



CHEMMANUR

Credits and Investments Limited



Annual Report 2015

BOBY CHEMMANUR INTERNATIONAL GROUP VENTURE

ABOUT THE COMPANY

Chemmanur Credits and Investments Limited (CCIL) promoted by Mr. Bobby Chemmanur, Chairman of Bobby Chemmanur International Group enjoys a business tradition of more than 150 years with major focus on jewellery line of business. The Group ventured in to the area of Financial Services with the incorporation of CCIL. The Company was incorporated in the year 2008 and started its operation in the year 2011. The group diversified its line of business activities to various other channels such as real estate, builders, chits etc. by incorporating separate companies.

Mr. C. D. Bobby, Chairman of the Group is well known for his business acumen and philanthropic activities. His dynamism and vision led Chemmanur International Group grow into an internationally well known jewellery group catering to more than 20 Crore people around the world. He received number of awards for business excellence and Philanthropic initiatives. His initiative to spread the message **“Donate Blood and Save Life”** by running a marathon race of 812 kms across Kerala to create a database of Blood donors was acknowledged by the community whole heartedly. His efforts were recognized by the World Records University UK by conferring a Doctorate on him. He was also declared by the “India Book of Records”, and “Asia Book of Records as Record holder for this unique achievement. Unique world Records Ltd also recognized him as the Record Holder for this feat and awarded him the special award of the “Record holder of the year 2014”.

CCIL started commercial operation in the year 2011. Our company has completed four years of operation and our journey has been a mix of ups and downs. In spite of the turbulent conditions faced by gold loan companies, our company could deliver reasonable good performance during the period. Within a short span of time, the Company could establish its identity in the Non Banking Financial circles of Kerala. The Company is in expansion phase and shall be opening few branches in locations with good business potential, including locations in Coimbatore, Tirupur etc. Professional Management and a dedicated team of staff members carrying out operations in fully computerized environment with online connectivity with corporate office ensure high competence and performance at all levels.

CONTENTS

	Page No.
1 Board of Directors	5
2 Management Team	6
3 Notice	7
4 Directors' Report	12
5 Corporate Governance Report	24
6 Independent Auditors' Report	28
7 Balance Sheet as at 31, March, 2015	32
8 Statement of Profit and Loss for the Year Ended 31, March , 2015	33
9 Cash Flow Statement for the Year Ended March 31, 2015	34
10 Notes to the Financial Statements	35
11 Secretarial Audit Report	51
12 Form No. MGT-11: Proxy Form	53

Forward Looking Statements

In this Annual Report we have disclosed information to enable investors to understand the prospects of the Company which may be forward looking. This report may contain statements based on anticipation and judgement of the Management. We cannot guarantee that these will be realised, though we believe its realisation. The achievement of the results is subject to risks and uncertainties associated with prevailing economic scenario. The actual results may vary from the anticipation. Readers are advised to keep this in mind.

Board of Directors



Mr. C.D. Bobby
Chairman and Managing Director



Mr. Jisso Baby
Whole-time Director
Corporate Affairs & Public Relations



Mr. Lijo Moothedan
Director



Mr. P.M. Rajagopal
Addl. Director

Management Team

Mr. T. K.Thomas

Chief Executive Officer

Mr. Manikantan.S.V

GM – Sales, Mktg. & Recovery

Mr. Jayakumar. K

AGM & Head - HR

Mr. Sureshkumar. K

AGM & Head-Information Technology

Mr. ThanishDalee

Chief Financial Officer

Mr. N.N.Kumar

Head – Ops. & Risk Management

Mr. KrishnaChandran

Head - Micro Finance

Mr. Saleesh

Consultant-Business development

Mr. Raveendranath

Sr. Manager - Administration

Ms.Priya Menon

Company Secretary

Registrar and Share Transfer agents:

S.K.D.C. Consultants Limited

Category I Registrar and Share Transfer agents,
Ganapathy Towers, 3rd Floor,1391/A1, Sathy Road, Ganapathy, Coimbatore- 641 006
Ph: +91 422 6549995,2539835/836 Email: info@skdc-consultants.com

Statutory Auditors:

M/s Cheeran Varghese & Co,

Chartered Accountants, Mundupalam First Cross Road, Thrissur- 680 001

Secretarial Auditor:

Mr. V.K. Kerala Varma,

Practicing Company Secretary,
Sree Kovilakam, Green Park Avenue,Thiruvambadi P.O ,Thrissur-680 021

Chemmanur Credits and Investments Limited

CIN: U65923KL2008PLC023560

Regd. Office : Mangalodhayam Building, Round South, Thrissur, Pin-680001

Ph: 0487-3041200, 2424010

Email:mail@chemmanurcredits.com Website: www.chemmanurcredits.com

Notice

Notice is hereby given that the **Seventh** Annual General Meeting of the Shareholders of Chemmanur Credits and Investments Limited will be held on Tuesday, 29th September, 2015 at **03.00 PM** at the Registered Office of the company at Mangalodhayam Buildings, Round South, Thrissur-680 001 to transact the following business:

Ordinary Business :

1. **To receive, consider and adopt the audited profit and loss account for the financial year ended 31st March 2015 and the Balance Sheet as at that date, the report of the Board of Directors and the Report of Auditors.**
2. **To consider the retirement of Mr. Jisso C. Baby (DIN: 01622660), Whole Time Director, who retires by rotation, and being eligible, offers himself for re-appointment.**
3. **To appoint Auditors and to fix their remuneration.**

To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution.

“RESOLVED THAT M/s Cheeeran Varghese & Co. Chartered Accountants, Mundupalam First Cross Road, Thrissur- 680 001 be and are hereby appointed as the auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be decided by the Board of Directors plus reimbursement of out of pocket expenses and levies such as service tax etc”

Special Business

4. Appointment of Mr. P.M. Rajagopal as 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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) , Mr. P.M. Rajagopal [DIN 07177470], who was appointed as an Additional Director of the Company by the Board of Directors at its meeting held on 25th March,2015 and whose term of office expires at this Annual General Meeting (‘AGM’) and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term up to three consecutive years commencing from 25th March, 2015

5. Adoption of New Memorandum of Association.

To consider and if thought fit to pass with or without modification the following resolution as a special resolution.

”RESOLVED THAT pursuant to provisions of Sections 4, 13, 15 & 17 and all other applicable provisions, if any of the Companies Act, 2013, including amendments thereto or re-enactment thereof, the draft clauses contained in the Memorandum of Association submitted to this meeting be and is hereby approved and is adopted in substitution, and to the entire exclusion, of the clauses contained in the existing Memorandum of Association of the company with immediate effect.”

6. Adoption of New Articles of Association.

To consider and if thought fit to pass with or without modification the following resolution as a special resolution.

“RESOLVED THAT pursuant to provisions of Sections 5, 14, 15 & 17 and all other applicable provisions, if any of the Companies Act, 2013, read with rule 11 of the Companies (Incorporation) Rules, 2014, including amendments thereto or re-enactment thereof, the draft Article of Association tabled and initialized by the chairman to this meeting be and is hereby approved and is adopted in substitution, and to the entire exclusion, of the

clauses contained in the existing Article of Association of the company with immediate effect.”

7. Issue of fully secured and unsecured Redeemable non Convertible debentures (NCDs) on Private Placement basis.

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

“RESOLVED that pursuant to sections 42,71 and other applicable provisions, if any, of the Companies Act,2013 read with Rule 18 of the Companies (Share capital and Debenture) Rules 2014 and Rule 14 of the Companies (Prospectus and allotment of Securities) Rules 2014 as amended from time to time and applicable circulars Issued by Reserve Bank of India, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall include any committee thereof), to make offers, invitations to subscribe and issue fully secured redeemable non convertible debentures(NCDs), up to an aggregate limit of Rs.300 Cr (Rupees three hundred Crores only) and unsecured redeemable sub ordinate debts(Bonds) up to an aggregate limit of Rs.100 Cr (Rupees one hundred Crores only) in one or more tranches on private placement basis or public issue, listed or unlisted and whether rated or otherwise having such face value as may be decided by the Board, during the period commencing from the date of this meeting until the conclusion of the next Annual General Meeting to such persons eligible to subscribe the issue on such terms and conditions including the rate of interest, tenure and security cover thereof etc.

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution , the Board be and is hereby authorized to prepare and authenticate offer letters, issue and allot debentures, create charge, execute all such deeds, documents, instruments and writings at its sole and absolute discretion as deemed necessary in relation thereto.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Director(s) or Officer(s) of the company or to the Debenture Committee appointed by the Board to handle such matters, to give effect to the Resolution”

8. Issue of Equity Shares on Preferential Basis

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

“RESOLVED THAT pursuant to Sections 42 & 62 and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification thereto or reenactment thereof for the time being in force), and the provisions of any rules/regulations/guidelines issued/framed by the Central Government, Reserve Bank of India, Articles of Association of the Company, and subject to the approval, consent, permission and/or sanction, as may be required from the Central Government, Reserve Bank of India, and any other appropriate authority, Institution or Body and subject to such terms, conditions, alterations, corrections, changes, variations and/or modifications, if any, as may be prescribed by any one or more or all of them in granting such approval, consent, permission and/or sanction, the approval of the Company be and is hereby accorded to the Board of Directors of the Company to create, offer, issue, and allot up to 25000000 (two crore fifty lakh) Equity Shares of Rs.10/- (Rupees ten) each at par as per the provisions for preferential issues on such further terms and conditions, including payment of monies as may be approved or finalized by the Board of Directors to the persons being the Promoters of the company.

Name of the proposed Allottee	PAN	Category
Chemmanur Devassykutty Bobby	ACFPB6597C	Promoter

RESOLVED FURTHER THAT the relevant date for the purposes of the issue of equity shares be 29.08.2015, being 30 days prior to 29.09.2015 (i.e., the date on which the meeting of the general body of shareholders in relation to the proposed issue is to be held).

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to the provisions of the memorandum and articles of association of the company and shall rank pari passu in all respects with the existing Equity Shares of the Company and shall be subject to such lock in period if any applicable for such preferential issues.

FURTHER RESOLVED THAT for the purpose of giving effect to the aforesaid resolution under Sections 42& 62 of the Companies Act, 2013, the Board be and is hereby authorized to constitute or form a Committee or delegate all or any of its powers to any Director(s) / Committee duly constituted by the Board, at its absolute discretion to give effect to the aforesaid resolution and is authorized to take all such steps and do such acts, deeds, and things as is considered necessary, expedient, usual, proper or incidental in relation to the said matter and to take such actions and give such directions as they may consider as necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable to give effect to this resolution including but not limited to:

- 1) approving the term sheet for the preferential allotment;
- 2) approving the issue price, the number of Equity Shares to be allotted, the basis of allocation and allotment of Equity Shares;
- 3) arranging the delivery and execution of all contracts, agreements and all other documents, deeds, and instruments as may be required

- or desirable in connection with the issue of Equity Shares by the Company;
- 4) authorizing any officers of the company to file requisite forms with Registrar of Companies, to make all such necessary applications with the appropriate authorities and make the necessary regulatory filings in this regard;
 - 5) affixing the Common Seal of the Company on any agreement(s)/ document(s) as may be required to be executed in connection with the above as per the procedure prescribed in the Articles of Association of the Company;
 - 6) doing all such acts, deeds, matters and things and executing all such other documents and paying all such fees, as it may in its absolute discretion, deem necessary or desirable for the purpose of the transactions;
 - 7) authorizing or delegating all or any of the powers herein above conferred to any or more persons, if need be.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification in the proposal as may be required but subject to such conditions as the Central Government or such other appropriate authority may impose at the time of their approval as agreed by the Board.

By Order of the Board
For Chemmanur Credits and Investments Limited

Sd/-
C.D. Bobby
(DIN 00046095)
Chairman & Managing Director

Place: Thrissur
Date: 26.08.2015

Notes

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, 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 PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.**
2. Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of item Nos. 4 to 8 is annexed hereto and forms part of this notice.
3. Pursuant to section 91 of the companies Act 2013 the register of members and the share transfer books of the company will remain closed from 25.09.2015 to 29.09.2015 (Both days inclusive).
4. Members are requested to: (a) intimate changes, if any, in the registered addresses to the company/ Registrar at the address available in the annual report. (b) Quote ledger folio number in all their correspondence (c) bring their copies of the Annual Report and the Attendance Slips with them at the Annual General Meeting.
5. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination in the prescribed form no. SH13, duly filled in to the RTA. The prescribed form can be obtained from the Company/ share transfer agents.
6. Members who would like to ask questions on Accounts are requested to send their questions to the Registered Office of the company at least 10 days before the Annual General Meeting to enable the company to prepare suitable replies to such questions.
7. Documents referred to in the notice and the explanatory statement shall be kept open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 10.00 a.m. to 1.00 p.m. except holidays, up to the date of the meeting.
8. The following statutory registers are open for inspection of members and others at the registered office of the Company as prescribed in the respective sections of the Companies Act, 2013 as specified below:
 - a) Register of contracts or arrangements in which directors are interested under section 301 of the Companies Act, 1956 and Register of contracts with related party and contracts and bodies etc. in which directors are interested under section 189 of the Companies Act, 2013 shall be open for inspection on all working days during business hours.
 - b) Register of directors' shareholdings under Section 307 of the Companies Act, 1956 and Register of directors and key managerial personnel and their shareholding under Section 170 of the Companies Act, 2013 shall be open for inspection on all working days during business hours. The aforesaid registers shall be kept open for inspection at the annual general meeting by any person attending the meeting.

ANNEXURE TO NOTICE

Explanatory Statements under Section 102 (1) of the Companies Act, 2013

Item no. 4

Mr. P.M.Rajagopal was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 since 25th March, 2015. He is a former senior official of Reserve Bank of India and is currently practicing as an advocate. He brings to Chemmanur Credits and Investments Limited nearly 3 decades of varied legal and regulatory knowledge and expertise. In the opinion of the Board Mr. Rajagopal fulfils the conditions specified in Companies Act 2013 for appointment as Independent Director.

As per the provisions of Section 149 of the Act, an independent director shall hold office for a term up to five consecutive years on the Board of the company and is not liable to retire by rotation. Mr. P.M.Rajagopal has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. P.M.Rajagopal as Independent Director for a period of three years is now being placed before the Members in general meeting for their approval.

Mr. P.M.Rajagopal is interested and concerned in the Resolution mentioned at Item No.4 of the Notice. Other than Mr. P.M.Rajagopal, no other Director, Key Managerial Personnel or their respective relatives are concerned or interested in this resolution.

Item no.5.

It is proposed to substitute the existing Memorandum of Association with new Memorandum of Association in compliance with section 4 and Table-A of Schedule I of the Companies Act, 2013.

Thus, as prescribed under Sections 4 and 13 and other applicable provisions of the Companies Act, 2013, the new Memorandum of Association of the Company needs to be adopted, for which consent of the shareholders of the Company is required. The Board of Directors recommends the resolution for the approval of the shareholders. None of the Directors of the Company or Key Managerial Persons and their relatives is concerned or interested in the resolution.

Item no. 6

It is proposed to substitute the existing Articles of Association with new Articles of Association in line with Section 5 and Schedule I of the Companies Act, 2013.

As prescribed under Sections 5, 14 and other applicable provision of the Companies Act, 2013 and rule 11 of the Companies (Incorporation) Rules, 2014, the new Articles of Association of the Company needs to be adopted, for which consent of the shareholders of the Company is required. The Board recommends the resolution for the approval of the shareholders. None of the Directors of the Company or Key Managerial Persons and their relatives is concerned or interested in the resolution.

Item no. 7

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") or subordinated debt (Bonds) 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 there under, to enable the Company to offer or invite subscriptions for the debentures issued on private placement basis. The NCDs are proposed to be issued with face values of Rs.1000/ each and shall be as per the applicable guidelines issued by the Reserve Bank of India in this regard.

The Directors recommend the Resolution given in the Notice, for the approval of the Members of the Company. None of the Directors of the Company Key Managerial Persons and their relatives is interested in the resolution.

Item no.8

The Board of Directors of the Company has approved the proposal to issue equity shares for an aggregate amount of Rs.25, 00, 00, 000 on preferential basis to mobilize funds for meeting the capital adequacy needs as also to meet the expected credit growth of the Company in the coming periods. As required under the applicable Rules, the required information is appended below:-

- a) Objects of the Issue: To meet the capital adequacy and expected credit growth of the Company.

- b) Intention of Promoters/Key Managerial personnel to subscribe to the offer: The issue is made to the persons who are the promoters of the Company.
- c) Shareholding Pattern before and after the Issue of the shares involved in the present resolution is as under

Category of Allottee	Shareholding Pattern			
	Pre issue Shares Held	% of total Holding	Post issue Shares Held	% of Total Holding
Promoters	45441200	75.735	70441200	82.872
Companies In which directors are interested	7000000	11.667	7000000	8.235
Public	7558800	12.598	7558800	8.893
Total	60000000	100.00	85000000	100.00

d) The Company will complete the issue & allotment of equity shares within the time limit as prescribed under the regulation applicable for preference Issue.

e) Identity of proposed allottee(s), percentage of expanded capital to be held by them:

Name of the Proposed Allottee	Present Holding	% to Pre Issue Capital	Present Issue	% to Post Issue Capital
C.D.Boby	45201200	75.34	250000000	82.58

There will not be any change in the Management or control of the Company on account of this proposed preferential Issue.

- f) Lock in Requirements: - The shares to be allotted on preferential basis shall not be subject to any lock in period.
- g) Practicing professionals Certificate : The certificate received from the practicing company secretary that the preferential issue is being made in accordance with the applicable rules and regulations shall be placed before the members at the Annual General Meeting.
- h) Relevant Date: Relevant date for the purpose of preferential Issue is 29/08/2015 (Being 30 days prior to the date of Annual General meeting) where resolution is being considered for approval.
- i) Pricing of the Issue: The Issue and allotment of Equity shares offered by this preferential issue is being made to the allottees at par.

Section 62 of the Companies Act, 2013 provides that when it is proposed to increase the issued capital of the Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in the manner as laid down in Section unless shareholders in general meeting decides otherwise by passing a Special Resolution. Therefore your Board Seeks the consent of the shareholders by way of special resolution as detailed in the notice. Except Mr.C.D.Boby none of the other directors, Key Managerial person(s) of the Company and their relatives are, in any way, concerned or interested in the Resolution.

By Order of the Board
For Chemmanur Credits and Investments Limited

Sd/-
C.D. Boby
(DIN 00046095)
Chairman & Managing Director

Place: Thrissur
Date: 26.08.2015

DIRECTORS' REPORT

To
The Members of
Chemmanur Credits and Investments Limited

Your Directors are pleased to present the 7th Annual Report of the company, together with the Audited Accounts for the financial year ended on 31st March 2015 and the report of the statutory auditors thereon.

1. Financial Results

Description	(Amount in Rupees)	
	2014-15	2013-14
Total Income	502,340,695.00	445,595,300.00
Total Expenditure	485,504,248.00	435,490,541.00
Profit/(Loss) before Tax	16,836,447.00	10,104,759.00
Less: Tax Expenses	5,530,509.00	4,346,315.00
Profit for the Year	11,305,938.00	5,758,444.00

2. Dividend

Keeping in mind the overall performance and the outlook for your Company, your Directors are pleased to recommend that it needs to conserve the resources within the company, given our ambitious plans to grow the business. Further, the process of wiping off the carry forward loss of the previous years is still not completed. Hence, your Board of Directors does not recommend a dividend for the current financial year 2014-15.

3. Capital and reserves

Paid up capital of the company was increased from Rs.50 Cr to Rs.60Cr during the financial year 2014-15. The Board of Directors of the Company allotted 10,000,000 shares of Rs. 10 each to Mr. C.D Bobby by in its meeting dated 5th February, 2015 as per approval granted to it by the Annual General Meeting held on 29th September 2014.

The Company has transferred Rs. 2,261,188.00 to statutory reserves as required under directions applicable for the Company.

4. Strengthening of capital base.

As per approval given by the members at the extra ordinary general meeting held on 29.09.2014, the Board of Directors of the Company made preferential allotment of 10,000,000 shares of Rs. 10 each to Mr. C.D Bobby, Promoter on private placement basis in its meeting dated 5th February, 2015. The amount mobilized by the capital issue was utilized in meeting the working capital requirements of the company during the period under review.

5. Working results

In spite of several adversities, your company could present a profitable balance sheet with an operating profit of Rs.41,918,755/- for the last financial year compared to Rs.24,807,805/- for the previous year. Net profit after depreciation and tax for the last financial year was Rs.11,305,938/- as against Rs. 5,758,444/- for the previous year. This will be adjusted against the carry forward loss of the previous financial years. The performance of the company could have been better but for the loss in interest income on account of the fall as well as instability in gold price during the last two years, which hit the performance of many of the Non-Banking Financial Companies engaged in Gold Loan business. Stringent norms brought in by Reserve Bank of India for NBFCs, though helped to strengthen the company in its operations, resulted in restricted environment making it possible to carry out the business operations at a lower level.

The total gold loan advanced by the company under different schemes stood at Rs.168.27 cr. as on 31.03.2015 and total outstanding under microfinance loans to women self-help groups was Rs. 29.50 cr. as on that date. As part of diversification, the company also started disbursing small business loans to low income group borrowers with recovery on weekly collection basis. Total amount of small business loans outstanding as on 31.03.2015 was Rs.19.95 cr. Apart from these, the company has already started some fee based activities to generate revenues without additional cost to the company. The combined effect of all these would result in improved performance of your company in the coming years.

6. Business Outlook.

General economic outlook of the country showed a positive trend during the last financial year. The Consumer Price Index Inflation rate which was 7.68% at the end of 2013-14 was coming down month on month and overall Growth Rate reached 7.3% for the year 2014-15 with a still better projection of 8.5% for the coming financial year. As against this general trend in business, the aftermath of fall in gold prices and resultant decrease in interest income ended up in a not-so-lucrative growth rate for Gold Loan NBFCs. However, with the improvement in economic climate combined with strategic business plans, diversification of loan products, addition of third party products etc. your directors foresee a bright future for the company with benefits accruing to the shareholders.

During the last Financial Year Reserve Bank of India changed the classification of Non-Deposit taking Systemically Important NBFCs (ND-SI-

NBFCs) as those companies which have an asset size of Rs.500 cr. and above, as against Rs. 100 cr. earlier. Your company with an asset size of Rs.300 cr. is expected to cross this milestone within the next two financial years. Your Company started operations in 2011 as a Loan Company primarily engaged in Gold Loan business, lending money against the pledge of household Jewellery in the state of Kerala, and has since introduced product diversification by adding Microfinance Loans and Small Business Loans to its Loan portfolio. Further, a number of third party products fetching commission income like foreign inward Money Transfer Services, Domestic Money Transfer Services, Ticket Booking (air / rail / bus), Hotel Booking, Infra facilities for Insurance Business etc. have been added to our kitty of services. Insurance Business as Corporate Agent for all insurance products (Life / General / Health) will be undertaken once the Corporate Agency license is granted by IRDA. Other services such as Mobile recharging, Phone bill payment, DTH charging etc. are also in the final stages of tie-up with different companies. Your directors foresee good prospects for a well-run company like yours which helps the needy people to meet temporary financial needs at competitive rates. A good portion of our customers belong to middle and low income groups mainly belonging to rural areas. In spite of being a regulated entity there is ample opportunities for growth for your company. The survival of any financial institution depends on its credibility, efficiency and customer oriented services. Realizing this, your company has decided to focus on identifying new market segments, strengthening customer knowledge, developing new financial products, entering into tie-up with more companies for third party products, imparting training to employees for improving their product knowledge, focusing on new marketing techniques etc. Your directors believe that the result of above efforts would manifest in projecting a brighter image of the company in the financial circles in the coming years and also in increasing company's profits and shareholders' value.

Efforts are also on to mobilize funds at lower costs. Borrowing from Commercial Banks / other financial institutions, securing private equity participation, issuing Non-Convertible Debentures and Subordinated Debt Bonds on private placement up to authorized levels, preferential issue of equity shares, public issue of non-convertible debentures etc. are some of the ways being considered.

Products developed by our Sales & Marketing team are innovative and customized to the varying needs of our customers. With improved marketing techniques, control on expenses and improved efficiency your Directors are confident that the future of your company would be bright which can reward the shareholders adequately for the trust and confidence reposed in the company.

7. Internal Control.

Internal control System in the Company is commensurate with the size and nature of business. It ensures quality of assets and prevents leakage of income. Internal audit is done by three teams – (1) Gold Inspection, (2) Accounts Audit and (3) Microfinance Audit. Internal Audit function is controlled from Corporate Office by the Head of the Department, supported by a Manager and a Senior Executive. Efforts have been taken to ensure that manpower deployed for audit is sufficient enough to take care of the objectives of Internal Audit.

Head of Internal Audit (Risk Management) Department is also designated as “Internal Auditor” of the company. He is an ex-Banker with enough experience in a Public Sector Bank and also in a Gold Loan NBFC both in operations and in Inspection / Audit.

The Board Audit Committee reviews the adequacy and effectiveness of the internal control system put in place and oversees the functioning of the audit team at all levels and also lays down constructive suggestions for its improvement. This committee was reconstituted by the Board in March, 2015 appointing the newly inducted Independent Director as its Chairman with an aim to make it more efficient and effective.

8. Resources

As an NBFC, mobilization of resources at optimal cost and its deployment in the most profitable and secured manner constitutes the two important functions of the company. Efforts of your board to raise resources at cheaper rates continued in the last financial year also. With the improvement in performance of your company it is expected that financial sanctions from banks or other institutions will be possible in the near future. Resources are raised by the issue of fully secured redeemable non-convertible debentures on private placement basis. The company also issued bonds which are unsecured and subordinated obligations of the company and forming Tier II capital.

- a) **Equity.** During the year the company had issued 10000000 equity shares of Rs.10 each, on preferential basis to the promoter Mr. C.D. Bobby as per approval granted by the members in their last Annual General Meeting on 29th Sep. 2014. The amount was utilized for business needs of your company during the period under review.
- b) **Debentures.** The debentures are issued in denominations of Rs.1000 and are secured on the receivables on gold loan. The company had appointed debenture trustees to see that the interests of debenture holders are well protected. During the year under review, a sum of Rs. 157,779,000/- was raised as Non-Convertible Debentures. As on 31.03.2015, the total outstanding amount of debentures was Rs1, 379,686,000/-. These debentures were issued on private placement basis.
- c) **Bonds.** The company had also issued bonds for an aggregate amount of Rs.104, 800,000/- during the year. Total outstanding amount of Bonds as on 31.03.2015 stood at Rs.600,000,000/- These Bonds are unsecured obligations of the company and are treated as Tier II Capital as per RBI norms.

Board of Directors and the Management Team are putting in their best efforts for improving the resources level for increasing onward lending in line with the business plans.

9. Compliance with NBFC regulations

Your Company has complied with all the regulatory requirements applicable to Non- banking Financial Institutions as per RBI guidelines pertaining to Non Performing Assets, Know Your Customer (KYC), Loan to Value, Fair Practices Code, Leverage Ratio etc. The Company maintained a comfortable Capital to Risk Assets Ratio of 33.19% as on 31.03.2015 (Tier I Capital 21.99%).

10. Deposits

As you are aware, your company is a **Category B** non-deposit taking company and hence it will not access any deposit coming within the purview of public deposits. A resolution had already been passed by your board to this effect.

11. Directors and Key Managerial Personnel

1. Mr. Jisso C Baby, Director is retiring at this annual general meeting. Being eligible he offers himself for re- appointment.
2. Mr. P. M. Rajagopal was appointed in the Board as Additional Director w.e.f. March, 25, 2015.
3. Mr. Thanish Dalee who was earlier designated as Head Finance and Accounts has been re-designated and as CFO w.e.f.20/03/2015.
4. Ms .Priya Menon has been appointed as Company Secretary by the Board as per resolution passed in its meeting held on 20.03.2015.

12. Declaration from Independent Directors on annual basis

The company has received necessary declaration from the independent director of the company as per section 149(7) of the companies Act2013 that he meets with the criteria laid down in Section149 (6) of Companies At. 2013.

13. Statutory Disclosures

Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of the Annual Return in Form MGT- 9 is annexed as 'Annexure I'.

Particulars of Employees

The company does not have any employee whose remuneration would exceed the limits prescribed under Section 197(12) of the Companies Act, 2013.

Related Party Transactions.

Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in Form AOC-2 is annexed as 'Annexure II'.

Policy on Appointment of Directors

Pursuant to the provisions of Section 134(3)(e), the Company's policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) is annexed as 'Annexure III'.

14. Audit and Auditors Report

Statutory Audit

The term of appointment of statutory Auditors M/s Cheeran Varghese & Co, Chartered Accountants, Mundupalam First Cross Road, Thrissur- 680 001 end with the conclusion of the ensuing Annual General Meeting and they are eligible for re-appointment. Your Company proposes to appoint them as Statutory Auditors of the company to hold office from the conclusion of the ensuing Annual General Meeting to the conclusion of the next Annual General Meeting of the Company. Auditors Report along with accompanying notes is attached for information of all Members.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors at its meeting held on 20th March, 2015 had appointed Mr. Mr. V. K .Kerala Varma, Sree Kovilakam, Green Park Avenue, Thiruvambadi P.O, Thrissur-680 021, Practicing Company Secretary as the Secretarial Auditor of the Company to conduct Secretarial Audit for the Financial Year 2014 - 15.The Report of the Secretarial Auditor in Form MR-3 is annexed separately to this Annual Report.

15. Credit Rating

Your Company's debt instruments are rated by Credit Analysis and Research Limited (CARE),one of the leading credit rating agencies in the country. The Credit Rating assigned to Company is as follows:

Rating agency	Facilities	Amount (in Crore)	Ratings	Date
CARE	Non-Convertible Debentures	100 Crore	BB+	20/10/2014
CARE	Long Term Bank Facilities	20 Crore	BB+	19/09/2014

16. Conservation of energy, Technology Absorption and Foreign Exchange earnings and outgo

The provisions of Section 134(3) (m) of the Companies Act, 2013, and the rules made there under relating to conservation of energy, technology absorption do not apply to your Company as it is not a manufacturing company. However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. During the year under review, there was no foreign exchange transaction causing foreign exchange earnings or expenditure in the Company.

17. Directors' Responsibility Statement :

Directors' Responsibility Statement pursuant to the provisions of section 134 (5) of Companies Act, 2013 on the accounts of the Company for the year ended 31st March, 2015 is given below:

In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

The Directors have 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 on March 31, 2015 and of the Profit of the Company for that period

The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 in safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The Directors have prepared the Financial Statements on a going concern basis.

The Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.

The Directors had devised proper system to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

18. Sexual Harassment of woman at work place

The directors further state that during the year under review, there were no cases filed pursuant to the sexual harassment of women at work place (Prevention, prohibition and Redressal) Act, 2013.

19. Details of Auctions Held During the Year 2014-15.

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 2014-15 are given below.

Year	No. of Loan Accounts	Principal amount outstanding at the dates of auction (A)	Interest amount outstanding at the dates of auction (B)	Total (A+B)	Value fetched
2014-15	5906	233,032,422.00	129,282,656.00	362,315,078.00	325,919,000.00

20. Board's comments on Secretarial Auditor's observations.

In the Secretarial Audit Report, the Secretarial Auditor has stated that as per Section 149 (4) read with Rule 4 of the Companies Act 2013 the company has to appoint one more Independent Director

Board is trying to get a proper person for appointment as Independent Director and the requirement will be met shortly.

21. Acknowledgement.

Your Directors take this opportunity to place on record their appreciation to all its employees for their hard work, spirited efforts, dedication and loyalty to the company which helped the company maintain its growth.

The Directors also wish to place on record their appreciation for the support extended by the Promoters, Shareholders, Investors, Customers, well-wishers, Company's Auditors, Reserve Bank of India, Registrar of Companies and other Regulatory and Government Departments / Authorities.

By Order of the Board
For Chemmanur Credits and Investments Limited

Sd/-
C.D. Boby
(DIN 00046095)
Chairman & Managing Director

Place: Thrissur
Date: 26.08.2015

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1. CIN	U65923KL2008PLC023560
2. Registration Date	16/12/2008
3. Name of the Company	Chemmanur Credits and Investments Limited
4. Category/Sub-category of the Company	Company Limited By Shares Non –Banking Finance Company
5. Address of the Registered Office & Contact details	Mangalodhayam Building, Round South, Thrissur, Pin-680001 Ph:0487 3041200,2424010 Email:mail@chemmanurcredits.com Website:www.chemmanurcredits.com
6. Whether listed company	NO
7. Name, Address & Contact details of the Registrar & Transfer Agent, if any.	S.K.D.C. Consultants Limited Category I Registrar and Share Transfer agents, Kanapathy Towers,3rd Floor,1391/A1, Sathy Road, Ganapathy, Coimbatore- 641006Ph:+91 422 6549995,2539835-836 Email: info@skdc-consultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10.00 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Non Banking Finance Company	Gold Loan	71.30
		Micro Finance	14.78

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary/Associate	% of shares held	Applicable Section
1	-	N I L		-	

I. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding:-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year * [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	Nil	3949789	3949789	78.996	Nil	45441200	45441200	75.735	-3.261
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	Nil	3949789	3949789	78.996	Nil	45441200	45441200	75.735	-3.261
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) =									
A(1) + A(2)	NIL	3949789	3949789	78.996	Nil	45441200	45441200	75.735	-3.261

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year * [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	7000000	7000000	11.667	11.667
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	437000	437000	8.740	Nil	3350000	3350000	5.583	-3.157
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	613211	613211	12.264	Nil	4208800	4208800	7.015	-5.249
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	Nil	1050211	1050211	21.004	Nil	14558800	14558800	24.265	3.261
Total Public Shareholding (B)=(B)(1) + (B)(2)	Nil	1050211	1050211	21.004	Nil	14558800	14558800	24.265	3.261
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	Nil	5000000	5000000	100.000	Nil	60000000	60000000	100.000	

* after subdivision of Equity shares from Rs.100 to Rs.10 each

ii) Shareholding of Promoter:-

Sl.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares*	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	C.D.Boby	3925789	78.516	0.00	45201200	75.335	0.00	-3.181
2	Jisso C. Baby	3500	0.07	0.00	35000	0.058	0.00	-0.012
3	Lijo Moothedan	3500	0.07	0.00	35000	0.058	0.00	-0.012
4	Smitha Boby	5500	0.11	0.00	55000	0.092	0.00	-0.018
5	Nishanth Thomas	3000	0.06	0.00	30000	0.05	0.00	-0.01
6	Deena Lijo	3000	0.06	0.00	30000	0.05	0.00	-0.01
7	Jose Chakkappan	5500	0.11	0.00	55000	0.092	0.00	-0.018

* after subdivision of Equity shares from Rs.100 to Rs.10 each

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares *	% of total shares of the company
1	Mr. C.D. Bobby				
	At the beginning of the year	39,25,789	78.516		
	05.04.2014 Bought (Transfer)	28,000			
	31.05.2014 Bought (Transfer)	72,000			
	23.08.2014 Bought (Transfer)	56,640			
	25.10.2014 Bought (Transfer)	57,091			
	25.10.2014 Sold (Transfer)	1,000			
	29.11.2014 Bought (Transfer)	8,000			
	10.01.2015 Bought (Transfer)	12,000		41,58,520	
	Stock Split (Rs. 100 to Rs.10)			4,15,85,200	
	05.02.2015 Bought (Pref. Allotment)	1,00,00,000			
	06.02.2015 Bought (Transfer)	5,41,000			
	31.03.2015 Bought (Transfer)	75,000			
	31.03.2015 Sold (Transfer)	70,00,000		4,52,01,200	
	At the end of the year	-		4,52,01,200	75.335
2	Mr. Jisso C. Baby				
	At the beginning of the year	3,500	0.007		
	Stock Split (Rs.100 to Rs.10)			35,000	0.058
	At the end of the year	-	-	35,000	0.058
3	Mr. Lijo Moothedan				
	At the beginning of the year	3,500	0.007		
	Stock Split (Rs.100 to Rs.10)			35,000	0.058
	At the end of the year	-	-	35,000	0.058
4	Ms. Smitha Bobby				
	At the beginning of the year	5,500	0.110		
	Stock Split (Rs.100 to Rs.10)			55,000	0.092
	At the end of the year	-	-	55,000	0.092
5	Mr. Nishanth Thomas				
	At the beginning of the year	3,000	0.006		
	Stock Split (Rs.100 to Rs.10)			30,000	0.050
	At the end of the year	-	-	30,000	0.050
6	Ms. Deena Lijo				
	At the beginning of the year	3,000	0.006		
	Stock Split (Rs.100 to Rs.10)			30,000	0.050
	At the end of the year	-	-	30,000	0.050
7	Mr. Jose Chakkappan				
	At the beginning of the year	5,500	0.110		
	Stock Split (Rs.100 to Rs.10)			55,000	0.092
	At the end of the year	-	-	55,000	0.092

* after subdivision of Equity shares from Rs.100 to Rs.10 each

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares *	% of total shares of the company*
1	NOUSHAD V K	30000	0.600	300000	0.500
2	ELTHO P JOHN	25000	0.500	250000	0.417
3	SIBIL.N	20000	0.400	200000	0.333
4	BEENA ELDHO	15000	0.300	150000	0.250
5	SIDHARTHAN P G Sold 23.08.2014 – 15,000 At the end of the year	15000 -	0.300 -	0	0
6	GOPALAN T	12000	0.240	120000	0.240
7	RAMLA JABBAR Sold 25.10.2014 – 12,380 Shares At the end of the year	12380 -	0.248 -	0	0
8	DEEPTHY K Sold 05.04.2014 – 10,000 Shares At the end of the year	10000 -	0.200 -	0	0
9	VENUGOPAL M G Sold 06.02.2015 – 1,00,000 Shares (after sub-division) At the end of the year	10000 -	0.200 -	0	0
10	SHAHANAS LC	10000	0.200	100000	0.167

* after subdivision of Equity shares from Rs.100 to Rs.10 each

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No. Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares*	% of total shares of the company
1 C.D.Boby – Managing Director	39,25,789	78.516	4,52,01,200	75.335
At the beginning of the year	39,25,789	78.516		
05.04.2014 Bought (Transfer)	28,000			
31.05.2014 Bought (Transfer)	72,000			
23.08.2014 Bought (Transfer)	56,640			
25.10.2014 Bought (Transfer)	57,091			
25.10.2014 Sold (Transfer)	1,000			
29.11.2014 Bought (Transfer)	8,000			
10.01.2015 Bought (Transfer)	12,000		41,58,520	
Stock Split (Rs. 100 to Rs.10)			4,15,85,200	
05.02.2015 Bought (Pref. Allotment)	1,00,00,000			
06.02.2015 Bought (Transfer)	5,41,000			
31.03.2015 Bought (Transfer)	75,000			
31.03.2015 Sold (Transfer)	70,00,000		4,52,01,200	
At the end of the year	-	-	4,52,01,200	75.335
2 Jisso.C.Baby-Whole Time Director	3,500	0.07	35000	0.058
At the beginning of the year	3,500	0.07	35000	0.058
At the end of the year	-	-		
3 Lijo Moothedan – Director	3,500	0.07	35000	0.058
At the beginning of the year	3,500	0.07	35000	0.058
At the end of the year	-	-	-	-
4 P.M Rajagopal (Additional Director appointed on 25/03/2015)				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
5 Thanish Dalee				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-
6. Priya Menon				
At the beginning of the year	-	-	-	-
At the end of the year	-	-	-	-

* after subdivision of Equity shares from Rs.100 to Rs.10 each

V. INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,360,067,000	913,623,314	---	2,273,690,314
ii) Interest due but not paid				1,19,606,077
iii) Interest accrued but not due				
Total (i+ii+iii)	1,360,067,000	913,623,314	—	2,393,296,391
Change in Indebtedness during the financial year				
* Addition	19,619,000			74,067,047
* Reduction		71,500,000		71,500,000
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	137,96,86,000	842,123,314	---	2,221,809,314
ii) Interest due but not paid				34,414,039
iii) Interest accrued but not due				139,640,085
Total (i+ii+iii)	137,96,86,000	842,123,314		2,395,863,438

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl No	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		C.D.Boby	Chiramal Baby Jisso	Lijo Moothedan	P M Rajagopal	
1	Gross salary		720000/-			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	720000/-	-	-	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
	- Bonus					
2	Stock Option					
3	Sweat Equity					
4	Commission- as % of profit- others, specify...					
5	Others, please specify					
	Total (A)		720000/-			
	Ceiling as per the Act					N.A.

B. Remuneration to other directors - NIL -
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl No	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Priya Menon , CS	Thanish Dalee ,CFO	
1	Gross salary	3000000		1,152,000	4,152,000
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit others, specify...				
5	Others, please specify				
	Total	3000000		1,152,000	4,152,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties/punishments/compounding of offences for the year ending 31st March 2015.

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
NIL					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure- II**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

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

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

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

SL. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	Boby Chemmanur (No.1) Chits Private Ltd
	Nature of contracts/arrangements/transaction	Commission Received
	Duration of the contracts/arrangements/transaction	Ongoing process was Approved earlier
	Salient terms of the contracts or arrangements or transaction including the value, if any	14495.00
	Date of approval by the Board	25/11/2014
SL. No.	Particulars	Details
2.	Name (s) of the related party & nature of relationship	Chemmanur International Jewellers
	Nature of contracts/arrangements/transaction	Rent Received
	Duration of the contracts/arrangements/transaction	Ongoing process was Approved earlier
	Salient terms of the contracts or arrangements or transaction including the value, if any	12815949.00
	Date of approval by the Board	Ongoing process was Approved earlier
	Amount paid as advances, if any	Nil

ANNEXURE III

POLICY ON APPOINTMENT OF DIRECTORS

Nomination and Remuneration Committee (“the Committee”) evaluates the range of skills, experience, expertise and diversity of the existing Directors, and identifies criteria for the new role giving consideration to the Company’s strategic objectives, the dynamism of the existing Board, and gaps which need to be filled. The following steps are involved in the process

1. The Committee based on enquires on various channels identify suitable candidates.
2. Potential candidates are considered with reference to their skills, experience, expertise, diligence, soundness of judgment, availability, their ability to add value to the Board, and their interest in the Company and its business.
3. The Company will undertake due diligence before appointing Director to verify character references, qualifications, prior experience and other governmental checks, if appropriate.
4. The Proposed Director will be given the opportunity to undertake due diligence of the Company including access to information and meeting with the Senior Executives and Directors (where appropriate and subject to a confidentiality agreement as deemed necessary by the Board) which would be pertinent to their ability to make an informed decision as to their suitability and support of the Company.
5. The Committee recommends appropriate candidates for appointment to the Board. The Board will consider the recommendation and if appropriate, extend an invitation to the candidate to join the Board. Selected candidate will initially be appointed as Additional Director by the Board. Members at the request of the Board approve the appointment of the person as Director in the Next Annual General Meeting.
6. Once a Director is appointed Company will do necessary filings with various regulatory authorities and provide the necessary disclosures under the Companies Act, 2013 and Rules made there under.
7. As per the Board’s timely assessment, appointed Director can be inducted as member of the various Committees. As member of the Board appointed Director along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:
 - Requirements under the Companies Act,2013 and Rules made there under
 - Accountability under the Director’s Responsibility Statement,
 - Protecting and enhancing the Company’s brand.
8. Every Director appointed in the Company shall give disclosure of interest in the first meeting of every financial year.
9. Nomination and remuneration Committee may timely revise the remuneration payable to Directors with the consent of Board.

PERFORMANCE EVALUATION POLICY

The Company’s Board of Directors is dedicated to act in good faith; exercise their judgment on an informed basis and in the best interest of the Company and its stakeholders.

As, one of the most important functions of the Board of Directors is to oversee the functioning of Company’s top management, this policy aims at establishing a procedure for conducting periodical evaluation of Director’s performance and formulating the criteria for determining qualifications, positive attribute and independence of each and every director of the Company. In addition, the Nomination and remuneration Committee shall carry out the evaluation of performance of every director, Key managerial Personnel and other employees in accordance with the criteria contained herein. It shall be the duty of the Company to organize the evaluation process and accordingly conclude the steps required to be taken. The evaluation process will be used constructively as a system to improve the directors’ and committees’ effectiveness, to maximize their strength and to tackle their shortcomings.

The Board of Directors shall undertake the following activities on an annual basis:

- I. Review the various strategies of the Company and accordingly set the performance objectives for Directors, consistent with the varying nature and requirements of Company’s business.
- II. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

In conformity with the requirement of the Act, the performance evaluation of all the independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. Independent Directors are required to evaluate the performance of non – independent directors and Board as a whole. The independent directors of the Company shall hold at least one meeting in a year to exercise the functions as mentioned in the Companies Act, 2013 and its applicable Schedules.

Evaluation Factors

The Board of Directors shall take into consideration the following parameters for the purpose of evaluating the performance of a particular director:

Independent Directors

Some of the specific issues and questions that should be considered in the performance evaluation of an Independent Director are set out below:

Sl.no	Assessment Criteria
1.	Attendance and participations in the Meetings
2.	Adherence to ethical standards & code of conduct of Company and disclosure of non – independence, as and when it exists and disclosure of interest
3.	Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
4.	Interpersonal relations with other directors and management
5.	Objective evaluation of Board's performance, rendering independent, unbiased opinion
6.	Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
7.	Safeguarding interest of whistle-blowers under vigil mechanism and Safeguarding confidential information

Non-Independent Directors/Whole –Time Directors

Some of the specific issues and questions that should be considered in a performance evaluation of Non-Independent Director /WTD/ CMD are set out below.

Sl.no	Assessment Criteria
1.	Attendance and participations in the Meetings
2.	Contribution towards growth of the Company including actual vis-à-vis budgeted performance.
3.	Leadership initiative, like new ideas and planning towards growth of the Company and steps initiated towards Branding of the Company
4.	Adherence to ethical standards & code of conduct of Company
5.	Team work attributes and supervising & training of staff members
6.	Compliance with policies, Reporting of frauds, violation etc. and disclosure of interest
7.	Safeguarding of interest of whistle blowers under vigil mechanism and Safeguarding confidential information

Board of Directors

Sl.no	Assessment Criteria
1.	Is the composition of the board appropriate with the right mix of knowledge and skills required to drive organizational performance in the light of future strategy
2.	Members of the board meet all applicable independence requirements.
3.	The Board of Directors is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
4.	The Board of Directors is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
5.	Are sufficient numbers of board meetings, of appropriate length, being held to enable proper consideration of issues?
6.	The Chairman of the Board effectively and appropriately leads and facilitates the Board meetings and the policy and governance work of the Board.
7.	Nomination and appointment of Board members and their Remuneration follow clearly established procedures using known criteria as laid down by the Nomination and Remuneration Committee
8.	Company has necessary Committees which are required and these Committees are working effectively

Review

The performance evaluation process and related tools will be reviewed by the “Nomination and Remuneration Committee” on need basis and the Committee may periodically seek independent external advice in relation to the process.

The, committee may amend the Policy, if required, to ascertain its appropriateness as per the needs of the Company. The Policy may be amended by passing a resolution at a meeting of the Nomination and Remuneration Committee.

CORPORATE GOVERNANCE REPORT

The Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and meeting its obligations to stakeholders and is guided by a strong emphasis on transparency, accountability and integrity. The endeavor of the Company is not only to comply with the regulatory requirements but also to practice good corporate governance.

Board procedure, composition and attendance.

The Board of Chemmanur Credits and Investments Ltd., with 3 members who are well experienced in jewellery and related line of business was strengthened with the appointment of an Independent Director. Mr.P.M. Rajagopal, a former Senior Official of Reserve Bank of India and currently practicing as an Advocate has been appointed by the Board of Directors as an Additional Director of the company on 25/03/2015. Knowledge and experience of Mr. Rajagopal in various fields in general and in handling matters related to NBFCs in particular will be of great help to the Board of Directors in giving proper directions for efficient management of the company. His appointment as Director is being taken up in the Annual General Meeting for approval by the members. The policy of the company is to keep a proper mix of Independent and Non Independent directors and to fulfill this objective the company proposes to induct more Independent Directors to the Board in future.

The Board is supplied with the agenda with all relevant information seven days before the meeting. Presentation of important matters will be made for fruitful decisions. The Board periodically discusses and reviews the legal compliance of the Company with respect to RBI directions and general compliance under all the applicable enactments. Transactions with related parties will be placed before the Board on a regular basis and disclosed in the financial statements. Proper explanations are given for deviations from acceptable standards.

During the period from 01/04/2014 to 31/03/2015 the Board met on 15 occasions to discuss important business strategies and objectives. The gap between two consecutive meetings was less than four months. Details regarding Board Members, composition, meetings held, participation, are appended below:

Sl.No	Name of Director	Date of Appointment	Status	No of Meetings attended	Directorship In other public Limited Companies.
1.	Mr. CD Bobby	16/12/2008	Chairman and Managing Director	15	1
2.	Mr. Jisso. C. Baby	16/12/2008	Whole Time Director (Public Relations and Corporate Affairs)	15	1
3.	Mr. LijoMoothedan	16/12/2008	Non-Executive Director	15	Nil
4.	Mr. P.M.Rajagopal	25/03/2015	Additional Director(Appointed on 25/03/2015)	Nil	Nil

Non Executive Directors' Compensation : Presently, no compensation is paid to non- executive directors of the company.

Sub Committees of the Board.

1. Audit and Risk Management Committee

The Company reconstituted its independent Audit Committee during the financial year under review in fulfillment of the requirement under Section 177 of the companies Act, 2013 as also in compliance with the directions issued by the Reserve Bank of India. The Audit Committee was reconstituted by a board resolution dated March 25, 2015. Terms of reference of the committee were prescribed entrusting additional responsibilities of Risk Management also. The Committee currently comprises of the following Members.

DIRECTORS:

1. Mr. P.M. Rajagopal - Chairman
2. Mr. LijoMoothedan - Member
3. Mr. Jisso Baby - Member

The following members of the Top Management team also will attend the Committee meetings.

1. Mr. T.K. Thomas, CEO
2. Mr. ThanishDalee, CFO
3. Mr. N.N. Kumar, Internal Auditor
4. Ms. PriyaMenon, CS- Secretary to the Committee

Terms of reference of the Audit Committee shall be as follows:

1. Overseeing Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements before submission to our Board for approval, with particular reference to:
5. Matters required to be included in the Director's Responsibility Statement in our Board's report in terms of clause (5) of Section 133 of the Companies Act, 2013.
6. Changes, if any, in accounting policies and practices and reasons for the same.
7. Major accounting entries involving estimates based on the exercise of judgment by management.
8. Significant adjustments made in the financial statements arising out of audit findings.
9. Compliance with legal requirements relating to financial statements.
10. Disclosure of any related party transactions, and
11. Qualifications, if any, in the draft audit report.
12. Reviewing with the management the quarterly financial statements before submission to the board for approval.
13. Reviewing with the management performance of the statutory and internal auditors and adequacy of the internal control systems.
14. Reviewing the adequacy of internal audit function, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
15. Discussion with internal auditors regarding any significant findings and follow-up thereon.
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
17. Discussion with statutory auditors before audit commences about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
18. To look into the reasons for substantial defaults, if any, in the payments to the debenture-holders, shareholders and creditors.
19. Carrying out any other function as may be entrusted to the committee by the Board from time to time.

The Audit Committee can invite such executives as it considers appropriate to be present at the meetings of the Committee.

2. Nomination and Remuneration Committee

The company has also constituted a Nomination and Remuneration Committee to ensure the fit and proper criteria of directors both existing as well as future.

DIRECTORS:

1. Mr. C.D.Boby - Chairman
2. Mr. LijoMoothedan - Member
3. Mr. Jisso Baby - Member

The following members of the Top Management team also will attend the Committee meetings.

1. Mr. T.K. Thomas, CEO
2. Mr. ThanishDalee, CFO
3. Mr.Manikantan.S.V, GM – Sales, Mktg. & Recovery

3. Shareholders Grievance Committee

The company has also constituted an executive Committee called Shareholders Grievance Committee to ensure the following Matters.

- a. Formulate shareholders servicing plans and polices.
- b. Approval of valid share requests for transfer/transmission.
- c. Considering the request for issue of duplicate share certificate upon loss of original certificates.
- d. Looking in to the complaints grievances of non- receipt of Dividend warrants, share certificates etc.
- e. To monitor effective and expeditious redressal of investors genuine grievances.

4. Debenture Committee

The Debenture Committee was constituted by the Board by a resolution dated March 20, 2015to oversee and approve all matters in connection with issue, allotment, and other formalities of Redeemable Non-Covertible Debentures and Subordinate Bonds. The Committee currently comprises of the following members.

1. Mr. Jisso.C.Baby - Wholetime Director.
2. Mr. T. K. Thomas – Chief Executive Officer
3. Mr.ThanishDalee- Chief Financial Officer
4. Ms.PriyaMenon -Company Secretary

5. Asset Liability Management Committee

The Asset Liability Management Committee was constituted by the Board by a resolution dated February 5th,2015. The Asset Liability Management Committee ensures proper balance of assets and liabilities of the company as per guidelines issued by Reserve Bank of India from time to time.

The following members form the committee.

- i. Mr.Jisso C Baby (Director) : Chairman
- ii. Mr.T.K.Thomas, CEO- Member
- iii. ThanishDalee (Head Finance) - Member

- iv. Mr.Kumar NN (Head Operations)-Member
- v. Mr.Manikantan (GM –Sales, Mktg. &Recovery)-Member

General Body Meetings.

Details of last three Annual General Meetings of the Company are given below:-

Year	Date	Time and Place	Details of special resolution passed
2014	29/09/2014	3.00 PM Registered Office of the Company at Mangalodhayam Building, Round South, Thrissur	To increase the borrowing powers of the company.♦ To mortgage, charge and hypothecate the assets of the company for securing borrowings.♦ Issue of fully secured redeemable non- convertible Debentures (NCDs) on Private Placement basis.♦ Splitting of face value of equity shares.♦ Alteration of MOA of the company.· Alteration of AOA of the company.♦ Issue of Equity Shares on Preferential Basis
2013	27/09/2013	3.00PM. Registered office of the company at Thrissur	♦ Alteration of capital clause of MOA of the company ♦ Alteration of capital clause of AOA of the company ♦Amending the object clause of the company ♦Preferential issue of equity shares ♦ Issue of Secured redeemable non- convertible debentures.
2012	10/09/2012	10.30AM. West fort Towers, 4 th Floor, West Fort JunctionThrissur- 680004	♦Alteration of capital clause of MOA of the company ♦ Alteration of capital clause of AOA of the company ♦Preferential issue of redeemable preference shares

Details of Extra Ordinary General Meetings held during the period.

No extra Ordinary General meeting conducted during this period.

Means of communication to shareholders.

The company has its website at www.chemmanurcredits.com wherein all important details related with the company are given.

General Shareholder Information.

1. Name and Address of the Company	Chemmanur Credits and Investments Limited Mangalodhayam Building, Round South, Thrissur, Pin-680001 Ph:0487-3041200,2424010 Email:mail@chemmanurcredits.com Website:www.chemmanurcredits.com
2. CIN no:	U65923KL2008PLC023560 DATED 16/12/2008
3. RBI Reg. No.	N16-00185
4. Annual General Meeting	29.09.2015 at the Registered Office of the Company at Mangalodhayam Building, Round South, Thrissur – 680 001
5. Financial Year	2014-15
6. Date of Book Closure	25.09.2015 to 29.09.2015 (both days inclusive).
7. Statutory Auditors	M/s Cheeran Varghese & Co, Chartered Accountants, Mundupalam First Cross Road, Thrissur- 680 001
8. Registrar and Share Transfer agents	S.K.D.C. Consultants Limited. Category I Registrar and Share Transfer agents, Kanapathy Towers, 3 rd Floor, 1391/AI, Sathy Road, Ganapathy, Coimbatore- 641006 Ph: +91 422 6549995,2539835/836 Email: info@skdc-consultants.com

Distribution of Share holding

Value In Rs.	No. of persons	% to total	Amount in (Rs.)	% to total
Up to - 5000	-	-	-	-
5001-10000	-	-	-	-
10001-20000	-	-	-	-
20001-30000	-	-	-	-
30001-40000	-	-	-	-
40001-50000	-	-	-	-
50001-100000	335	73.79	33,500,000	5.58
10000 and above	119	26.21	5,66,500,000	94.42
TOTAL	454	100.00	6,00,000,000	100.00

Dematerialization of shares.

The shares of the company are in physical form and are not available for demat at present.

Common agency for physical Transfer.

Share transfers, dividend and payment and all other investor related activities are attended to and processed at the office of the Registrars and Transfer agent as detailed above.

Human Resources

People remain the most valuable asset of your Company. Your Company is professionally managed with senior management personnel having rich experience and long tenure with the Company. Your Company follows a policy of building strong teams of talented professionals. Your Company encourages, appreciates and facilitates long term careers. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. The Company continues to focus on training programs for skill development, compliance and improved customer experience. As on March 31, 2015, your Company had 647 Employees as compared to 578 as on March 31, 2014.

Risk management and portfolio quality

As a lending institution, we are exposed to various risks that are related to our gold lending business and operating environment. Risk management forms an integral element of our business. Our objective in the risk management processes is to appreciate measure and monitor the various risks that we are subject to and to follow policies and procedures to address these risks. We do so through our risk management architecture. We continue to improve our policies and procedures and to implement these rigorously, for the efficient functioning of our business. This also helps in managing the risks, associated with our business. The major types of risk we face in our businesses are credit risk, operational risk, financial risk and market risk.

In order to address the risks that are inherent to our business, we have developed a risk management architecture involving our Internal Audit & Risk Management department, Vigilance Department and the Audit Committee. Our Board Audit Committee, which is chaired by one of our Independent Directors, oversees our risk management policies, which help us to identify, measure, monitor and mitigate the various risks that we face in our businesses.

Internal Control Systems

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor the efficiency and efficacy of the internal control systems in the Company, compliance with operating systems/accounting procedures and policies of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The Company has a Board approved Audit and Risk Management policy wherein all material risks faced by the company are identified and assessed. For each of the risks identified in the process corresponding controls are exercised. The Company has adequate systems and procedures to provide assurance of recording transactions in all material respects.

Internal audit and compliance

The Company conducts its internal audit and compliance functions within the parameters of regulatory framework which is well commensurate with the size, scale and complexity of operations. The internal controls and compliance functions are installed, evolved, reviewed, and upgraded periodically. The Company has appointed Mr. N.N.Kumar, as internal Auditor to conduct internal audit covering all areas of operations including branches. The reports are placed before the Audit Committee of the Board. The Audit Committee reviews the performance of the audit and compliance functions, the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary / considered appropriate.

By Order of the Board
For Chemmanur Credits and Investments Limited

Sd/-
C.D. Bobby
(DIN 00046095)
Chairman & Managing Director

Place: Thrissur
Date: 26.08.2015

INDEPENDENT AUDITORS' REPORT

To the Members of

Chemmanur Credits and Investments Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Chemmanur Credits and Investments Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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 31st March, 2015, and its **profit** and cash flows for the period ended on that date.

Emphasis of Matter

(i) We draw attention to **Note No.29** of financial statement regarding the policies of the company on treatment of interest on debentures held & loan taken from chairman and its impacts on financial statements of the company. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirement

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008, we give in Annexure – II, a statement on the matters specified in the paragraph 3 and 4 of the said directions

3. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash flow statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) 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 did not have any pending litigations on its financial position except for the Income Tax appeal mentioned in **Note No: 35**.
 - 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.

For CHEERAN VARGHESE & CO
Chartered Accountants
Firm Registration No : 050061S

Sd/-
C.V. VARGHESE
PARTNER
M. No: 020644

PLACE : THRISSUR
DATE : 29/06/2015

Annexure I to the Auditors' Report

The Annexure referred to in our report to the members of **Chemmanur Credits and Investments Limited** ("the Company") for the year ended on March 31, 2015. We report that:

- 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.
- ii. (a) Being a Non-Banking Financial Company having no closing inventory, maintenance of inventory records and their valuation are not applicable. Consequently, the provisions of clause ii (b) and (c) of the order are not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act. Consequently, the provisions of clause iii (b) and (c) of the order are not applicable to the Company.
- iv. According to the information given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year. However company has accepted subordinated bonds, discounted value of which exceeds 50% of Tier 1 capital.
- 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 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, cess and any other statutory dues with the appropriate authorities. According to the information and explanation given to us there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable except the TDS defaults and service tax defaults mentioned in **Note No: 35a** amounting to Rs. **77008.77** and Rs. **1456.00** respectively.
(b) There is no case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.
(c) There is no amount which required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- viii. The accumulated losses during the financial year covered by our audit is not more than fifty percent of net worth of the company and the company has not incurred cash losses during the period covered by our audit and immediately preceding financial year.
- ix. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- x. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xi. Since the company has not taken any Term Loan from any Bank or Financial Institution, this clause is not applicable.
- xii. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

For **CHEERAN VARGHESE & CO**
Chartered Accountants
Firm Registration No : 050061S

Sd/-
C.V. VARGHESE
PARTNER
M. No: 020644

PLACE : THRISSUR
DATE : 29/06/2015

Annexure II to the Auditors' Report

To,
The Board of Directors
Chemmanur Credits and Investments Limited

We have audited the Balance Sheet of Chemmanur Credits and Investments Limited as on **31st March, 2015** and also the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto. As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions 2008, and according to the information and explanations given to us, we give below, a statement on matters specified in paragraphs 3 and 4 of the said directions:

1. The Company is engaged in the business of Non-Banking Financial institution and it has obtained the certificate of registration as provided in section 45 IA of the RBI Act, 1934.
2. The Company is entitled to hold Certificate of Registration in terms of Asset/Income Pattern as on 31st March, 2015.
3. The Company has not been classified as an Asset Finance Company during the year ended March 31, 2015.
4. The Company has not been classified as an NBFC- MFIs during the year ended March 31, 2015.
5. The Board of Directors of the company has passed a resolution for non-acceptance of Public Deposits.
6. The Company has not accepted any public deposits during the year under review. However company has accepted subordinated bonds, discounted value of which exceeds 50% of Tier 1 capital.
7. According to the information and explanation given to us, the Company has complied with the prudential norms on Income Recognition, Accounting Standards, Asset Classification, Provisioning for bad and doubtful debts as specified in the directions issued by the Reserve Bank of India in terms of Non Systemically Important Non-Banking Financial (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions 2015.
8. The Company has furnished to the RBI the annual statement of Capital Funds, risk assets and risk asset ratio within the stipulated period.

The report has been issued pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2008 and is issued to the Board of Directors of the company as required by Paragraph 2 of such directions and should not be used for any other purposes.

For CHEERAN VARGHESE & CO
Chartered Accountants
Firm Registration No : 050061S

Sd/-
C.V. VARGHESE
PARTNER
M. No: 020644

PLACE : THRISSUR
DATE : 29/06/2015

Balance Sheet as at 31, March, 2015

Particulars	Note No.	Amount in ₹	
		As at	
		March 31, 2015	March 31, 2014
EQUITY & LIABILITIES			
Shareholders' funds			
Share capital	3	600,000,000.00	500,000,000.00
Reserves and surplus	4	(9,569,208.00)	(20,835,205.00)
		590,430,792.00	479,164,795.00
Non-current liabilities			
Long-term borrowings	5	1,667,003,314.00	1,180,666,314.00
Deferred tax liabilities (Net)	6	1,246,240.00	0.00
Other long term liabilities	7	158,464,624.00	82,966,033.00
		1,826,714,178.00	1,263,632,347.00
Current liabilities			
Other current liabilities	8	604,956,406.00	1,157,403,138.00
Short-term provisions	9	11,800,517.00	8,187,946.00
		616,756,923.00	1,165,591,084.00
TOTAL		3,033,901,893.00	2,908,388,226.00
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	304,220,869.00	235,030,474.00
Accumulated Depreciation		51,511,299.00	26,969,544.00
		252,709,570.00	208,060,930.00
Intangible assets	10	5,884,711.00	3,151,195.00
Accumulated Amortization		957,561.00	504,933.00
		4,927,150.00	2,646,262.00
Deferred tax assets (net)		-	4,293,699.00
Capital work-in-progress	11	-	64,842,718.00
Long-term loans and advances	12	3,305,868.00	12,003,144.00
Other Non current assets	13	36,602,343.00	43,429,404.00
		39,908,211.00	124,568,965.00
Current assets			
Current Investments	14	2,000,000.00	100,000.00
Cash and bank balances	15	101,328,746.00	44,294,089.00
Short-term loans and advances	12	2,360,436,750.00	2,233,405,189.00
Other current assets	13	272,591,466.00	295,312,791.00
		2,736,356,962.00	2,573,112,069.00
Total		3,033,901,893.00	2,908,388,226.00

Sd/-
Boby CD
 Chairman and MD (DIN 00046095)

Sd/-
Priya Menon

Place : Thrissur
 Date : 29/06/2015

Sd/-
Jisso C Baby
 Director (DIN 01622660)

Company Secretary

For Cheeran Varghese & Co.,
 Chartered Accountants
 Firm Registration No.050061S

Sd/-
C.V. Varghese
 Partner
 M.No. 020644

Statement of profit and loss for the year ended 31, March , 2015

Particulars	Note No.	Amount in ₹	
		Year ended March 31, 2015	Year ended March 31, 2014
Income			
Revenue from operations	16	483,237,371.00	422,018,029.00
Other income	17	19,103,324.00	23,577,271.00
Total revenue		502,340,695.00	445,595,300.00
Expenses			
Finance costs	18	233,605,428.00	214,813,561.00
Employee benefits expense	19	116,644,647.00	97,789,935.00
Other expenses	20	110,171,865.00	108,183,999.00
Depreciation and amortization expense	21	25,082,308.00	14,703,046.00
Total Expenses		485,504,248.00	435,490,541.00
Profit before Exceptional, Extraordinary, Prior Period items and tax		16,836,447.00	10,104,759.00
Exceptional Items		0.00	0.00
Profit before extraordinary items, Prior Period Items and tax		16,836,447.00	10,104,759.00
Extraordinary Items		0.00	0.00
Profit Before Prior Period Items and Tax		16,836,447.00	10,104,759.00
Prior Period Items		0.00	0.00
Profit Before Tax		16,836,447.00	10,104,759.00
Tax expenses			
Current tax		3,647,546.00	1,802,942.00
Deferred tax		5,530,509.00	4,346,326.00
Minimum Alternate Tax		(3,647,546.00)	(1,802,953.00)
Total tax expense		5,530,509.00	4,346,315.00
Profit for the year		11,305,938.00	5,758,444.00
Earnings per equity share [nominal value of share ₹10-]	22		
Basic earnings per share (₹)		0.22	0.13
Diluted earnings per share (₹)		0.22	0.13
Summary of significant accounting policies	2.1		

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

As per our report of even date

Sd/-
Boby CD
Chairman and MD (DIN 00046095)
Sd/-

Sd/-
Jisso C Baby
Director (DIN 01622660)

Sd/-
Priya Menon

Company Secretary

For Cheeran Varghese & Co.,
Chartered Accountants
Firm Registration No.050061S
Sd/-

C.V. Varghese
Partner
M.No. 020644

Place : Thrissur
Date : 29/06/2015

Cash Flow Statement For The Year Ended March 31, 2015

Particulars	Amount in ₹	
	As at March 31, 2015	As at March 31, 2014
A. Cash flows from operating activities		
Net Profit	11305938.00	5758444.00
Adjustment for :-		
Add: Depreciation	25082308.00	14703046.00
Provision for Non Performing Assets	3456245.00	731471.00
Contingent Provision for Standard Assets	156326.00	938519.00
Loss on Sale of Fixed Asset	574206.00	238110.00
Interest on Shortfall of Advance Tax	105509.00	0.00
Interest paid on Debentures & Bond	233048414.00	214440119.00
Provision For Deferred Tax	5530509.00	4346326.00
Share Issue Expenses	0.00	2500000.00
Less: Interest Received from Bank	6112760.00	7201539.00
Income received on mutual fund	107100.00	356.00
Operating Profit before Changes in Working Capital	273039595.00	236454140.00
Changes in Working Capital:		
(Increase)/Decrease in Short Term Loans and Advances	(127031561.00)	(451779842.00)
(Increase)/Decrease in Long Term loans and Advances	8697276.00	63547912.00
(Increase)/Decrease in Other Current Assets	22721325.00	(106079016.00)
(Increase)/Decrease in Other Non-Current Assets	9203139.00	2993527.00
Increase / (Decrease) in Other Current liabilities	6821812.00	(301270.00)
Cash Generated From Operations	193451586.00	(255164549.00)
Income Tax Paid	2481587.00	5989331.00
Net Cash From Operating Activities	190969999.00	(261153880.00)
B. Cash Flows From Investing Activities		
Interest received from Bank	6112760.00	7201539.00
Capital Work in Progress	64842718.00	(17998054.00)
Proceeds From Sale of Fixed Assets	170077.00	297900.00
Purchase of Fixed Assets	(72786630.00)	(39048079.00)
Income Received on Mutual fund Investments	107100.00	356.00
Investment in Mutual Fund	(1900000.00)	(100000.00)
Net Cash From Investing Activities	(3453975.00)	(49646338.00)
C. Cash Flows From Financing Activities		
Issue of shares	100000000.00	100000000.00
Share Issue Expenses	0.00	(2500000.00)
Proceeds from Issue of Debentures	19619000.00	(29915000.00)
Proceeds from Issue of Unsecured Bond	104800000.00	294955000.00
Proceeds from Loan from Director	(176300000.00)	(33149039.00)
Interest Paid on Debentures & Bond	(178600367.00)	(162546285.00)
Net Cash From Financing Activities	(130481367.00)	166844676.00
Net Increase in Cash and Cash Equivalents	57034657.00	(143955542.00)
Cash and Bank Balance at Beginning of Period	44294089.00	188249631.00
Cash and Bank Balance at end of Period	101328746.00	44294089.00
Components of Cash and Cash Equivalent at the end of the Period		
Current Account with Banks	41454893.00	26621344.00
Cash on Hand	59873853.00	17672745.00
Total	101328746.00	44294089.00

Sd/-

Boby CD

Chairman and MD (DIN 00046095)

Sd/-

Jisso C Baby

Director (DIN 01622660)

Sd/-

Priya Menon

Company Secretary

Place : Thrissur

Date : 29/06/2015

For Cheeran Varghese & Co.,

Chartered Accountants

Firm Registration No.050061S

Sd/-

C.V. Varghese

Partner

M.No. 020644

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

Chemmanur Credits and Investments Limited is a Public Company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is a Non Systemically Important Non-Deposit Taking Non-Banking Financial Company Registered under section 45IA of RBI Act 1934. The Company is a professionally managed financial institution with all the key operational posts starting from its Branch Managers to senior positions being held by senior professionals who held key positions in Major public sector banks and other leading finance companies. Loan asset of the Company had also shown remarkable growth mainly due to the expansion of branch network, favorable price movements etc.

2. Summary of Significant accounting policies

2.1 Basis of Preparation & Presentation of Financial statements.

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 aspects with Accounting Standards notified under The Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Reserve Bank of India as applicable to a Non Systemically Important Non-Deposit Accepting NBFC. The Financial Statements have been prepared on an accrual basis and under the historical cost convention except for interest on non-performing assets which are recognised on realisation basis.

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.

During the year ended 31 March 2015, 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 in conformity with Indian GAAP requires the management to make judgments, 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.

2.2 Tangible Fixed 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 straight line basis using the rates arrived at based on the useful lives prescribed under Schedule II to the Companies Act 2013. The company has used the following life to provide depreciation on its fixed assets.

Asset	Useful Life
Furniture & Fittings	10 Yrs
Electrical Fittings	10 Yrs
Computer	3 Yrs
Plant and Equipment	15 Yrs
Vehicles	8 Yrs
Strong Room RCC Frame Structure	60 Yrs

The carrying amount of the existing fixed Asset as on March 31, 2014 has been depreciated over the remaining useful life of the asset after retaining the residual value of 5 %, of the cost of the asset. Where the remaining useful life is nil, the residual value has been recognized in the retained earnings.

During the year ended March 31, 2015, the Company had changed its estimated useful life of strong rooms installed at the branches and head office, which is capitalized under the block 'Furniture & Fittings' from 10 years to 60 years. This change in estimated useful life has resulted in decrease in provision for depreciation by Rs. 4,687,850.00 for the year ended March 31, 2015 and the profit before tax of the Company for the year then ended is increased to that extent.

2.4 Intangible Asset

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.

Expenditure for acquisition and implementation of software system is recognized as part of the intangible asset and amortized on straight line basis over a period of 10 years being the maximum period available for writing off of intangible asset.

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

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken in to account, if available. If no such transactions can be identified, an appropriation valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

2.7 Leases

Leases where the lessor effectively retains substantially all risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments in respect of non-cancellable leases are recognized as an expense in the profit and loss account on a straight-line basis over the lease term.

2.8 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Any inter class transfer should be with the approval of the board and as per RBI regulation. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Quoted current investments for each category is valued at cost or market value whichever is lower. Unquoted investments in the units of mutual fund in the nature of current investment are valued at the net asset value declared by the mutual fund in respect of each particular scheme. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

2.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In a situation where management believes that the recovery of interest is uncertain due to change in the price of the gold or otherwise, the Company recognizes income on such loans only to the extent it is confident of recovering interest from its customers through sale of underlying security or otherwise.

Interest income on loans given is recognized under the internal rate of return method. Such interests, where installments are overdue in respect of non-performing asset are recognized on realization basis as in accordance with the guidelines issued by Reserve Bank of India for Non Banking Financial Companies. Any such income recognized and remaining unrealized after the installments become overdue with respect to nonperforming asset is reversed.

Revenue from fee-based activities is recognized as and when services are rendered.

Interest on deposit is recognized on a time proportion basis taking in to account the amount outstanding and the rate applicable.

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 benefits like salaries, wages, short term 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. Provision has not been provided in the books during the year as there are no eligible employees.

2.11 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/settlement of all other monetary items are recognised in the Statement of Profit and Loss.

2.12 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 of 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 realised in future; however, where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized, only if there is virtual certainty of realisation 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 realised.

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 provision contained in Schedule II of the Companies Act, 2013, the Company has adjusted to the retained earnings carrying amount of fixed assets after retaining residual value, where residual value is 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."

2.13 Provisions and Contingent Liabilities

Provisions: Provisions are recognised 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.

Provision policy for gold loan and other loan portfolios: Company provides for non performing loans and advances as mentioned in para 9 of Non-Banking financial (Non-Deposit accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Provision for standard assets is made at 0.25% as mentioned in para9A of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and shown in the balance sheet as 'Contingent Provisions for standard asset'.

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 recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

2.14 Segment Reporting

The Company primarily operates in the business of "Gold Loan" and its operations are in India. Since the Company has not operated in any other reportable segments, as per AS 17 'Segment Reporting', no segment reporting is applicable.

2.15 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.16 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.

2.17 Debenture Redemption Reserve

No Debenture Redemption Reserve is required to be created for privately placed debentures of Non-Banking Finance Companies.

2.18 Cash Flow Statement

Company has prepared cash flow statement using the Indirect Method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

2.19 Surplus on auction of pledged gold

The Company has a policy of refund of any surplus that arises on auction of pledged gold which has been repossessed by the Company in accordance with the terms of the agreement with the customers.

NOTE: 3 SHARE CAPITAL

	March 31, 2015	March 31, 2014
Authorized shares		
80000000 equity shares of ₹10 each (Previous year 80,00,000 equity shares of ₹ 100 each)	800,000,000.00	800,000,000.00
200000 Preference shares of ₹1,000 each (Previous year - 200000 Preference shares of ₹1,000 each)	200,000,000.00	200,000,000.00
	1,000,000,000.00	1,000,000,000.00
Issued, subscribed and fully paid-up shares		
60000000 equity shares of ₹10/- each (Previous year 5000000 equity shares of ₹ 100/- each)	600,000,000.00	500,000,000.00
Total issued, subscribed and fully paid-up share capital	600,000,000.00	500,000,000.00

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

	March 31, 2015		March 31, 2014	
	No.	Amount	No.	Amount
At the beginning of the year	50000000	500,000,000.00	4000000	400,000,000.00
Issued during the period	10000000	100,000,000.00	1000000	100,000,000.00
Outstanding at the end of the period	60000000	600,000,000.00	5000000	500,000,000.00

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having face value ₹10/-(PY ₹100/-) per share. All these shares have the same rights and preferences with respect to the payment of dividend, repayment of capital and voting. The dividend if any, proposed by your Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Number of Bonus Shares Issued	Nil	Nil	Nil	Nil	Nil

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

	March 31, 2015		March 31, 2014	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
C.D. Bobby	45201200	75.34%	3925789	78.52%
Chemmanur Gold Palace International Limited	7000000	11.67%	-	-

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders.

e. Notes on splitting of Shares

During the financial year 2014-15 company has split its nominal value of shares from ₹100 to ₹10

NOTE:4

Amount in ₹

RESREVES AND SURPLUS	As at March 31, 2015	As at March 31, 2014
Statutory Reserve		
Balance at the beginning of the year	2,776,651.00	1,624,962.00
Add: Amount transferred from surplus in the Statement of Profit and Loss	2,261,188.00	1,151,689.00
Balance at the end of the year	5,037,839.00	2,776,651.00
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(23,611,856.00)	(28,218,611.00)
Profit/ Loss for the year	11,305,938.00	5,758,444.00
Less: Carrying amounts of Fixed Assets debited to retained earnings where remaining useful life of the asset is NIL as on 31.03.2014	39,941.00	0.00
Less: Appropriations		
Transfer to Statutory reserve	2,261,188.00	1,151,689.00
Total appropriations	2,261,188.00	1,151,689.00
Net surplus in the statement of profit and loss	(14,607,047.00)	(23,611,856.00)
Total Reserves and Surplus	(9,569,208.00)	(20,835,205.00)

a) Statutory Reserve:

Statutory Reserve represents the Reserve Fund created under Section 45-IC of the Reserve Bank of India Act, 1934. An amount of Rs. 2261188 (Previous Year - 1151689) representing 20% of Net Profit is transferred to the Fund for the year. No appropriation was made from the Reserve Fund during the year.

NOTE: 5

Amount in ₹

Long-term borrowings	As at March 31, 2015	As at March 31, 2014
Non-convertible Debentures - Private placement (Note no.25)	874,880,000.00	467,043,000.00
Unsecured Bond(Note no.27)	600,000,000.00	495,200,000.00
Loan from Director(Note no.29)	192,123,314.00	218,423,314.00
Total	1,667,003,314.00	1,180,666,314.00
The above amount includes		
Secured borrowings	874,880,000.00	467,043,000.00
Unsecured borrowings	792,123,314.00	713,623,314.00
Total	1,667,003,314.00	1,180,666,314.00
Aggregate amount of loans guaranteed by directors	-	-
Aggregate amount of loans guaranteed by others	-	-

Note .6

Amount in ₹

Deferred tax Liability (net)	As at March 31, 2015	As at March 31, 2014
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting.	(8,690,960.00)	(8,436,505.00)
Gross deferred tax liability	(8,690,960.00)	(8,436,505.00)
Deferred tax asset		
Carry Forward Business Loss	0.00	6,236,653.00
Carry Forward Depreciation Loss	633,710.00	2,704,775.00
Interest not receivable on NPA	4,827,040.00	2,923,427.00
Provision for substandard asset	1,983,970.00	865,349.00
Gross deferred tax asset	7,444,720.00	12,730,204.00
Net deferred tax Liability	(1,246,240.00)	4,293,699.00

NOTE: 7

Amount in ₹

Other long term liabilities	As at March 31, 2015	As at March 31, 2014
Others		
Interest accrued but not due on long term borrowings	137,089,877.00	82,766,033.00
Interest accrued and due on long term borrowings	21,174,747.00	-
Advance received from Western Union Money Transfer	200,000.00	200,000.00
Total	158,464,624.00	82,966,033.00

NOTE:8

Amount in ₹

Other current liabilities	As at March 31, 2015	As at March 31, 2014
Current Maturities of Long-term Borrowings (Note No: 25)	504,806,000.00	893,024,000.00
Loan From Director	50,000,000.00	200,000,000.00
Interest Accrued But not Due on Short term Borrowings	2,550,208.00	36,840,044.00
Interest Accrued And Due on Short term Borrowings	13,239,292.00	-
Interest Not Collected On NPA	14,898,274.00	9,010,409.00
Statutory Dues Payable	3,781,437.00	3,721,918.00
Employee Related Payables	22,833.00	3,864.00
Retention Payable	2,201,454.00	4,163,793.00
Rent Payable	3,776,259.00	3,690,755.00
Payable For Expenses	2,878,847.00	3,669,078.00
Others	6,801,802.00	3,279,277.00
Total	604,956,406.00	1,157,403,138.00

NOTE:9

Amount in ₹

Short Term Provisions	As at March 31, 2015	As at March 31, 2014
Other provisions		
Contingent Provision for Standard Assets	5,677,145.00	5,520,819.00
Provision for Non Performing Assets	6,123,372.00	2,667,127.00
Total	11,800,517.00	8,187,946.00

NOTE: 10
Tangible Assets

Description	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.14	Additions	Deductions	As at 31.03.15	As at 01.04.14	Additions	Deductions	Other Adjust	As at 31.03.15	As at 31.03.14	As at 31.03.15
Furniture & Fittings	132302268.00	43438175.00	-	175740443.00	14464112.00	15070646.00	-	-	29534758.00	117838156.00	146205685.00
Plant & Machinery	30152112.00	19235064.00	842351.00	48544825.00	1781935.00	2387914.00	115386.00	-	4054463.00	28370177.00	44490362.00
Computer	9851438.00	977230.00	20368.00	10808300.00	2848636.00	5107143.00	3050.00	30511.00	7983240.00	7002802.00	2825060.00
Electrical Fittings	9282804.00	5293017.00	-	14575821.00	970039.00	1133023.00	-	-	2103062.00	8312765.00	12472759.00
Motor Vehicle	843350.00	-	-	843350.00	219721.00	174613.00	-	-	394334.00	623629.00	449016.00
RCC frame structure	52598502.00	1109628.00	-	53708130.00	6685101.00	756341.00	-	-	7441442.00	45913401.00	46266688.00
TOTAL	235030474.00	70053114.00	862719.00	304220869.00	26969544.00	24629680.00	118436.00	30511.00	51511299.00	208060930.00	252709570.00
Previous Year	197442649.00	38166252.00	578427.00	235030474.00	12586623.00	14425338.00	42417.00	-	26969544.00	184856026.00	208060930.02

Note: As per Note 7 of the Schedule II of the Companies Act, 2013, carrying amounts of Fixed Assets where remaining useful life of the asset is NIL as on 31.03.2014 is debited to retained earnings amounting to ₹ 30,511.00

Intangible Assets

Description	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.14	Additions	Deductions	As at 31.03.15	As at 01.04.14	Additions	Deductions	Other Adjust	As at 31.03.15	As at 31.03.14	As at 31.03.15
Intangible Assets	3,151,195.00	2,733,516.00	-	5,884,711.00	504,933.00	452,628.00	-	-	957,561.00	2,646,262.00	4,927,150.00
TOTAL	3,151,195.00	2,733,516.00	-	5,884,711.00	504,933.00	452,628.00	-	-	957,561.00	2,646,262.00	4,927,150.00
Previous Year	2,269,368.00	881,827.00	-	3,151,195.00	227,225.00	277,708.00	-	-	504,933.00	2,042,143.00	2,626,262.00

Note .11

Amount in ₹

Capital work-in-progress	As at March 31, 2015	As at March 31, 2014
Building work in progress	-	64,842,718.00
Total	-	64,842,718.00

NOTE: 12

Amount in ₹

Long Term Loans and Advances	As at March 31, 2015	As at March 31, 2014
Loan Portfolio		
Secured Considered Good		
Gold Loan	-	5,033,405.00
Unsecured Considered Good		
Personal loan	-	2,561,915.00
Staff Advance	3,305,868.00	4,407,824.00
Total	3,305,868.00	12,003,144.00
(a) Secured considered good	-	5,033,405.00
(b) Unsecured Considered Good	3,305,868.00	6,969,739.00
(c) Doubtful	-	-
(d) Loans and Advances due by Directors or the officers of the Company or any of them either severally or Jointly with any other person	-	-
(e) Loans and Advances due by Partnership firms or Private companies respectively in which director is a partner or a director or member	-	-
Short Term Loans and Advances		
Loan Portfolio		
Secured Considered Good		
Gold Loan	1,682,681,378.00	1,789,746,819.00
Loan Against Debentures	19,718,265.00	21,526,240.00
Unsecured Considered Good		
Personal loan	153,944,865.00	222,605,964.00
Micro Finance Loan	294,959,174.00	193,523,873.00
SME Loan	199,483,229.00	-
MAT Credit Entitlement	8,547,883.00	4,900,337.00
Staff Advance	1,101,956.00	1,101,956.00
Total	2,360,436,750.00	2,233,405,189.00
(a) Secured considered good	1,702,399,643.00	1,811,273,059.00
(b) Unsecured Considered Good	658,037,107.00	422,132,130.00
(c) Doubtful	-	-
(d) Loans and Advances due by Directors or the officers of the Company or any of them either severally or Jointly with any other person	-	-
(e) Loans and Advances due by Partnership firms or Private companies respectively in which director is a partner or a director or member	-	-

NOTE:13

Amount in ₹

Other Non Current Assets / Current Assets	Non-current March 31, 2015	Current March 31, 2015	Non-current March 31, 2014	Current March 31, 2014
Interest Accrued on Loan Portfolio	-	248,719,351.00	5,798,388.00	280,321,033.00
Prepaid Expenses	-	1,343,987.00	-	1,706,826.00
Service Tax Paid In Advance	-	119,286.00	-	127,018.00
Gold Ornaments	6,880.00	-	6,880.00	-
Income Tax Refundable (Note No:28)	2,068,464.00	-	3,339,932.00	-
Tax Deducted At Source	-	6,967.00	-	3,967.00
	2,075,344.00	250,189,591.00	9,145,200.00	282,158,844.00
Advances Recoverable in Cash or Kind				
Unsecured, considered good	-	-	-	-
Other Advances	-	22,401,875.00	-	13,153,947.00
	-	22,401,875.00	-	13,153,947.00
Security Deposits				
Unsecured Considered Good				
Rental deposits	33,522,978.00	-	33,972,578.00	-
Other Security Deposits	1,004,021.00	-	311,626.00	-
	34,526,999.00	-	34,284,204.00	-
Total	36,602,343.00	272,591,466.00	43,429,404.00	295,312,791.00

NOTE:14

Amount in ₹

Current Investments/Non Current Investments	Non-current March 31, 2015	Current March 31, 2015	Non-current March 31, 2014	Current March 31, 2014
Investments in Mutual Fund	-	2,000,000.00	-	100,000.00
Total	-	2,000,000.00	-	100,000.00
Aggregate value of quoted investments		2,000,000.00		100,000.00
Market value of quoted investments		2,008,941.85		100,447.00

NOTE:15

Amount in ₹

Cash and bank balances	Non-current March 31, 2015	Current March 31, 2015	Non-current March 31, 2014	Current March 31, 2014
Balances with banks:	-	41,454,893.00	-	26,621,344.00
Cash on hand	-	59,873,853.00	-	17,672,745.00
Total	-	101,328,746.00	-	44,294,089.00

NOTE:16

Amount in ₹

Revenue from operations	Year ended March 31, 2015	Year ended March 31, 2014
Interest Income		
- Gold loans	358,198,884.00	309,651,916.00
- Other loans	19,491,534.00	90,847,813.00
- Micro Finance	74,243,913.00	19,776,311.00
- SME loans	3,311,063.00	-
Revenue From other services		
- Commission	25,387,139.00	5,610,789.00
- Service Charge	2,604,838.00	427,165.00
Total	483,237,371.00	426,313,994.00

NOTE:17

Amount in ₹

Other Income	Year ended March 31, 2015	Year ended March 31, 2014
Interest income on Bank and other deposits	6,112,760.00	7,201,539.00
Rental Income	12,815,949.00	10,679,957.00
Lease Rentals	61,903.00	1,397,497.00
Income from Mutual Fund	107,100.00	356.00
Auction Charges	5,612.00	1,957.00
Total	19,103,324.00	19,281,306.00

NOTE: 18

Amount in ₹

Finance Cost	Year ended March 31, 2015	Year ended March 31, 2014
Interest		
- on Debentures	163,572,247.00	157,825,405.00
- on Subordinate Bonds	69,476,167.00	56,614,714.00
Other borrowing cost		
- Bank Charges	449,008.00	362,550.00
- Interest on Statutory Dues	2,497.00	1,029.00
- Interest on Short fall of Advance tax	105,509.00	9,863.00
Total	233,605,428.00	214,813,561.00

NOTE:19

Amount in ₹

Employee benefit expense	Year ended March 31, 2015	Year ended March 31, 2014
Salaries, wages and bonus	93,034,174.00	81,572,387.00
Contribution to provident and other funds	2,895,382.00	1,546,981.00
Incentive	20,670,176.00	14,507,958.00
Staff welfare expenses	44,915.00	162,609.00
Total	116,644,647.00	97,789,935.00

NOTE: 20

Amount in ₹

Other expenses	Year ended March 31, 2015	Year ended March 31, 2014
Electricity	5,571,732.00	5,208,246.00
Inauguration Expenses	11,935.00	859,268.00
Software Maintenance	1,082,196.00	3,087,479.00
Rent	49,359,022.00	42,871,050.00
Rates and Taxes	460,882.00	2,919,940.00
Insurance	1,309,248.00	2,613,488.00
Repairs and Maintenance	4,067,237.00	2,937,264.00
Advertising and Sales Promotion	2,291,683.00	3,933,705.00
Service tax paid	1,446,824.00	2,782,044.00
Office Expenses	4,283,022.00	4,311,890.00
Travelling and conveyance	5,055,702.00	5,370,233.00
Communication Costs	5,458,389.00	4,708,730.00
Printing and Stationery	1,588,268.00	1,878,884.00
Payment to Auditor (Refer details below)	311,500.00	215,000.00
Legal and Professional fees	2,314,771.00	1,925,706.00
Security Charges	20,479,857.00	19,413,638.00
Provision for Standard Assets	156,326.00	938,519.00
Provision for Substandard Assets	3,456,245.00	731,471.00
Miscellaneous Expenses	1,467,026.00	563,555.00
Bad debts written off	-	913,889.00
Total	110,171,865.00	108,183,999.00
Details of Payment to Auditors:		
As auditor:		
Audit fee	311,500.00	165,000.00
Other Services	-	50,000.00
	311,500.00	215,000.00

NOTE: 21

Depreciation and amortization expense	Year ended March 31, 2015	Year ended March 31, 2014
Depreciation of tangible assets	24,629,680.00	14,425,338.00
Amortization of intangible assets	452,628.00	277,708.00
Total	25,082,308.00	14,703,046.00

Note: 22**Earnings per share (EPS)**

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

	Year ended March 31, 2015	Year ended March 31, 2014
Net profit for calculation of basic EPS	11,305,938.00	5,758,444.00
Weighted average number of equity shares in calculating basic EPS (Nos.)	51479452	43041100
Effect of dilution:		
Stock options granted under ESOP (Nos.)	-	-
Weighted average number of equity shares in calculating diluted EPS (Nos.)	51479452	43041100
Basic earnings per share (₹)	0.22	0.13
Diluted earnings per share (₹)	0.22	0.13

(Previous year figures has been recasted as if the split has been done during the Previous year)

Computation of Weighted Average Number of Equity Shares

Particulars	Cumulative Number of Shares	Weighted Average Number	No of Shares	Date of Issue	No of Days
Opening	50000000	1.00	50000000		365
issued on 05/02/2015	10000000	0.15	1479452	05-02-2015	54
Total	60000000	1.15	51479452		

23. In our opinion the Company has no dues payable to suppliers registered under the Micro, Small and Medium Enterprises Development Act 2006(MSMED Act).

24. The Applicability of Kerala Money Lending Act 1958 to Non Banking Financial Company's is pending before Honorable Supreme Court of India.

25. Notes to Debentures.

i. Nature of Securities

Debentures Secured by a floating charge on the book debts of the company on loan receivables & other unencumbered assets having a market value equivalent to 110% of outstanding balance of debentures.

ii. Classification of Debentures as Current and Non-Current

Company has classified the debentures as current and non-current based on the earliest put option available to debenture holders. The actual redemption pattern may be different since the debenture holders have the right to waive their put option. If they are classified as current and non-current based on the original maturity, current maturity may be less than the amount what we have recognised now.

i. Details of rate of interest and maturity pattern from the date of the balance sheet are as under:

As on 31st March 2015

Redeemable at par within	Rate of interest				Total
	<=13.5%	>13.5%<=14.5%	>14.5%<=16.1%	>16.1%<=30%	
4 Year and Above	148629000.00	6650000.00	-	2500000.00	157779000.00
4 Years	425446000.00	8149000.00	4739000.00	236000.00	438570000.00
3 Years	69580000.00	1700000.00	38781000.00	44795000.00	154856000.00
2years	96505000.00	1060000.00	139000.00	25971000.00	123675000.00
Less than 1 Year	498648000.00	50000.00	5758000.00	350000.00	504806000.00
Total	1238808000.00	17609000.00	49417000.00	73852000.00	1379686000.00

As on 31st March 2014

Redeemable at par within	Rate of interest				Total
	<=13.5%	>13.5%<=14.5%	>14.5%<=16.1%	>16.1%<=30%	
4 Year and Above	107008000.00	-	2000.00	570000.00	107580000.00
4 Year	160000.00	-	-	44501000.00	44661000.00
3 Years	5222000.00	1560000.00	4982000.00	26972000.00	38736000.00
2year	223692000.00	3919000.00	4652000.00	1935000.00	276066000.00
Less than 1 Year	881889000.00	5746000.00	2817000.00	2572000.00	893024000.00
Total	1217971000.00	11225000.00	54321000.00	76550000.00	1360067000.00

26.Non Convertible Debentures series wise outstanding balance as on Balance sheet Date

Particulars	Amount in ₹	
	As on 31st March 2015	As on 31st March 2014
NCD 2011/11-01	31,504,000.00	35,235,000.00
NCD 2012/02(DD)	3,879,000.00	4,574,000.00
NCD 2012/03(TD)	319,000.00	362,000.00
NCD 2012/04	28,221,000.00	29,258,000.00
NCD 2012/05	73,201,000.00	75,834,000.00
NCD 2012/06	188,248,000.00	196,525,000.00
NCD 2012/07	111,188,000.00	123,174,000.00
NCD 2013/08	348,965,000.00	432,237,000.00
NCD 2013/09	436,382,000.00	462,868,000.00
	(See Note 1)	1,221,907,000.00
NCD 2014/11	8,500,000.00	-
NCD 2014/11A	20,000,000.00	-
NCD 2014/11	29,500,000.00	-
	(See Note 2)	58,000,000.00
NCD 2015/12-	99,779,000.00	-
	(See Note 3)	
Grand Total	1,379,686,000.00	1,360,067,000.00

RBI Circular Numbers:

Note1: NCD issued in Private Placement Prior to July 2013 before introduction of specific guidelines by RBI

Note2: RBI introduced new regulations vide circular No: RBI/2012-13/560 DNBD(PD) CC No. 330 /03.10.001/2012-13

Main features were

- (i) Private placement by all NBFCs shall be restricted to not more than 49 investors, identified upfront by the NBFC.
- (ii) The minimum subscription amount for a single investor shall be Rs. 25 lakh and in multiples of Rs.10 lakh thereafter.
- (iii) There should be a minimum time gap of at least six months between two private placements.

Note3: RBI revised guidelines vide circular No: RBI/2014-15/475 DNBR (PD) CC No. 021/03.10.001/2014-15

Main features are

- (i) The minimum subscription per investor shall be Rs. 20,000 (Rupees Twenty thousand);
- (ii) The issuance of private placement of NCDs shall be in two separate categories, those with a maximum subscription of less than Rs. 1 Crore and those with a minimum subscription of Rs. 1 Crore and above per investor;
- (iii) There shall be a limit of 200 subscribers for every financial year, for issuance of NCDs with a maximum subscription of less than Rs. 1 Crore, and such subscription shall be fully secured;

27. Note to Unsecured Bonds.

Details of rate of interest and maturity pattern from the date of the balance sheet are as under:

As on March 31 2015

Maturity Date	<=13.5%	>13.5<=14.5	>14.5%<=16.1%	>16.1%<=30%	Total
5 Year and Above	-	-	-	-	-
4 Year to 5 years	50640000.00	-	-	68360000.00	119000000.00
3 Year to 4 years	107305000.00	18685000.00	-	157745000.00	283735000.00
2 Year to 3 years	-	98735000.00	-	98530000.00	197265000.00
Total	157945000.00	117420000.00	-	324635000.00	600000000.00

As on March 31 2014

Maturity Date	<=13.5%	>13.5<=14.5	>14.5%<=16.1%	>16.1%<=30%	Total
5 Year and Above	625000.00	-	-	12825000.00	13450000.00
4 Year to 5 years	107245000.00	18385000.00	-	157825000.00	283455000.00
3 Year to 4 years	-	99035000.00	-	99260000.00	198295000.00
Total	107870000.00	117420000.00	-	269910000.00	495200000.00

28. Notes to Income Tax Provision/(Refundable)

Particulars	As at March 31, 2015	As at March 31, 2014
Provision For Income Tax		
2012-13	3,097,384.00	3,097,384.00
2013-14	1,802,942.00	1,802,942.00
2014-15	3,753,055.00	0.00
(A)	8,653,381.00	4,900,326.00
Less : Advance Tax		
2012-13	2,985,618.00	2,985,618.00
2013-14	2,000,000.00	2,000,000.00
2014-15	0.00	0.00
(B)	4,985,618.00	4,985,618.00
Tax Deducted at Source		
2012-13	111,766.00	111,766.00
2013-14	3,142,874.00	3,142,874.00
2014-15	2,481,587.00	0.00
(C)	5,736,227.00	3,254,640.00
Provision Net of Advance tax and TDS (A)-((B)+(C)+(D))	(2,068,464.00)	(3,339,932.00)

29. Company has taken loan from Mr. C.D. Bobby, director and chairman of the company and also issued debentures to him. Yearend balance of loan from Mr. C.D. Bobby and debentures issued is ₹ 242,123,314.00 and ₹ 2,058,000.00 respectively. There are no specific terms and conditions prescribed for loan taken from Mr. C.D. Bobby. As per letter dated June 15, 2015, Mr. C.D. Bobby has waived his right to receive interest on loan and also interest on debentures. Therefore no interest is charged on loan accepted and debentures issued to Mr. C.D. Bobby during the year.

30. Disclosure as per AS - 15
i. Defined Contribution Plan

Particulars	Amount in ₹	
	March 31, 2015	March 31, 2014
Contribution to Employee's Provident Fund	625,979.00	185,654.00
Contribution to Employee's State Insurance	2,118,475.00	1,332,671.00
Contribution to Employee's Group Insurance	95,310.00	28,656.00

31. Provision for Standard and Non-Performing Assets as per Prudential Norms.

In terms of Non- Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, Company has made provisions for Standard Assets as well as Non Performing Assets as per the table below:

• Gold Loan

Particulars	Amount in ₹					
	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	2015	2014	2015	2014	2015	2014
Standard Assets	1671509211.89	1788460399.00	4178773.00	4471151.00	1667330438.89	1783989248.00
Sub Standard Assets	10150523.56	6319825.00	1015052.00	631984.00	9135471.56	5687841.00
Doubtful Asset	1021642.40	Nil	204328.00	Nil	817314.40	Nil
Loss Asset	Nil	Nil	Nil	Nil	Nil	Nil
Total	1682681377.85	1794780224.00	5398153.00	5103135.00	1677283224.85	1789677089.00

• Other Loans

Particulars	Amount in ₹					
	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	2015	2014	2015	2014	2015	2014
Standard Assets	599348831.49	419866566.00	1498372.00	104966800.00	597850459.49	418816898.00
Sub Standard Asset	49027998.38	20351426.00	4902800.00	203514300.00	44125198.38	18316283.00
Doubtful Asset	1192.14	Nil	1192.00	Nil	0.14	Nil
Loss Asset	Nil	Nil	Nil	Nil	Nil	Nil
Total	648378022.01	44021799200.00	6402364.00	3084811.00	641975658	43713318100.00

Percentage of Non Performing asset to Total loans outstanding = 2.583%

32. Loan to Asset Values

Particulars	Amount in ₹	
	March 31, 2015	March 31, 2014
Gold Loan	1,682,681,378.00	1,794,780,224.00
Total Assets (Excluding Intangible & Deferred Tax Asset)	3,028,974,743.00	2,901,448,265.00
% of Gold Loan to total Assets	55.55%	61.86%

33. Leverage Ratio

Particulars	March 31, 2015	March 31, 2014
Long-Term Borrowings	1,667,003,314.00	1,180,666,314.00
Total Outside Liabilities (A)	1,667,003,314.00	1,180,666,314.00
Share Capital	600,000,000.00	500,000,000.00
Reserves and Surplus	(9,569,208.00)	(20,835,205.00)
Total Owned Funds (B)	590,430,792.00	479,164,795.00
Leverage Ratio (A) / (B)	2.82	2.46

34. Additional disclosures as required by circular no DNBS.CC.PD.No.356/03.10.01/2013-2014 dated September 16 2013 issued by the Reserve Bank of India:

S. No:	Number of Loan Accounts	Principal Amount outstanding at the dates of auction (A)	Interest Amount outstanding at the dates of auction (B)	Total (A+B)	Value fetched
1	5906	233032422.00	129282656.00	362315078.00	325919000.00

Note: No sister concerns participated in the auctions during the year ended March 31, 2015

35. Income tax appeal is pending with the commission of Income Tax (Appeals), Thrissur for the AY 2012-2013. Appeal is filed by the company against the order under sec 143(3) of the Income Tax act 1961, issued by the income tax officer, ward1(2), Thrissur making an addition by disallowing various expenditures. The addition did not increased the tax liability of the company but it has reduced the carry forward losses to the subsequent years. The total amount of addition is Rs. 9,587,477.00.

35a. Outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable

a) TDS Defaults

Financial Year	Short Payment	Short Deduction default u/s 201	Interest on Payments Default u/s 201	Interest on Deduction	Late Filing Fee u/s 234E	Interest u/s 220(2)	Total Default
2014-15	-	4.00	-	-	-	-	4.00
2013-14	-	46.64	-	-	-	-	46.64
2012-13	-	55073.08	3516.00	7751.00	8600.00	878.00	75818.08
2011-12	3.00	985.05	-	152.00	-	-	1140.05
Total	3.00	56108.77	3516.00	7903.00	8600.00	878.00	77008.77

b) Service Tax Defaults

Financial Year	Amount Paid	Taxable Amount	Service Tax Due
2014-2015	58895.00	11779.00	1456.00
Total	58895.00	11779.00	1456.00

36. Disclosure of related party's transaction in accordance with Accounting Standard (AS-18) "Related Party Disclosures" issued by The Institute of Chartered Accountants of India.

a) Name of related parties

	As on 31-03-2015	As on 31-03-2014
Associates	<ol style="list-style-type: none"> 1 CDB 24 Karat Gold and diamonds Private limited. 2 CDB 24 Karat Gold and Diamonds (Manjeri) Pvt. Ltd. 3 CDB 24 Karat International Jewellers Private Limited. 4 Pushyaragam jewellers (koyilandi) private limited. 5 Kohinoor Gold Durbar Private limited. 6 Indraneelam Jewellery Mart(Tirur) Private Limited 7 Vydooryam Fashion Jewellers (Chemmad) Pvt. Ltd. 8 Chemmanur Gold Palace International Ltd 9 Bobby Chemmanur (No.1) Chits Private Ltd 10 Bobby Chemmanur Airlines Private Ltd 11 Bobby Housing and Construction Private Limited 12 CD Bobby Developers and Builders Private Ltd 13 CDB Infrastructure Private Limited 14 BDC Realty and Infra Private Limited 15 DBC Real Estate Developers Private Ltd. 16 Ripples Associates India Private Limited 	<ol style="list-style-type: none"> 1 CDB 24 Karat Gold and diamonds Private limited. 2 CDB 24 Karat Gold and Diamonds (Manjeri) Pvt. Ltd. 3 CDB 24 Karat International Jewellers Private Limited. 4 Pushyaragam jewellers (koyilandi) private limited. 5 Kohinoor Gold Durbar Private limited. 6 Indraneelam Jewellery Mart(Tirur) Private Limited 7 Vydooryam Fashion Jewellers (Chemmad) Pvt. Ltd. 8 Chemmanur Gold Palace International Ltd 9 Bobby Chemmanur (No.1) Chits Private Ltd 10 Bobby Chemmanur Airlines Private Ltd 11 Bobby Housing and Construction Private Limited 12 CD Bobby Developers and Builders Private Ltd 13 CDB Infrastructure Private Limited 14 BDC Realty and Infra Private Limited 15 DBC Real Estate Developers Private Ltd. 16 Ripples Associates India Private Limited
Key Management Personnel	<ol style="list-style-type: none"> 1 C. D. Bobby (Chairman & MD) 2 T.K. Thomas (CEO) 3 Priya Menon (CS) 	<ol style="list-style-type: none"> 1 C. D. Bobby (Chairman & MD) 2 T.K. Thomas (CEO)
Relatives of Key Management Personnel	<ol style="list-style-type: none"> 1 Mr. C I Devassykutty 2 Mrs. Smitha Bobby 3 Mrs. Cisly Devassykutty 4 Bynny Joffi 5 Mr. Bose Devassykutty 6 Ms. Anna Bobby 7 Mr. Nishanth David Thomas 8 Mrs. Annamma David 9 Mr. Nidhin George Thomas 	<ol style="list-style-type: none"> 1 Mr. C I Devassykutty 2 Mrs. Smitha Bobby 3 Mrs. Cisly Devassykutty 4 Bynny Joffi 5 Mr. Bose Devassykutty 6 Ms. Anna Bobby 7 Mr. Nishanth David Thomas 8 Mrs. Annamma David 9 Mr. Nidhin George Thomas

(b) Related Party Transactions During the Year

Particulars	Associates		Key Management Personnel		Relatives of Key Management Personnel	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Loan Received						
Loan from chairman	-	-	172500000.00	329067355.00		-
Loan Repaid						
Loan Repaid to Chairman	-	-	348800000.00	12216394.00		-
Share Issue						
Preferential Issue of Equity Shares to Chairman	-	-	100000000.00	100000000.00		-
Unsecured Bond Issued						
C I Devassykutty	-	-	-	-	-	1000000.00
Debenture Issued						
C. D. Bobby	-	-	-	250000000.00	-	-
Interest Paid						
C I Devassykutty		-		-		386864.00
Nishanth David Thomas		-		-		30000.00
C. D. Bobby (NCD and Bond purchased from other Investors)		-	209895.00	100200.00		-
Annamma David		-		-		-
Commission Received						
Bobby Chemmanur (No.1) Chits Private Ltd	14495.00	-	-	-	-	-
Chit Collection Received						
Bobby Chemmanur (No.1) Chits Private Ltd	1101622.00	-	-	-	-	-
Chit Collection Repayed						
Bobby Chemmanur (No.1) Chits Private Ltd	1101622.00	-	-	-	-	-
Remuneration to Director						
Jisso C Baby	-	-	692000.00	-	-	-
Rent Received						
Chemmanur International Jewellers	12815949.00	12000000.00		-		-

37. Additional Information to the Statement of Profit and Loss

Particulars	Amount in ₹	
	March 31, 2015	March 31, 2014
(a) Value of Imports calculated on C.I.F basis by the company during the Financial Year in respect of -		
I. Raw Materials	0.00	0.00
II. Components and Spare Parts;	0.00	0.00
III. Capital Goods	0.00	0.00
(b) Expenditure in Foreign currency during the financial year on account of Royalty, Know how, professional and consultation fees, interest and other matters	0.00	0.00
(c) Total value if all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total components	0.00	0.00
(d) The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related	0.00	0.00
(e) Earnings in foreign exchange classified under the following heads namely :		
I. Export of goods calculated on F.O.B basis	0.00	0.00
II. Know-how ,professional and consultation fees;	0.00	0.00
III. Interest and Dividend;	0.00	0.00
IV. Other Income, indicating the nature thereof	0.00	0.00

Schedule to the Balance Sheet of a Non-Banking Financial Company (As required in terms of Paragraph 13 of Non-Banking Financial (Non – Deposit Accepting of Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

Particulars		(₹ in Lakhs)	
Liability Side :			
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	13796.86	Nil
	: Unsecured – Subordinate Debt (Bond) (other than falling within the meaning of public deposit)	6000.00	Nil
	(b) Deferred Credits		
	(c) Term Loans	Nil	Nil
	(d) Inter – corporate loans and borrowings	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Other Loans (Unsecured Loan From Chairman)	2421.23	Nil

*See note 1 below

Asset Side:		Amount Outstanding
Break-up of Loans and Advances including bills receivables[other than those included in (4) below]:		
	(a) Secured	17024.00
	(b) Unsecured	6613.43
Break-up of Leased Assets and stock on hire and other assets counting toward AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	Nil
	(b) Operating Lease	
(ii) Stock on hire including hire charges under sundry debtors		
	(a) Asset on Hire	Nil
	(b) Repossessed Assets	
(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	Nil
	(b) Loans other than (a) above	
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	20.00
	(iv) Government Securities	Nil
	(v) Others (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 (specify)	Nil
Long Term 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 (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 (specify)	Nil

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

(₹ in Lakhs)

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	Nil	Nil
2. Other than related parties	17024.00	6613.43	23637.43
Total	17024.00	6613.43	23637.43

6 Investor group-wise classification of all investments(current and long term) in shares and securities (both quoted and unquoted);
(see note 3 below)

Category	Market Value/Breakup or fair value or NAV	Book Value (Net of Provisions)
1. Relate Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	20.09	20.00
Total	20.09	20.00

7 Other Information

Particulars	Amount
(i) Gross Non – Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	602.01
(ii) Net Non-Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	540.78
(iii) Assets acquired in satisfaction of debt	Nil

*Notes:

- As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non- Systemically Important Non-Banking Financial (Non – Deposit Accepting of Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.

Sd/-

Boby CD

Chairman and MD (DIN 00046095)

Sd/-

Jisso C Baby

Director(DIN 01622660)

For Cheeran Varghese & Co.,

Chartered Accountants

Firm Registration No.050061S

Sd/-

Priya Menon

Company Secretary

Sd/-

C.V. Varghese

Partner

M.No. 020644

Place : Thrissur,
Date : 29/06/2015

SECRETARIAL AUDIT REPORT

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

For the Financial Year Ended 31st March, 2015

To,
The Members,
Chemmanur Credits and Investments Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Chemmanur Credits and Investments Limited, CIN No: U65923KL2008PLC023560 (hereinafter called the company). Secretarial Audit was conducted for the Financial Year ended on 31st March, 2015, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Chemmanur Credits and Investments Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the period covered under the audit as aforesaid, complied with the statutory provisions listed hereunder and also that the company has proper Board processes in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year Ended 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act 1956 and Rules made there under to the Extent Applicable.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; - Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; - Not Applicable
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not Applicable
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); - - Not Applicable
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - Not Applicable
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - Not Applicable
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not Applicable
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - Not Applicable
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not Applicable
 - (i) Securities and Exchange Board of India (Depositories and participants) Regulations, 1996. - Not Applicable
- (vi) The following laws, regulations, directions, orders, applicable specifically to the Company:
 - a) The Reserve Bank of India Act, 1934
 - b) Non-Banking Financial Companies (Non Deposit Accepting or Holding) prudential norms (Reserve Bank) Directions, 2007
 - c) Non Banking Financial Companies Auditors Report (Reserve Bank) Directions 2008
 - d) Reserve Bank of India Guidelines on raising money through Private Placement of NCDs by NBFCs
 - e) Guidelines on Corporate Governance issued by Reserve Bank of India for NBFCs
 - f) Reserve Bank of India "Know your Customer" (KYC) Guidelines -Anti Money Laundering Standards-Prevention of Money Laundering Act 2002-obligations of NBFC.
 - g) Notification of Reserve Bank of India, on future approach towards monitoring of frauds in NBFCs
 - h) Guidelines on Fair Practices Code for NBFCs
 - i) Memorandum of instructions governing Money Changing Activities notified by Reserve Bank of India.
 - j) Money Transfer Service Scheme notified by Reserve Bank of India.

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

- (i) Secretarial Standards on general and Board meeting specified by the Institute of Company Secretaries of India (ICSI) as prescribed under Section 118 (10) of the Act are applicable with effect from 1st July, 2015. However, the Secretarial Standards 1 and 2 relating to Board Meeting and General Meeting which were issued by the ICSI as recommendatory in nature have been complied with.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), _Not Applicable, as Company is not listed

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

I further report that

As per Section 149 (4) read with Rule 4 of the Companies Act 2013 the company has to appoint one more Independent Director

Subject to above the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the minutes. I understand that there were no dissenting views for being captured in the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines including fiscal laws and labour laws etc.

I further report that during the audit period the company has made the following specific actions having a major bearing on the Company's Affairs in pursuance of the above referred laws, regulations and guidelines referred to above.

- a. Members have enabled Borrowing Powers of the Company up to a limit of Rs. 1000 Crores over and above the aggregate paid up share capital and Free reserves under Section 180(1)(c) of the Companies Act, 2013 through Annual General Meeting dated 29/09/2014.
- b. The Company has allotted 1,05,000 Secured Redeemable Non Convertible Debentures of face value of Rs.1000/-each aggregating to Rs.10,50,00,000 arising out of Private Placement made during the Financial Year 2014-15.
- c. By preferential allotment of equity shares as sanctioned by last year Annual General Meeting Held on 29/09/2014 1,00,00,000 equity shares of Rs.10/- has been allotted to Managing Director Mr. C.D. Bobby. Aggregating to Rs.10 Crores

Place: Thrissur
Date: 26/08/2015

Sd/-
V.K. KERALA VARMA
PRACTICING COMPANY SECRETARY
FCS No. 1445
C P No: 2262

**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 : **U65923KL2008PLC023560**
 Name of the company : Chemmanur Credits and Investments Limited
 Regd. Office : Mangalodhayam Building, Round south, Thrissur 680 001

Name of the member(s) :	
Registered address :	
E-mail Id	Folio No/ Client Id :

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

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

or failing him

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

or failing him

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventh Annual General Meeting of the Company, to be held on the Tuesday, 29th September 2015 at 3.00 PM at the registered office of the company and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution
Ordinary Business	
1.	Adoption of financial statements for the year ended 31 March 2015 and the Directors' and Auditors' Reports thereon.
2.	Re-appointment of Mr. Jisso.C.Baby (DIN 01622660) Whole Time Director, who retires by rotation and being eligible offers himself for reappointment.
3.	Appointment of M/s.Cheeran Varghese and Co, Chartered Accountants, as the statutory auditors and fixing their remuneration
Special business	
4.	Appointment of Mr.P.M. Rajagopal (DIN 07177470) as Director of the Company
5.	Adoption of New Memorandum of Association
6.	Adoption of New Articles of Association
7.	Issue of NCD/ Bonds
8.	Preferential Issue of Equity Shares.

Signed this..... day of..... 20.....

Signature of Proxy holder(s)

Signature of shareholder

Affix
Revenue
Stamp of ₹ 1

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of Company, not less than 48 hours before the commencement of the Meeting.

Corporate Information

1. Registered office of the Company
Chemmanur Credits and Investments Limited
Mangalodhayam Building, Round South,
Thrissur, Pin-680001
Ph: 0487-3041200, 2424010
Email: mail@chemmanurcredits.com
Website: www.chemmanurcredits.com
2. Company Registration Number CIN no: U65923KL2008PLC023560
3. Reserve Bank Reg. No. N16-00185
4. Chairman and Managing Director Mr. C. D. Bobby
5. Whole Time Director Mr. Jisso. C. Baby
6. Chief Executive Officer Mr. T. K. Thomas
7. Chief Financial Officer Mr. Thanish Dalee
8. Company Secretary Ms. Priya Menon
9. Statutory Auditors M/s Cheeran Varghese & Co,
Chartered Accountants, Mundupalam First Cross Road,
Thrissur- 680 001
10. Secretarial Auditor Mr. Mr. V.K. Kerala Varma ,
Practicing Company Secretary,
Sree Kovilakam, Green Park Avenue,
Thiruvambadi P.O , Thrissur-680 021.
11. Registrar and Share Transfer agents S.K.D.C. Consultants Limited.
Category I Registrar and Share Transfer agents,
Kanapathy Towers, 3rd Floor, 1391/A1, Sathy Road,
Ganapathy, Coimbatore- 641006 Ph: +91 422 6549995, 2539835/836
Email: info@skdc-consultants.com
12. Bankers M/s South Indian Bank Ltd.,
Round South , Thrissur
M/s Dhanlaxmi Bank,
M.G.Road , Thrissur
M/s HDFC Bank,
M.G.Road , Thrissur
M/s State Bank of India,
Round East , Thrissur
M/s Central Bank of India,
M.G.Road , Thrissur
M/s State Bank of Travancore,
Thrissur Main

- ▶ കടപത്രങ്ങൾ
- ▶ ഗോൾഡ് ലോൺ
- ▶ ബിസിനസ്സ് ലോൺ
- ▶ മൈക്രോ ഫിനാൻസ്
- ▶ ടിക്കറ്റ് ബുക്കിംഗ് (വിമാനം / ട്രെയിൻ / ബസ്)
- ▶ ഇൻഷുറൻസ് - ലൈഫ് / ആരോഗ്യം / വാഹനം
- ▶ വീദേശത്തുനിന്നും പണം സ്വീകരിക്കാനുള്ള സൗകര്യം
- ▶ “Eazy Gold” - ഗോൾഡ് ലോൺ തവണ വ്യവസ്ഥയിൽ
- ▶ “X-pay” - ഇന്ത്യയിൽ ഉടനീളം പണം അയക്കുവാനുള്ള സൗകര്യം



Opening Shortly In : Tamil nadu



ചെയമ്മനുർ

ക്രഡിറ്റ്സ് & ഇൻവെസ്റ്റ്മെന്റ്സ് ലിമിറ്റഡ്

ഗോൾഡ് ലോൺ



www.chemmanurcredits.com | Customer Care: 9544089999
 Email: mail@chemmanurcredits.com