosure of relationships between directors inter-se: Mr. Lalchand Munoth is the father of Mr Bharat Munoth and Mr. Jaswant Munoth & Mr. Vikas Munoth are brothers of Mr. Bharat Munoth.

DECLARATION OF INDEPENDENT DIRECTORS:

The independent Directors have confirmed and declared that they are not disqualified to act as an independent Director in compliance with the provisions of Section 149 of the Companies Act., 2013.

ADEQUACY OF INTERNAL CONTROL, FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

STATUTORY AUDITORS :

Members of the Company at the AGM held on August 24, 2021 had approved the appointment of M/s. Kumbhat & Co., Chartered Accountants as Statutory Auditors from the conclusion of 30th AGM up to 31st AGM to be held in 2022. The reappointment of M/s. Kumbhat & Co., as Statutory auditors for a period of 5 years from the conclusion of 31st AGM upto 36th AGM to be held in 2027 is placed under item 4 for the approval of shareholders in the accompanying notice.

SECRETARIAL AUDIT REPORT:

The Board of Directors in their meeting held on July 2, 2022 has

1. Noted the resignation of Mr. N Selvam, the secretarial auditor of the Company as he is not entitled to certify the secretarial audit report for financial year 2021-2022, due to peer review guidelines issued for Practicing Company Secretaries.

2. Appointed Mr. V Ramasubramanian (cop : 11325 and Peer Review Certificate No: 1579 / 2021) as Secretarial auditor of the Company to do the secretarial audit for the financial year 2021-22

A Secretarial Audit was conducted in accordance with provisions of section 204 of the Companies Act, 2013 and the Secretarial Audit Report dated 02/07/2022 given by Mr. V Ramasubramanian is attached as Annexure 3 and forms a part of the report of the Directors.

COST AUDIT:

Cost Audit is not applicable to the Company for the financial year 2021-22.

EXPLANATION / COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS.

There were no comments or observations or adverse remarks made by the Auditor or Practicing Company Secretary in their reports.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) as and when it was applicable.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary or Joint venture Company. The nil disclosure in Form No. AOC 1 is enclosed as Annexure 4.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

In line with the requirements of the Companies act, 2013 and equity listing Regulation, the Company has formulated a policy on Related Party transactions which is also available on Company's website at www.munothfinancial.com. The policy intends to ensure that proper reporting, approval and disclosure procedures are in place for all transactions between the Company and Related Parties.

All Related Party transactions are placed before the Audit Committee for review and approval, Prior omnibus approval is obtained for Related Party transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length.

The disclosures for the financial year in Form No . AOC.2, if any is enclosed as Annexure 5.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE:

There are no persons employed in the Company during the year or for part of the year who were in receipt of remuneration in excess of the limits set out in Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with in terms of provisions of Section 197(12) of the Companies Act, 2013.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014 are provided in the Annual Report as Annexure 6.

VIGIL MECHANISM:

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Regulation, includes an Ethics & Compliance Task Force comprising Senior Executives of the Company. The policy on vigil mechanism and whistle blower policy may be accessed on the company's website www. munothfinancial.com.

CORPORATE GOVERNANCE REPORT:

Pursuant to Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance is not applicable to the Company for the financial year 2021-22 since the NetWorth is below 25 Crores and the Paid up Capital of the Company is less than 10 Crores.

STOCK EXCHANGES:

The Company's shares are listed on BSE.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Board of Directors and the designated employees have confirmed compliance with the code.

GENERAL:

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise
2. Issue of shares (including sweat equity shares) to employees of the company and ESOS under any scheme
3. The company does not have any subsidiaries and hence the disclosure stating that the Managing Director / whole Time Director of the Company not receiving any remuneration or commission for subsidiary is not applicable.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS:

Your Directors would like to express their gratitude to the Shareholders, vendors, bankers and customers for their support and co-operation. They wish to thank all the employees of the Company for their sincere and dedicated services.

For and on behalf of the Board of Directors

Place : Chennai
Date : 27-05-2022**

Jaswant Munoth
Managing Director
(DIN : 00769545)

Vikas Munoth
Whole Time Director
(DIN : 00769366)

(** This report was modified and taken for board approval on 2nd July 2022)

ANNEXURE 1

Nomination and Remuneration Policy

The Remuneration/Compensation Committee of Munoth Financial Services Limited ("the Company") was renamed as Nomination and Remuneration Committee by the Board at its meeting held on March 31, 2015.

1. OBJECTIVE The Nomination and Remuneration Committee and this Policy are in compliance with Section 178 of the Companies Act, 2013 ("**The Act**") read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

The key objectives of the Committee are:

1.1 To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

1.2 To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

1.3 To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

1.4 To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

1.5 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and to assist the Board in fulfilling its responsibilities.

2. DEFINITIONS

2.1 **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

2.2 **Board** means Board of Directors of the Company.

2.3 **Directors** mean Directors of the Company.

2.4 **Key Managerial Personnel** means Chief Executive Officer or the Managing Director or the Manager; Whole-time director; Chief Financial Officer; Company Secretary; and such other officer as may be prescribed.

2.5 **Senior Management** means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

3. ROLE OF COMMITTEE

3.1 The role of the Committee inter alia will be the following:

a. to formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b. to recommend to the Board the appointment and removal of Senior Management

c. to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.

d. to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.

e. to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

f. ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

g. to devise a policy on Board diversity.

h. to develop a succession plan for the Board and to regularly review the plan.

Policy for appointment and removal of Director, KMP and Senior Management

3.2 Appointment criteria and qualifications

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

3.3 Term / Tenure

a) Managing Director/Whole-time Director : The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director: An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it shall be ensured that number of Boards on which such Independent Director serves is as may be prescribed under the Act and / or the Listing Agreement.

3.4 Evaluation The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.5 Removal Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

3.6 Retirement The Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.7 Policy relating to the Remuneration for the Managing / Whole-time Director, KMP and Senior Management Personnel:

The Remuneration Policy of the Company for managerial personnel is primarily based on the following:

- Performance of the Company,
- potential of individual and,
- External competitive environment.

General

a. The remuneration/compensation/commission, etc., to the Managing / Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval at the time of appointment. The remuneration / compensation / commission etc. of the Managing / Whole Time Director shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b. The remuneration and commission to be paid to the Whole-time Directors shall be in accordance with the provisions of the Act.

c. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which would be within the limits approved by the Shareholders in the case of Whole-time Directors and as per the Policy of the Company in case of others.

d. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Managing / Whole-time Director, KMP and Senior Management Personnel:

a. Fixed pay: The Managing / Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c. Provisions for excess remuneration: If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without appropriate approvals, the Committee shall recommend the due course of action to the Board as and when required.

Remuneration to Non- Executive / Independent Director

a. Remuneration / **Commission**: The remuneration / commission shall be fixed as per the limits and conditions mentioned by the Company and the Act.

b. Sitting Fees: The Non- Executive / Independent Director may receive Sitting fees for attending meetings of Board or Committee thereof, provided that the amount of such fees shall not exceed the amount as may be prescribed by the Central Government from time to time.

c. Commission: Commission may be paid subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d. Stock Options: An Independent Director shall not be entitled to any stock option of the Company.

4. NOMINATION COMMITTEE FUNCTIONS:

The functions of the Committee in relation to nomination matters include:

a. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

b. Ensuring that on appointment to the Board, independent directors receive a formal letter of appointment in accordance with the guidelines provided under the Act;

c. Identifying and recommending Directors who are to be put forward for retirement by rotation.

d. Determining the appropriate size, diversity and composition of the Board;

e. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

f. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

g. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

h. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

i. Delegating any of its powers to one or more of its members or the Secretary of the Committee;

j. Recommend any necessary changes to the Board; and

k. Considering any other matters, as may be requested by the Board.

5. **REMUNERATION COMMITTEE FUNCTIONS**

The function of the Committee in relation to remuneration matters include:

a. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

b. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

c. to delegate any of its powers to one or more of its members or the Secretary of the Committee.

d. to consider any other matters as may be requested by the Board.

e. Professional indemnity and liability insurance for Directors and senior management.

6. **MEMBERSHIP** The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent. Minimum two members shall constitute a quorum for the Committee meeting. Membership of the Committee shall be disclosed in the Annual Report. Term of the Committee shall be continued unless terminated by the Board of Directors.

7. **CHAIRPERSON** The Chairperson of the Committee shall be an Independent Director. The Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

8. **FREQUENCY OF MEETINGS** The meeting of the Committee shall be held at such regular intervals as may be required.

9. **OTHERS**

a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

b. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

c. The Company Secretary of the Company shall act as Secretary of the Committee.

d. Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

For and on behalf of the Board of Directors

Place : Chennai
Date : 27-05-2022

Jaswant Munoth
Managing Director
(DIN : 00769545)

Vikas Munoth
Whole Time Director
(DIN : 00769366)

ANNEXURE 2

MANAGEMENT DICUSSION AND ANALYSIS (MD &A)

Industry Structure and developments:

Financial year 2021- 2022 had seen one of the sharpest rallies from the lows of the pandemic. It was expected that the markets would give low to stable returns in FY22. However, Nifty returns at 18.88% was flattering, especially coming after a solid FY2020-2021. The big impact in the stock market for the financial year has been

a) Oil prices were a major headwind for the Indian markets. With Brent crude prices rallying all the way high, the problem gets compounded for India as nearly 85% of daily oil needs are met through imports.

b) FPI selling was much higher in the secondary markets and the domestic inflows and a huge retail equity push saved the blushes.

c) Indian industries like FMCG, automobiles and chemicals saw a sharp surge in costs amidst rising commodity inflation and resultant compression of operating margins.

d) Towards the last quarter of FY22, the geopolitical situation deteriorated into a full-fledged war between Russia and Ukraine. It opens a number of possibilities from impact of sanctions on Russia to the implications of Russia shifting to gold standard and the implications for oil prices globally.

e) Finally, the spectre of COVID-19 appears to be waning and the Indian economy is all set to return to pre-COVID normalcy. However, there have been some disconcerting signals from China of a relapse of COVID and the likelihood of stringent lockdowns.

Opportunities & Threats

The company seeks opportunities in capital market and the volatility in the stock indices in the financial year under review represents both an opportunity as well as challenge to the company and the business is also affected by the sentiments prevailed in the stock markets

The company is empanelled with banks and insurance companies to cater to institutional broking business.

Segment- wise product performance

The Company's business activities are all related to capital market segment and can be considered as single segment company

Concerns, Risk and outlook

The stock market has reflected the sentiments this pandemic unleashed upon investors, foreign and domestic alike. Companies have scaled back; layoffs have multiplied and employee compensations have been affected resulting in negligible growth in the last couple of months. Certain sector such as hospitality, tourism and entertainment have been impacted adversely and stocks of such companies have taken a great hit.

Risks can come from (i) rising oil prices, (ii) rising interest rates in the US and (iii) synchronous global market correction as US multi-year economic expansion is behind.

Indian stock market's optimistic outlook has a lot to do with low interest rates globally and optimism around vaccines. A pro-expansionary Budget has led investors to believe earnings growth will follow government investments sooner or later. These things have led to new highs for Nifty. Incremental macro data suggests an improvement in economic activity and better utilization. With vaccination for Covid-19 pandemic already rolling out, the spread is believed to be contained.

Adequacy of Internal Controls:

The Company follows an extensive internal control system to ensure that prudential business policies are followed regularly in managing existing clientele and developing new business contacts. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Audit committee reviews the adequacy of internal control system on regular basis

Financial Performance:

REVIEW OF BUSINESS OPERATIONS:

During the financial year 2021-22, the Company's total revenue has increased to INR 67.72 lakhs from INR 55.34 lakhs in the previous financial year.

The Company has made a loss of INR 4.85 Lakhs in the current financial year as against a loss of INR 10.21 Lakhs in the last financial year.

Stock Broking:

Income from stock broking operations has decreased to INR 35.86 Lakhs from INR 41.87 Lakhs in the previous financial year.

The Company provides institutional broking business and is empanelled with several public sector banks and insurance companies.

Depository participant:

As a Depository Participant the company offers facilities to both institutional and retail investors to maintain their investments in securities in electronic form. Income from Depository operations has increased to INR 6.26 Lakhs from INR 5.18 Lakhs in the previous financial year.

Merchant Banking & Portfolio Management Services:

The Company continues to provide PMS Advisory services.

The Company's MBD division is providing valuation services in accordance with the requirement of the various acts/statutory requirements.

Income from Merchant Banking & PMS has increased to INR 11.95 Lakhs as against INR 6.62 Lakhs in the previous year.

FUTURE PROSPECTS

The company will continue to focus on Investment Banking, PMS Advisory services and Institutional Broking business.

Human Resource Development:

The Company has a team of able and experienced professionals and the Company considers that the main strength is its human resources, who create a climate to suit its growth and excellence.

Cautionary Statement

Statements in the Management Discussion and Analysis regarding the Company's objectives, estimates and expectations are within the scope of applicable laws and regulations. Actual performance might differ from those either expressed or implied.

For and on behalf of the Board of Directors

Place : Chennai
Date : 27-05-2022

Jaswant Munoth
Managing Director
(DIN : 00769545)

Vikas Munoth
Whole Time Director
(DIN : 00769366)

ANNEXURE 3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,

The Members,
Munoth Financial Services Limited

I have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to Good Corporate Practices by **M/s Munoth Financial Services Limited** (CIN: L65991TN1990PLC019836) (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate Conducts / Statutory Compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2022 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:
4. Foreign Exchange Management Act (FEMA), 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
   - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
   - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
   - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
   - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) regulations, 2009; and
   - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; as applicable

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

(i) Secretarial Standards (SS) SS-1 for Board Meetings and SS-2 for General Meetings issued by The Institute of Company Secretaries of India in terms of sub-section 10 of Section 118 of the Companies Act, 2013, for the Financial Year under review.

(ii) The Listing Agreements/ Listing Regulations entered into by the Company with BSE.

I further report that, based on the information provided by the Company, its Officers and Authorised Representatives during the conduct of audit, and also on review of Quarterly Compliance Reports submitted by the Officers, in my opinion, adequate systems and processes and control mechanism exists in the Company to monitor and ensure compliance with other applicable laws such as Labour Laws, etc.

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

I have not examined the compliance by the Company with the applicable Financial Laws, viz. Direct and Indirect Tax Acts, since the same have been subject to review by the Statutory Auditors and other designated Professionals.

I further report that:

i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. During the year, there were no changes in the composition of the Board of Directors of the Company.

(ii) Constituted the Audit Committee of the Board of Directors in terms of the provisions Section 177 of the Companies Act, 2013;

(iii) Constituted Nomination and Remuneration Committee of the Board of Directors and has formulated "Nomination and Remuneration Policy" in terms of the provisions of Section 178 of the Companies Act, 2013 and the Rules made thereunder;

(iv) Further, the Company has appointed M/s Kumbhat & Co., Chartered Accountants, as the Statutory Auditors of the Company to fill up the casual vacancy caused by the resignation of M/s C K Prusty, Chartered Accountants, for a period commencing from the conclusion of the 30th Annual General Meeting held on August 24, 2021 till the conclusion of 31st Annual General Meeting of the Company.

(v) Considered and approved the "Code of Business Conduct and Ethics" of the Company framed in terms of the provisions of Section 149 read with Schedule IV of the Companies Act, 2013.

(vi) Adequate notice was given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

vii) Majority decision is carried through while the dissenting Members' views are captured and recorded as part of the Minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period, the Company has not issued / carried out

(i) Public / Right / Preferential Issue of Shares / Debentures / Sweat Equity etc.

(ii) Redemption / Buy-back of securities.

(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iv) Merger / Amalgamation / Reconstruction etc.

(iv) Foreign Technical Collaboration Agreement.

I further report that during the audit period, there were no other specific events/ actions in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. having a major bearing on the Company's affairs.

Chennai
2nd July 2022

V Ramasubramanian
Practising Company Secretary
ACS No: 5890
COP No: 11325
Peer Review Certificate No: 1579/2021
UDIN: A005890D000557419

Annexure 4

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.) NA

Sl. No.	Particulars	Details
1.	Name of the subsidiary	
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreignsubsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Notes: The following information shall be furnished at the end of the statement:
1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures NA

The Company does not have any Subsidiary or Joint venture Company.

Name of associates/Joint Ventures			
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Net worth attributable to shareholding as per latest audited Balance Sheet 6. Profit/Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations. - NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year. - NIL

For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

LALCHAND MUNOTH
Chairman
(DIN : 01693640)

JASWANT MUNOTH
Managing Director & CEO
(DIN : 00769545)

[M.V. CHANDRAMOULEESWARAN]
Partner
M.NO: 202629
UDIN:22202629AKSKCT7796

A. G. NANDINI
Company Secretary

BHARAT MUNOTH
Director & CFO
(DIN : 00769588)

VIKAS MUNOTH
Whole time Director
(DIN : 00769366)

PLACE : CHENNAI
DATE : 27-05-2022

ANNEXURE 5

FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

Name of the related party	Nature of relationship	Nature of transactions	Transaction value 'Rs. in '000s
Vikas Munoth	Director	Sale of Munoth Industries limited shares	240
		Loan (Net amount) received from Director during the FY	690

The duration of the transaction is FY- 2021- 22
Salient terms of transaction including the value if any; Regular and ordinary course of business.
Date of Approval by the Board, if any: Sale of shares NA; Loan from Director: 10/08/2021
Amount paid as advances, if any : Nil

For and on behalf of the Board of Directors

Place : Chennai
Date : 27-05-2022

Jaswant Munoth
Managing Director
(DIN : 00769545)

Vikas Munoth
Whole Time Director
(DIN : 00769366)

ANNEXURE 6

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Lalchand Munoth NA Mr. Jaswant Munoth NA Mr. Bharat Munoth NA Mr. Vikas Munoth NA Mr. Ajit Kumbhat NA Ms. Lakshika Mehta NA Mr. Sakthivelmurugan Masagounder NA
(ii)	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Mr. Lalchand Munoth: NA Mr. Jaswant Munoth: NA Mr. Bharat Munoth: NA Mr. Vikas Munoth: NA Ms. Lakshika Mehta NA Mr. Sakthivelmurugan Masagounder NA Ms. A G Nandini: No Increase
(iii)	the percentage increase in the median remuneration of employees in the financial year	No Increase
(iv)	the number of permanent employees on the rolls of company	12
(v)	the explanation on the relationship between average increase in remuneration and company performance	No increase in the FY and hence NA
(vi)	comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of Key Managerial Personnel: INR 6.025 Lakhs (for Company secretary Net loss of the Company for the year is INR 4.85 lakhs
(vii)	variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, thevariations in the net worth of the company as at the close of the current financial year and previous financial year	The market capitalisation as on 18/02/2022 (Last traded date) was Rs. 883.78 Lacs (last year as on 12/03/2021 was Rs. 991.11 Lacs) NA The Company had come out with the Initial Public Offer (IPO) in June 1996 is at Rs. 10/- per share, As on 12/03/2021, the market price per share is Rs.19.30/- per share

(viii)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	No increase in Remuneration
(ix)	comparison of the each remuneration of the Key Managerial Personnel against the Performance of the company	A G Nandini -6.025 Lakhs p.a Net loss of the Company for the year is INR 4.85 lakhs
(x)	the key parameters for any variable component of remuneration availed by the directors	No variable component of remuneration availed by directors
(xi)	the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	No remuneration paid to any Director during the Financial Year
(xii)	affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration is as per the remuneration policy of the Company.

Details of the employees of the Company - Pursuant to section 197 (Rule 5) of the Companies act 2013

The Company does not have employee who is drawing more than Rs. 60 Lakhs per annum during the year.

For and on behalf of the Board of Directors

Place : Chennai
Date : 27-05-2022

Jaswant Munoth
Managing Director
(DIN : 00769545)

Vikas Munoth
Whole Time Director
(DIN : 00769366)

CEO AND CFO CERTIFICATION

The Board of Directors,
Munoth Financial Services Limited,
343, Triplicane High Road,
Triplicane,
Chennai - 600 005.

Certificate by Chief Executive Officer and Chief Financial Officer

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2022 and that to the best of our knowledge and belief, we hereby certify that

1. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading.

2. These statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

3. That, there are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

4. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we were aware and the steps that we have taken or propose to take to rectify the identified deficiencies and

5 We have informed the auditors and the audit committee that

- There were no significant changes in internal control during the year
- There were no significant changes in accounting policies during the year
- There has been no instances of fraud.

6. We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the financial year.

For and on behalf of the Board of Directors

Place : Chennai
Date : 27-05-2022

Jaswant Munoth
Managing Director
(DIN : 00769545)

Bharat Munoth
Director & CFO
(DIN : 00769588)

INDEPENDENT AUDITOR'S REPORT

To the Members of Munoth Financial Services Limited

Opinion

We have audited the financial statements of Munoth Financial Services Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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. We did not come across any matter of such material significance to be reported in this section.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the financial statements, management 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Materiality is the magnitude of misstatements in the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a

statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,

e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

   In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   1. The Company has no pending litigations which would have a material impact on its financial position.

   2. The Company has not entered into any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   3. There has not been an occasion in case of the company during the year under report to transfer of any sums to the Investor Education and Protection Fund by the Company. The question of delay in transferring such sums does not arise.

   4. 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.

5. 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 Kumbhat and co
Chartered Accountants
FRN: 001609S

[M.V. Chandramouleeswaran]
Partner
M NO: 202629
UDIN: 22202629AKSKCT7796

Place: Chennai.
Date: 27-05-2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of MUNOTH FINANCIAL SERVICES LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Munoth Financial Services Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting,

assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kumbhat and co
Chartered Accountants
FRN: 001609S

[M.V. Chandramouleeswaran]
Partner
M NO: 202629
UDIN: 22202629AKSKCT7796

Place: Chennai.
Date: 27-05-2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the member of M/s. Munoth Financial Services Limited of even date)

1. (a) In our opinion and according to the inform ation and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment and intangible assets.

   (b) The property, plant and equipment of the Company were physically verified by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.

   (c) In our opinion and according to the information and explanations given to us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

   (d) The Company has not revalued its property, plant and equipment (including right of use asset) during the year. Accordingly, paragraph 3 (i) (d) of the Order is not applicable.

   (e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, paragraph 3 (i) (e) of the Order is not applicable.

2. (a) The Company is a service company, primarily rendering financial services. Accordingly, it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable.

   (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable.

3. In our opinion and according to information and explanation given to us, the Company has not made investments in/ provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, paragraph 3 (iii) of the Order is not applicable.

4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Accordingly, paragraph 3 (v) of the Order is not applicable.

6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.

7. In our opinion and according to the information and explanations given to us:

   (a) Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

   (b) No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax,

cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(c) There are no statutory dues referred to in sub-clause (a), which have not been deposited on account of dispute.

8. In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.

9. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) In our opinion and according to the information and explanations given to us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the term loans not obtained during the year.

(d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.

(e) The Company does not have any subsidiaries/ associates/ joint-ventures and accordingly, paragraphs 3 (ix) (e) and 3 (ix) (f) of the Order are not applicable.

(f) In our opinion and according to the information and explanations 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.

10. (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable.

11. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.

(b) Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.

(c) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.

12. The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.

13. In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system, commensurate with the size and nature of its business.

(b) The reports of the internal auditors for the year under audit were considered by us, as part of our audit procedures.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.

16. (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act

    (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934

    (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.

    (d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.

17. The Company has incurred cash losses (Net Profit before Taxes and Depreciation) of Rs.246.40 ('000) and Rs.629.62 ('000), respectively, in the financial year and in the immediately preceding financial year.

18. There has been resignation of the statutory auditors during the year and we have taken in to consideration the issues, objections or concerns raised by the outgoing auditors.

19. In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the board of directors and management plans, there are no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20. (a) In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there are no unspent amounts to be transferred to a fund specified in Schedule VII to the Act.

    (b) In our opinion and according to the information and explanations given to us, there are no amount remaining unspent under sub-section (5) of section 135 of the Act, pursuant to any ongoing project, to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

21. In our opinion and according to the information and explanations given to us, the Company does not have investments in subsidiaries/ associates or joint venture companies. Accordingly, paragraph 3 (xxi) of the Order is not applicable.

For Kumbhat and co
Chartered Accountants
FRN: 001609S

[M.V. Chandramouleeswaran]
Partner
M NO: 202629
UDIN: 22202629AKSKCT7796

Place: Chennai.
Date: 27-05-2022

BALANCE SHEET AS AT MARCH 31, 2022

Particulars	Note	As at March 31,2022 (Rs. In 000's)	As at March 31, 2021 (Rs. In 000's)
ASSETS			
(1) **Non- Current Assets**			
(a) Property Plant and Equipment	2	40,104.28	40,063.76
(b) Other Intangible Assets	3	127.23	190.65
(c) Financial Assets			
(i) Investments	4	51,441.25	48,575.62
(ii) Others	5	11,970.00	10,680.00
(d) Deferred Tax Assets (Net)	6	679.83	689.99
(e) Other Non Current Assets	7	1,837.21	2,258.42
(2) **Current Assets**			
(a) Financial Assets			
(i) Trade receivables	8	1,681.33	2,191.45
(ii) Cash and cash equivalents	9	5,397.12	13,215.44
(iii) Other Financial Assets	10	96.86	97.57
(b) Current Tax assets (Net)	11	78.88	23.45
(c) Other Current Assets	12	6,203.05	8,495.42
Total		**119,617.04**	**126,481.77**
EQUITY AND LIABILTIES			
(1) **Equity**			
(a) Equity Share Capital	13	51,353.00	51,353.00
(b) Other Equity	14	52,352.10	50,846.06
Total Equity		103,705.10	102,199.06
(2) **Non Current Liabilities**			
(a) Provisions	15	792.54	730.18
		792.54	730.18
(3) **Current Liabilities**			
(a) Financial Liabilities			
(i) Trade Payables	16		
(i) Total Outstanding dues of micro enterprises and small enterprises; and		-	-
(ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises.		10,460.05	19,524.70
(ii) Short Term Borrowings	17	2,701.86	2,251.86
(iii) Other Financial Liabilities	18	1,577.20	1,399.00
(b) Other Current Liabilities	19	289.47	292.05
(c) Provisions	20	90.82	84.92
		15,119.40	23,552.53
Total Liabilities		15,911.94	24,282.71
Total		**119,617.04**	**126,481.77**
Significant Accounting Policies	1		

The Notes 1 to 41 forms integral part of this Balance Sheet.

As per our report of even date attached

For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

LALCHAND MUNOTH
Chairman
(DIN : 01693640)

JASWANT MUNOTH
Managing Director & CEO
(DIN : 00769545)

[M.V. CHANDRAMOULEESWARAN]
Partner
M.NO: 202629
UDIN:22202629AKSKCT7796

A. G. NANDINI
Company Secretary

BHARAT MUNOTH
Director & CFO
(DIN : 00769588)

VIKAS MUNOTH
Whole time Director
(DIN : 00769366)

PLACE : CHENNAI
DATE : 27-05-2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

	Particulars	Note	As at March 31, 2022 (Rs. in 000's)	As at March 31, 2021 (Rs.in 000's)
Income				
(1)	Revenue from operations	21	5,407.66	5,368.46
(2)	Other Income	22	1,364.17	165.92
	Total Revenue (1)+(2)		**6,771.83**	**5,534.38**
(3	Expenses			
	(i) Employee benefit expenses	23	2,780.04	2,765.05
	(ii) Finance Cost	24	56.94	56.15
	(iii) Depreciation & Amortisation	2 & 3	228.82	344.20
	(iv) Other expenses	25	4,181.25	3,342.80
	Total Expenses		**7,247.05**	**6,508.20**
(4)	Profit/(Loss) before exceptional and tax (1)+(2)-(3)		(475.22)	(973.82)
(5)	Exceptional Items		-	-
(6)	Profit/(Loss) before exceptions and tax (4)-(5)		**(475.22)**	**(973.82)**
(7)	Less: Tax expense:			
	(a) Current tax		-	-
	(b) Deferred tax		10.16	47.61
(8)	Profit (Loss) for the period from continuing operations		**(485.38)**	**(1,021.43)**
(9)	Profit/(loss) from discontinued operations		-	-
(10)	Tax expenses of discontinued operations		-	-
(11)	Profit/(loss) from Discontinued operations (after tax)		-	-
(12)	Profit/(loss) for the period (IX+XII)		**(485.38)**	**(1,021.43)**
(13)	Other Comprehensive Income			
	(i) (a) Items that will not be reclassified to Profit or Loss			
	Changes in fair value of FVOCI Equity Instruments		1,920.00	525.00
	Re-measurement of Post Employement Defined Benefit Plan		71.42	238.65
	(b) Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
	(ii) (a) Items that will be reclassified to Profit or Loss		-	-
	(b) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
(14)	Total Comprehensive Income for the period		**1,506.04**	**(257.78)**
	Earnings per equity share (for continuing operation)			
	(i) Basic		**(0.09)**	**(0.20)**
	(ii) Diluted		**(0.09)**	**(0.20)**
	Earnings per equity share (for discontinued operation)			
	(i) Basic		-	-
	(ii) Diluted		-	-
	Earnings per equity share (for discontinued & continuing operation)			
	(i) Basic		**(0.09)**	**(0.20)**
	(ii) Diluted		**(0.09)**	**(0.20)**

The Notes 1 to 41 forms integral part of this Statement of Profit and Loss.

As per our report of even date attached
For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

LALCHAND MUNOTH
Chairman
(DIN : 01693640)

JASWANT MUNOTH
Managing Director & CEO
(DIN : 00769545)

[M.V. CHANDRAMOULEESWARAN]
Partner
M.NO: 202629
UDIN:22202629AKSKCT7796

A. G. NANDINI
Company Secretary

BHARAT MUNOTH
Director & CFO
(DIN : 00769588)

VIKAS MUNOTH
Whole time Director
(DIN : 00769366)

PLACE : CHENNAI
DATE : 27-05-2022

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

		March 31, 2022 (Rs. In 000's)	March 31, 2021 (Rs. In 000's)
I	**Cash flow from operating activities**		
	Profit from Continuing Operations	(485.38)	(1,021.43)
	Adjustments for:		
	Other Comprehensive Income		
	Depreciation	228.82	344.20
	Deferred Tax Liability	-	-
	Dividend Income	(6.00)	(2.49)
	Gain on Sale of Motor Vehicle	-	-
	(Profit)/ Loss on sale of Investments	-	-
	Gain from preference Shares	-	-
	Loss/ (Gain) on fair value of Investments	(1,185.18)	(0.48)
	Interest Income	(130.82)	(162.94)
	Fixed Asset Written off	6.19	1.83
	Provision for gratuity	139.68	97.17
	Trade Payables Written back	(1.43)	-
	Trade Receivables Written off	14.65	200.45
	Investment Written off	-	15.00
	Provision for Bonus	-	8.00
	Deposits Written off	230.00	-
	AMC Charges Receivables Written off	500.00	-
	Income Tax Refund Written off	118.29	-
	Operating profit before working capital changes	(571.17)	(520.68)
	Changes in Operating assets/ liabilities: -		
	Adjustments for (increase)/ decrease in operating assets		
	Decrease/(increase) in Trade Receivables	(4.53)	149.44
	Decrease/(increase) in Other Financial Assets	(1,519.76)	(22.93)
	Decrease/(increase) in Other Current Assets	2,236.94	(7,730.19)
	Decrease/(increase) in Other Non Current Assets	302.92	(560.00)
	Adjustments for Increase/ (Decrease) in operating liabilities		
	(Decrease)/increase in other current liabilities	(2.57)	4.60
	(Decrease)/increase in Trade Payables	(9,063.23)	18,100.93
	(Decrease)/increase in Other Financial Liabilities	178.20	50.17
	(Decrease)/increase in deferred tax liability	10.16	47.61
	Cash generated from operations	(8,433.04)	9,518.94
	Less: Taxes Paid (Net of Refund Received)		(48.78)
	Net cash from operating activities (A)	**(8,433.04)**	**9,567.72**

		March 31, 2022 (Rs. In 000's)	March 31, 2021 (Rs. In 000's)
II	**Cash flow from investing activities**		
	Proceeds from Sale of Quoted Investments	-	-
	Interest Received	130.82	162.94
	Purchase of Fixed Assets	(212.10)	(72.21)
	Dividend Receipts	6.00	2.49
	Proceed from Redemption of Preference Shares	-	-
	Proceed from Sale of Unquoted Shares	240.00	-
	Proceeds from Sale of Fixed Assets	-	-
	Net cash used in investing activities (B)	**164.72**	**93.22**
III	**Cash flow from financing activities**		
	Loan Taken	450.00	1,550.00
	Net cash (used)/generated in financing activities (C)	**450.00**	**1,550.00**
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**(7,818.32)**	**11,210.94**
	Cash and Cash Equivalents at the beginning of the year	13,215.44	2,004.50
	Less: Decrease in Cash and Cash Equivalents which are existed from more than 3 Months	-	-
	Cash and Cash Equivalents at the end of the year	**5,397.12**	**13,215.44**
IV	**Reconciliation of Cash and Cash Equivalents with the Balance Sheet**		
	Cash and Cash Equivalents as per the Balance Sheet	**5,397.12**	**4,504.50**
	Less: Bank Balance not considered as Cash & Cash Equivalents	-	2,500.00
	Net Cash and Cash Equivalents	**5,397.12**	**2,004.50**
	Components of Cash and Cash Equivalents		
	Cash in Hand	158.94	180.32
	Balances with Scheduled Banks		
	- Current Account	5,238.18	13,035.12
	Closing Cash and Cash Equivalents	**5,397.12**	**13,215.44**

As per our report of even date attached
For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

LALCHAND MUNOTH
Chairman
(DIN : 01693640)

JASWANT MUNOTH
Managing Director & CEO
(DIN : 00769545)

[M.V. CHANDRAMOULEESWARAN]
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Director & CFO
(DIN : 00769588)

VIKAS MUNOTH
Whole time Director
(DIN : 00769366)

PLACE : CHENNAI
DATE : 27-05-2022

Statement of Changes in Equity for the Year ended March 31, 2022

A :Equity Share Capital **Rs. in '000**

Current Reporting Period

Balance at the beginning of the current reporting period	Changes in Equity Shares capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share capital during the current year	Balance at the end of the current reporting period
51,353.00	-	-	-	51,353.00

Previous Reporting Period

Balance at the beginning of the current reporting period	Changes in Equity Shares capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share capital during the current year	Balance at the end of the current reporting period
51,353.00	-	-	-	51,353.00

B : Other Equity **Rs. in '000**

Current Reporting Period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve (Share Forfeiture Amount)	Securities Premium	Revaluation Reserve	Other Compre-hensive Income	Retained Earnings	Debt instruments through Other Compre-hensive Income	Equity Instruments through Other Compre hensive Income	Effective Portion of cashflow Hedges	Re-measure ment of Post Employe ment Defined Benefit Plan	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign Operation	Other Items of Other Compre-hensive Income (Specify Nature)	Money received against share warrants
Balance as at 31.03.2021	-	-	259.50	20,250.00	35,976.57	25,547.62	(31,187.63)								
Changes in accounting policy/ principles or period errors							-								
restated balance at the end of the reporting period							-								
Profit on sale of Investments			-	-	-	1,991.42	(485.38)		1,920.00		71.42				
Total Comprehensive Income for the year															
Dividends															
Transfer to retained earnings															
Balance at 31.03.2022			259.50	20,250.00	35,976.57	27,539.04	(31,673.01)								

B : Other Equity **Rs. in '000**

Previous Reporting Period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve (Share Forfeiture Amount)	Securities Premium	Revaluation Reserve	Other Compre-hensive Income	Retained Earnings	Debt instruments through Other Compre-hensive Income	Equity Instruments through Other Compre hensive Income	Effective Portion of cashflow Hedges	Re-measure ment of Post Employe ment Defined Benefit Plan	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign Operation	Other Items of Other Compre-hensive Income (Specify Nature)	Money received against share warrants
Balance as at 31.03.2020	-	-	259.50	20,250.00	35,976.57	24,783.97	(30,166.20)								
Changes in accounting policy/ principles or period errors															
restated balance at the end of the reporting period							-								
Profit on sale of Investments							-								
Total Comprehensive Income for the year			-	-	-	763.65	(1,021.43)		525.00		238.65				
Dividends															
Transfer to retained earnings															
Balance at 31.03.2021			259.50	20,250.00	35,976.57	25,547.62	(31,187.63)								

CAPITAL RESERVE

Closing Balance of Capital Reserve of Rs. 2,59,500 contains the Profit on Forfeiture of Shares (Number of Shares - 90,700 & Amount of Forfeiture Rs. 2,59,500) which has been transferred from share capital.

REVALUATION RESERVE

This reserve has arisen due to revaluation of Land in the year ended 31.03.2013.

Corporate Information

Munoth Financial Services Limited is a public limited company domiciled in India and Incorporated during the Year 1990, under the provisions of Companies Act, 2013. Its Shares are listed on Bombay Stock Exchange. The Company belongs to the reputed Munoth Group, Chennai. The Company primarily focuses on Stock Broking, DP Operations, Portfolio Advisory Services, Merchant Banking.

1. SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2021

1.1 Basis of preparation

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the ACT") (To the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

(a) certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;

(b) assets held for sale – measured at fair value less cost to sell;

(c) defined benefit plans – plan assets measured at fair value; and

1.2 Current and Non Current Classification

An entity presents current and non-current assets and current and non-current liabilities as separate classifications in its balance sheet except when a presentation based on liquidity provides information that is reliable and is more relevant. When that exception applies, all assets and liabilities are presented broadly in order of liquidity. However, it is to be noted that Schedule III to the Act does not permit presentation in the order of liquidity.

An entity shall classify an asset as current when:

(a) It expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) It holds the asset primarily for the purpose of trading;

(c) It expects to realise the asset within twelve months after the reporting period; or

(d) The asset is cash or a cash equivalent (as defined in Ind AS 7 *Statement of Cash Flows*) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets shall be classified as non-current.

An entity shall classify a liability as current when:

(a) It expects to settle the liability in its normal operating cycle;

(b) It holds the liability primarily for the purpose of trading;

(c) The liability is due to be settled within twelve months after the reporting period; or

(d) It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current.

1.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest thousands (upto two decimals).

1.4 Critical accounting estimates and management judgements

In application of the accounting policies, which are described in note 1, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

1.5 Current Tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

1.6 Deferred Tax Assets (including MAT Credit Entitlement)

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

1.7 Fair Value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

1.8 Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

1.9 Impairment of Non-financial assets (PPE/Intangible Assets)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

1.10 Defined benefit plans and Other long term benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value

of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is high sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

1.11 Fair Value Measurement

The Company has applied the fair value measurement whenever neccessiated at each Balance Sheet date.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market particulars at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability.

ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The Principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best Interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and the best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, Maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole :

Level 1: Quoted (Unadjusted) Market prices in active market for identical assets or liabilities.

Level 2: Valuation Techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3: Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization(based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has designed the respective team leads to determine the policies and procedures for both recurring and Non- recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria include market knowledge, reputation, Independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

1.12 Property, Plant and Equipment and Intangible Assets

On transition to IND AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognized as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment. The Company has provided the depreciation based on the estimated useful life of respective years and as the change in estimated useful life is considered as change in estimate, accordingly there is no impact of this roll back.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a WDV basis over the estimated useful lives of the assets as follows:

Asset Class	Useful Life(No. of years)
Building	60
Plant & Machinery	15
Motor Vehicles (Scooty)	10
Motor Vehicles (Car)	8
Office Equipments	5
Computer	3
Furniture & Fixtures	10

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period/year end, and adjusted prospectively, if appropriate, as they are change in estimates.

After impairment if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. No Depreciation is charged on the Discarded Assets.

1.13 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 25-40 years. The useful life has been determined based on technical evaluation performed by the management's expert.

Fair value of the investment property (as measured for disclosure in the FS) is based on valuation by an independent valuer who holds a recognised and relevent professional qualification and has recent experience in location and category of investment property being valued.

1.14 Intangible Assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

(i) it is technically feasible to complete the software so that it will be available for use

(ii) management intends to complete the software and use or sell it

(iii) there is an ability to use or sell the software

(iv) it can be demonstrated how the software will generate probable future economic benefits

(v) adequate technical, financial and other resources to complete the development and to use or sell the software are available, and

(vi) the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

1.15 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying

amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

1.16 Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds use to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the period/year. Capitalization of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortized cost of a financial liability after considering all the contractual terms of the financial instrument.

1.17 Revenue Recognition

All the incomes of the Company including Brokerage and Commission are accounted for on accrual basis.

Interest income :

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

1.18 Income Taxes

Taxes comprise current income tax and deferred tax.

Current income tax

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

(i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets (including MAT credit) are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

(i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.19 Expenses

Expenses and assets are recognized net of the amount of value added taxes paid such as GST, except:

(i) When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable

(ii) When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

1.20 Provisions General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.21 Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The group operates the following post-employment schemes:

(a) Defined benefit plans such as gratuity, pension, post-employment medical plans; and

(b) Defined contribution plans such as provident fund.

Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Post-employment medical obligations

Some group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

Defined contribution plans

The group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus Plans

The group recognises a liability and an expense for bonuses. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

1.22 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

All financial assets (other than equity investment in subsidiaries and associates) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

(i) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(ii) Equity instruments measured at fair value through profit and loss account (FVTPL)

Equity instruments

All equity investments (other than equity investments in subsidiaries and associates) in scope of Ind AS 109 are measured at fair value. Equity instruments included within the FVTOCI category are measured at fair value with all changes recognized in the other comprehensive income.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

(i) The rights to receive cash flows from the asset have expired, or

(ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either

   (a) The Company has transferred substantially all the risks and rewards of the asset, or

   (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(i) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance

(ii) Financial assets that are debt instruments and are measured as at FVTOCI

(iii) Trade receivables or any contractual right to receive cash or another financial asset

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life off the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, thhen the entity is required to use the remaining contractual term of the financial instrument.

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognized insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognized in profit or loss.

If a financial guarantee is an integral element of debts held by the entity, it is not accounted for separately.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

1.23 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

1.24 Cash flow statement

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Using indirect method, the net profit is adjusted for the effects of(i) Transactions of non-cash nature.(ii) Any deferrals or accruals of past or future operating cash receipts or payments and(iii) Items of income or expense associated with investing or financing cash flows.Cash and cash equivalents (including bank balances) are reflected as such in cash flow statement.

1.25 Earnings per Share

Basic earnings per share are calculated by dividing the net profit for the year by the weighted average number of equity shares outstanding during the year. As at the reporting date, the Company has not issued any potential equity shares, and accordingly, the basic earnings per share and diluted earnings per share are the same.

1.26 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Note 2:
Tangible Assets

Rs. in '000

Particulars	Gross Block				Depreciation				Net Block	
	As on 01.04.2021	Addition/ Acquisition During The Year	Transfer /Sale / Impairment/ Disposal During The Year	Total As on 31.03.2022	Up to 31.03.2021	For the year	Reversal/ Impairment loss	As on 31.03.2022	As on 31.03.2022	As on 1.4.2021
(a) Land	38,456.00	-	-	38,456.00	-	-	-	-	38,456.00	38,456.00
(b) Buildings	3,579.52	-	-	3,579.52	2,422.32	57.18	-	2,479.50	1,100.02	1,157.20
(c) Furniture & Fittings	1,587.44	-	-	1,587.44	1,503.60	2.56	-	1,506.16	81.28	83.84
(d) Motor Vehicle	615.00	-	-	615.00	550.24	25.80	-	576.04	38.96	64.76
(e) Office Equipments	3,210.14	132.71	123.75	3,219.10	3,010.98	29.00	117.56	2,922.42	296.68	199.16
(f) Computers	1,354.39	79.39	-	1,433.78	1,251.59	50.85	-	1,302.44	131.34	102.80
Total CY	**48,802.49**	**212.10**	**123.75**	**48,890.84**	**8,738.73**	**165.39**	**117.56**	**8,786.56**	**40,104.28**	**40,063.76**
Total PY	48,784.58	54.41	36.50	48,802.49	8,606.79	166.62	34.68	8,738.73	40,063.76	40,177.79

Note 3
Intangible Assets

Rs. in '000

Particulars	Gross Block				Depreciation				Net Block	
	As on 01.04.2021	Addition/ Acquisition During The Year	Transfer /Sale / Impairment/ Disposal During The Year	Total As on 31.03.2022	Up to 31.03.2021	For the year	Reversal/ Impairment loss	As on 31.03.2022	As on 31.03.2022	As on 1.4.2021
(a) Softwares	2,176.41	-	-	2,176.41	1,985.76	63.42	-	2,049.18	127.23	190.65
Total CY	**2,176.41**	**-**	**-**	**2,176.41**	**1,985.76**	**63.42**	**-**	**2,049.18**	**127.23**	**190.65**
Total PY	2,158.61	17.80	-	2,176.41	1,808.18	177.58	-	1,985.76	190.65	350.43

Notes forming part of Balance Sheet

NON CURRENT FINANCIAL ASSETS

Note No : 4 **Rs. in '000**

Investments

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
A	**Investments at Fair Value through Profit or Loss**		
	(a) Investment property		
	(b) Investments in Equity Instruments		
	Quoted Shares	4,156.32	2,971.18
	Unquoted Shares	-	-
	(c) Investments in preference shares		-
	Quoted Shares	-	-
	Unquoted Shares	-	-
	(d) Investments in Mutual Funds	14.81	14.27
B	**Investments at Fair Value through Other Comphrehensive Income**		
	(a) Investments in Equity Instruments		-
	Quoted Shares	-	-
	Unquoted Shares	47,270.12	45,590.17
		51,441.25	48,575.62

Quoted (Equity) Instruments (FVTPL)

Scrip Name	Quantityin Rs.	Rate as on 31.03.2021 in Rs.	Total Value Rs. In '000
Antartika ltd	1,000	0.55	0.55
ATV project	300	4.14	1.24
Biofil Chemicals	1,000	65.85	65.85
BTW Industries	100	10.00	1.00
Cable Corporations	1,000	18.70	18.70
Celebrity Fashions	1,873	5.60	10.49
Computer Power	1,84,000	1.15	211.60
CT cotton Yarn	300	10.00	3.00
Dynavision	200	67.50	13.50
Essar Steel	114	10.00	1.14
European software	600	10.00	6.00
Fabworth-Uniowrth textiles	100	3.00	0.30
Herayna petro	400	10.00	4.00
Hind. Lever ltd.	1	2,431.50	2.43
Information Tech ltd.	5,425	5.00	27.13
Innovtion Sec.-ISL Consulting ltd	2,800	11.80	33.04
It people(Commex technolo)	3,636	0.22	0.80
Kirhsna Life-K Life style	1,000	0.19	0.19

Scrip Name	Quantityin Rs.	Rate as on 31.03.2021 in Rs.	Total Value Rs. In '000
Kirloskar Electricals	100	12.35	1.24
L M L	450	10.00	4.50
Manali Petrochemicals	1,200	59.25	71.10
MCC finance ltd-Mercnatile Ventures	7,450	12.94	96.40
Midland plastics	200	3.70	0.74
Munoth Communication ltd.	8,04,582	2.52	2,027.55
MW Unitexx	105	1.79	0.19
Natural Stones	900	10.00	9.00
NEPC India	200	10.00	2.00
Network ltd.	200	4.80	0.96
Nextagen animation	2	1.78	0.00
Omnitech solutions ltd	2,000	10.00	20.00
Origin Agrostar	170	3.80	0.65
Padmini technology	700	10.00	7.00
PBA infrastructure	128	3.35	0.43
Power grid corporation	78	215.65	16.82
Premier Ltd.	100	2.60	0.26
Rajratan synthetics	600	10.00	6.00
Reliance capital	2,400	10.75	25.80
Reliance communication	4,377	1.70	7.44
Reliance Home Finance	2,400	2.40	5.76
Reliance power	2,500	4.35	10.88
Rishab financial services	18,000	3.04	54.72
S Kumar online	1,000	0.90	0.90
SAL Steel	10,000	3.10	31.00
Sanghi ploy	300	10.00	3.00
Silver Tech	6	2.19	0.01
Sudati hoisery-Suditi industries	300	10.45	3.14
Super forgings	200	0.95	0.19
TNPL	100	146.55	14.66
Uniworth International	150	0.80	0.12
Vantel Tech	50	1.50	0.08
Videocon VCR	100	4.21	0.42
Vikas WSP	3,000	5.95	17.85
Vishal Exports	1,000	1.00	1.00
Wellwin	100	3.15	0.32
Arihant cotsyn	100	10.00	1.00
Bhirwani Denim	200	6.25	1.25
Blue Bend petro	350	3.00	1.05
Concert spices	100	3.00	0.30
Conoslidated Fibre	100	10.00	1.00
Coromandel finance	900	7.00	6.30
Deccan Granites	100	11.00	1.10
DSQ Biotech	170	10.00	1.70
Golden Textiles	1,300	3.00	3.90

Scrip Name	Quantityin Rs.	Rate as on 31.03.2021 in Rs.	Total Value Rs. In '000
Gujarat Cotex	300	2.10	0.63
Gujrat ambuja cotspin	400	8.00	3.20
Induj infotech	105	1.00	0.11
Jaswal Granites	600	5.17	3.10
Jay flash	19,500	3.00	58.50
Kumar metallurgical	300	2.50	0.75
Modern Synthetics	1,150	12.95	14.89
Modi threads	200	4.50	0.90
Pan asia industires	100	12.00	1.20
Premier planations	100	2.00	0.20
Rathi alloy and steel	300	4.50	1.35
Sarala Gems	200	3.25	0.65
Siris Ltd.	200	84.23	16.85
Tirumalai Textiles	400	5.00	2.00
TN spongae	100	4.00	0.40
Veena textiles	200	2.50	0.50
Bafna Spinning	500	0.07	0.04
Bonanza Pharma	100	16.50	1.65
Oswal Agro	350	10.20	3.57
			2,971.18

Unquoted (Equity) Instruments (FVTOCI)

Scrip Name	Quantity	Rate as on 31.03.2021 in Rs.	Total Value Rs. In '000
Arihant Fabrics	50	2.00	0.10
Benaras Bank	87,490	12.71	1,112.00
Deve Sugar	9,400	150.00	1,410.00
Parvathi Hi Tech	10,000	10.00	100.00
Rayalaseema Paper Mills	11,20,000	29.00	32,480.00
Rhino Tyres	200	5.00	1.00
Madras Enterprises Ltd	2,85,000	1.57	446.59
India Mobile Network P Ltd	50,000	10.00	500.00
South India Chemicals & Leasing P Ltd	7,500	320.00	2,400.00
Sankeshwara Finance & Investments P Ltd	10,000	200.00	2,000.00
Misrimal Navajee Estates P Ltd	5,000	100.00	500.00
Munoth Industries Limited	80,000	56.00	4,480.00
Munoth Negwindfarm P Ltd	59,000	2.72	160.48
			45,590.17

Quoted Mutual Funds (FVTPL)

Scrip Name	Units	NAV as on 31.03.2021 in Rs.	Total Value Rs. In '000
NIPPON INDIA LIQUID FUND	9,334	1,528.74	14.27
			14.27

Quoted (Equity) Instruments (FVTPL)

Scrip Name	Quantityin Rs.	Rate as on 31.03.2022 in Rs.	Total Value Rs. In '000
Antartika ltd	1,000	1.40	1.40
ATV project	300	9.88	2.96
Biofil Chemicals	1,000	57.65	57.65
BTW Industries	100	10.00	1.00
Cable Corporations	1,000	18.70	18.70
Celebrity Fashions	1,873	13.10	24.54
Computer Power	1,84,000	1.15	211.60
CT cotton Yarn	300	10.00	3.00
Dynavision	200	149.95	29.99
Essar Steel	114	10.00	1.14
European software	600	10.00	6.00
Fabworth-Uniowrth textiles	100	3.00	0.30
Herayna petro	400	10.00	4.00
Hind. Lever ltd.	1	2,048.65	2.49
Information Tech ltd.	5,425	5.00	27.12
Innovtion Sec.-ISL Consulting ltd	2,800	15.15	42.42
It people(Commex technolo)	3,636	0.25	0.91
Kirhsna Life-K Life style	1,000	0.26	0.26
Kirloskar Electricals	100	26.20	2.62
L M L	450	-	-
Manali Petrochemicals	1,200	108.35	130.02
MCC finance ltd-Mercnatile Ventures	7,450	17.90	133.36
Midland plastics	200	3.70	0.74
Munoth Communication ltd.	8,04,582	3.71	2,985.00
MW Unitexx	105	1.81	0.19
Natural Stones	900	10.00	9.00
NEPC India	200	10.00	2.00
Network ltd.(right entitlement-200 shares @8.28 ps)	400	26.85	7.00
Nextagen animation	2	1.78	0.00
Omnitech solutions ltd	2,000	-	-
Origin Agrostar	170	-	-
Padmini technology	700	10.00	7.00
PBA infrastructure	128	13.50	1.70
Power grid corporation	78	216.80	22.55
Premier Ltd.	100	5.00	0.50
Rajratan synthetics	600	-	-
Reliance capital	2,400	16.65	39.96
Reliance communication	4,377	2.65	11.60
Reliance Home Finance	2,400	3.85	9.24
Reliance power	2,500	13.50	33.75
Rishab financial services	18,000	3.04	54.72
S Kumar online	1,000	0.90	0.90
SAL Steel	10,000	9.95	99.50

Scrip Name	Quantityin Rs.	Rate as on 31.03.2022 in Rs.	Total Value Rs. In '000
Sanghi ploy	300	10.00	3.00
Silver Tech	6	2.19	0.01
Sudati hoisery-Suditi industries	300	47.10	14.13
Super forgings	200	0.95	0.19
TNPL	100	158.65	15.87
Uniworth International	150	0.80	0.12
Vantel Tech	50	1.50	0.08
Videocon VCR	100	7.25	0.73
Vikas WSP	3,000	3.35	10.05
Vishal Exports	1,000	1.00	1.00
Wellwin	100	3.15	0.32
Arihant cotsyn	100	-	-
Bhirwani Denim	200	6.25	1.25
Blue Bend petro	350	3.00	1.05
Concert spices	100	-	-
Conoslidated Fibre	100	-	-
Coromandel finance	900	7.00	6.30
Deccan Granites	100	11.00	1.10
DSQ Biotech	170	10.00	1.70
Golden Textiles	1,300	3.00	3.90
Gujarat Cotex	300	2.10	0.63
Gujrat ambuja cotspin	400	8.00	3.20
Induj infotech	105	1.00	0.11
Jaswal Granites	600	-	-
Jay flash	19,500	3.00	58.50
Kumar metallurgical	300	2.50	0.75
Modern Synthetics	1,150	12.95	14.89
Modi threads	200	4.50	0.90
Pan asia industires	100	-	-
Premier planations	100	2.00	0.20
Rathi alloy and steel	300	-	-
Sarala Gems	200	3.25	0.65
Siris Ltd.	200	84.23	16.85
Tirumalai Textiles	400	5.00	2.00
TN spongae	100	4.00	0.40
Veena textiles	200	2.50	0.50
Bafna Spinning	500	0.07	0.04
Bonanza Pharma	100	-	-
Oswal Agro	350	27.10	9.49
			4,156.70

Unquoted (Equity) Instruments (FVTOCI)

Scrip Name	Quantity	Rate as on 31.03.2022 in Rs.	Total Value Rs. In '000
Arihant Fabrics	50	2.00	0.10
# Benaras Bank	87,490	12.71	1,112.00
# Deve Sugar	9,400	150.00	1,410.00
# Parvathi Hi Tech	10,000	10.00	100.00
# Rayalaseema Paper Mills	11,20,000	29.00	32,480.00
# Rhino Tyres	200	5.00	1.00
Madras Enterprises Ltd	2,85,000	1.57	446.59
India Mobile Network P Ltd	50,000	10.00	500.00
South India Chemicals & Leasing P Ltd	7,500	320.00	2,400.00
Sankeshwara Finance & Investments P Ltd	10,000	200.00	2,000.00
Misrimal Navajee Estates P Ltd	5,000	100.00	500.00
Munoth Industries Limited	77,000	80.00	6,160.00
Munoth Negwindfarm P Ltd	59,000	2.72	160.48
			47,270.17

Shares not held in the name of company

Quoted Mutual Funds (FVTPL)

Scrip Name	Units	NAV as on 31.03.2022 in Rs.	Total Value Rs. In '000
Nippon India Liquid Fund	9.688	1,528.74	14.81
			14.81

Notes forming part of Balance Sheet

Note No : 5 **Rs. in '000**

Other Non Current Financial Assets

SL.No	Particulars	As at 31.03.2022	As at 31.03.2022
(a)	Security Deposits (Ref Sub Note No: 1)	9,470.00	8,180.00
(b)	HDFC Fixed Deposit towards Bank Guarantee	2,500.00	2,500.00
		11,970.00	**10,680.00**

Note No : 6

Deferred tax assets (Net)

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	**MAT Credit Entitlement**		
	Opening Balance	422.54	422.54
	MAT Credit Entitlement for Current year	-	-
	Closing Balance	**422.54**	**422.54**
(b)	**Deferred Tax**		
	Opening Balance	267.45	315.06
	Provision during the year	(10.16)	(47.61)
	Closing Balance	**257.29**	**267.45**
		679.83	**689.99**
	Component of Deferred Tax Asset/ Liabilities		
	Property, Plant & Equipment and Intangible Assets	27.62	55.53
	Provision for Gratuity	227.59	209.85
	Provision for Bonus	2.08	2.08
		257.29	**267.45**

Note No : 7

Other Non Current Assets **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
((a)	Prepaid Expenses (Ref Sub Note No: 2)	443.24	749.90
(b)	Income Tax Refund Receivables (Ref Sub Note No: 3)	1,393.97	1,508.52
		1,837.21	**2,258.42**

CURRENT FINANCIAL ASSETS

Note No : 8

Trade Receivables **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Trade Receivables considered good - Secured	-	-
(b)	Trade Receivables considered good - Unsecured	1,225.06	1,735.18
(c)	Trade Receivables which have significant increase in Credit Risk	500.00	500.00
(d)	Trade Receivables - credit impaired	-	-
		1,725.06	**2,235.18**
	Less: Provision for Bad and Doubtful Debts	43.73	43.73
		1,681.33	**2,191.45**
	The Above Trade Receivables Includes:		
	- Secured, considered good;	-	-
	- Unsecured, considered good	1,725.06	2,235.18
	- Doubtful.	-	-

Trade receivables - Ageing

Receivable amount	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
Trade Receivables -Broking	116.56	90.34	5.64	0.12	557.11
Trade Receivables - DP	83.03	45.64	78.45	61.42	686.75
Total	**199.59**	**135.98**	**84.09**	**61.54**	**1,243.86**

#There is no unbilled dues

Notes forming part of Balance Sheet

Note No : 9

Cash and Cash Equivalents **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Balances with Banks (Ref Sub Note No: 4)	5,238.18	13,035.12
(b)	Cash on hand	158.94	180.32
		5,397.12	**13,215.44**

Note No : 10

Other Current Financial Assets **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Interest accrued on Deposits	96.86	97.57
		96.86	**97.57**

Note No : 11

Current Tax Assets (Net) **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
	Income Tax TDS FY 2021-22	78.88	23.45
	Less: Provision for Income Tax	-	-
		78.88	**23.45**

Note No : 12

Other Current Assets **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Salary Advances (Ref Sub Note No: 5)	159.00	133.00
(b)	Other Current Assets (Ref Sub Note No: 6)	5,351.82	7,674.76
(c)	Prepaid Expenses (Ref Sub Note No: 7)	692.23	687.66
		6,203.05	**8,495.42**

Note No : 13

A. Share Capital **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Authorised Share Capital		
	8500 Equity Shares of Rs.10 each	85,000.00	85,000.00
	1500 6% Non Convertible, Non Cumulative and Redeemable Preference Shares of Rs.10 each	15,000.00	15,000.00
		1,00,000.00	1,00,000.00
(b)	Issued Share Capital	51,353.00	51,353.00
	5135.3 Equity Shares of Rs.10 each		
(c)	Subscribed and Fully Paid up share	51,353.00	51,353.00
	5135.3 Equity Shares of Rs.10 each		
(d)	Subscribed but not fully paid up	-	-
	Total	**51,353.00**	**51,353.00**

*** Of the above 51,35,300 Equity Shares 1,11,200 Were alloted as fully paid up pursuant to a contract for consideration Other Than Cash**

Notes forming part of Balance Sheet

B. Share Details **Rs. in '000**

SL.No	Particulars	Equity Shares	
		Number	Amount
(a)	Shares outstanding at the beginning of the year	5,135.30	5,135.30
(b)	Shares Issued during the year	-	-
(c)	Shares bought back during the year	-	-
(d)	Shares outstanding at the end of the year	5,135.30	5,135.30

Terms and rights attached to the 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. No dividend has been recognised as distribution to equity shareholders for the Year ended 31.03.2022 (31.03.2020- Rs.NIL) In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution to all preferential amounts. The distributions will be in proportion to the number of shares held by the share holder.

C. Share Holding

SL.No	Name of Shareholder	As at 31.03.2021	
		No. of Shares held in '000	% of Holding
(a)	Lalchand Munoth	687.10	13.38%
(b)	Jaswant Munoth	836.10	16.28%
(c)	Bharat Munoth	717.90	13.98%
(d)	Vikas Munoth	1,014.50	19.76%
(e)	Munoth Communication Ltd	1,006.10	19.59%

SL.No	Name of Shareholder	As at 31.03.2022	
		No. of Shares held in '000	% of Holding
(a)	Lalchand Munoth	687.10	13.38%
(b)	Jaswant Munoth	836.10	16.28%
(c)	Bharat Munoth	717.90	13.98%
(d)	Vikas Munoth	1,014.50	19.76%
(e)	Munoth Communication Ltd	1,006.10	19.59%

Notes forming part of Balance Sheet

Note No : 14

Other Equity **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Securities Premium	20,250	20,250
(b)	Revaluation Reserve	35,976.57	35,976.57
(c)	Capital Reserve	259.50	259.50
(d)	Other Comprehensive Income	27,539.04	25,547.62
(e)	Retained Earnings	(31,673.01)	(31,187.63)
		52,352.10	**50,846.06**
(a)	**Securities Premium**		
	Balance as per last financial statements	20,250.00	20,250.00
	Add: Transferred during the year	-	-
	Closing Balance	**20,250.00**	**20,250.00**
(b)	**Revaluation Reserve**		
	Balance as per last financial statements	35,976.57	35,976.57
	Add: Transferred during the year	-	-
	Closing Balance	**35,976.57**	**35,976.57**
(c)	**Capital Reserve**		
	Balance as per last financial statements	259.50	259.50
	Add: Transferred during the year	-	-
	Closing Balance	**259.50**	**259.50**
(d)	**Other Comprehensive Income**		
	Balance as per last financial statements	25,547.62	24,783.97
	Net Profit for the Period	1,991.42	763.65
	Deductions/ Adjustments during the year		
	Closing Balance	**27,539.04**	**25,547.62**
(e)	**Retained Earnings**		
	Balance as per last financial statements	(31,187.63)	(30,166.20)
	Prior Period Adjustments	-	-
	Profit on Sale of Investment (Refer Note No 32)	-	-
	Add: Profit/ (Loss) for the year	(485.38)	(1,021.43)
	Total surplus in the Statement of profit and loss	**(31,673.01)**	**(31,187.63)**

NON CURRENT LIABILITIES

Note No : 15

Non Current Provisions **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Provision for Gratuity	792.54	730.18
		792.54	**730.18**

Notes forming part of Balance Sheet

CURRENT LIABILTIES

Note No : 16

Trade Payables **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Total Outstanding dues of Micro & Small Enterprises		
(b)	Total Outstanding dues of Creditors other than Micro & Small Enterprises	10,460.05	19,524.70
		10,460.05	**19,524.70**

Trade payables - Ageing

Payable amount	Less than 6 months	6 months- 1 year	1 - 2 years	2 - 3 years	More than 3 years
Trade Payable	10,433.71	6.23	4.13	8.81	7.17
Total	**10,433.71**	**6.23**	**4.13**	**8.81**	**7.17**

#There is no unbilled dues

Note No : 17

Short Term Borrowings **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Loans and Advances from Related Parties (Ref Sub Note No: 8)	2,701.86	2,251.86
		2,701.86	**2,251.86**
	Terms of Loan		
	Unsecured loan from directors- Repayable on demand		
	The Above Amount Includes		
	Secured Borrowings	-	-
	Unsecured Borrowings	2,701.86	2,251.86

Note No : 18

Other Financial Liabilities **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Margin Money from Clients (Ref Sub Note No: 9)	471.14	511.78
(b)	Expenses Payables (Ref Sub Note No: 10)	1,019.10	797.26
(c)	Other Payables (Ref Sub Note No: 11)	86.96	89.96
		1,577.20	**1,399.00**

Note No : 19

Other Current Liabilities **Rs. in '000**

SL.No	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	TDS Payable	17.41	14.21
(b)	Income Received in Advance	18.79	12.69
(c)	Inactive Client Fund Account	159.56	159.56
(d)	GST Payable	60.52	74.75
(e)	EPF and ESI Payable	33.19	30.84
		289.47	**292.05**

Note No : 20

Current Provisions **Rs. in '000**

	Particulars	As at 31.03.2022	As at 31.03.2021
(a)	Provision for Gratuity	82.82	76.92
(b)	Provision for Bonus	8.00	8.00
		90.82	**84.92**

Notes forming part of Statement of Profit and Loss

Note No : 21

Revenue from operations **Rs. in '000**

SL.No	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Sale of Services			
(a)	DP and AMC Transaction Charges	626.26	518.76
(b)	Merchant Banking & Portfolio Advisory Services	1,195.18	662.50
(c)	Brokerage & Turnover Charges	3,586.22	4,187.20
		5,407.66	**5,368.46**

Note No : 22

Other Income **Rs. in '000**

SL.No	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
(a)	Dividend Income	6.00	2.49
(b)	Interest Income		
	- Income Tax Refund	2.07	2.93
	- On Fixed Deposit	128.75	154.06
	-On NSEIL Deposit	-	5.95
(c)	Net gain/loss on sale of investments	-	-
(d)	Gain on Fair Value of Investments	1,225.92	0.48
(e)	Gain on redemption of Preference Shares	-	-
(f)	Profit on Sale of Motor Vehicle	-	-
(g)	Trade Payables written back	1.43	-
(h)	Other non-operating income	-	0.01
		1,364.17	**165.92**

Note No : 23

Employee benefit expenses **Rs. in '000**

SL.No	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
(a)	Salaries, Wages and Bonus	2,321.99	2,324.65
(b)	Contribution to Provident and Other Funds	209.20	191.55
(c)	Gratuity	139.68	147.78
(d)	Staff welfare Expenses	109.17	101.07
		2,780.04	**2,765.05**

Notes forming part of Statement of Profit and Loss

Note No : 24

Finance Cost **Rs. in '000**

SL.No	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
(a)	Interest	-	2.74
(b)	Bank Guarantee Charges	56.50	52.36
(c)	Bank Charges	0.44	1.05
		56.94	**56.15**

Note No : 25

Other Expenses

SL.No	Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
(a)	Payments to auditor		
	(i) Statutory Auditor	105.00	105.00
(b)	Loss on Fair Value of Investments	40.75	-
(c)	Advertisement Expenses	42.60	37.40
(d)	Annual Subscription Charges	180.00	59.41
(e)	Business Promotion Expenses	56.91	88.95
(f)	Power & Fuel	273.18	251.99
(g)	Repairs & Maintenance	558.59	467.81
(h)	Travelling & Conveyance Expenses	180.13	87.73
(i)	Printing & Stationery	93.93	56.47
(j)	Professional Charges	237.57	246.48
(k)	Rates and Taxes	52.44	117.31
(l)	Insurance Expenses	28.00	34.64
(m)	Fines & Penalties	116.70	9.99
(n)	Listing Charges	345.00	345.00
(o)	Postage and Courier Charges	21.53	7.70
(p)	NSDL Transaction Charges	109.18	102.69
(q)	NSE Transaction Charges- Equity and F&O	52.69	63.90
(r)	CSDL Expenses	17.57	13.85
(s)	Registration Fees	506.66	675.02
(t)	NSDL Expenses	101.05	159.83
(u)	Share Transfer Expenses	56.21	47.18
(v)	Stamp Charges	-	20.55
(w)	Sub- Brokerage	13.23	21.72
(x)	Telephone Charges	43.84	41.89
(y)	Other Expenses	79.36	63.21
(z)	Provision for Bad and doubtful debts	-	-
	(aa) Trade Receivable Written off	14.65	200.25
	(ab) Fixed Asset Written off	6.19	1.83
	(ac) Investments Written Off	-	15.00
	(ad) Deposits Written off	230.00	-
	(ae) AMC Charges Written off	500.00	-
	(ae) Income Tax Refund Written off	118.29	-
		4,181.25	**3,342.80**

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2022

26 **Balance due to Micro and Small Enterprises**

The company does not owe any amount to Micro and small scale enterprises.

27 **Earnings per share:**

Particulars	31.03.2022	31.03.2021
Net Profit / (Loss)	(485.38)	(1,021.43)
Number of Equity shares	5,135.30	5,135.30
Earnings per share – basic & diluted	**(0.09)**	**(0.20)**

28 **Expenditure In Foreign Currency**

No foreign Currency transactions are made during the year by the company.

29 **Related Party Disclosures**

Name of the Related parties with whom transactions were carried out during the year and description of relationship :

Sl.No	Name of related party	Nature of relationship
A	**Key Management personal and their relatives:-**	
1	Jaswant Munoth	Managing Director
2	Lalchand Munoth	Director
3	Bharat Munoth	Director & Chief Financial Officer
4	Vikas Munoth	Whole time Director
5	A G Nandini	Company Secretary
B	**Enterprises owned or significantly influenced by Key Management personnel or their relatives (either individually or with others)**	
1	Munoth Industries Limited	Common Director/Investments
2	Munoth Communication Limited	Common Director/Investments
3	South India Chemicals & Leasing P Ltd	Common Director/Investments
4	Sankeshwara Finance & Investments P Ltd	Common Director/Investments
5	Misrimal Navajee Estates P Ltd	Common Director/Investments
6	Munoth Negwindfarm P Ltd	Common Director/Investments

Transaction during the year

Rs. in '000

Name of KMP, related party & Nature of Transaction	As on 31.03.2022	As on 31.03.2021
Vikas Munoth (Sale of MIL Shares)	240.00	420.00
Vikas Munoth (Loan Received)	690.00	1,550.00
A.G Nandini (Salary)	602.50	630.48

Balances at the year end

Name of related party	As on 31.03.2022	As on 31.03.2021
Vikas Munoth (Borrowings)	2,520.00	2,070.00
Bharat Munoth (Borrowings)	181.86	181.86
Munoth Industries Limited (Investment)	6,160.00	4,480.00

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2022

Rs. in '000

Name of related party	As on 31.03.2022	As on 31.03.2021
Munoth Communication Ltd (Investment)	2,985.00	2,027.55
South India Chemicals & Leasing Private Limited (Investment)	2,400.00	2,400.00
Sankeshwara Finance & Investments Private Limited (Investment)	2,000.00	2,000.00
Misrimal Navajee Estates P Ltd (Investment)	500.00	500.00
Munoth Negwindfarm P Ltd (Investment)	160.48	160.48

30 **Contingent Liabilities** -

Rs. in '000

	Partiiculars	As on 31.03.2022	As on 31.03.2021
a)	Guarantee issued by the company's banker		
	- Guarantee given by HDFC Bank to Stock Exchange	5,000.00	5,000.00

31 **EMPLOYEE BENEFITS**

A) **Defined Contribution Plan:**

The Company makes recognized provident fund contributions and employee state insurance Contributions to defined contribution plans for qualifying employees. Under the schemes the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The company contributed Rs./- 209.2 ('000) (Year ended 31 March 2022) (Previous year-Rs. 191.55 ('000)/-) to provident fund contributions and employees state insurence contributions in the Statement of profit and Loss. The Contributions payable to these plans by the company are at rates specified in the rules of the schemes.

B) **Defined Benefit Plans: Gratuity Funded Obligation**

Particulars	Gratuity (Un Funded)	
	31.03.2022	31.03.2021
Discounted rate (p.a)	7.31%	6.86%
Rate of increase in compensation Levels (p.a)	5.00%	5.00%
Rate return of plan assets (p.a)	NA	NA

Reconciliation of Opening and Closing balances of present value of defined benefit obligations

Rs. in '000

Particulars	31.03.2022	31.03.2021
Obligations at the beginning of the year	807.10	948.58
Current Service Cost	84.31	85.64
Interest Cost	55.37	62.14
Benefits Payment from Employer	-	-50.61
Actuarial (Gain)/loss	-71.42	-238.65
Benefits Paid	-	-
Obligations at the end of the year	875.36	807.10

Reconciliation of Opening and Closing balances of fair value of plan assets.

Particulars	31.03.2022	31.03.2021
Plan assets at the beginning of the year, at fair value	NA	NA
Expected return on plan assets	NA	NA
Actuarial gain/(loss)	NA	NA
Contributions	NA	50.61
Benefits Paid	NA	-50.61
Plan assets at the end of the year, at fair value	NA	NA

Reconciliation of the present value of defined benefit obligation & Fair value of Plan assets

Rs. in '000

Particulars	31.3.2022	31.3.2021
Obligations at the end of the year	875.36	807.10
Plan assets at the end of the year, at fair value	-	-
Liability recognized in Balance sheet as on end of the year	**875.36**	**807.10**

Gratuity Cost for the year **Rs. in '000**

Particulars	31.3.2022	31.3.2021
Current Service Cost	84.31	85.64
Interest Cost	55.37	62.14
Expected return on plan assets	-	-
Net Actuarial (Gain)/loss	-71.42	-238.65
Net Gratuity cost as per actuarial valuation	68.27	-90.87
Gratuity cost on retired employees not covered in actuarial valuation	-	-
Net Gratuity Cost	**68.27**	**-90.87**

Note: The above disclosures are based on the information furnished by the independent Actuary and relied upon by the Auditors.

32 The Company has received a letter from RBI exempting it from registration as a Non-Banking Financial Company as it is already registered as stock broker with SEBI.

33 **Profit on sale of Unquoted Investments(Refer 14 (d) and Note No . 29**

During the year the company has sold 3000 Shares of Munoth Industries Limited at a price Rs. 80 per Share. The company has revalued the remaining shares of Munoth Industries Limited at the last sale price i.e Rs.80 / share and the revaluation gain of Rs. 1920 [Previous Year - Rs. 525] ('000) has been shown under other comprehensive income.

34 **Confirmation of Balances:-**

The management is of the confirmed opinion that all the debtors are realisable at their stated value and that all the creditors are payable at their stated value and hence there is no diminishment or gain in this regard which require provisioning.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2022

35 **Auditor's Remuneration:**

Rs. in '000

Sl.No	Particulars	2022-21	2020-21
1	Statutory Audit	105.00	105.00

36 The Company is operating in the Stock Broking, DP Operations, Portfolio Advisory Services, Merchant Banking. The entity's chief operating decision maker consider the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments.

37 The Company has revalued the immovable property in the year ended 31.03.2013. The company continues to adopt the same in this year.

38 **Expected Credit Loss**

Credit Risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

Credit Risk Management

Credit risk is managed on a group basis. For banks and financial institutions, only high rated banks/ institutions are accepted.

For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

Rating	Nature
Group 1	High-quality assets, negligible credit risk
Group 2	Quality assets, low credit risk
Group 3	Standard assets, moderate credit risk
Group 4	Substandard assets, relatively high credit risk
Group 5	Low quality assets, very high credit risk
Group 6	Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

(i) Internal credit rating

(ii) external credit rating (as far as available)

(iii) actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.

(iv) actual or expected significant changes in the operating results of the borrower.

(v) significant increase in credit risk on other financial instruments of the same borrower.

(vi) significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.

(vii) Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Provision for expected credit losses

The group provides for expected credit loss based on the following:

Internal Rating	Description	Basis for recognition of expected credit loss provision	
		Investments	Trade Receivables
Group 1	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12-months expected credit losses	**Life time expected credit losses (simplified approach)**
Group 2	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.		
Group 3	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong.		
Group 4	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due.	Life-time expected credit losses	
Group 5	Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due.		
Group 6	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the group. The group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the	Asset is written off	

(a) Expected credit loss for loans, security deposits and investments

The company has recorded Investments at fair value hence ECL provision is not required

Expected credit loss for trade receivables under simplified approach

Particulars	Group I	Group V	Total
Gross Carrying Amount (as at 31-03-2022)	1,225.06	500.00	1725.06
Expected loss rate	0.00%	0.00%	NA
Expected credit lossess (loss allowance provision)	0.00	0.00	0.00
Carrying amount of Trade receivables (Net of Impairment)	**1,225.06**	**500.00**	**1,725.06**

39 The Company is in the business of providing Stock Broking, DP Operations, Portfolio Advisory Services, Merchant Banking and does not have any physical inventories.

40 The previous year's figures of Balance Sheet have been regrouped, reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year. Figures are rounded off to the nearest rupee. Figures in bracket represent negative figures.

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Ratios to be disclosed	Numerator	Denominator	Current period	Previous period	Variance %	Reasons for Variance
(a) Current Ratio	Current Asset	Current Liabilities	0.89	1.02	12.74%	-
(b) Debt-Equity Ratio	Total Debt (includes non current and current borrowings)	Shareholder's equity (Equity share capital and Other Equity)	0.03	0.02	-18.24%	-
(c) Debt Service Coverage Ratio	Earnings available for debt service (Profit or loss before exceptional items and tax + Interest on borrowings)	Debt service (Interest on borrowings+ Re payment of borrowings "1")	-0.18	-0.43	59.33%	Increase in Short term borrowing
(d) Return on Equity Ratio	Net profit after taxes less preference dividend "2"	Average Shareholder's equity (Equity share capital and Other Equity)	0.00	-0.01	53.17%	Reduction of Losses in the current Financial year.
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	-	-	0.00%	This ratio is not applicale for Service Sector
(f) Trade Receivables turnover ratio	Net Credit sales (includes Service Income)	Average accounts receivable	3.22	2.45	-31.29%	Reduction in Accounts Receivables
(g) Trade payables turnover ratio	Net credit purchases	Average Trade payables	-	-	-	This ratio is not applicale for Service Sector
(h) Net capital turnover ratio	Net Sales (includes Service Income)	Average Working capital "3"	-3.25	11.40	128.53%	Reduction in both Accounts Receivable and Accounts Payable in the current Financial Year
(i) Net profit ratio	Net profit after tax	Net Sales (includes Service Income)	-0.09	-0.19	52.83%	Losses reduced from Last year

Ratios to be disclosed	Numerator	Denominator	Current period	Previous period	Variance %	Reasons for Variance
(j) Return on Capital employed	Earnings before interest and taxes	Capital Employed (Fixed Assets + Working Capital "3")	-0.01	-0.02	48.47%	Reduction of Losses iN the current Financial year.
(k) Return on investment	Net Profit	Cost of Investment (Equity Share Capital)	-0.01	-0.02	52.48%	Reduction in Accounts Receivables

1. Repayment of borrowings includes repayment of short-term borrowings
2. Net Profit after tax and before tax does not include other comprehensive income.
3. Working Capital is the difference betwenn Current Asset and Current Liabilities

As per our report of even date attached
For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

LALCHAND MUNOTH
Chairman
(DIN : 01693640)

JASWANT MUNOTH
Managing Director & CEO
(DIN : 00769545)

[M.V. CHANDRAMOULEESWARAN]
Partner
M.NO: 202629
UDIN:22202629AKSKCT7796

A. G. NANDINI
Company Secretary

BHARAT MUNOTH
Director & CFO
(DIN : 00769588)

VIKAS MUNOTH
Whole time Director
(DIN : 00769366)

PLACE : CHENNAI
DATE : 27-05-2022

To,

MUNOTH FINANCIAL SERVICES LIMITED
MUNOTH CENTRE,
3rd Floor, Suite No. 46 & 47
343, Triplicane High Road,
Chennai - 600 005.