



# 26<sup>th</sup> ANNUAL REPORT

2021-2022



**jmj**  
**Finance Ltd.**

(U65910KL1996PLC010270)

# പൊന്നിന് നൽകും പൊന്നുവില!

EASY GOLD LOAN



BUSINESS LOAN  
PROPERTY LOAN  
PERSONAL LOAN

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## NOTICE

NOTICE is hereby given that 26<sup>th</sup> Annual General Meeting of the members of JMJ FINANCE LIMITED will be held on 30<sup>th</sup> September, 2022 (Friday) at 11:30 am at the registered office of the company situated at Door No.25/469/23, 3rd Floor, Pooma Complex, Naduvilal Junction, M.G Road, Thrissur, Kerala- 680001 to transact the following businesses-

### ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Audited financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Nelayiparambil Rappai Roy, Director (DIN: 08043543), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri. Nelayiparambil Rappai Roy, Director (DIN: 08043543), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation”.

### SPECIAL BUSINESS

3. Change in Designation of shri. Shaji Devassykutty Thaivalappil (DIN: 08043511) as Whole Time Director of the Company:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company and subject to such other approval, as may be necessary, consent of the Members of the Company, be and is hereby accorded to the

appointment of shri. Shaji Devassykutty Thaivalappil (DIN: 08043511) as Whole Time Director for a period of 1 year with effect from 6th October, 2021 on a salary as may be agreed by the Nomination and Remuneration Committee/ Board of Directors from time to time.:

RESOLVED FURTHER THAT in the event of there being loss or inadequacy of profits for any financial year, the remuneration payable to Shaji Devassykutty Thaivalappil (DIN: 08043511) shall be the minimum remuneration payable to him in terms of the provisions of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration based on the recommendation of the Nomination & Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

#### 4. Approval for Issuance of Secured Redeemable Non-convertible Debentures on private placement

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

“RESOLVED THAT in supersession to earlier resolutions passed by the members in this regard and pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and applicable circular/directions issued by Reserve Bank of India (RBI) from time to time and subject to the provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to the Board of Directors of the Company

(hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof which the Board may have constituted / reconstituted or hereinafter constitute / reconstitute to exercise its powers including the powers conferred by this resolution) to offer or invite subscriptions for Secured Redeemable Non-Convertible Debentures (NCD), in one or more series or tranches, of aggregate amount (total face value) not exceeding Rs.50,00,00,000/- (Rupees Fifty Crore only) on private placement, from such persons, with the consent being valid for a period one year from the date hereof, on such terms and conditions as the Board of Directors of the Company may, from time to time, determine and consider proper and beneficial to the Company, subject to applicable laws, rules and directions issued by Government, in this regard;

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) be and is hereby authorised to create charge (in addition to any other hypothecation, pledge, lien, mortgage, charges created / to be created by the Company), in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on the moveable/immovable properties, tangible or intangible assets of the Company, both present and future and the whole or substantially the whole of the undertakings or any of the properties of the Company whosoever situated, in favour of debenture holders) to secure any issue of Non- convertible Debentures not exceeding the above limit, in terms of the debenture trust deed and other documents, in this connection.

By Order of the Board of Directors

For JMJ FINANCE LIMITED

Sd/-

Shaji Devassykutty Thaivalappil

(DIN : 08043511)

Whole Time Director

Place: Thrissur

Date: 01/09/2022

NOTES:

1. All relevant documents referred to in this Notice requiring the approval of the Members shall be available for inspection by the Members. The relevant statutory registers, Memorandum and Articles, will also be available for inspection by the members at the registered office of the company.
2. A Member entitled to attend and vote at the general meeting is entitled to appoint a proxy to attend and vote instead of himself. Proxy need not be a member of the Company. Proxies to be effective should be lodged with the Registered Office of the Company at least 48 hours before the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business above is attached herewith. As required, the brief profile of Directors seeking appointment/ re-appointment at this AGM are given in the Explanatory Statement to the Notice of the AGM.
4. Members desiring any information or clarification are requested to write to the Company at least 48 hours before the meeting so as to enable the board to keep the information ready.
5. Members are requested to contact the Company, in case of any doubts/clarifications.
6. Members who have not registered their email ID and updated contact number with the Company are requested to register the same at the earliest by contacting Share department at HO.
7. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.



8. Members are requested to: (a) intimate changes, if any, in their registered addresses to the Company/Registrar and Share Transfer Agent ('RTA') in case of shares held in physical form and to their respective Depository Participant (DP) for the shares held in dematerialized form, (b) quote ledger folio number in all their correspondence.
9. Members will not be distributed any gift, compliments or kind of such nature before or after the AGM.
10. The members holding physical shares (in share certificate format) who prefer to receive notice and Annual Report only by e-mail in future may register their email by submitting duly filled-in format to the Company (Annexure to Annual Report). However, in case of shareholders holding shares in demat form; email shall be registered with respective DP, and not with the Company.
11. Members who hold shares in physical form may nominate a person by submitting to the Company, prescribed format Form No.SH-13 (Annexure to Annual Report) for nomination and the shares held by member shall vest in the nominee mentioned in said form, in the event of death of the member. However, in case of shares held in demat form, the shareholders are requested to contact the DP for the procedure for nomination.
12. Any changes in particulars registered in DP account (by holders of dematerialised securities) shall be intimated to the Depository Participants.
13. Soft copy of notice and annual report for the FY 2021-2022 is being sent through electronic mode to those members who have registered their email id with the Company/ Depository (DP). The physical copy of notice and annual report will be sent to members who have not registered their email ids with the Company. Members may note that notice of 26<sup>th</sup> AGM along with Annual Report for the financial year will also be hosted on the website ([www.jmjcompany.com/InvestorAnnualReports](http://www.jmjcompany.com/InvestorAnnualReports)).
14. Route map to the venue of AGM is enclosed with this notice.

Details of the directors seeking appointment / re-appointment at the Annual General Meeting [pursuant to Secretarial Standard 2 (ss-2) issued by The Institute of Company Secretaries of India (ICSI).

**ITEM NO:2 DIRECTORS BEING RE-APPOINTED/ APPOINTED**

Name	Nellayiparambil Rappai Roy
DIN:	08043543
Date Of Birth/Age	08-04-1975/ 47 Years
Qualification	Graduation
Date of First Appointment on the Board	01-01-2018
Experience	More than 15 years of experience in working with reputed hospitals and health related sector. More than 5 Years of experience in NBFC activities and other related matters.
Terms and Conditions of Appointment	The Appointee shall be a Non-Executive Director on the Board and be liable to retire by rotation.
Current remuneration (last drawn remuneration)	Rs. 45,000/- (Rupees Forty Five Thousand Only) Per month.
Shareholding in the Company	As on March 31, 2022, the appointee holds 1,79,700 Equity shares in the company.
Relationship with other Directors, Manager and other Key Managerial Personnel (KMP) of the Company	Nil
Number of Meetings of the Board attended during the year	10
Directorship held in other companies as on date	<ol style="list-style-type: none"> <li>1. JMJ NIDHI LIMITED</li> <li>2. JMJ PLUS KURIES LIMITED</li> <li>3. JMJ PLUS FINSERV PRIVATE LIMITED</li> <li>4. JMJ CHARITABLE FOUNDATION</li> </ol>
Chairmanship/Membership of the committees of the Board of Directors of other companies as on 31.03.2022	As on date, the Appointee does not hold Chairmanship/Membership of the committees of the Board of Directors of other companies.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special business

**Item No.3**

The Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on 6th October, 2021, approved the re-designation of shri. Shaji Devassykutty Thaivalappil (DIN: 08043511), Director, as Whole Time Director and KMP of the Company for a period of One year, with effect from 6th October, 2021, subject to approval of shareholders at the forthcoming Annual General Meeting.

Pursuant to Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, (the Act) the Companies (Appointment and Qualification of Directors), Rules, 2014, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force, the appointment of shri. Shaji Devassykutty Thaivalappil (DIN: 08043511) requires approval of the Members by way of resolution.

The terms and conditions of his service, including remuneration, may be varied, altered, increased, enhanced or widened from time to time by the Board based on the recommendation of the Nomination & Remuneration Committee and without seeking further approval of the shareholders of the Company within the maximum amount payable to the Director in accordance with the Act and Schedule V thereto.

The Board of Directors of the Company, therefore, recommends passing of the resolution as set out in Item No. 3 of the Notice above by way of ordinary resolution.

Except shri. Shaji Devassykutty Thaivalappil (DIN: 08043511), none of the Directors or their relatives are concerned or interested in the resolution set out at item No. 3 of the accompanying notice.

Name	Shaji Devassykutty Thaivalappil
DIN:	08043511
Date Of Birth/Age	20/05/1984/ 38 Years
Qualification	Graduation
Date of First Appointment on the Board	01-01-2018
Experience	Experience in Chit/Kuri Companies for More Than 7 Years. More Than 7 Years of Experience In Credit Management And Related Activities In NBFC
Terms and Conditions of Appointment	Wholetime Director
Current remuneration (last drawn remuneration)	Rs. 45,000/- (Rupees Forty Five Thousand Only) Per month.
Shareholding in the Company	As on March 31, 2022, the appointee holds 76,200 Equity shares in the company.
Relationship with other Directors, Manager and other Key Managerial Personnel (KMP) of the Company	Nil
Number of Meetings of the Board attended during the year	10
Directorship held in other companies as on date	1. JMJ NIDHI LIMITED 2. JMJ PLUS KURIES LIMITED
Chairmanship/Membership of the committees of the Board of Directors of other companies as on 31.03.2022	As on date, the Appointee does not hold Chairmanship/Membership of the committees of the Board of Directors of other companies.

**Item No.4**

Number of Debentures proposed to be issued: 5,0000

Face value per debenture: Rs. 10,000/-

Amount proposed to be raised: Rs. 50,00,00,000

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

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

Accordingly, Your Directors recommend the above Special Resolution as set out in Item No.4.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.4

By Order of the Board of Directors

For JMJ FINANCE LIMITED

Sd/-

Shaji Devassykutty Thaivalappil

(DIN : 08043511)

Whole Time Director

Place: Thrissur

Date: 01/09/2022

**CORPORATE INFORMATION** (as on date of this report)

**Corporate Identification Number (CIN)**

U65910KL1996PLC010270

**Board of Directors**

Shri. Joel JojuMadathumpady (Non-Executive Director)

Shri. NellyparambilRappai Roy (Non-Executive Director)

Shri. Shaji Devassykutty Thaivalappil (Whole Time Director)

Shri. Piskala Kumareshbabu Kuppusamy (Independent Director)

Smt. Indu Ravindran (Independent Director)

**Key Managerial Persons**

Shri. Kooliyath Thomas Sherbin- Chief Financial Officer

Shri. Ramees Rehman Kundodiyil- Company Secretary

**Registered Office/ Corporate Office**

Door No.25/469/23, 3rd Floor, Pooma Complex

Naduvilal Jn, M.G Road, Thrissur- 680001

**Auditors**

M/s Tas & Co

Chartered Accountants Llp

Vennala, Kerala

**Registrar and Share Transfer Agents**

M/s S.K.D.C.

Consultants Limited

"Surya" 35, Mayflower

Avenue, Behind Senthil

Nagar, Sowripalayam

Road, Coimbatore

641028

Email:info@skdc-consultants.com

**Our Bankers**

- South Indian Bank
- Federal Bank
- Catholic Syrian Bank Ltd

## BOARD'S MESSAGE

Dear Members,

We are pleased to share our 26th Annual Report for the financial year ended March 31 2022, with you. First of all, we would like to thank you for your overwhelming support and never-ending trust that you've bestowed on us, which helped us to prosper. We are pleased to inform you that the financial year 2021-22 was one of the best years for our company since our inception till now. During the period, your company made the highest ever profit in a single year. The last 2 years were a situation of either survival or death for almost all companies, not only in India, but also worldwide, as the impact of the Covid-19 outbreak has subsisted throughout the period. And we are proud to announce that, despite all the hindrances, your company has made continuous profit during the previous 2 financial years. Moreover, the number of branches of our company has increased to 55 till now, which is clear evidence that the customers are completely satisfied with our service and they are expecting more from us.

Your company has always been a supporter of the common people by providing them various loan facilities with attractive features. We have been maintaining the uniqueness in doing our business without compromising the quality of our services and adherence to the directives of various regulatory authorities from time to time. As our mission implies, we are trying to "be the best and preferred financial provider of its kind with the highest business quality solutions." Our employees and management have been working continuously and without any reluctance to implement the above mission.

We would like to thank all our employees for their hard work and dedication which helped our organization to flourish. We are thankful to our customers for putting their faith in us and their wholehearted support. We are also thankful to the government authorities, the Reserve Bank of India, banks, financial institutions, our consultants and our well-wishers and other stakeholders for their support and guidance till now.

We are optimistic that, if we have your prayers and support with us, we could reach higher positions and can emerge as one of the best NBFCs in India.

Thanks & Regards,

Board of Directors

JMJ Finance Limited

## Board's Report

Dear Shareholders,

Your Directors are delighted to present their Twenty Sixth Annual Report together with the Audited Financial Statements of your Company for the financial Year ended 31<sup>st</sup> March 2022.

### 1. Company Overview

JMJ Finance Limited is a Non-Systemically Important Non-Deposit taking NBFC and one among the fastest growing NBFCs in Kerala. The company has 55 Branches spreading across the state of Kerala, Tamilnadu and Karnataka.

### 2. Performance Highlights

The performance highlights and summarized financial results of the company are given below-

- The total revenue has increased to Rs.19,73,87,520/- in 2021-22 as compared to Rs.18,74,72,903/- /-in 2020-21.

### 3. Financial Highlights

(Amount in ₹)

PARTICULARS	2021-2022	2020-2021
Revenue from operations	18,31,38,361	17,21,81,156
Other Income	1,42,49,159	1,52,91,747
<b>Total Revenue</b>	<b>19,73,87,520</b>	<b>18,74,72,903</b>
Less – Expenses	17,42,32,076	16,87,60,313
<b>Profit Before Tax</b>	<b>2,31,55,444</b>	<b>1,87,12,590</b>
Less - Extra-Ordinary Item-Prior Period	0	0
<b>Net Profit Before Tax</b>	<b>2,31,55,444</b>	<b>1,87,12,590</b>
Current Tax	38,03,081	31,23,506
Deferred Tax	(17,745)	(98,087)
<b>Net Profit After Tax</b>	<b>1,93,70,108</b>	<b>1,56,87,171</b>
<b>Earnings Per share (EPS)</b>	<b>0.74</b>	<b>0.60</b>

(Note: Figures bracketed denotes loss)



#### 4. State of Company's Affairs and Future Outlook

The main object of your company is loan financing. Your Company's Profit and Loss Account reported a Net Profit of Rs. 1,93,70,108 for the year (Last year Net profit of Rs.1,56,87,171 /- after providing for taxation). The Management of the company is working on developing products/services that will cater the financial needs all types of customers and help your company in achieving its goal. In the light of financial performance for the FY 2021-22, your Directors expect that in the ensuing years, your company will reap more profits through its strategic growth plans.

#### 5. Change in Nature of Business, if any

Since your company is a registered NBFC, carrying on the business of loan financing, the company is not authorized to do any other business. Your Company has not carried out any other business activity till date and has no proposal to take up any other business.

#### 6. Dividend

The Board of Directors of your Company does not recommend any final dividend for the financial year 2021-22 with a view to conserve of profits and for investment in business resources of your Company.

#### 7. Amounts Transferred to Reserves:

The Board has not proposed to transfer any amount to its General reserves for the financial year 2021-22. However, your Company has transferred requisite amount to its statutory reserve as per the RBI norms.

#### 8. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The provisions of Section 125(2) of the Companies Act, 2013 do not apply since there was no dividend declared and paid during the past years.

#### 9. Share Capital & Disclosures

The paid up capital of the Company stands at Rs.26,18,19,500 (2,61,81,950 nos of equity shares at Rs.10/- each) as on 31<sup>st</sup> March 2022. Statutory disclosures as per applicable provisions are as follows-

(a) Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

(b) Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

(c) Bonus Shares

No Bonus Shares were issued during the year under review.

(d) Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees. Thus, there was no change in capital structure of the company during the period under review.

**10. Information about Subsidiary/ JV/ Associate Company**

Your Company does not have any Subsidiary, Joint Venture or Associate Company. Hence, this disclosure shall not apply to the Company.

**11. Deposits**

Your Company is a Non-Deposit Accepting NBFC registered with RBI and accepts funds from public via Subordinated Debt, subject to applicable laws.

Board of Directors in their meeting held on 08.02.2022 has allotted 465 numbers of secured redeemable non-convertible Debentures amounting to Rs.46,50,000/-

a) Non-Convertible Debentures and Subordinated Debt : As on 31st March,2022:

The Company had outstanding Non-Convertible Debentures of Rs.46,50,000/-and total outstanding Subordinated Debt was Rs. 67,86,04,000/-.

During the period under review, your Company has neither accepted nor renewed any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 ie. Public deposits.

Deposits accepted during the year (Renewal)	Nil		
Deposits remained unpaid or unclaimed as at the end of the year	Nil		
Default in repayment of deposits or payment of interest thereon during the year, if any (indicate no. of cases)	Amount		
	At the beginning of the year	Maximum during the year	At the end of the year
	Nil		
Deposits which are not in compliance with the requirements of Chapter V of the Act	Nil		

## 12. Material Changes and Commitments

No material changes and commitments affecting the financial position of your Company occurred between the ends of the financial year to which these financial statements relate on the date of this report

## 13. Annual Return

The Annual Return as required under section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, in Form MGT-7 will be hosted on the website of the Company at [www.jmjcompany.com/Investor Annual Reports](http://www.jmjcompany.com/Investor Annual Reports).

## 14. Board of Directors and meetings

The Board of Directors comprises of 5 directors as on 31<sup>st</sup> March 2022. The Board of Directors of the company met 10 times in the Financial Year, as per the provisions of Section 173 of Companies Act, 2013 on following dates.

Sl.No	Date of meeting	Board Strength	No. of Directors present
1	13-04-2021	4	3
2	17-06-2021	4	4
3	21-07-2021	4	4
4	01-09-2021	5	4
5	24-09-2021	5	4
6	06-10-2021	5	4
7	06-11-2021	5	4
8	15-11-2021	5	4
9	29-12-2021	5	4
10	08-02-2022	5	4

The intervening gap between any two meetings was within the period prescribed by the Companies Act 2013.

Details of attendance of the directors and the board meeting held during the financial year are given below:

Name of directors	Total no of meetings entitled to attend	Total no of meetings attended by directors
Shri. Joel Joju Madathumpady (Director)	10	9
Shri. Nellayiparambil Rappai Roy (Director)	10	10
Shri. Shaji Devassykutty Thaivalappil (Whole Time Director)	10	10
Adv. Indu Kamala Ravindran (Director-Independent)	07	07
CA.PK Kumareshbabu ( Director-Independent)	10	03

## 15. Committees of Board

### a. Audit Committee

The company has an Audit Committee of the Board of Directors ("the Audit Committee") entrusted primarily with the responsibility to supervise the Company's internal controls and financial reporting process and matters as required under applicable provisions of the companies Act 2013. During the Financial Year 2021-22,

the Audit committee of the company met 5 times on 05.04.2021, 31.07.2021, 30.08.2021 and 17.12.2021 and 24.03.2022 respectively.

During the period the committee was reconstituted as follows –

Sl No	Audit Committee Members as on 01-04-2021	Audit Committee Members as on 01-09-2021
1	CA. Piskala Kumaresh babu Kuppusamy	CA. Piskala Kumaresh babu Kuppusamy
2	Shri. Joel Joju Madathumpady	Shri. Joel Joju Madathumpady
3	Shri. Shaji Devassykutty Thaivalappil	Shri. Shaji Devassykutty Thaivalappil
4	Shri, Nelayiparambil Rappai Roy	Adv. Indu Kamala Ravindran

The details of meetings attended by committee members are as follows-

Sl No	Name of Directors	Total no of meetings entitled to attend	Total no of meetings attended
1	Shri. Joel Joju Madathumpady	5	5
2	Shri. Shaji Devassykutty Thaivalappil	5	5
3	Shri, Nelayiparambil Rappai Roy	3	3
4	CA. Piskala Kumaresh babu Kuppusamy	5	5
5	Adv. Indu Kamala Ravindran	2	2

During the year there were no cases of non-acceptance of recommendations of the Audit Committee by the Board of Directors.

#### b. Nomination & Remuneration Committee

The Company has a Nomination & Remuneration Committee (“NRC”) which deals with matters relating to the size and composition of the Board, succession plans, evaluation of performance, and remuneration framework and policies thereon. During the Financial Year 2021-22, the Nomination and Remuneration committee of the company met 5 times on 01/04/2021, 10/07/2021, 20/09/2021, 28/09/2021, and 21/10/2021. During the period the committee was reconstituted and had following Directors as its members-

	NRC members as on 01/04/2021	NRC members as on 01/09/2021
Sl.		
1	CA. Piskala Kumareshbabu Kuppusamy	CA. Piskala Kumareshbabu Kuppusamy
2	Shri. Shaji Devassykutty Thaivalappil	Adv. Indu Kamala Ravindran
3	Shri. Joel Joju Madathumpady	Shri. Joel Joju Madathumpady
4	Shri, Nelayiparambil Rappai Roy	Shri, Nelayiparambil Rappai Roy

The details of meetings attended by committee members are as follows-

Sl No	Name of Directors	Total no of meetings entitled to attend	Total no of meetings attended
1	Shri. Shaji Devassykutty Thaivalappil	1	1
2	Shri. Joel Joju Madathumpady	5	5
3	Shri, Nelayiparambil Rappai Roy	5	5
4	CA. PiskalaKumareshbabu Kuppusamy	5	5
5	Adv. Indu Kamala Ravindran	3	3

#### c. Asset Liability Management Committee (ALCO)

The Company has constituted Asset Liability Management Committee (ALCO) which deals with matters relating to ensuring adherence to the risk tolerance/limits set by the Board as well as implementing the liquidity risk management strategy of the Company. The role of the ALCO with respect to liquidity risk includes, inter alia, decision on desired maturity profile and mix of incremental assets and liabilities, sale of assets as a source of funding, the structure, responsibilities and controls for managing liquidity risk, and overseeing the liquidity positions of all branches. The committee met once during the Financial Year viz. 26/03/2022. The Committee comprised of the following members as on 31st March, 2022.

Sl No	Name& Designation	Position held in the committee
1.	Shri. Shaji Devassykutty Thaivalappil (Whole Time Director)	Chairman
2.	Shri. Kooliyath Thoams Sherbin (CFO)	Member
3.	Shri. Diaz Mathew (Deputy General Manager)	Member
4.	Shri. Anurag (Assistant Accounts Manager)	Member
5.	CMA Vishnu (Assistant Manager-Gold Audit)	Member

Company Secretary acts as Secretary to the Committee.

#### 16. Changes in Directors and Key Managerial Personnel (KMP)

Shri. Nelloyparambil Rappai Roy, Director (DIN: 08043543) who is liable to retire by rotation, pursuant to Section 152, has offered himself and given his consent to be reappointed as Director in the Annual General Meeting. Appropriate resolutions for his re-appointment is set out in the notice calling AGM.

CS Victor John Uruvath (Membership No: 50282) resigned from the post of company secretary of the Company w.e.f 22<sup>nd</sup> July 2021. Shri. Shaji Devassykutty Thaivalappil (DIN: 08043511), step-down from the post of Wholetime Director on 24<sup>th</sup> September 2021 and re-designated as Wholetime Director on 6<sup>th</sup> October 2021 for a term of one year who will hold office up to 5<sup>th</sup> October 2022.

CS Ramees Rehman Kundodiyil, (Membership No:67045) holding membership from Institute of Company Secretaries of India appointed as Whole Time Company Secretary under section 203 of the Companies Act 2013 on 6<sup>th</sup> November 2021.

#### 17. Particulars of Loan, Guarantees and Investments under Section 186

The Company has neither granted any loans, secured or unsecured to companies, firms or other parties nor given guarantees or made investment within the meaning of Section 186 of the Companies Act, 2013 and rules made there under during the FY 2021-22.

The details of Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Note no 12(a) of notes to Balance Sheet and Statement of Profit And Loss of Financial Statements

## 18. Particulars of Contract or Arrangements with Related Parties

The Company had entered into related party transactions during the financial year 2021-22. As per Section 134 (3) (h) of the Companies Act, 2013, the particulars of Contracts or Arrangements with related parties within the meaning of Section 188 is provided in the prescribed Form AOC-2 and forms part of this Report as Annexure I.

## 19. Corporate Governance

Your Company has taken certain measures to ensure good corporate governance and promote ethical standards envisaged under the Companies Act 2013. The Board of Directors welcomes the concept of Corporate Governance to ensure that a Company is governed in the best interests of all stakeholders. Corporate Governance is all about promoting fairness, transparency, accountability and compliance with laws. The Company has in place audit committee, nomination and remuneration committee, and has Key Managerial Personnel as per Companies Act 2013, which has helped the Company in improving its corporate governance practices.

## 20. Secretarial Standards

During the period under review the Company has complied with all applicable Secretarial Standards issued by Secretarial Standards Board of the Institute of Company Secretaries of India.

## 21. Annual Evaluation:

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

## 22. Dematerialisation of securities

The Ministry of Corporate Affairs (MCA) had made it mandatory for unlisted public Companies to allot its securities and to provide facility for transfer of securities only in demat mode. In order to comply with the MCA directions, the Company had opened facility for dematerialization of its shares with Central Depository Services Limited in 2019. Allotment of shares, if any and transfer of shares shall only be in demat mode. Any member who wishes to transfer their shares, in part/fully to another party shall first apply for opening demats account with CDSL. The members who wish to dematerialise shares in JMJ FINANCE LIMITED may contact their nearest CDSL Depository Participant.



### 23. Details of Subsidiary, Joint Venture or Associates

No Company has become or ceased to be a Subsidiary, Joint Venture or Associate of the Company during the year.

### 24. Cost Auditors

The Company is not required to appoint a Cost Auditor pursuant to the provisions of Section 148 Companies Act, 2013.

### 25. Auditors and Report thereon

The report of the auditors and the financial statements audited by Statutory Auditors - M/s TAS & CO Chartered Accountants, Vennala are enclosed herewith as annexure.

The statutory auditors of the company have not reported any fraud pursuant to section 143(12) of the Companies Act, 2013 (Companies (Amendment) Act, 2013). The auditors have made necessary disclosures/statements under applicable laws. M/s TAS & CO Chartered Accountants, Vennala, were appointed with your approval as the Auditors of your Company for a period of five years till the conclusion of the AGM to be held for FY 2024-25.

### 26. Conservation of energy, technology absorption and foreign exchange outgo

a. Conservation of Energy: The Company is engaged in the financial services sector and therefore conservation of energy, technology absorption etc. have a limited application. However, the Company follows a practice of purchase and use of energy efficient electrical and electronic equipment and gadgets in its operations. The Company has also taken measures to reduce usage of electricity in its offices/branches.

b. Technology Absorption: During the period under review there was no major technology absorption undertaken by the Company.

c. Foreign Exchange Earnings and Outgo There was no Foreign Exchange Earnings and Outgo during the year.

### 27. Risk Management Policy

Your Company is a non-deposit accepting NBFC engaged in loan business and funds are collected mainly through Subordinated Debt and remaining from other borrowings.

The risks associated with your Company are perceived in three ways - Market risk, Credit Risk and Operational Risk. Your Company has formulated a risk management policy and has taken measures to address risks associated with business and for improving the skills of employees involved in application side of the policy. The Company has constituted a Risk Management Committee to improve assessment and control of various risks likely to have impact on the business. In our view, there are no material risks which threaten the current position of the Company.

## 28. Internal Financial Controls

Your company has adequate internal financial controls commensurate with its size and nature of business as detailed in the Financial Statements. The Board has taken measures to improve the quality and effectiveness of accounting and internal audit procedures within the Company and has a team to ensure timely action on major concerns without fail. The Board has adopted a strong internal audit policy and has set procedures to ensure the orderly and efficient conduct of its business, safeguarding of its assets, the prevention and detection of frauds and errors and the accuracy and completeness of accounting records. The top management oversees the functioning of the internal audit team on a regular basis and the reports are reviewed by the audit committee on a periodical basis. Actions are initiated to ensure proper compliance with all applicable laws and RBI norms. The management is having deliberation with IT experts for improvement of IT aspects of operations for better technology backed financial controls.

## 29. Particulars of Employees and Related Disclosures

It is hereby confirmed that there are no employees of the company who are in receipt of remuneration in excess of the limits specified under Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and hence the disclosure of particulars in this regard is not applicable.

Your Company has in place “Prevention of Sexual Harassment at workplace” (POSH policy) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company also has a duly constituted Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act 2013. During the financial year under review, the Committee/ Company has not received any complaints with allegations of sexual harassment falling within the purview of the policy.

### 30. Commission

The Company has not provided any commission which falls within the purview of Companies Act 2013, to its MD/WTD and hence the provisions relating to disclosure are not applicable.

### 31. Secretarial Audit Report

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

### 32. Corporate Social Responsibility (CSR)

The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility (CSR) do not apply to your company, hence no disclosures in this regard has been made in this report.

### 33. Order of Court

There are no significant and material orders passed by the regulators or courts or Tribunals impacting the going concern status and company's operation in future.

### 34. Details of auctions held during the year 2021-22.

Additional disclosures as required by Circular DNBS.CC.PD.No.356/03.10.01/2013-2014 dated September 16th, 2013 issued by Reserve Bank of India on auction of gold ornaments pledged by borrowers, during the financial year 2021-22 are given below.

\*Amount in Lakhs (Rs)

Year	No.Of Loan Accounts	Principal amount outstanding at the dates of auctions (A)	Interest & Other Charges outstanding at the dates of auctions (B)	Total (A+B)	Value Fetched
2022	1317	1112.88	309.17	1422.05	1071.49
*excluding GST collected from the buyer.					
No sister concerns participated in the auctions held during the period.					

### 35. Vigil Mechanism.

The Company has established a vigil mechanism to promote ethical behavior in all its business activities and has in place a mechanism for employees to report any genuine grievances, illegal, unethical behaviors, suspected fraud, violation of laws, rules and regulations etc. The Company has a whistle blower policy in place which is duly approved by the Board of Directors which also provides for adequate protection to the whistle blower against victimization or discriminatory practices. The Whistle Blower Policy is hosted on the website of the Company at <https://jmjcompany.com/InvestorPolicies>.

### 36. Women Director

The Company is not covered under rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and hence it is not mandatory to appoint women director in the Board. However company has a women director in the Board.

### 37. Declaration from Independent Directors on annual basis

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

### 38. RBI Guidelines

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

### 39. Director's Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March 2022, the applicable accounting standards have been followed and there are no material departures from the same.
- (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 end of the financial year and of the profit and loss and cash flow of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the company being unlisted sub clause (e) of section 134(3) is not applicable; and
- (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.

#### 40. Cautionary Statement

Statements in the Board's report and annexures describing the Company's projections, estimates and expectations may be forward looking, within the meaning of the applicable laws, and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

#### 41. Acknowledgement

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Shareholders and all other stakeholders, during the financial year. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the employees of the Company.

For and on behalf of the Board of Directors

Sd/-

Shaji Devassykutty Thaivalappil  
Whole Time Director  
(DIN: 08043511)

Sd/-

Joel Joju Madathumpady  
Director  
(DIN:08205250)

Place; Thrissur

Date: 01/09/2022

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 arm's length transaction under third proviso thereto;

Details of material contracts or arrangements or transactions at arm's length basis

Sl. No.	Particulars	Details.
A.	Name of the related party & nature of relationship	Dr.Joju Madathumpady Johny Promoter and relative of Director
B.	Nature of contracts/arrangements/transaction	Fees for Consultancy and advisory service
C.	Duration of the contracts/arrangements/transaction	2021-22 (12 Months)
D.	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 12,00,000 /-
E.	Date of approval by the Board	13/04/2021
F.	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors

Sd/-

Shaji Devassykutty Thaivalappil

Wholetime Director

(DIN: 08043511)

Sd/-

Joel Joju Madathumpady

Director

(DIN:08205250)

Place; Thrissur

Date: 01/09/2022

## INDEPENDENT AUDITORS' REPORT

To, The Members of  
M/s.JMJ FINANCE LIMITED

### Report on the Financial Statements

We have audited the financial statements of M/s.JMJ FINANCE LIMITED (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Opinion

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

### Basis for opinion

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

### Key audit matters

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

Key Audit matter	Auditor's Response
<p>1. <b>Related party transaction</b> We identified related party transactions as a key audit matter due to the significance of related party transactions, regulatory compliance and risk of such transactions remaining undisclosed in the financial statements.</p>	<p>(i) Evaluated the Company's policies, processes and procedures in respect of identifying and disclosing related party transactions.</p> <p>(ii) Read the minutes of meetings of the shareholders, Board and Audit Committee regarding the Company's assessment of related party transactions for arm's length pricing.</p> <p>(iii) Assessed the compliance with Companies Act 2013, including authorisation and approvals as specified in sections 177 and 188 of the Companies Act, 2013, and Rules thereon and the Securities and Exchange Board of India regulations with respect to related party transactions.</p> <p>(iv) Tested on a sample basis related party transactions with the underlying contracts and other documents.</p>
<p>2. <b>Compliance and Disclosure requirements</b> Compliance and disclosure requirements under the applicable Indian Accounting Standards, Reserve Bank of India (RBI) guidelines and other applicable statutory, regulatory and financial reporting framework.</p>	<p>(i) Assessed the systems and processes laid down by the Company to appropriately ensure compliance and disclosures as per the applicable Indian Accounting Standards, RBI guidelines and other applicable statutory, regulatory and financial reporting framework.</p> <p>(ii) Designed and performed audit procedures to assess the completeness and correctness of the details disclosed having regard to the assumptions made by the management in relation to the applicability and extent of disclosure requirements.</p> <p>(iii) Relied on internal records of the Company and external confirmations wherever necessary.</p>



<p><b>3. IT Systems and Controls</b> The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter.</p>	<p>(i) Understood the IT systems and controls over key financial accounting and reporting systems.</p> <p>(ii) Tested the general IT controls for design and operating effectiveness.</p> <p>(iii) Understood the changes made in the IT environment during the year and ascertained its effect on the financial statements controls and accounts.</p> <p>(iv) We also assessed, through sample tests, the information generated from these systems which were relied upon for our audit.</p>
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### Information other than the financial statements and auditors' report thereon

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

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

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

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

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

ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or the 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.

We 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.

### **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:

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. 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.

- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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.
- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### Report on Other Legal and Regulatory Requirements

1. This Report include, a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013. The same is given in the Annexure A.
2. Our report on the internal financial controls of the company as required under clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 is given as Annexure B.
3. The company has provided the requisite disclosures in its financial statements as to holding as well as dealings in Scheduled Bank Notes during the period. There are no such transactions to disclose.
4. 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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as March 31, 2022, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial statement reporting of the company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The management has represented that other than those disclosed in the notes to accounts that, there were no funds which have been advanced or loaned or invested by the company to or any other person including foreign entities whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

- v. The management has represented that other than those disclosed in the notes to accounts that, there were no funds which have been received by the company from any persons or entities including foreign entities whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. There was no dividend declared or paid during the year by the company.

**For TAS & CO.,  
CHARTERED ACCOUNTANTS  
FRN: S200024**

Place: Ernakulam  
Date: 01/09/2022

Sd/-  
**CA. ABHIJITH SATHEESH, B.Com, FCA**  
Designated Partner  
M.No. 234822

Annexure A

Referred to in Paragraph 1 under the heading “Report on other legal and regulatory requirement” of our report of even date to the members of M/s. JMJ FINANCE LIMITED on the accounts of the company for the year ended March 31, 2022.

In terms of Companies (Auditor's Report) Order 2020, issued by the Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that :-

1. a) The company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
  
b) The company has maintained proper records showing full particulars of Intangible assets.  
  
c) The major Property, plant and equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.  
  
c) According to the information and explanations given to us there are no immovable properties in the name of the Company during the year.  
  
d) The company has not revalued its Property, Plant & Equipment or Intangible assets or both during the year.  
  
e) No proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder and the details have been appropriately disclosed in the financial statements.
2. In our opinion and according to the information and explanation given to us, the nature of the Company's business is such that it is not required to hold any inventories. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.
3. 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 or LLP, or any other parties.

4. The company has not given any loans or guarantees/made any investments within the meaning of sections 185 & 186 of The Companies Act, 2013.
5. According to the information and explanations given to us, the Company has not accepted deposits from the public. There for directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, shall not apply to the company.
6. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of Companies Act, 2013.
7. In respect of statutory dues:
  - a) The company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Goods and Service Tax, Cess and other material statutory dues have been regularly deposited with appropriate authorities.
  - b) According to information and explanations given to us and based on the records of Company examined by us, details of dues of Income Tax, Wealth Tax, Excise Duty, VAT or Goods and Service Tax, or Cess which have not been deposited with the relevant authorities, on account of any dispute, as at 31<sup>st</sup> March 2022, are as shown below:

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	₹ 1,18,17,819	AY 2017-18	Commissioner of Income Tax(Appeals), Thrissur
Income Tax Act, 1961	Income Tax	₹ 7,18,42,690	AY 2018-19	Additional/Joint/Assistant Commissioner of Income Tax, National E-Assessment Centre, Delhi

8. There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. (a) The company has not defaulted in any repayment of dues to any financial institution or bank or debenture holders.

- (b) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
10. (a) The company has not made any initial public offer during the year.  
(b) The company has made preferential allotment or private placement of shares/ debentures during the year.
11. (a) Based on our audit procedures and according to the information and explanations given to us by the management, we report that no fraud by the company or on the company by its officers/employees have been noticed or reported during the course of our audit.  
(b) During the year no report under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.  
(c) The Company has not received any whistle blower complaints during the year.
12. The company is not a Nidhi Company and thus the matters in the said order are not applicable to the company.
13. The transactions entered into with related parties are in compliance with section 177 & 188 of The Companies Act 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. (a) The company has an internal audit system commensurate with the size and nature of its business.  
(b) The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.
15. The company has not entered into any non-cash transactions with directors or persons connected with directors, during the year.
16. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.



- (b) 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) The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.
- (d) The company does not come under any group and thus no CIC's in its group.
17. The company has not incurred any cash losses during the current Financial Year and during the immediately preceding Financial Year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that 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. Since section 135 of the Companies Act, 2013 is not applicable to the company, the reporting under this clause is not applicable.
21. There are no qualifications or adverse remarks in the auditor's report of standalone and associate Financial Statements.

Place : Ernakulam  
Date : 01/09/2022

**For TAS & CO.,**  
**CHARTERED ACCOUNTANTS**  
**FRN: S200024**

Sd/-  
**CA. ABHIJITH SATHEESH, B.Com, FCA**  
Designated Partner  
M.No. 234822

## Annexure B

Annexure B referred to Paragraph 2 under the heading “Report on Other Legal & Regulatory Requirement” of our report of even date to the members of M/s.JMJ FINANCE LIMITED on the accounts of the Company for the year ended March 31,2022.

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

We have audited the internal financial controls over financial reporting of M/s.JMJ FINANCE LIMITED, CIN:U65910KL1996PLC010270, Corporate address: Door No.25/469/23, 3rd Floor, Pooma Complex, Naduvilal Jn., M.G Road, Thrissur-680001, as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design

and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material 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 over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls 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 issued by the ICAI.

Place : Ernakulam

Date : 01/09/2022

**For TAS & CO.,  
CHARTERED ACCOUNTANTS  
FRN: S200024**

Sd/-  
**CA. ABHIJITH SATHEESH, B.Com, FCA**  
Designated Partner  
M.No. 234822

## Balance Sheet as at March 31, 2022

₹ in Lakhs

Particulars	Note	As at 31-03-2022	As at 31-03-2021
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	3	2,618.20	2,618.20
(b) Reserves and surplus	4	(292.50)	(486.20)
<b>(2) Non current liabilities</b>			
(a) Long term borrowings	5	6,832.54	5,887.68
(b) Long term provisions	6	33.19	28.05
(c) Other long term liabilities	7	9.15	108.38
<b>(3) Current liabilities</b>			
(a) Short term borrowings	8	856.26	1,552.78
(b) Other current liabilities	9	714.10	714.69
(c) Short term provisions	10	770.64	854.34
		<b>11,541.58</b>	<b>11,277.91</b>
<b>II ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant & equipment and Intangible assets	11		
(i) Property, plant and equipment	(a)	377.67	404.62
(ii) Intangible assets	(b)	13.70	5.31
(b) Non-current investments	12	238.89	307.74
(c) Long term loans and advances	13	1,428.14	400.79
(d) Deferred tax assets (Net)		5.87	5.69
<b>(2) Current assets</b>			
(a) Cash and cash equivalents	14	866.02	1,071.53
(b) Short term loans and advances	15	8,185.80	8,384.48
(c) Other current assets	16	425.48	697.73
		<b>11,541.58</b>	<b>11,277.91</b>

The accompanying notes form integral part of the financial statements (Note no. 1, 2)

For and on behalf of the Board of Directors

As per our report of even date attached

**SHAJI DEVASSYKUTTY THAIVALAPPIL**

(Whole Time Director)

DIN-08043511

Sd/-

For TAS & CO.,  
CHARTERED ACCOUNTANTS  
FRN: S200024

**JOEL JOJU MADATHUMPADY**

(Director)

DIN-08205250

Sd/-

Sd/-  
CA. ABHIJITH SATHEESH, B.Com, FCA  
Designated Partner  
M.No. 234822

**SHERBIN K T**

Chief Financial Officer

Sd/-

**RAMEES REHMAN KUNDODIYIL**

Company Secretary

Sd/-

Place : Thrissur

Date : 01/09/2022

UDIN: 22234822AQVDNC7608

## Statement of Profit and Loss for the year ended March 31, 2022

₹ in Lakhs

Particulars	Note	Year ended 31-03-2022	Year ended 31-03-2021
<b>I Revenue</b>			
Revenue from operations	17	1,831.38	1,721.81
Other income	18	142.49	152.92
<b>Total income</b>		<b>1,973.88</b>	<b>1,874.73</b>
<b>II Expenses</b>			
Employee benefits expense	19	322.93	297.05
Finance costs	20	1,003.01	987.79
Depreciation and amortization expense	21	42.84	39.12
Other expenses	22	373.54	363.64
<b>Total expenses</b>		<b>1,742.32</b>	<b>1,687.60</b>
<b>III Profit before exceptional and extraordinary items and tax (I-II)</b>		<b>231.55</b>	<b>187.13</b>
<b>IV Exceptional/ extraordinary items</b>		-	-
<b>V Profit before tax (III-IV)</b>		<b>231.55</b>	<b>187.13</b>
<b>VI Tax expense:</b>			
(1) Current tax		38.03	31.24
(2) Deferred tax expense/(income)		(0.18)	(0.98)
<b>VII Profit/ (Loss) for the year (V-VI)</b>		<b>193.70</b>	<b>156.87</b>
<b>VIII Earnings per equity share:</b>			
Basic in (₹)		0.740	0.599
Diluted in (₹)		0.740	0.599

The accompanying notes form integral part of the financial statements (Note no. 1, 2)

For and on behalf of the Board of Directors

As per our report of even date attached

**SHAJI DEVASSYKUTTY THAIVALAPPIL** Sd/-  
(Whole Time Director)  
DIN-08043511

For TAS & CO.,  
CHARTERED ACCOUNTANTS  
FRN: S200024

**JOEL JOJU MADATHUMPADY** Sd/-  
(Director)  
DIN-08205250

Sd/-  
CA. ABHIJITH SATHEESH, B.Com, FCA  
Designated Partner  
M.No. 234822

**SHERBIN K T** Sd/-  
Chief Financial Officer

**RAMEES REHMAN KUNDODIYIL** Sd/-  
Company Secretary

Place : Thrissur  
Date : 01/09/2022

UDIN: 22234822AQVDNC7608

## Cash flow statement for the year ended March 31, 2022

₹ in Lakhs

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
<b>A. Cash flows from operating activities</b>		
Net profit before tax	231.55	187.13
Adjustment for :		
Loss on sale of fixed assets	0.13	0.05
Interest and other non-business income	(142.49)	(152.92)
Depreciation and amortization	42.84	39.12
Finance cost	1,003.01	987.79
Provision for gratuity	6.56	3.70
Loss on kuri	46.72	20.70
Provision for standard assets	0.94	1.98
Provision for non performing assets	(92.85)	(86.54)
<b>Operating profit/(loss) before working capital changes</b>	<b>1,096.41</b>	<b>1,001.00</b>
Increase/(Decrease) in other current liabilities	61.78	(41.11)
Decrease/(Increase) in loans and advances	(830.03)	(540.37)
Decrease/(Increase) in other current assets	287.25	(254.31)
<b>Net cash generated from operations</b>	<b>615.40</b>	<b>165.21</b>
Less : Income tax paid	(46.24)	(5.00)
<b>Net cash flow from operating activities (A)</b>	<b>569.17</b>	<b>160.21</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	(24.62)	(54.89)
Investment in shares	0.01	(2.01)
Kuri Investments	68.84	(91.83)
Interest on investments	142.49	152.92
Loss on kuri investments	(46.72)	(20.70)
Sale of fixed assets	0.22	0.08
Security deposits and advances	1.36	(2.29)
<b>Net cash used in investing activities (B)</b>	<b>141.58</b>	<b>(18.73)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from issue of debentures	46.50	-
Issue of non convertible subordinated debts (net)	898.36	1,319.27
Kuri loans	(161.59)	53.60
Repayment of bank borrowings	(696.52)	(466.35)
Interest on loans and borrowings	(1,003.01)	(987.79)
<b>Net cash used in financing activities (C)</b>	<b>(916.26)</b>	<b>(81.27)</b>
<b>D. Net increase in cash and cash equivalents (A+B+C)</b>	<b>(205.52)</b>	<b>60.22</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>1,071.53</b>	<b>1,011.32</b>
<b>F. Cash and cash equivalents in the end of the year</b>	<b>866.02</b>	<b>1,071.53</b>

For and on behalf of the Board of Directors

SHAJI DEVASSYKUTTY THAIVALAPPIL  
 (Whole Time Director)  
 DIN-08043511

Sd/-

JOEL JOJU MADATHUMPADY  
 (Director)  
 DIN-08205250

Sd/-

SHERBIN K T  
 Chief Financial Officer

Sd/-

RAMEES REHMAN KUNDODIYIL  
 Company Secretary

Sd/-

Place : Thrissur  
 Date : 01/09/2022

As per our report of even date attached

For TAS & CO.,  
 CHARTERED ACCOUNTANTS  
 FRN: S200024

Sd/-  
 CA. ABHIJITH SATHEESH, B.Com, FCA  
 Designated Partner  
 M.No. 234822

UDIN: 22234822AQVDNC7608

## JMJ FINANCE LIMITED

Door No.25/469/23, 3<sup>rd</sup>Floor, Pooma Complex, Near Naduvilal Jn, M.G. Road, Thrissur-680001

### NOTES ON FINANCIAL STATEMENTS

#### 1. Background

JMJ FINANCE LIMITED was incorporated on 9<sup>th</sup> April, 1996. The company is a Non-Banking Financial Company – Non-Deposit taking Non-Systematically Important (NBFC-ND) as defined under 45-IA of the Reserve Bank of India Act, 1934. The company is primarily engaged in business of Loan Finance but the company shall not do the business of Banking within the purview of the Banking Regulations Act, 1949.

#### 2. Significant Accounting Policies

The significant Accounting Policies followed by the company are as stated below:

##### 2.1 General

The financial statements are prepared under historical cost convention. These statements have been prepared in accordance with applicable mandatory Accounting Standards and relevant presentational requirements of The Companies Act, 2013.

##### 2.2 Use of Estimates

The preparation of financial statements in conformity with the Indian Generally Accepted Accounting Principal (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amount of income and expenses during the period. Actual figures may differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### 2.3 Property, plant and Equipment

Property, Plant and Equipment are stated at historical cost less accumulated depreciation. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.

Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the expenditure can be measured reliably. Repairs and Maintenance costs are recognized in the Statement of Profit and Loss when they are incurred.

## 2.4 Depreciation

Depreciation on property, plant and equipment has been provided under Straight Line Method over the useful life of the assets estimated by the management which is in line with the terms prescribed in Schedule II to The Companies Act, 2013. Depreciation for assets purchased/sold during the period is proportionately charged. Depreciation methods, useful lives & residual values are reviewed periodically.

The management estimates the useful life of the assets as follows:

Asset	Useful life
Building	30 years
Office equipment	5 years
Computer and peripherals	3 years
Motor vehicles	15 years
Furniture and fixtures	10 years
Plant and machinery	10-15 years

## 2.5 Amortization of Intangible Assets

Intangible Assets are amortized over their expected useful life. It is stated at cost, net of amortization. Computer software is reclassified as intangible asset during the current financial year and is amortized as per Companies Act 2013.

The management estimates the useful life of the assets as follows:

Intangible Asset	Useful Life
Computer Software	3yrs

## 2.6 Inventories

The company does not hold any inventories during the year.

## 2.7 Revenue Recognition

Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses. Revenue is recognized to the extent it is realizable wherever there is uncertainty in the ultimate collection. Income from non-performing assets is recognized only when it is realized. Interest income on deposits is recognized on time proportionate basis.



## 2.8 Foreign Currency Transactions

The company has no foreign currency transaction during the year.

## 2.9 Government Grants

The company has not received any Government grants during the year.

## 2.10 Investments

Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. There is no long term or short-term investment in the current year.

## 2.11 Employee Benefits

- (i) Short term employee benefits such as salaries, wages, bonus and incentives which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits are recognized on an undiscounted basis and charged to the profit and loss account.
- (ii) Defined contribution plans- Contribution made to the Recognized Provident Fund and Employee State Insurance Corporation are expensed to the Statement of Profit and Loss. The company's obligation is limited to the amount contributed by it. Provision for Gratuity has been provided and expensed to the Statement of Profit and Loss.

## 2.12 Borrowing Costs

Interest on borrowings is recognized in the Statement of Profit and Loss on an accrual basis. Costs associated with borrowings are grouped under finance charges along with interest costs.

## 2.13 Segment Reporting

Since the company operates in single segment, no further disclosure is required to be given as per the notified AS-17 'Segment Reporting'.

## 2.14 Taxes on Income

Income tax expense comprises current tax and deferred tax charge or credit. The current tax is determined as the amount of tax payable in respect of the estimated taxable income of the period. The deferred tax charge or credit is recognized using prevailing enacted or substantively enacted tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax asset is recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets are reviewed at each Balance Sheet date based on the developments during the year and available case laws, to reassess realization/liabilities. The net deferred tax position as on 31-03-2022 is a Deferred Tax Asset of ₹5,86,729.

## 2.15 Impairment of Assets

The carrying amount of assets is reviewed at each Balance Sheet date to check whether there is any indication of impairment based on internal/external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value using the weighted average cost of capital.

## 2.16 Provisions, Contingent Liabilities and Contingent Assets

The company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

The company makes provision for standard assets and non-performing assets as per Master Direction Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016. Provision for standard assets in excess of the prudential norms, as estimated by the management, is categorized under Provision for Standard Assets, as General provisions and/or as Gold Price Fluctuation Risk provisions.

## 2.17 Contingent Liabilities and Commitments

Contingent Liability not Provided for - The Income tax Department has raised a demand of Rs1,18,17,819 for the AY-2017-18 and Rs 7,18,42,690 for AY 2018-19. The company has filed an appeal before the Commissioner of Income Tax (Appeals), Thrissur against the demand for AY 2017-18. The case is still pending before CIT(A). The appeal is yet to be filed for the AY 2018-19. The management is of the opinion that no provision is required for such liability.

## 2.18 Disclosure in accordance with AS-15 on Employee Benefits

<u>Defined Benefit plan</u>	<u>31.03.2022</u>	<u>31.03.2021</u>
Gratuity	34,91,124	28,35,603
	<b>34,91,124</b>	<b>28,35,603</b>

<u>Defined Benefit plan: Current and Non-Current Liability</u>	<u>31.03.2022</u>	<u>31.03.2021</u>
Current liability	1,71,749	30,558
Non-Current liability	33,19,375	28,05,045
	<b>34,91,124</b>	<b>28,35,603</b>

<u>Summary of Actuarial assumptions used in Valuation</u>	<u>31.03.2022</u>	<u>31.03.2021</u>
Discount rate	7.32%	6.89%
Salary Escalation rate	10.00%	10.00%
Employee turnover rate	5.00%	5.00%

<u>DBO Sensitivities As at</u>	<u>31.03.2022</u>
DBO - Base Assumptions	34,91,124
Discount rate: +1%	30,38,004
Discount rate: -1%	40,48,471
Salary escalation rate: +1%	40,27,931
Salary escalation rate: -1%	30,44,297
Attrition rate: 25% increase	33,07,149
Attrition rate: 25% decrease	37,08,747

**Note:**

The above disclosures are based on information certified by the independent actuary and relied upon by the Company.

## 2.19 Earning per share

Sl. No.	Particulars	FY 2021-22	FY 2020-21
<b>A</b>	<b>Calculation of Basic EPS:</b>	<b>(₹)</b>	<b>(₹)</b>
(i)	Profit after tax attributable to Equity Shareholders	1,93,70,108	1,56,87,171
(ii)	Equity shares outstanding during the year	2,61,81,950	2,61,81,950
(iii)	Face value of equity share	10	10
	<b>Basic EPS</b>	<b>0.740</b>	<b>0.599</b>
<b>B</b>	<b>Calculation of Diluted EPS:</b>	<b>(₹)</b>	<b>(₹)</b>
(i)	Profit after tax attributable to Equity Shareholders	1,93,70,108	1,56,87,171
(ii)	Equity shares outstanding during the year	2,61,81,950	2,61,81,950
(iii)	Face value of equity share	10	10
	<b>Diluted EPS</b>	<b>0.740</b>	<b>0.599</b>

## 2.20 Related Party Disclosures

### Name of the related party and nature of relationship

Enterprises in which director(s) has significant influence

#### 1. JMJ Nidhi Limited

Enterprises Name	Name of Director
JMJ Nidhi Ltd.	Joel Joju Madathumpady

(a) List of related parties where control exists and related parties whom transaction have taken place and relationships.

Sl. No.	Name and particulars of related parties	Relationship	Description of Relationship
1.	Shaji T D	Whole time Director	KMP
2.	Joel M J	Director	
3.	Roy N R	Director	
4.	Sherbin K T	Chief Financial Officer	
5.	Ramees Rehman K	Company Secretary	
6.	Johny M L	Relative of Director	Relative of KMP
7.	Joju M J	Relative of Director	
8.	ShinyJoju	Relative of Director	
9.	JMJ Finance (KML)	Relative of Director	
10.	Mary Reema	Relative of Chief Financial Officer	

To comply with the disclosure requirement of the Companies (Accounting Standard) Rules, 2006 the following transactions with the related parties are shown as per the AS-18 related party disclosure.

## (b) Related party transactions during the year

Sl. No.	Particulars	Amount (in ₹)
1.	<b>Remuneration to Key managerial persons:</b>	
	(i) Shaji T D	4,02,500
	(ii) Roy N R	4,02,500
	(iii) Ramees Rehman K	2,69,418
	(iv) Sherbin K T	4,48,273
2.	<b>Professional fees paid during the year:</b>	
	(i) Joju M J	12,00,000
3.	<b>Loans disbursed during the year:</b>	
	(i) Shaji T D	2,00,000
	(ii) JMJ Finance	50,00,000
4.	<b>Loans repayed during the year:</b>	
	(i) Shaji T D	1,00,000
	(ii) Roy N R	24,99,813
	(iii) JMJ Finance	50,00,000
5.	<b>Interest received during the year:</b>	
	(i) Shaji T D	1,07,755
	(ii) Roy N R	4,80,026
	(iii) JMJ Finance	55,479
6.	<b>Incentive paid:</b>	
	(i) Joel M J	1,23,990
	(ii) Roy N R	1,32,890
	(iii) Sherbin K T	840
	(iv) Shiny Joju	2,26,770
7.	<b>Subordinate bonds accepted:</b>	
	(i) JMJ Finance	17,11,000
	(ii) Sherbin K T	10,000
8.	<b>Interest paid on bonds:</b>	
	(i) Johny M L	32,500
	(ii) Mary Reema	6,500
	(iii) Sherbin K T	3,277
	(iv) JMJ Finance	40,223

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

(b) There are no transactions with struck off companies under section 248 or 560

(c) No charges or satisfaction is yet to be registered with Registrar of Companies beyond the statutory period.

(d) There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237

(e) There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(f) The company is not covered under section 135.

(g) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

2.23 Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

**Note : 3 - Share capital**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
<b>Authorised capital :</b>		
3,70,00,000 Equity shares of ₹ 10/- each	4,000.00	4,000.00
30,00,000 Cumulative preference shares of ₹ 10/- each		
<b>Total</b>	<b>4,000.00</b>	<b>4,000.00</b>
<b>Issued, subscribed and paid up capital :</b>		
2,61,81,950 Equity shares of Rs.10/- each (fully called up and paid-up)	2,618.20	2,618.20
<b>Total</b>	<b>2,618.20</b>	<b>2,618.20</b>

**(a) Reconciliation of the shares outstanding at the end of the reporting period**

₹ in Lakhs

Particulars	As at 31-03-2022		As at 31-03-2021	
	Number	Amount	Number	Amount
<b>Issued, Subscribed and Paid-up capital :</b>				
Balance in the beginning of the year	2,61,81,950	2,618.20	2,61,81,950	2,618.20
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	<b>2,61,81,950</b>	<b>2,618.20</b>	<b>2,61,81,950</b>	<b>2,618.20</b>

**(b) Terms/rights attached to equity shares**

The company has issued only one class of Equity shares having a face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The voting right of each equity shareholder shall be in proportion to his share in the paid-up equity share capital of the company. The dividend proposed by the Board of Directors are subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders. No Dividend has been declared during the year ended March 31, 2022

**(c) Details of share holders holding more than 5% of shares in the company**

Name of shareholder	As at 31-03-2022		As at 31-03-2021	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Joel Joju M	33,58,550	12.83%	6,97,560	2.66%

**(d) Disclosure of Shareholding of Promoters - Shares held by the Promoters:**

As at 31 March 2022:

S. No			1
Promoter name			Joel Joju M
Class of Shares			Equity Shares
At the end of the year	No. of Shares	33,58,550	
	%of total shares	12.83%	
At the beginning of the year	No. of Shares	6,97,560	
	%of total shares	2.66%	
% Change during the year			(10.17%)

**Note : 4 - Reserves and surplus**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
<b>(a) Statutory reserve :</b>		
Balance as at the beginning of the year	26.95	26.95
Add : Amount transferred from surplus	38.74	31.37
Balance in the end of the year	<b>65.69</b>	<b>58.32</b>
<b>(b) Profit and loss Account :</b>		
Balance as at the beginning of the year	(513)	(670)
Add : Profit for the year	193.70	156.87
Amount available for appropriations	<b>(319.45)</b>	<b>(513.15)</b>
Less : Appropriations :		
- Statutory reserve <sup>1</sup>	38.74	31.37
Balance in the end of the year	<b>(358.19)</b>	<b>(544.53)</b>
<b>Grand total</b>	<b>(292.50)</b>	<b>(486.20)</b>

<sup>1</sup>The amount appropriated out of the surplus in the Statement of profit and loss are as under:

(a) Transfer of ₹ 38,74,022 /- to Statutory reserve as prescribed by section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the Profit after Tax (PAT) for the year.

**Note : 5 - Long-term borrowings**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
<b>Secured :</b>		
Debtentures (465 Debtentures of FV ₹ 10000 has been issued for 5 years. The rate of interest for 375 Debtentures is 11%, 50 Debtentures is 11.75% and 40 Debtentures is 11.5%)	46.50	-
<b>Unsecured :</b>		
Subordinate bond (6,00,999 Subordinate bonds of FV ₹ 1000 and 15,521 Subordinate bonds of FV ₹ 5000 has been issued for a period of 5 years. The rate of interest for 17,539 Subordinate bonds is 14.87%, 32 Subordinate bonds is 14%, 4,73,779 Subordinate bonds is 13%, 30100 Subordinate bonds is 13.39%, 18,913 Subordinate bonds is 11.72% and 76157 Subordinate bonds is 12%)	6,786.04	5,887.68
<b>Total</b>	<b>6,832.54</b>	<b>5,887.68</b>

**Note : 6 - Long-term provisions**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
Provision for Gratuity	33.19	28.05
<b>Total</b>	<b>33.19</b>	<b>28.05</b>



**Note : 7 - Other long-term liabilities**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
<b>Kuri Liability</b>		
Long term liability with Kuries	9.15	108.38
<b>Total</b>	<b>9.15</b>	<b>108.38</b>

**Note : 8 - Short-term borrowings**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
Loan from bank - Federal Bank Ltd. (Bank loan from The Federal Bank Ltd. is secured by pledge of Gold)	299.24	666.93
Loan from bank - South Indian Bank Ltd. (Bank loan from The South Indian Bank is secured by pledge of Gold)	2.34	24.03
Loan from bank - Kerala State Financial Enterprises Ltd. (Bank loan from Kerala State Financial Enterprises Ltd. is secured by pledge of Gold)	-	3.27
Vehicle loan	18.13	25.11
Bank overdraft	536.55	833.45
<b>Total</b>	<b>856.26</b>	<b>1,552.78</b>

**Note : 9 - Other current liabilities**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
<b>(a) Current maturities of long-term liabilities</b>		
Liability with kuries	66.58	128.95
<b>(b) Interest payable on :</b>		
Debentures	0.39	-
Subordinate bonds	537.41	421.89
<b>(c) Other payables</b>		
Audit fee payable	1.53	1.06
Employee Provident fund payable	2.56	2.36
Employee State Insurance payable	0.94	0.72
Salary payable	35.79	24.18
Salary payable to directors	1.08	1.08
Tax deducted at source payable	1.55	2.08
Rent payable	9.64	8.00
Customer suspense	17.73	29.22
Bank suspense	7.65	5.98
Interest received in advance	13.43	50.74
Professional fee payable	-	0.08
Telephone charges payable	1.14	-
Electricity charges payable	0.95	-
Interest on loans payable	8.68	23.69
GST payable	3.23	14.32
Labour welfare contribution payable	0.03	0.03
Other payables	3.78	0.30
<b>Total</b>	<b>714.10</b>	<b>714.69</b>

**Note : 10 - Short term provisions**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
(a) Provision for taxation	38.03	31.24
(b) Other provisions :		
Provision for gratuity	1.72	0.31
Contingent provision against standard assets	17.76	16.81
Provision for non-performing assets	713.14	805.99
<b>Total</b>	<b>770.64</b>	<b>854.34</b>

**Note : 11 - Fixed assets (separately attached)****Note : 12 - Non-current investments**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
(a) Investment in shares		
JMJ plus kuries ltd (360 Equity shares of FV ₹5000 each)	18.00	18.00
Projexcel37 Project management pvt ltd (6800 5% Preference shares FV ₹100 each)	6.80	6.80
Projexcel37 Project management pvt ltd (200 Equity shares of FV ₹100 each)	0.20	0.20
Foschia resorts pvt ltd (100 Equity shares FV of ₹10000 each at ₹11000)	11.00	11.00
Sharewealth securities ltd (100 Equity shares FV of ₹10 each at ₹12)	-	0.01
(b) Investment in kuries		
Kuri investments	202.89	271.73
<b>Total</b>	<b>238.89</b>	<b>307.74</b>

**Note : 13 - Long term loans and advances**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
Financial assets :		
Term loan	1,428.14	400.79
<b>Total</b>	<b>1,428.14</b>	<b>400.79</b>

**Note : 14 - Cash and cash equivalents**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
(a) Cash in hand	561.89	630.94
(b) Balance with bank		
Current account	200.66	336.07
Fixed deposits	103.47	104.53
<b>Total</b>	<b>866.02</b>	<b>1,071.53</b>

**Note : 15 - Short term loans and advances**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
<b>(a) Current maturity of long term financial assets:</b>		
Term loan	1,300.09	2,055.45
Gold loan	8.99	10.13
Business loan	161.27	167.58
Chit loan	-	0.80
<b>(a) Other financial assets :</b>		
Term loan	2,232.60	1,144.40
Gold loan	3,946.68	4,324.01
Business loan	450.12	594.19
Simple loan	-	0.51
<b>(b) Other :</b>		
Building rent advance	84.37	85.72
Security Deposits	1.58	1.58
Other advances	0.11	0.11
<b>Total</b>	<b>8,185.80</b>	<b>8,384.48</b>

**Note : 16 - Other current assets**

₹ in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
Interest receivable on loans	177.56	243.40
Interest receivable on deposits	1.54	2.88
Kuri loss to be written off	15.94	46.65
Salary advance	-	1.14
TDS receivables	14.12	26.08
Income tax refund receivables	36.57	36.57
Advance tax	15.00	5.00
Advance paid	0.38	-
Amount receivable-Gold auction	0.00	170.33
Sundry expenses receivable	140.35	140.75
Other receivables	24.02	24.94
<b>Total</b>	<b>425.48</b>	<b>697.73</b>

**Note : 17 - Revenue from operation**

₹ in Lakhs

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
<b>Financial activities :</b>		
Interest received on loans	1,831.38	1,721.81
<b>Total</b>	<b>1,831.38</b>	<b>1,721.81</b>

**Note : 18 - Other income**

₹ in Lakhs

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Late fees	0.04	0.35
Penal interest	21.48	51.40
Interest on bank deposits	10.01	3.49
Profit on Kuri investment	4.93	3.68
Dividend received on Kuri investment	3.63	7.31
Provision for NPA reversal	92.85	86.54
Processing charges	3.05	-
Appraising charge	6.35	-
Other incomes	0.16	0.14
<b>Total</b>	<b>142.49</b>	<b>152.92</b>

**Note : 19 - Employee benefit expenses**

₹ in Lakhs

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Salaries and wages	282.75	255.12
Salary to directors	8.05	10.14
Contribution to provident funds	12.23	13.78
Contribution to employees state insurance	6.96	6.60
Staff welfare expenses	12.76	11.18
Labour welfare fund contribution	0.18	0.22
<b>Total</b>	<b>322.93</b>	<b>297.05</b>

**Note : 20 - Finance costs**

₹ in Lakhs

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
<b>Interest expense :</b>		
Subordinate bonds	869.41	726.42
Debenture interest paid	0.70	-
Bank loan	130.97	258.84
Vehicle loan	1.93	2.52
<b>Total</b>	<b>1,003.01</b>	<b>987.79</b>

**Note : 21 - Depreciation and amortization**

₹ in Lakhs

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Depreciation and amortization	42.84	39.12
<b>Total</b>	<b>42.84</b>	<b>39.12</b>

**Note : 22 - Other expenses**

₹ in Lakhs

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
<b>(a) Administrative expenses :</b>		
Advertisement expenses	17.85	12.69
Business promotion expenses	5.19	8.13
Annual maintenance charges	4.30	6.51
Office expenses	15.68	16.45
Office inauguration expenses	0.76	3.40
Bank charges	11.82	15.49
Building rent	73.99	80.77
Filing fees	0.86	0.24
Printing and stationary	12.04	6.49
Telephone expense	13.66	14.03
Electricity charges	10.62	9.24
Insurance	2.56	3.74
Commission and brokerage	90.67	94.69
Generator running expense	0.16	0.26
Rates and taxes	4.19	1.48
Software expenses	0.39	5.81
Postage and couriers	0.99	0.87
Professional fees	17.53	4.84
Repair and maintenance	5.14	6.77
Renovation office expenses	2.68	21.71
Travelling and fuel expenses	25.33	22.25
Kuri loss written off	46.72	20.70
Loan written off	0.89	-
Membership fees	0.06	0.06
Loss on sale of fixed assets	0.13	0.05
Registration fees	0.02	0.07
Miscellaneous expenses	0.12	0.08
<b>(b) Provisions :</b>		
Gratuity	6.56	3.70
Provision for standard assets	0.94	1.98
<b>(c) Payment to Auditors :</b>		
Audit fee	1.70	1.15
<b>Total</b>	<b>373.54</b>	<b>363.64</b>

**Note 11 - Property, plant & equipment and Intangible assets**

(a) Property, plant and equipment's

Particular	Gross carrying value				Accumulated depreciation			Net carrying value	
	As at 01-04-2021	Addition	Deletion	As at 31-03-2022	As at 01-04-2021	Current Year	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021
	170.19	-	-	170.19	-	-	-	170.19	170.19
Land	170.19	-	-	170.19	-	-	-	170.19	170.19
Building	2.18	-	-	2.18	1.24	-	1.24	0.94	0.94
Telephone equipment's	5.83	0.55	-	6.38	1.57	0.83	2.40	3.98	4.26
Electrical equipment's	46.78	2.26	0.12	48.92	6.64	4.59	11.24	37.68	40.13
Fire extinguisher	-	0.07	-	0.07	-	0.01	0.01	0.06	-
Plant and machinery	0.68	-	-	0.68	0.31	0.08	0.39	0.29	0.37
Gold weighing machine	7.48	0.36	-	7.84	1.39	0.96	2.35	5.49	6.09
Cash counting machine	2.12	-	-	2.12	0.05	0.18	0.22	1.90	2.08
Gold detector machine	0.08	-	-	0.08	0.01	0.00	0.01	0.07	0.08
Computer and peripherals	66.55	9.17	-	75.71	43.90	15.01	58.91	16.81	22.64
Motor car	75.70	-	-	75.70	21.62	8.49	30.11	45.59	54.08
Motor bike	3.96	-	0.08	3.88	1.73	0.33	2.06	1.82	2.23
Furniture and fixtures	119.25	3.32	0.15	122.43	17.72	11.85	29.58	92.85	101.52
<b>Total</b>	<b>500.81</b>	<b>15.73</b>	<b>0.34</b>	<b>516.19</b>	<b>96.18</b>	<b>42.34</b>	<b>138.52</b>	<b>377.67</b>	<b>404.62</b>

(b) Intangible assets

Particular	Gross carrying value			Accumulated amortization			Net carrying value		
	As at 01-04-2021	Addition	Deletion	As at 31-03-2022	As at 01-04-2021	Current Year	As at 31-03-2022	As at 31-03-2021	
	17.89	8.89	-	26.77	12.57	0.50	13.07	5.31	
Computer software	17.89	8.89	-	26.77	12.57	0.50	13.07	5.31	
<b>Total</b>	<b>17.89</b>	<b>8.89</b>	<b>-</b>	<b>26.77</b>	<b>12.57</b>	<b>0.50</b>	<b>13.07</b>	<b>5.31</b>	
<b>Grand Total</b>	<b>518.69</b>	<b>24.62</b>	<b>0.34</b>	<b>542.97</b>	<b>108.75</b>	<b>42.84</b>	<b>151.59</b>	<b>391.37</b>	<b>409.94</b>
<b>Previous year (2020-21)</b>	<b>463.98</b>	<b>54.89</b>	<b>0.17</b>	<b>518.69</b>	<b>69.64</b>	<b>39.11</b>	<b>108.75</b>	<b>409.94</b>	<b>394.34</b>

**1. Percentage of Gold Loan to Total Asset**

Particulars	2021-22	2020-21
Gold Loan	39,55,66,963	31,64,77,449
Total Assets	1,15,41,58,134	1,12,77,90,802
% of Gold Loan to Total Assets	34.27%	28.06%

**2. Leverage Ratio**

Particulars	2021-22	2020-21
Total Liabilities	1,15,41,58,134	1,12,77,90,802
Less: Share Capital	26,18,19,500	26,18,19,500
Reserves and Surplus	(2,92,50,306)	(4,86,20,414)
Provisions	8,03,83,633	8,82,39,397
Total Outside Liabilities (A)	84,12,05,307	82,63,52,319
Share Capital	26,18,19,500	26,18,19,500
Reserves and Surplus	(2,92,50,306)	(4,86,20,414)
Less: Deferred Revenue Expenditure	-	-
Deferred Tax Assets	5,86,729	5,68,984
Other Intangible Assets	13,69,988	5,31,467
Total Owned Funds (B)	23,06,12,477	21,20,98,635
Leverage Ratio (A) / (B)	3.65	3.90

3. Details of Auction Held During the Year 2021-22. Additional disclosure as required by Circular DNBS.C.C.PD.No.365/03/.10.01/2013-2014 dated September 16th, 2013 issued by Reserve Bank of India on auction of gold ornaments pledged by borrowers, during the financial year 2021-22. ₹ in Lakhs

Year	No of loan accounts	Principal Amount outstanding at the dates of auction (A)	Interest & Other Charges outstanding at the dates of auctions (B)	Total (A+B)	Value fetched*
2022	1317	1112.88	309.17	1422.05	1071.49
2021	604	608.54	180.25	788.79	762.63

\*excluding GST collected from the buyer.

No sister concerns participated in the auction held during the period

## 4. Provision for Standard and Non-performing Asset as per Prudential Norms

Type of loan	Loan status	As on March 31, 2022		As on March 31, 2021	
		Amount	Provision	Amount	Provision
Gold	Standard Assets	36,47,73,066	9,11,933	30,51,07,091	7,62,768
	Substandard Assets	2,79,12,394	27,91,239	1,05,90,761	10,59,076
	Doubtful Assets	26,10,600	5,79,420	7,79,600	1,55,920
	Loss Assets	2,70,903	2,70,903	-	-
<b>Total A</b>		<b>39,55,66,963</b>	<b>45,53,495</b>	<b>31,64,77,452</b>	<b>19,77,764</b>
Other loans	Standard Assets	34,55,40,939	8,63,852	36,74,81,578	9,18,704
	Substandard Assets	8,79,83,446	87,98,345	3,58,77,944	35,87,795
	Doubtful Assets	10,57,55,176	4,09,30,466	12,37,41,578	4,95,88,250
	Loss Assets	1,79,43,270	1,79,43,270	2,62,07,776	2,62,07,776
<b>Total B</b>		<b>55,72,22,831</b>	<b>6,85,35,933</b>	<b>55,33,08,876</b>	<b>8,03,02,524</b>
<b>Total A+B</b>		<b>95,27,89,794</b>	<b>7,30,89,429</b>	<b>86,97,86,328</b>	<b>8,22,80,288</b>

LOANS	STANDARD	NON-PERFORMING ASSETS					TOTAL
		STD	SUB-STD	D1	D2	D3	
Gold loans	36,47,73,066	2,79,12,394	20,37,600	5,73,000	-	2,70,903	39,55,66,963
Other loans	34,55,40,939	8,79,83,446	1,52,17,269	3,69,09,707	5,36,28,200	1,79,43,270	55,72,22,831
<b>TOTAL</b>	<b>71,03,14,005</b>	<b>11,58,95,840</b>	<b>1,72,54,869</b>	<b>3,74,82,707</b>	<b>5,36,28,200</b>	<b>1,82,14,173</b>	<b>95,27,89,794</b>
LOANS	STANDARD PROVISION	NON-PERFORMING ASSETS PROVISION					TOTAL
		STD	SUB-STD	D1	D2	D3	
Gold loans	9,11,933	27,91,239	4,07,520	1,71,900	-	2,70,903	45,53,495
Other loans	8,63,852	87,98,346	30,43,454	1,10,72,912	2,68,14,100	1,79,43,270	6,85,35,933
<b>TOTAL</b>	<b>17,75,785</b>	<b>1,15,89,585</b>	<b>34,50,974</b>	<b>1,12,44,812</b>	<b>2,68,14,100</b>	<b>1,82,14,173</b>	<b>7,30,89,428</b>
LOANS	STANDARD NET OF PROVISION	NON-PERFORMING ASSETS NET OF PROVISION					NET NPA
		STD	SUB-STD	D1	D2	D3	
Gold loans	36,38,61,133	2,51,21,155	16,30,080	4,01,100	-	-	39,10,13,468
Other loans	34,46,77,087	7,91,85,101	1,21,73,815	2,58,36,795	2,68,14,100	-	48,86,86,898
<b>TOTAL</b>	<b>70,85,38,220</b>	<b>10,43,06,256</b>	<b>1,38,03,895</b>	<b>2,62,37,895</b>	<b>2,68,14,100</b>	<b>-</b>	<b>87,97,00,366</b>



Schedules as per Annexure III of Master Direction Dated September 01, 2016  
Financial Year 2021-22

Particulars	₹ in Lakhs	
	Amount outstanding	Amount overdue
<b>Liabilities side</b>		
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
(a) Debentures :		
(i) Secured	46.89	NIL
(ii) Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
(b) Deferred credits	NIL	NIL
(c) Term loans	319.71	NIL
(d) Inter-corporate loans and borrowing	NIL	NIL
(e) Commercial paper	NIL	NIL
(f) Public deposits*	NIL	NIL
(g) Bond	NIL	NIL
(h) Subordinated debt	7,323.45	NIL
(i) Bank overdraft	536.55	NIL
* Please see Note 1 below		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of unsecured debentures	NIL	NIL
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NIL	NIL
(c) Other public deposits*	NIL	NIL
* Please see Note 1 below		
<b>Assets side</b>		
	<b>Amount outstanding</b>	
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured		5,853.45
(b) Unsecured		3,674.44
(4) Break up of leased assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		NIL
(b) Operating lease		NIL
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on hire		NIL
(b) Repossessed assets		NIL
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed		NIL
(b) Loans other than (a) above		NIL

(5) Break-up of investments		
Current investments		
1. Quoted		
(i) Shares		
(a) Equity		NIL
(b) Preference		NIL
(ii) Debentures and bonds		NIL
(iii) Units of mutual funds		NIL
(iv) Government securities		NIL
(v) Others (please specify)		NIL
2. Unquoted		
(i) Shares		
(a) Equity		NIL
(b) Preference		NIL
(ii) Debentures and bonds		NIL
(iii) Units of mutual funds		NIL
(iv) Government securities		NIL
(v) Others (please specify)		NIL
(6) Long term investments		
1. Quoted		
(i) Share		
(a) Equity		NIL
(b) Preference		NIL
(ii) Debentures and bonds		NIL
(iii) Units of mutual funds		NIL
(iv) Government securities		NIL
(v) Others (please specify)		NIL
2. Unquoted		
(i) Shares		
(a) Equity		29.20
(b) Preference		6.80
(ii) Debentures and bonds		NIL
(iii) Units of mutual funds		NIL
(iv) Government securities		NIL
(v) Kuri investments		202.89
(vi) Others (please specify)		NIL

Borrower group-wise classification of assets financed as in (3) and (4) above : Please see Note 2 below

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	6.07	6.07
2. Other than related parties	5,853.45	3,668.38	9,521.83
<b>Total</b>	<b>5,853.45</b>	<b>3,674.44</b>	<b>9,527.90</b>

Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :Please see note 3 below		
Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	18.00	18.00
(c) Other related parties	NIL	NIL
2. Other than related parties	18.00	18.00
<b>Total</b>	<b>36.00</b>	<b>36.00</b>
<b>** As per Accounting Standard of ICAI (Please see Note 3)</b>		
<b>Other information</b>		
Particulars	Amount	
(i) Gross Non-Performing Assets		
(a) Related parties	NIL	
(b) Other than related parties	2,424.76	
(ii) Net Non-Performing Assets		
(a) Related parties	NIL	
(b) Other than related parties	1,711.62	
(iii) Assets acquired in satisfaction of debt	NIL	
<b>Notes :</b>		
1. As defined in point xxv of paragraph 3 of Chapter -II of these Directions.		
2. Provisioning norms shall be applicable as prescribed in these Directions.		
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.		

**Route Map for reaching to the venue of 26th Annual General Meeting of M/s. JMJ Finance Limited.**



## ATTENDANCE SLIP

(To be presented at the entrance of the AGM venue)

Name & Address of the Shareholder  
-----  
-----  
-----

Folio No: -----  
  
No. of Shares.....

I Certify that I am a member / proxy appointed by the member\* of the company and record my Presence at the 26th Annual General Meeting of the Company, held on Friday, 30th September, 2022 at 11.30 A.M at Door No. 25/469/23,3rd Floor, Pooma Complex, Naduvilal Junction, M G Road, Thrissur, Kerala- 680001.

Name of the Shareholder / Proxy\*  
(in Block Letters)

Signature of the Shareholder/Proxy

-----

\* Strike Out whichever is not applicable.

Note:

- Please fill up this attendance slip and Handover at the entrance of the meeting hall.
- Members may bring their copy of notice of AGM for the meeting

Form No. MGT-11

Proxy form

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

CIN:	U65910KL1996PLC010270
Name of the company:	JMJ FINANCE LIMITED
Registered office:	Door No.25/469/23, 3rd Floor, Pooma Complex, Naduvilal Junction., M.G Road, Thrissur, Kerala- 680001
Name of the member(s):	
Registered address:	
Email Id:	
Folio No./Client Id:	
DP ID:	

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

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

Or failing him/her

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

Or failing him/her

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26<sup>th</sup> Annual General Meeting of the company, to be held on 30.09.2022 (Friday) at 11.30 a.m. at Door No.25/469/23, 3rd Floor, Pooma Complex, Naduvilal Junction., M.G Road, Thrissur, Kerala-680001 and any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	For	Against
<b>Ordinary Business</b>			
1.	To receive, consider, approve and adopt the Audited financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon		
2.	To appoint a Director in place of Shri. Nelloyparambil Rappai Roy, Director (DIN: 08043543), who retires by rotation and being eligible, offers himself for re-appointment.		
<b>Special Business</b>			
5.	Change in Designation of shri. Shaji Devassykutty Thaivalappil (DIN: 08043511) as Whole Time Director of the Company:		
6.	Approval for Issuance of Secured Redeemable Non-convertible Debentures on private placement		

Signed this..... day of September 2022

Signature of shareholder

Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy form which does not state the name of the Proxy shall not be considered valid. Undated Proxy shall not be considered valid. Proxies which are incomplete will not be valid.
3. A Proxy shall not have right to speak and shall not vote on a show of hands.
4. Vote should be cast either in "For" (if favour the resolution), or in "against" (if you are against the resolution) by putting a tick mark (✓) in appropriate columns.

For Office Use only	
Date of receipt:	

Affix  
Revenue  
Stamp





[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To

**JMJ FINANCE LIMITED**

Door No. 25/469/23, 3rd Floor, Pooma Complex,  
 Naduvilal Junction, M G Road, Thrissur, Kerala- 680001  
 Tel:0487-2388175

I/We ..... the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.	
				From	To

(2) PARTICULARS OF NOMINEE/S —

Name		Date of Birth	DD/MM/YYYY
Father's/Mother's/ Spouse's name		Occupation	
Address		Nationality	
PIN Code			
Relationship with the security holder		Phone No.	
E-mail id		Mobile No.	
Signature of Nominee		IT PAN /Others	

(3) IN CASE NOMINEE IS A MINOR—

Name		Date of Birth	DD/MM/YYYY
Name of guardian:		Date of attaining majority	DD/MM/YYYY
Address of guardian		Relationship with Minor	

Name of Security Holder(s)	Signature
1.	
2.	
3.	

Witness	Signature
Name:	
Address:	

Date:

Place:

Please fill this Nomination form in Duplicate after carefully reading the instructions given below:

1. A nomination is a written mandate given by a shareholder to a company describing a particular person, to whom the shares held in the company shall vest in the event of death of the shareholder/ all joint holders. The Nomination can be made by individuals only holding shares singly or jointly. Non-individuals including Society, Trust, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and Power of Attorney holder cannot nominate.
2. Shareholders holding shares in dematerialized mode, nomination is required to be filled with the Depository Participants (DPs) in their prescribed form.
3. The nominee shall not be a Trust, Society, Body Corporate, Partnership firm, Karta of Hindu Undivided Family and power of attorney holder.
4. The shareholder [s] can nominate a minor as a nominee and in that event the name and address of the guardian shall be provided.
5. As per section 72 of Companies Act 2013, if the shares are held by more than one person jointly, then the joint holders may together nominate a person to whom all the rights in the shares of the Company shall vest, in the event of death of all the joint holders.
6. If the shares are held jointly, subsequent to the death of anyone of the holders, the shares would not be registered in favour of the nominee but would be transferred in the name of the surviving shareholders (joint holder).
7. The nomination form filled in "duplicate" should be lodged with the Company. One copy of the nomination form will be returned to the shareholder after registering the nomination. The registration number allotted will be furnished in the said form.
8. The shareholder[s] can Cancellation or change an earlier nomination by executing Form No. SH-14 (Cancellation or Variation of Nomination form).
9. Nomination stands cancelled whenever the shares in the given folio are transferred /dematerialized. Also in case of change in folio due to consolidation/ transmission a new nomination has to be filed.
10. Kindly note that the nomination being a legal document should be dated by the nominator and the witness should certify that the nominator has signed the form in their presence. Furthermore the date of execution on the Nomination Form should match with the date of witness, witnessing the document.
11. A copy of photo identity proof (like PAN/Passport) of nominee is required.

**FOR OFFICE USE ONLY**

Nomination Registration No.	Date of Registration	Signature of Employee with Code No.

# BEST INVESTMENT OPTIONS



# jmj group of companies



KERALA | TAMIL NADU | KARNATAKA



**Registered Office : Door No. 25/469/23, 3rd Floor, Poorna Complex,  
Naduvilal Junction, M G Road, Thrissur, Kerala-680 001  
Phone : 0487-2388175**

Email: [jmj@jmjfinance.com](mailto:jmj@jmjfinance.com) | Web: [www.jmjcompany.com](http://www.jmjcompany.com)