



(14) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not entered into non-cash transactions with directors or persons connected to them. Accordingly paragraph (xv) of the order is not applicable.

(15) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

As per our report of even date attached

PLACE : THRISSUR
DATE :12/08/2020

For R.Rajan Associates
Chartered Accountants
Firm Registration No : 0034225
Sd/-
C A C.K.VASUDEVAN Partner (M. No: 018979)
UDIN: 20018979AAAASF4091

Annexure II to the Independent Auditors' Report

The Annexure II referred to in our report to the members of THE PARISH CHIT COMPANY LIMITED, CIN: U65992KL1926PLC000848("the Company")Parish Building, Main Road, Cherpu P O.Thrissur, Pin:680561 for the year ended on March 31, 2020.

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 THE PARISH CHIT COMPANY LIMITED, CIN:U65992KL1926PLC000848("the Company")Parish Building, Main Road, Cherpu P O.Thrissur, Pin:680561 as of March 31, 2020 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, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

As per our report of even date attached

PLACE : THRISSUR
DATE :12/08/2020

For R.Rajan Associates
Chartered Accountants
Firm Registration No : 0034225
Sd/-
C A C.K.VASUDEVAN Partner (M. No: 018979)
UDIN: 20018979AAAASF4091



THE PARISH CHIT COMPANY LIMITED, CHERPU
CIN:U65992KL1926PLC000848
BALANCE SHEET AS AT 31 MARCH,2020

Particulars		March 31,2020	March 31,2019
I	EQUITY AND LIABILITIES		
1	<u>Shareholder's Fund</u>		
	a) Share Capital	3 16,000,000.00	16,000,000.00
	b) Reserves and Surplus	4 12,239,352.92	11,939,529.76
	c) Money received against Share warrants		
2	Share Application Money pending allotment		
3	<u>Non -Current liabilities</u>		
	a) Long term Borrowing	5 88,551,168.00	112,321,178.00
	b) Deferred tax Liabilities		
	c) Other Long Term Liabilities		
	d) Long Term Provisions	6 671,298.00	580,503.00
4	<u>Current Liabilities</u>		
	a) Short Term Borrowings		
	b) Trade Payables		
	c) Other Current Liabilities	7 32,331,529.44	15,136,295.06
	d) Short Term Provisions	8 452,600.00	3,520,820.00
	TOTAL	150,245,948.36	159,498,325.82
II	ASSETS		
1	<u>Non Current Assets</u>		
	a) <u>Fixed Assets</u>		
	i) Tangible Assets	9 7,579,027.62	6,300,874.30
	ii) Intangible Assets	9 10,530.14	14,232.58
	iii) Capital Working Progress		
	iv) Intangible Assets Under Development		
	b) Non Current Investments	10 49,999.00	49,999.00
	c) Deferred Tax	11 43,390.00	267,149.00
	d) Long Term Loans and Advances	12 36,265,933.00	39,470,502.00
	e) Other Non Current Assets	13 5,000.00	217,000.00
2	<u>Current Assets</u>		
	a) Current Investments		
	b) Inventories		
	c) Trade Recievables		
	d) Cash and Cash Equalents	14 59,605,121.87	65,106,262.21
	e) Short Term Loans and Advances		
	f) Other Current Assets	15 46,686,946.72	48,072,306.73
	TOTAL	150,245,948.36	159,498,325.82

Note 3 to 15 and 1 form part of Balance Sheet

For and on behalf of the Board of Directors

1 REV. Fr.POOVATHINGAL KURIAPPAN PRINCE (DIN:08704861)	Sd/-
2 Mr. JJO GEORGE (DIN:03473903)	Sd/-
3 Mr. THOMAS THATTIL KADA VAREETH (DIN:03255928)	Sd/-
4 Mr. ANTONY KUNJAMARA RAPPAL (DIN:00499007)	Sd/-
5 Mr. LIMSON JOSE (DIN:06825376)	Sd/-
6 Mr. ANTO CHEENAPILLY VARGHESE (DIN:07645303)	Sd/-
7 Mr. JOSE EDATHURUTHIKARAN AUGUSTY (DIN:07645305)	Sd/-
8 Mr. BABY EDATHURUTHIKARAN(DIN:07717227)	Sd/-
9 Mr PAUL KUNDUPARAMBAN ANTONY.(DIN:07989995)	Sd/-
10 Mr. GEORGE KUTTIKADAN JOSEPH(DIN:07990013)	Sd/-
11 Mr. VINCENT CHEMBAN VAREED(DIN:08306896)	Sd/-

As per our report of even date attached

For R.Rajan Associates
Chartered Accountants
Firm Registration No : 003422S
Sd/-
C A C.K.VASUDEVAN
Partner
(M. No: 018979)

UDIN: 20018979AAAASF4091

PLACE : Cherpu
DATE :12/08/2020



THE PARISH CHIT COMPANY LIMITED, CHERPU
CIN:U65992KL1926PLC000848
PROFIT & LOSS ACCOUNT ON 31-03-2020

Particulars			March 31,2020	March 31,2019
I	Revenue from Operations	16	15,222,159.19	13,905,066.09
II	Other Income	17	1,212,641.00	987,953.00
III	Total Revenue (I+II)		16,434,800.19	14,893,019.09
IV	Expenses			
	Employee benefit expenses	18	1,282,155.00	1,209,363.00
	Finance costs	19	9,136,678.15	9,691,187.00
	Depreciation & Amortisation expenses	20	99,038.11	118,655.74
	Other expenses	21	3,855,239.77	3,246,388.77
	Total expenses		14,373,111.03	14,265,594.51
V	Profit before exceptional & extraordinary items & tax (III-IV)		2,061,689.16	627,424.58
VI	Exceptional items	22	-	5,513,893.84
VII	Profit before extraordinary items & tax (V-VI)		2,061,689.16	6,141,318.42
VIII	Extraordinary items		-	-
IX	Profit before tax (VII-VIII)		2,061,689.16	6,141,318.42
X	Tax expenses			
	1) Current tax		452,600.00	1,519,420.00
	2) Previous year tax		121,065.00	2,014,353.00
	3) Deferred tax		223,759.00	(29,469.00)
XI	Profit /(loss) for the period from continuing operations (VII-VIII)		1,264,265.16	2,637,014.42
XII	Earnings from equity share			
	1)Basic	23	0.79	1.65

Schedule 16 to 21 form part of Profit and Loss Account

For and on behalf of the Board of Directors

1 REV. Fr.POOVATHINGAL KURIAPPAN PRINCE (DIN:08704861)	Sd/-
2 Mr. JIJO GEORGE (DIN:03473903)	Sd/-
3 Mr. THOMAS THATTIL KADA VAREETH (DIN:03255928)	Sd/-
4 Mr. ANTONY KUNJAMARA RAPPAI (DIN:00499007)	Sd/-
5 Mr. LIMSON JOSE (DIN:06825376)	Sd/-
6 Mr. ANTO CHEENAPILLY VARGHESE (DIN:07645303)	Sd/-
7 Mr. JOSE EDATHURUTHIKARAN AUGUSTY (DIN:07645305)	Sd/-
8 Mr. BABY EDATHURUTHIKARAN(DIN:07717227)	Sd/-
9 Mr PAUL KUNDUPARAMBAN ANTONY.(DIN:07989995)	Sd/-
10 Mr. GEORGE KUTTIKADAN JOSEPH(DIN:07990013)	Sd/-
11 Mr. VINCENT CHEMBAN VAREED(DIN:08306896)	Sd/-

PLACE : Cherpu
DATE :12/08/2020

As per our report of even date attached

For R.Rajan Associates
Chartered Accountants
Firm Registration No : 003422S
Sd/-
C A C.K.VASUDEVAN
Partner
(M. No: 018979)
UDIN: 20018979AAAASF4091



THE PARISH CHIT COMPANY LIMITED, CHERPU
CIN:U65992KL1926PLC000848
CASH FLOW STATEMENT AS AT 31ST MARCH,2020

	as at 31st March, 2020	as at 31st March, 2019
Cash flow from operating activities		
Net Profit/ Loss as per profit and loss account	2,061,689.16	6,141,318.42
Add:- Non operating expenses		
Deferred Tax		
Depreciation	99,038.11	118,655.74
Profit on sale of Fixed Assets	-	(25,216.84)
Provision For Gratuity	90,795.00	46,671.00
Operating profit before working capital changes	2,251,522.27	6,281,428.32
Add:- Decrease in current assets and Increase in Current Liabilities		
Decrease in Current Assets	1,597,360.01	-
Increase in current liabilities	14,294,834.38	3,799,520.00
Less : Increase in current assets and Decrease in current liabilities		
Increase in current assets	-	5,124,140.79
Decrease in current liabilities	26,838,230.00	2,246,231.35
Income tax paid	573,665.00	3,533,773.00
Net cash flow from Operating activities	(9,268,178.34)	(823,196.82)
Cash flow from Investing Activities		
Advance for land	2,900,400.00	800,400.00
Purchase of Fixed Assets	1,373,489.00	20,128.00
Sale of Fixed Assets	-	7,734,138.00
Net Cash flow from Investing Activities	1,526,911.00	8,514,410.00
Cash flow from Financing Activities		
Chit Liabilities		
Chit Assets		
Dividend Paid	800,000.00	800,000.00
Dividend tax Paid	164,442.00	164,442.00
Decrease in Mortgage Loan	1,818,571.00	2,653,157.00
Decrease in Pass Book Loan	1,385,998.00	3,002,800.00
Net Cash flow from Financing Activities	2,240,127.00	4,691,515.00
Net Increase/decrease in Cash and Cash Equivalents	(5,501,140.34)	12,382,728.18
Add:- Opening Cash and Cash Equivalents	65,106,262.21	52,723,534.03
Closing Cash and Cash Equivalents	59,605,121.87	65,106,262.21

For and on behalf of the Board of Directors

1 REV. Fr.POOVATHINGAL KURIAPPAN PRINCE (DIN:08704861)	Sd/-
2 Mr. JJO GEORGE (DIN:03473903)	Sd/-
3 Mr. THOMAS THATTIL KADA VAREETH (DIN:03255928)	Sd/-
4 Mr. ANTONY KUNJAMARA RAPPAI (DIN:00499007)	Sd/-
5 Mr. LIMSON JOSE (DIN:06825376)	Sd/-
6 Mr. ANTO CHEENAPILLY VARGHESE (DIN:07645303)	Sd/-
7 Mr. JOSE EDATHURUTHIKARAN AUGUSTY (DIN:07645305)	Sd/-
8 Mr. BABY EDATHURUTHIKARAN(DIN:07717227)	Sd/-
9 Mr PAUL KUNDUPARAMBAN ANTONY.(DIN:07989995)	Sd/-
10 Mr. GEORGE KUTTİKADAN JOSEPH(DIN:07990013)	Sd/-
11 Mr. VINCENT CHEMBAN VAREED(DIN:08306896)	Sd/-

As per our report of even date attached

For R.Rajan Associates
Chartered Accountants
Firm Registration No : 003422S
Sd/-
C A C.K.VASUDEVAN
Partner
(M. No: 018979)
UDIN: 20018979AAAASF4091

PLACE : Cherpu
DATE :12/08/2020



NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

THE PARISH CHIT COMPANY LIMITED, CIN: U65992KL1926PLC000848("the Company")Parish Building, Main Road, Cherpu P O.Thrissur, Pin:680561 is a Public company which is engaged primarily in chitty business. The Chitty business is coming under the concept of Rotating Savings and Credit Association (ROSCA). This activity is a part of financial inclusion and coming under Section 45-I(c)(v) of Reserve Bank of India Act, 1934. This activity is governed by Miscellaneous Non-Banking Companies (Reserve bank) Directions, 1977. In most of the states of India, it is regulated by The Chit Fund Act, 1982.

Chitty means a transaction, whether called Chitty or Kuri, by which one or more persons, hereinafter called the "foreman" or "foremen" enter into an agreement with a number of persons that every one of the contracting parties shall subscribe a certain amount of money or quantity of grain or other commodity by periodical installments for a certain definite period and that each in his term as determined by lot or by auction or by both, shall be entitled to the prize amount, whether payable in cash, kind or any other article of value or in such other manner as may be provided for in the agreement.

2. Summary of Significant accounting policies

2.1 Basis of Preparation and presentation of financial statement

The Financial Statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these Financial Statements to comply in all material respects with Accounting Standards notified under The Companies (Accounts) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared on an accrual basis and under the historical cost convention. The Accounting Policies adopted in the preparation of Financial Statements are consistent with those of previous year, except for the change in Accounting Policy mentioned below.

The principal activity of the company is conducting chits as defined under section 2(b) of The Chit Fund Act, 1982. The company being the Foreman as defined under section 2(j) of the said Act, is deriving income from conducting chits. Since there is running account for each Chit and no separate due dates are identifiable as service is rendered on a continuous basis, the amount due to/from the total chit scheme is shown under Other Current Liabilities/ Other Current Assets respectively. Hence the period of receivables/payables cannot be ascertained with certainty. The company is receiving commission for conducting chits; the commission received is shown in the Statement of profit and loss under the head Revenue from operation. Transactions with each scheme of Kuri/ Chit are considered as related party transactions as defined under AS-18.

During the year ended 31 March 2020, The Company has complied with Schedule III notified under the Companies Act 2013, for preparation and presentation of its financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year. The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, receivables, advances, properties and assets, Intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic condition

2.2 Tangible Assets

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

2.3 Depreciation on tangible fixed assets

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



Asset	Useful Life
Premises & Building	60yrs
Furniture & Fittings	10yrs
Electrical Fittings	10 yrs
Computer	3 yrs
Office Equipment	5 yrs

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in schedule II. Accordingly the unamortized carrying value is being depreciated/amortized over the revised/remaining useful lives.

2.4 Intangible Assets

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

2.5 Borrowing Costs

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

2.6 Impairment

An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An enterprise should assess at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists; the enterprise should estimate the recoverable amount of the asset.

2.7 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.

2.8 Foreign currency transaction

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period. A monetary asset or liability is termed as a long-term foreign currency monetary item, if the asset or liability is expressed in a foreign currency and has a term of 12 months or more at the date of origination of the asset or liability. Exchange differences on restatement of all other monetary items are recognized in the Statement of Profit and Loss.

Foreign operations are classified as either 'integral' or 'non-integral' operation. Exchange differences arising on a monetary item that, in substance, forms part of an enterprise's net investment in a non-integral foreign operation are accumulated in the Foreign Currency Translation Reserve until the disposal of the net investment, at which time they are recognized as income or as expenses. The financial statements of an integral foreign operation are translated using the principles and procedures as if the transactions of the foreign operation are those of the Company itself.

There are no foreign currency dealings during the year.

2.9 Recognition of Income & Expenditure

1.
 - (i) Foreman's commission is taken into account on the due date of kuri payment is conducted. In case of forfeited tickets, only the actual amount received is credited to Foreman's commission account.
 - (ii) Auction discount forfeited and collected from defaulted subscribers is treated as income of the foreman, and is taken into credit only when the chit installments are collected.
 - (iii) The surplus in suit filed account if any, is credited at the time of final settlement. Because of the uncertainty of the rate of interest on suit filed account, the interest receivable is not taken into account.



- (iv) Profit on terminated kuries are recognized as income on termination of each kuries.
- 2. Interest: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- 3. Expenditure are recognized on accrual basis.

2.10 Employee Benefits

Short term Employee Benefits

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

Long term Employee Benefits

Defined benefit plans:

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. 15 days salary for every completed year of service and vesting period is 5 years.

2.11 Taxes on Income

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

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

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

In accordance with transitional provisions contained in Schedule II of the Companies Act 2013, the Company has adjusted to be retained earnings carrying amount of fixed assets after retaining residual value, where residual value Nil, the tax effect of the same has been also adjusted directly against the retained earnings in accordance with the ICAI announcement "Tax effect of expenses/ income adjusted directly against the reserves and /or Securities Premium Account.

2.12 Provisions and Contingent Liabilities

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

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

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

2.13 Earnings per Share

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



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2020

3 EQUITY & LIABILITIES

3.1 Share Capital :NOTE 3

Authorised, Issued, subscribed & paid up capital comprises of equity shares of Rs.10 each

	As at 31-03-2020	As at 31-03-2019
<u>Authorised</u>		
20,00,000 equity shares of Rs.10 each (previous year 20,00,000 equity shares of Rs.10 each)	20,000,000.00	20,000,000.00
<u>Issued & Subscribed</u>		
16,00,000 equity share of Rs.10 each (previous year 16,00,000 equity share of Rs.10 each)	16,000,000.00	16,000,000.00
<u>called up & Paid up</u>		
16,00,000 equity share of Rs.10 each (previous year 16,00,000 equity share of Rs.10 each)	16,000,000.00	16,000,000.00

3.2 Reconciliation of number of shares

	As at 31-03-2020		As at 31-03-2019	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Opening balance	1,600,000.00	16,000,000.00	1,600,000.00	16,000,000.00
Changes during the year	-	-	-	-
Closing balance	1,600,000.00	16,000,000.00	1,600,000.00	16,000,000.00

3.3 Rights & Restrictions attached to share

The company has only one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held.

3.4 Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Sl.No	Particulars	As at 31-03-2020		As at 31.03.2019	
		No of shares held	% of holding	No of shares held	% of holding
	Trustee Cherpu Parish Charitable Trust Anto C V	689,227.00	43.08%	689,227.00	43.08%
		83,885.00	5.24%	83,885.00	5.24%

4 Reserves & Surplus :NOTE 4

Reserves and Surplus consist of the following reserves

	As at 31-03-2020	As at 31-03-2019
Capital Reserve		
Opening balance	3,946.12	3,946.12
Closing Balance	3,946.12	3,946.12
Dividend equilisation reserve		
Opening balance	5,000.00	5,000.00
Closing Balance	5,000.00	5,000.00
Gratuity Reserve		
Opening balance	6,400.00	6,400.00
Closing Balance	6,400.00	6,400.00
Satutory Reserve as required as per Chit Funds Act,1982		
Opening balance	1,549,302.80	849,302.80
(+) Transfer from P/L a/c	250,000.00	700,000.00
Closing Balance	1,799,302.80	1,549,302.80
Baddebts reserve		
Opening balance	5,100,000.00	5,100,000.00
Closing Balance	5,100,000.00	5,100,000.00
General Reserve		
Opening balance	3,560,971.40	2,560,971.40
(+) Transfer from P/L a/c	100,000.00	1,000,000.00
Closing Balance	3,660,971.40	3,560,971.40
Total	10,575,620.32	10,225,620.32

**Surplus in statement of Profit & Loss**

	As at 31-03-2020	As at 31-03-2019
Opening balance	1,713,909.44	1,741,337.02
Add: Profit/ (Loss) for the year	1,264,265.16	2,637,014.42
Less:		
Appropriations		
Dividend *	800,000.00	800,000.00
Tax on dividend	164,442.00	164,442.00
Transfer to General reserve	100,000.00	1,000,000.00
Transfer to Statutory Reserve Fund (Chit Funds Act,1982)	250,000.00	700,000.00
Total	1,663,732.60	1,713,909.44
Grand Total	12,239,352.92	11,939,529.76

Long term Borrowing :NOTE 5

	As at 31-03-2020	As at 31-03-2019
Deposit from kuri subscribers as security for prized amount	87,751,168.00	112,321,178.00
Union Bank FD Loan	800,000.00	-
Total	88,551,168.00	112,321,178.00

Non current liabilities :NOTE 6

	As at 31-03-2020	As at 31-03-2019
<u>Long term provisions</u>		
Provision for gratuity	671,298.00	580,503.00
Total	671,298.00	580,503.00

Current liabilities :NOTE 7

	As at 31-03-2020	As at 31-03-2019
<u>Other current liabilities</u>		
Chit Liabilities	22,573,765.10	7,514,426.10
Sundry creditors	214,086.50	214,086.50
Unclaimed dividend	121,817.50	88,738.50
Rent advance	688,686.00	327,000.00
Audit fee payable	57,600.00	57,600.00
Daily collection	215,366.46	677,130.46
Electricity charges Payable	8,153.00	8,420.00
Telephone Charges Payable	3,052.00	1,250.00
Filing Fee Payable	78,600.00	-
Decree Debts	4,105,900.50	3,471,779.50
Salary Payable	7,130.00	-
EPF Payable	4,034.00	-
ESI payable	2,858.00	4,494.00
KSD interest payable	1,204,298.00	1,789,410.00
GST Payable	139,382.38	175,160.00
TDS Payable	6,400.00	6,400.00
Advance for land sale	2,900,400.00	800,400.00
Total	32,331,529.44	15,136,295.06

Short term provisions :NOTE 8

	As at 31-03-2020	As at 31-03-2019
Provision for TDS Penalty	-	2,001,400.00
Provision for Tax	452,600.00	1,519,420.00
Total	452,600.00	3,520,820.00

II **ASSETS**1 **Non current assets****Fixed assets :NOTE 9**

	As at 31-03-2020	As at 31-03-2019
i) Tangible assets	7,579,027.62	6,300,874.32
ii) Intangible assets	10,530.14	14,232.58



Non current investments :NOTE 10

	As at 31-03-2020	As at 31-03-2019
Long term investments at cost		
Investment in mutual fund		
Tata infrastructure fund	49,999.00	49,999.00
A	49,999.00	49,999.00
Investment in Debentures (Unquoted)		
B	-	
TOTAL (A+B)	49,999.00	49,999.00
Unquoted Investments (Cost Price)		
NAV of Mutual Fund Units	39.87	55.80

Deferred tax asset :NOTE 11

	As at 31-03-2020	As at 31-03-2019
Depreciation of asset	(131,147.00)	116,218.00
Provision for gratuity	174,537.00	150,931.00
Total	43,390.00	267,149.00
Net deferred tax asset	43,390.00	267,149.00

Long term loans & advances :NOTE 12

	As at 31-03-2020	As at 31-03-2019
Loans :		
Mortgage loan - secured considered good	33,062,639.00	34,881,210.00
Passbook loan - secured considered good	3,203,294.00	4,589,292.00
Unsecured	NIL	NIL
	36,265,933.00	39,470,502.00
Less : Bad & doubtful debts		
Total	36,265,933.00	39,470,502.00

	As at 31-03-2020	As at 31-03-2019
Loans & advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or private companies respectively in which any director is a partner or a director or a member	Nil	Nil

Other non current assets :NOTE 13

	As at 31-03-2020	As at 31-03-2019
Deposits with kerala state treasury :		
For money lending	-	200,000.00
Staff Flood loan	-	12,000.00
Rent advance	5,000.00	5,000.00
Total	5,000.00	217,000.00

2 Current assets :NOTE 14

	As at 31-03-2020	As at 31-03-2019
Cash & cash equivalents		
Balance with banks		
1) In current account	2,854,707.38	3,692,175.32
2) In deposit account with less 12 months maturity	39,972,910.00	47,512,159.00
3) In deposit account with more 12 month maturity	16,708,342.00	13,860,156.00
Cash in hand :		
In head office	69,162.49	41,771.89
Total	59,605,121.87	65,106,262.21

Other current assets :NOTE 15

	As at 31-03-2020	As at 31-03-2019
Interest accrued	8,598,211.27	7,609,463.03
Advance tax and T.D.S less Provision	525,860.00	321,865.00
Chit Assets	37,473,440.45	39,924,467.60
Stamp	2,221.00	2,198.00
GST Receivable	4,038.00	156,277.10
Electricity Security	13,500.00	13,500.00
Rent receivable	69,676.00	44,536.00
Total	46,686,946.72	48,072,306.73



Revenue from operations :NOTE 16

	As at 31-03-2020	As at 31-03-2019
Income from chit business		
Foreman commission	7,589,301.00	7,263,359.00
AD, FD and Bonus from terminated kuries	171,871.65	-
Kuri transfer fee	250.00	125.00
Total (A)	7,761,422.65	7,263,484.00
Interest received	7,460,736.54	6,641,582.09
Total (B)	7,460,736.54	6,641,582.09
TOTAL (A+B)	15,222,159.19	13,905,066.09

Other incomes :NOTE 17

	As at 31-03-2020	As at 31-03-2019
Rent received	1,212,641.00	951,908.00
Suit Amt Recovered	-	36,045.00
Total	1,212,641.00	987,953.00

Employee benefit expenses :NOTE 18

	As at 31-03-2020	As at 31-03-2019
Salary	813,352.00	808,251.00
Allowances	117,810.00	123,616.00
Bonus	104,326.00	93,838.00
Gratuity	90,795.00	46,671.00
ESI	52,026.00	26,684.00
Providend fund	103,846.00	110,303.00
Total	1,282,155.00	1,209,363.00

Finance cost :NOTE 19

	As at 31-03-2020	As at 31-03-2019
Interest paid on kuri security deposit	9,060,357.00	9,682,969.00
Interest Paid on FD Loan	76,321.15	8,218.00
Total	9,136,678.15	9,691,187.00

Depreciation and amortisation expenses :NOTE 20

	As at 31-03-2020	As at 31-03-2019
Depreciation	99,038.11	118,655.74
Total	99,038.11	118,655.74

Other expenses: NOTE 21

	As at 31-03-2020	As at 31-03-2019
Kuri working commission & Bonus Prize	856,801.00	432,000.00
Travelling expenses	173,424.00	196,908.00
Kuri collection expenses	190,562.00	330,318.00
Advertising and publicity	38,810.00	31,095.00
Sitting fees	209,000.00	204,000.00
Printing and stationary	115,036.00	132,553.30
Professional charge	30,000.00	39,000.00
Audit fee:		
For statutory audit	35,000.00	35,000.00
For tax matters	29,000.00	29,000.00
Service tax and GST	119,181.08	56,548.00
Postage and telephone	70,954.00	84,896.00
Electricity charges	93,470.00	104,157.00
Filing fees and other legal charges	166,929.00	106,180.00
Repairs and maintenance	31,577.00	47,075.00
Bad Debts	1,190,598.00	1,041,154.00
Annual Maintanance Charges	22,315.00	13,000.00
Rates and taxes	167,756.00	125,644.00
Suit Expenses	41,579.50	-
Miscellaneous expenses	26,135.57	22,753.00
Bank commission	25,324.62	11,511.47
Office expenses	142,274.00	119,700.00
Insurance	14,875.00	10,989.00
Donation	9,500.00	24,500.00
Computer expenses	33,138.00	33,407.00
E Votting Charges	22,000.00	15,000.00
Total	3,855,239.77	3,246,388.77



Exceptional items :NOTE 22

	As at 31-03-2020	As at 31-03-2019
SERVICE TAX REFUND Received	-	5,745,737.00
Profit on sale of land	-	25,216.84
Service tax arrears paid on directors' salary ,sitting fee, advocate fee	-	(257,060.00)
Total	-	5,513,893.84

Earning Per Share (EPS) :NOTE 23

	As at 31-03-2020	As at 31-03-2019
Net Profit after tax attributable to Equity share holders	1,264,265.16	2,637,014.42
Weighted Number of Equity shares	1,600,000.00	1,600,000.00
Basic & Diluted EPS	0.79	1.65
Face value per share	10.00	10.00
Total	0.79	1.65

**THE PARISH CHIT COMPANY LIMITED : CHERPU
SCHEDULE NO.9:FIXED ASSETS**

A Tangible assets

SL NO	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS AT 31-Mar-19	ADDITIONS	DELETIONS/SALE	AS ON 31-Mar-20	UP TO 31-Mar-19	FOR THE YEAR	UP TO 31-Mar-20	AS ON 31-Mar-20	AS ON 31-Mar-19
1	Air conditioner	162,858.00	-	-	162,858.00	157,132.76	-	157,132.76	5,725.24	5,725.24
2	Building	3,122,310.56	-	-	3,122,310.56	1,727,170.83	68,621.26	1,795,792.09	1,326,518.47	1,395,139.73
3	Building SBI ATM	365,335.00	-	-	365,335.00	177,310.18	8,402.14	185,712.32	179,622.68	188,024.82
4	CCTV Camera	112,966.00	-	-	112,966.00	107,317.03	-	107,317.03	5,648.97	5,648.97
5	Compound Wall	19,008.00	-	-	19,008.00	13,270.36	282.97	13,553.33	5,454.67	5,737.64
6	Computer	1,021,004.50	-	-	1,021,004.50	972,281.77	-	972,281.77	48,722.73	48,722.73
7	Counting Machine	40,500.00	-	-	40,500.00	38,475.00	-	38,475.00	2,025.00	2,025.00
8	Electrical Fittings	184,998.15	-	-	184,998.15	175,748.24	-	175,748.24	9,249.91	9,249.91
9	EPABX	76,160.00	-	-	76,160.00	72,352.01	-	72,352.01	3,807.99	3,807.99
10	Furniture and Fixtures	1,330,137.12	-	-	1,330,137.12	1,234,818.70	10,341.09	1,245,159.80	84,977.32	95,318.42
11	Generator	346,307.28	-	-	346,307.28	330,436.55	809.28	331,245.82	15,061.46	15,870.73
12	Invertor	22,000.00	-	-	22,000.00	20,899.99	-	20,899.99	1,100.01	1,100.01
13	Land	112,805.00	-	-	112,805.00	-	-	-	112,805.00	112,805.00
14	Land and Property	139.80	1,373,489.00	-	1,373,628.80	-	-	-	1,373,628.80	139.80
15	Land (Cherpu) Agri. Land	220,573.00	-	-	220,573.00	-	-	-	220,573.00	220,573.00
17	Land Property Cherpu	4,156,680.17	-	-	4,156,680.17	-	-	-	4,156,680.17	4,156,680.17
18	Office Buliding	21,884.78	-	-	21,884.78	16,574.59	244.62	16,819.20	5,065.58	5,310.19
19	Daily Collection machine	56,564.40	-	-	56,564.40	53,736.19	-	53,736.19	2,828.21	2,828.21
20	Safe	59,500.00	-	-	59,500.00	56,525.00	-	56,525.00	2,975.00	2,975.00
21	UPS Hykon	194,122.40	-	-	194,122.40	190,116.47	-	190,116.47	4,005.93	4,005.93
22	Fax Machine	14,800.00	-	-	14,800.00	14,060.01	-	14,060.01	739.99	739.99
23	Weighing Balance	6,750.00	-	-	6,750.00	6,412.50	-	6,412.50	337.50	337.50
24	Fingerprint System	15,400.00	-	-	15,400.00	14,629.99	-	14,629.99	770.01	770.01
25	Lotto Machine	7,000.00	-	-	7,000.00	6,650.00	-	6,650.00	350.00	350.00
26	Security System	16,500.00	-	-	16,500.00	15,675.00	-	15,675.00	825.00	825.00
27	Printer	38,948.00	-	-	38,948.00	23,609.66	6,634.33	30,244.01	8,703.99	15,338.34
28	Photocopy & Scanner	16,500.00	-	-	16,500.00	15,675.00	-	15,675.00	825.00	825.00
	Total (A)	11,741,752.16	1,373,489.00	-	13,115,241.16	5,440,877.84	95,335.68	5,536,213.54	7,579,027.62	6,300,874.32

B Intangible assets

SL NO	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS AT 31-Mar-19	ADDITIONS	DELETIONS/SALE	AS ON 31-Mar-20	UP TO 31-Mar-19	FOR THE YEAR	UP TO 31-Mar-20	AS ON 31-Mar-20	AS ON 31-Mar-19
1	Computer software	228,000.00	-	-	228,000.00	213,767.42	3,702.43	217,469.86	10,530.14	14,232.58
	Total (B)	228,000.00	-	-	228,000.00	213,767.42	3,702.43	217,469.86	10,530.14	14,232.58
	TOTAL (A+B)	11,969,752.16	1,373,489.00	-	13,343,241.16	5,654,645.26	99,038.11	5,753,683.40	7,589,557.77	6,315,106.90