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by lifting others



# ദി പാരിഷ് ചിറ്റ് കമ്പനി ലിമിറ്റഡ്

Head Office : Cherpu - 680 561

Ph : 0487 2342437, 9446344305 | Email : parishchitchp@gmail.com

Balance Sheet, Statement of Profit & Loss and Kuri Statement

For the year ended 31st march 2022

# THE PARISH CHIT COMPANY LIMITED

H.O. Cherpu

## BOARD OF DIRECTORS



REV. Fr. **SEBASTIAN VETTATH**  
CHAIRMAN



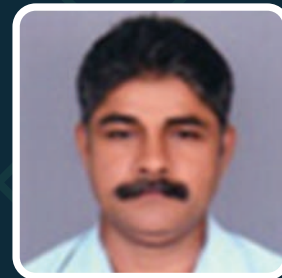
Mr. **JJO GEORGE**  
MANAGING DIRECTOR



Mr. **LIMSON JOSE**  
DIRECTOR



Mr. **ANTONY T.R.**  
DIRECTOR



Mr. **THOMAS T.V.**  
DIRECTOR



Mr. **ANTO C.V.**  
DIRECTOR



Mr. **JOSE E.A.**  
DIRECTOR



Mr. **PAUL E.A.**  
DIRECTOR



Mr. **GEORGE JOSEPH**  
DIRECTOR



Mr. **VINCENT C.V.**  
DIRECTOR



Mr. **JOHNSON I.V.**  
DIRECTOR

സ്ഥാപിതം : 1926

ഫോൺ : 0487 2342437

മൊബൈൽ : 9446344305

# ദി പാരിഷ് ചിറ്റ് കമ്പനി ലിമിറ്റഡ്

ഹെഡ് ഓഫീസ് : ചേരപ്പ - 680 561



**The Parish Chit Company Limited**  
Cherpu

**Balance Sheet, Profit & Loss  
and Kuri Statement**

*For the year ended 31st march 2022*

**THE PARISH CHIT COMPANY LIMITED****CIN: U65992KL1926PLC000848****Reg. Office: Parish Building, Main Road, Cherpu, Thrissur – 680 561****E mail: parishchitcp@gmail.com Website: www.parishchitcompany.com Phone: 0487-2342437****NOTICE**

NOTICE is hereby given that the 95th Annual General Meeting of THE PARISH CHIT COMPANY LIMITED will be held at the Registered Office of the company at 10.30 A.M. on Wednesday, 14th September 2022 to transact the following businesses:

**Ordinary Business:-**

- 1.To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31st March 2022, together with the Directors and Auditors Reports thereon.
- 2.To declare dividend.
- 3.To appoint Director in the place of Sri. Limson Jose (DIN: 06825376), who retires by rotation and being eligible, offers himself for re-appointment.
- 4.To appoint Director in the place of Sri. Anto Cheenapilly Varghese (DIN: 07645303), who retires by rotation and being eligible, offers himself for re-appointment.
- 5.To appoint Director in the place of Sri. Jose Edathuruthikaran Augusty (DIN: 07645305), who retires by rotation and being eligible, offers himself for re-appointment.
- 6.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 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. R. Rajan Associates, Chartered Accountants, Thrissur (F.R.N. 003422S), be and is hereby re-appointed as statutory auditors of the company to hold office from the conclusion of 95th Annual General Meeting till the conclusion of the 100th Annual General Meeting of the company, with such remuneration as may be mutually agreed between the Board of directors of the company and the statutory auditors.

**Special Business:-**

7. To consider and if thought fit, to pass with or without modification, the following resolution, as an Ordinary Resolution:  
Resolved further that subject to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the Rules made there under (including any statutory modifications or re-enactment(s) thereof for the time being in force), read with schedule V to the Companies Act, 2013, consent be and is hereby accorded for the appointment of Sri. Jijo George (DIN: 03473903) as managing director of the company for a period of five years with effect from 01.03.2022 without any remuneration.
- 8.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 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, Sri. Inchody Varghese Johnson (DIN: 09536477), who was appointed as an additional director of the company by the Board of directors in its meeting held on 21.03.2022 and whose term of office expires at this Annual General Meeting be and is hereby appointed as a director of the company, liable to retire by rotation.
9. 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 152 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, Rev. Fr. Sebastian Vettath (DIN: 09537067), who was appointed as an additional director of the company by the Board of directors in its meeting held on 21.03.2022 and whose term of office expires at this Annual General Meeting be and is hereby appointed as a director of the company, liable to retire by rotation.
10. Other items, if any, with the permission of the Chairman.

**For and on behalf of the Board of Directors**

Place: Cherpu  
Date: 17.06.2022

Sd/-  
Rev. Fr. Sebastian Vettath (DIN: 09537067)  
(Chairman)

**Notes:**

- 1.A member entitled to attend and vote at the meeting of the company is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The instrument appointing a proxy in order to be effective shall be deposited at the Registered Office of the company not less than 48 hours before the time fixed for holding the meeting.
- 2.Members/Proxies should bring the attendance slip sent herewith duly signed/filled in for attending the meeting.
- 3.The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, is annexed hereto and forms part of the Notice.
- 4.In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the Company is pleased to provide the facility of remote e-voting to all members as per the applicable Regulations relating to e-voting. Such remote e-voting facility is in addition to voting that shall take place at the meeting venue on September 14, 2022. The members can, however, opt for only one mode of voting i.e. either physically voting at the AGM or e-voting. A separate e-voting instruction slip is enclosed explaining the process of e-voting with necessary user id and password along with procedure for such e-voting.
- 5.The company has appointed Sri. M. Vasudevan FCS, Practising Company Secretary, to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner and in accordance with the provisions of the Act and the Rules made thereunder.

**Explanatory Statement in respect of Special Business pursuant to Section 102 of the Companies Act, 2013:****Item No. 7:**

Sri. Jijo George was appointed as Managing Director of the company in the Board meeting held on 23.02.2022 for a term of five years with effect from 01.03.2022. Sri. Jijo George has been a director of the company since 25.04.2011 and has acquired vast knowledge and experience relating to the day to day management of affairs of the company. Considering the above qualities the Board of directors felt that the appointment shall be beneficial to the company in all respects. As per the terms of appointment the managing director shall not be provided any remuneration during his term of appointment.

Sri. Jijo George, aged 56 years is holding 502 shares in the company as on 31.03.2022 and has attended 38 Board meetings during the financial year 2021-22. Sri. Jijo George is also holding the office of director in Parish Nidhi Limited (CIN: U65993KL2019PLC056808) and Jwala Communications Limited (CIN: U74999KL2016PLC047359).

The appointment as decided by the Board of directors on 23.02.2022 requires ratification by members of the company in general meeting as per section 196 of the Companies Act, 2013 and hence the resolution is proposed for consideration of the members.

None of the directors and key managerial personnel of the company and their relatives is concerned or interested, financially or otherwise, in the resolution except the proposed appointee and his relative(s).

**Item No. 8 and 9:**

Sri. Inchody Varghese Johnson and Rev. Fr. Sebastian Vettath were appointed as additional directors of the company in the Board meeting held on 21.03.2022. Pursuant to section 161(1) of the Companies Act, the term of office of the said directors expires on the date of this Annual General Meeting. The Board of directors wishes to appoint them as directors of the company and hence the resolutions are proposed.

Sri. Inchody Varghese Johnson aged 62 years is holding 3767 shares in the company and has attended one Board meeting during the FY 2021-22. He is not holding directorship in any other company. Rev. Fr. Sebastian Vettath aged 57 years is not holding any shares in the company and has attended two Board meetings during the FY 2021-22. He is also not holding directorship in any other company.

The above mentioned additional directors are not disqualified from being appointed as directors in terms of Section 164 of the Act. The company has received notice under section 160 of the Companies Act, 2013, proposing them as candidates for the office of director of the company.

None of the directors and key managerial personnel of the company and their relatives is concerned or interested, financially or otherwise, in the resolution except the proposed appointees and their relative(s).

**THE PARISH CHIT COMPANY LIMITED**  
**CIN: U65992KL1926PLC000848**

**Reg. Office: Parish Building, Main Road, Cherpu, Thrissur – 680 561**  
**E mail: parishchitchp@gmail.com Website: www.parishchitcompany.com Phone: 0487-2342437**

**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22**

**To,**  
**The Members,**

Your directors have pleasure in presenting their 95th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2022.

**Financial Highlights:**

During the year under review, performance of your company was as under (in ` 00s):

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Revenue	1,12,333	1,34,295
Expense	91,904	1,12,383
Profit/(Loss) before taxation	20,429	21,912
Less : Tax Expense	4,477	4,653
Profit/(Loss) after tax	15,952	17,259

**State of the Company's Affairs and Future Outlook:**

The revenue from operations of the company during the FY 2021-22 is ₹99,465 hundreds compared to ₹1,23,200 hundreds during the FY 2020-21. The revenue from operations has registered a decline of around 19% when compared to the previous FY. The total expenditure of the company during the FY 2021-22 is ₹91,904 hundreds compared to ₹1,12,383 hundreds during the FY 2020-21. The profit before taxation amounts to 20,429 hundreds during the current FY compared to ₹21,912 hundreds during the previous FY. The company has earned profit after taxation amounting to ₹15,952 hundreds during the current FY compared to ₹17,259 hundreds during the previous FY.

The Board of directors has taken earnest measures to curb expenditure and enhance performance of the company. The directors hope that the company will showcase better results in the coming year.

**Change in nature of business:**

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

**Dividend:**

Your Directors are pleased to recommend a dividend of ₹0.50/- per equity share of face value ₹10/- which is provided for in the accounts absorbing a sum of ₹8,00,000/- if approved by the members in the ensuing Annual General Meeting.

**Amounts Transferred to Reserves:**

The Board has transferred ₹5,00,000/- to the general reserve and ₹2,50,000/- to the statutory reserve during the year.

**Changes in Share Capital:**

The share capital of the company has remained unchanged during the year.

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

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

**Particulars of Loan, Guarantees and Investments under Section 186:**

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

**Particulars of Contract or Arrangements with Related Parties:**

The company has not entered into any contract or arrangement with related parties during the financial year 2021 - 22.

**Composition of the Board:**

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

Sl. No.	Name of Director	Designation	Date of Appointment	No. of Board Meetings Attended
1.	Jijo George	Managing Director	25.04.2011	38
2.	Antony T R	Director	07.10.2015	33
3.	Thomas T V	Director	01.11.2010	31
4.	Limson Jose	Director	26.02.2014	37
5.	Anto C V	Director	26.10.2016	40
6.	Jose E A	Director	26.10.2016	35
7.	Paul K A	Director	15.11.2017	40
8.	George Joseph	Director	15.11.2017	31
9.	Vincent C V	Director	19.12.2018	39
10.	Johnson I V	Additional Director	21.03.2022	1
11.	Rev. Fr. Sebastian Vettath	Additional Director	21.03.2022	2

Sl. No.	Date of Meeting	Board Strength	No. of Directors Present	Sl. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	07.04.2021	11	11	22.	10.11.2021	10	10
2.	21.04.2021	11	8	23.	17.11.2021	10	10
3.	28.04.2021	11	9	24.	24.11.2021	10	10
4.	23.06.2021	11	10	25.	29.11.2021	10	8
5.	07.07.2021	11	9	26.	08.12.2021	10	9
6.	14.07.2021	11	7	27.	15.12.2021	10	10
7.	21.07.2021	11	10	28.	23.12.2021	10	10
8.	28.07.2021	11	11	29.	29.12.2021	10	8
9.	04.08.2021	11	9	30.	05.01.2022	10	8
10.	11.08.2021	10	9	31.	13.01.2022	10	9
11.	18.08.2021	10	9	32.	21.01.2022	10	7
12.	25.08.2021	10	9	33.	27.01.2022	10	9
13.	01.09.2021	10	9	34.	09.02.2022	10	10
14.	08.09.2021	10	8	35.	14.02.2022	10	9
15.	16.09.2021	10	8	36.	23.02.2022	9	9
16.	22.09.2021	10	8	37.	02.03.2022	9	9
17.	29.09.2021	10	9	38.	09.03.2022	9	9
18.	13.10.2021	10	7	39.	14.03.2022	9	8
19.	20.10.2021	10	10	40.	21.03.2022	11	11
20.	27.10.2021	10	9	41.	28.03.2022	11	9
21.	03.11.2021	10	8				

#### Material Changes Affecting the Financial Position of the Company:

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

#### Explanation to Auditor's Remarks:

In respect of the comments mentioned under the head 'Basis for Qualified Opinion' of the independent auditors' report we state that the opinions (i), (ii) and (iv) are of disclosure nature. In respect of opinion disclosed under item no. (iii) regarding schedules of daily collection account not being tallied with respective ledgers, the company is currently in the process of identifying the variations observed and all efforts have been initiated to tally daily collection with the ledgers.

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

Considering the nature of business of the company no comment is required on conservation of energy and technology absorption. There has not been any foreign exchange earnings or outgo during the financial year.

#### Details of Subsidiary, Joint Venture or Associates:

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

#### Details of Directors and Key Managerial Personnel:

The following changes have occurred in the Board of directors of the company during the year:

Sl. No.	Director	DIN	Particulars
1	Baby Edathuruthikaran	07717227	Resigned from the Board of directors with effect from 11.08.2021.
2	Rev. Fr. Poovathingal Kuriappan Prince	08704861	Resigned from the office of managing director as well as director with effect from 01.03.2022.
3	Jijo George	03473903	Appointed as managing director with effect from 01.03.2022.
4	Rev. Fr. Sebastian Vettath	09537067	Appointed as additional director with effect from 21.03.2022.
5	Inchody Varghese Johnson	09536477	Appointed as additional director with effect from 21.03.2022.

The present directors of the company, Sri. Limson Jose, Sri. Anto Cheenapilly Varghese and Sri. Jose Edathuruthikaran Augusty are retiring by rotation in the ensuing annual general meeting. The retiring directors are eligible and willing for re-appointment.

#### Risk Management Policy:

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

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

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

#### Deposits:

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

#### Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements:

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

completeness of accounting records.

**Audit Committee:**

The company is not required to constitute an audit committee pursuant to the provisions of the Companies Act, 2013 and the rules made there under.

**Nomination & Remuneration Committee:**

The provisions of the Companies Act, 2013 and the rules framed there under relating to constitution of a nomination and remuneration committee are not applicable to the company.

**Annual Evaluation:**

The provisions relating to formal annual evaluation are not applicable to the company pursuant to the provisions of the Companies Act, 2013 and the rules made there under.

**Independent Director:**

The requirement regarding declaration of independence by independent directors is not applicable to the company.

**Disclosure u/s 197(14):**

The disclosure requirements under section 197(14) of the Companies Act, 2013 are not applicable to the company during the year of report.

**Secretarial Audit Report:**

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

**Corporate Social Responsibility (CSR) Policy:**

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

**Vigil Mechanism:**

The company is not required to constitute a vigil mechanism pursuant to the provision of the Companies Act, 2013 and the rules framed there under.

**Internal Complaints Committee:**

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

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

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

**Disclosure u/s 143(12):**

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

**Directors Responsibility Statement:**

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

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

**Statutory Auditors:**

The present statutory auditors of the company, R Rajan Associates (Firm Registration No.003422S), Chartered Accountants, Thrissur, are retiring at the ensuing Annual General Meeting pursuant to section 139 of the Companies Act, 2013. The statutory auditors are eligible and willing for re-appointment.

**Cost Auditors:**

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

**Cost Records:**

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

**Annual Return:**

Pursuant to section 92(3) read with Section 134(3)(a) the Annual Return is available on the company's website at [https://www.parishchitcompany.com/Form\\_MGT\\_7.pdf](https://www.parishchitcompany.com/Form_MGT_7.pdf)

**Acknowledgment:**

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

**For and on behalf of the Board of Directors**

Sd/-

Rev. Fr. Sebastian Vettath (DIN: 09537067)

(Chairman)

Place: Cherpu

Date: 17.06.2022



**R Rajan Associates**  
**CHARTERED ACCOUNTANTS**  
 10<sup>th</sup> Floor, Capital City, Korappath Lane,  
 Round North Thrissur-680020  
 Phone: 0487 2321070, 2321270  
 Email: [rrijanassociatesrichur@gmail.com](mailto:rrijanassociatesrichur@gmail.com)

**INDEPENDENT AUDITORS' REPORT**

To The Members,  
 M/s THE PARISH CHIT CO LTD  
 Parish Building, Main Road,  
 Cherpu P O  
 Thrissur, Pin:680561

**Report on the Financial Statements**

We have audited the financial statements of **THE PARISH CHIT COMPANY LIMITED** CIN:U65992KL1926PLC000848("The Company") Parish Building, Main Road, Cherpu P O, Thrissur , Pin:680561 , 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 notes to financial statements including a summary of significant accounting policies and other explanatory information.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, 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, and its **profit** for the year ended on that date.

**Basis for Qualified Opinion**

- i. The Company is following the accounting policy that the penal interest for defaulting kuri instalments accrues only when the kuri instalments are received, for which there are different opinions. As the point is not settled, we are not in a position to express our opinion. Since the penal interest receivable is uncertain because of the peculiar scheme of kuri, the amount is not quantifiable.
- ii. In case of suit file accounts the interest receivable after filing the suit is not taken into account because of the uncertainty of the interest on suit filed account. Hence the amount is not quantifiable
- iii. Schedules of Daily Collection account not tallied with respective ledger.
- iv. The impact of above clause on the 'Profit for the year, Reserves, Assets and Liabilities as at 31st March 2022 could not be ascertained.

We have conducted our audit in accordance with Standards on Auditing specified under section 143(10) of the Companies Act 2013. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act 2013 and we have fulfilled our ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our Qualified Opinion.

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

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

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

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



### Emphasis of Matter

1. We draw attention to Note no.26 of the Financial Statements which describe the applicability of the provisions of the Chit Fund Act 1982 on the affairs of the company and its impact on accounts our opinion is not modified in the respect of this matter.
2. We draw attention to Note No.28 to the financial statements regarding outbreak of the COVID-19 pandemic and the consequential lock-down restrictions imposed by the Government, which, as per the assessment of the management, has not significantly impacted the operations and financial position of the Company. Our opinion is not qualified in respect of this matter.
3. Note No. 29 regarding suit filed mortgage loan accounts as presented by the management the mortgage loan accounts are fully secured by tangible assets and are fully recoverable. The balance outstanding as on 31.03.2022 is Rs. **2,90,95,330.00/-**  
The company has deposited with Urban Co-operative Bank Chalakudy for Rs.31,00,000/- The deposit has been matured during the year 2015-16 and not repaid by the bank. The company has taken legal proceedings against the bank to recover the deposit amount with interest. No provision has been made in the accounts. No interest has been provided since the deposit is matured. However an amount of Rs.31,00,000 /- has been kept as bad debts reserve to meet any contingencies in future.
4. Kuri amount paid to winners and bidders including debit balances in kuri suspense A/C less prized collection include amount paid to subscribers on personal securities. Management represents that these amounts are fully recoverable.

Our opinion is not modified on above mentioned matters.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risk of material misstatement of the financial statements, whether due to error or fraud, design and perform audit procedures responsive to those risk, 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 reason resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report related to the related disclosure in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirement

1. As required by 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. we give in the Annexure I, a statement on the matters specified in paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - a) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, 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) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, 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) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, The Balance Sheet and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, 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) The matters described in the Basis for Qualified Opinion Paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
- f) 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.
- g) With respect to the adequacy of the internal financial controls over the financial reporting company and the operating effectiveness of such controls, refer to our separate report in Annexure II.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- i) 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 my opinion and to the best of our information and according to the explanations given to us:
- i. The company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in Notes to the financial statements.
  - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been delay in amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement. The company has not paid interim or final dividend during the year.
  - v. The company has not paid interim dividends during the year. The Company has Rs 8,00,000.00 as final dividend during the year.

For R.Rajan Associates  
Chartered Accountants  
Firm Registration No : 003422S

Sd/-  
C A C.K.VASUDEVAN  
Partner  
M. No: 018979

PLACE : THRISSUR,  
DATE : 17-06-2022

UDIN: 22018979ANKUGO2064

#### **Annexure I to the Auditors Report**

Report as required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) With reference to the Annexure I referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report the following:

- (i) a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All the assets have not been physically verified by the management during the period but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.
- e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.

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

(iii) During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties covered in the register maintained under section 189 of the Act. Mortgage loan and Pass book loan given in earlier years are irregular in its repayment and company has taken appropriate legal actions against defaulters for recovery of Principal and Interest.

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

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.

(vi) Being a financial company, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

(vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable.

(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income Tax, Sales tax, duty of customs, duty of excise and value added tax except service Tax amounting Rs 37,99,145.00 which have not been deposited on account of any dispute.

Name of Statute	Nature of the Dues	Amount	Period to which amount relates to	Remarks
Service tax rules 1994	Service Tax	Rs. 37,99,145.00	15/06/2015 to 30/06/2017	Appeal filed before Commissioner of Central Excise, Cochin

(viii) In our opinion and according to the information and explanations given to us, there is no any transaction not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).