



CHEMMANUR

Credits and Investments Limited



ANNUAL REPORT 2016

BOBY CHEMMANUR INTERNATIONAL GROUP VENTURE

ABOUT THE COMPANY

CHEMMANUR CREDITS AND INVESTMENTS LIMITED (CCIL) started its operations and functions since 2011 and the chief promoter of the company is Mr. Chemmanur Devassykutty Bobby, alias Bobby Chemmanur, a dynamic businessman and a renowned name in the jewellery field. His business skills were duly recognized and acknowledged by the business community all over the world. Bobby Chemmanur International Group with a business tradition of more than 150 years entered the area of financial services by incorporating CCIL which was registered with Reserve Bank of India as a non-banking financial company (NBFC).

Through innovative business acumen and customer friendly approaches the group acquired the trust of the people. The group diversified its line of business activities to various other areas such as real estate, builders, chits etc. by incorporating separate companies. As a new venture Bobby Chemmanur International group has come up with the concept of “Parakkum Jewellery” for showcasing its products to customers. The goal of the company by developing this new concept is to offer variety of Jewellery designs at cheap price with high quality for women, men and kids at their doorsteps through company’s customized truck. Bobby Chemmanur International group recognised the noble concept of Corporate Social Responsibility years back, and has already made advances in this direction. As part of this, the group promotes education by awarding cash prizes/scholarships to talented students for pursuing their higher studies, constructing and maintaining poor homes for orphans left on the street etc. It also organises Free Eye Care Treatment Camps, Social Marriages, Blood Donation Forums consisting of around 5000 members functioning round the clock, Free Ambulance Facility and many more such activities.

CCIL as a Company has completed 5 years of operation and has experienced a lot of ups and downs in its journey. Highly professional approach with emphasis on core values of integrity, fairness, transparency, strict adherence to regulatory commitments and practicing high standards by dedicated team of management and staff members ensure high efficiency and proficiency. As a part of business expansion, the Company has widened its operations by opening branches in the neighbouring state of Tamil Nadu. At present we are having 115 branches under fully computerized environment with online connectivity and a work force of 680 employees. Chemmanur Credits and Investments Ltd (CCIL) is bound by the guiding principles of honesty, sincerity, confidence and service and is constantly evolving innovative and progressive products and services.

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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. Boby
Chairman and Managing Director



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



Mr. Lijo Moothedan
Director



Mr. P.M. Rajagopal
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. Krishna Chandran

AGM & Head - Micro Finance

Mr. Pramod M.

Chief Financial Officer

Mr. N.N. Kumar

Head - Ops. & Risk Management

Mr.Raveendranathan.N

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,

Kanapathy 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 Eighth Annual General Meeting of the Shareholders of Chemmanur Credits and Investments Limited will be held on Friday, 30th September, 2016 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 2016 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. Lijo Moothedan, (DIN: 00877403) Director, who retires by rotation, and being eligible, offers himself for re-appointment.**
3. **To appoint the 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 Cheeran 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 Eighth Annual General Meeting till the conclusion of the Eleventh Annual General Meeting, subject to ratification as to the said appointment at every 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. Re-appointment of Mr. Jisso C Baby as Whole time Director (Public Relations and Corporate Affairs)

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and any other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard, the requisite approval of the Central Government, if any, required, the consent of the Company be and is hereby accorded to the re- appointment of Mr. Jisso C Baby (DIN :01622660) as the Whole Time Director (Public Relations and Corporate Affairs) of the Company for a term of three years with effect from 01st December, 2015 to 30th November, 2018 on the terms and conditions including remuneration set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty and power to the Board of Directors (hereinafter referred to as ‘the Board’ which expression shall also include the Nomination and Remuneration Committee of the Board), in the exercise of its discretion, to grant increments and to alter and vary from time to time the terms and conditions of the said appointment, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Whole Time Director shall be subject to retirement by rotation and shall be considered for the purpose of computing the one third of the total number of directors liable to retire by rotation under section 152 of the companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be necessary, expedient or desirable and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.

5. Issue of fully secured Redeemable Non-Convertible Debentures (NCDs) and unsecured Subordinated Debts 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 Crore only) and unsecured redeemable Subordinated Debt up to an aggregate limit of Rs.100 Cr (Rupees One Hundred Crore 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 aforesaid Resolution”

6. 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 2,50,00,000 (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 person 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 purpose of the issue of equity shares be 31.08.2016, being 30 days prior to 30.09.2016 (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.Boby
DIN 00046095)
Chairman & Managing Director

Place: Thrissur
Date: 31.08.2016

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 6 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 24.09.2016 to 30.09.2016 (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 numbers in all their correspondence, and (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. SH 13, 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 189 of the Companies Act, 2013 shall be open for inspection on all working days during business hours.
 - b) 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. Jisso. C. Baby was named as one of the first directors of the company at the time of incorporation of the company. Since then he had been actively participating and keeping a close association in the overall affairs of the company. In addition to this, Mr. Jisso Baby has to his credit long experience in gold and diamond jewellery business. His term of office as a Whole Time Director expired on 30.11.2015 and your Board thinks that his experience in various lines of business can be utilized in the coming years as well. Therefore subject to the approval of members of the Company in General Meeting and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 31st December, 2015 have decided to reappoint Mr.Jisso C Baby as a Whole Time Director (Public Relations and Corporate Affairs) of the company for a further period of three years with effect from 01.12.2015 to 30.11.2018 on a remuneration as stated below:

Remuneration - Rs.60,000/- (Rupees Sixty Thousand only p.m.). Increase in remuneration, if any, will be decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee, computed as per the provisions of section 197, 198 and Schedule V of Company's Act, 2013 and rules made thereunder as amended from time to time.

Information required under Part II, Section II of Schedule V of the Companies Act, 2013 as amended from time to time is given below.

I.GENERAL INFORMATION

Serial No.	Particulars	Remarks
1.	Nature of industry	Non Banking Finance Company
2.	Date or expected date of commercial production	Company was incorporated on 16/12/2008 and the Certificate of commencement of Business was obtained on 10/11/2010. Being a NBFC, RBI registration certificate has been issued to the Company on 10/06/2010. Company started its operations on 24 th August, 2011.
3.	In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	The detailed financial performance of the company for the years 2014-15 and 2015-16 are provided in the Annual Report 2016 which accompanies this notice.
5.	Foreign Investments or collaborations if any,	There is no Foreign Investments or collaborations in the company

II.INFORMATION ABOUT THE APPOINTEE

1.	Background details	Mr.Jisso.C.Baby was appointed as the Director of the company since its inception and he was re-designated as the Whole Time Director of the Company on 01/12/2013. Mr. Jisso. C. Baby has to his credit, long experience in the jewellery business and experience in various lines of business
2.	Past remuneration	Details of past remuneration are available in the Annual Report 2016 reported at the appropriate notes to Accounts.
3.	Recognition and awards	Nil
4.	Job profile and his suitability	Mr. Jisso. C. Baby aged 37 holds diploma in automobile engineering. He is having 10 plus years experience in Jewellery and Financial Business. Mr. Jisso. C. Baby has been involved in the promotion and management of the company as Director since its inception. Taking these in to consideration the Board has given the responsibility of Whole Time Directorship to Mr.Jisso C. Baby to take care of Public Relations and Corporate Affairs.
5.	Remuneration Proposed	Details of proposed remuneration are presented above.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates) the relevant details would be with respect the country of his origin.	The remuneration is as per section 197 and 198 of the Companies Act 2013 and Rules made thereunder read with schedule V .The remuneration proposed to the Whole Time Director is in proportion to the size of the Company, industry standards, profile of the position and the person concerned

Serial No.	Particulars	Remarks
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel if any,	Mr. Jisso. C. Baby holds 35000 equity shares of Rs.10 each amounting to 0.058% of the paid up share capital of the Company. None of the KMPs or any other senior managerial personnel is related to Mr.Jisso C.Baby
III. OTHER INFORMATION		
1.	Reasons of loss or inadequate profits	The Company does not envisage any loss.
2.	Steps taken or proposed to be taken for improvement	The company has widened its operations by opening 3 branches in neighbouring state of Tamilnadu and more branches are planned. The Company expects to improve the performance in the coming years due to increased volume in loans and third party products.
3.	Expected increase in productivity and profits in measurable terms.	The aforesaid steps taken by the company are expected to improve the company's performance and profitability in the future.

Your directors recommend passing the aforesaid resolution as special resolution. Except Mr. Jisso. C. Baby, no other director, Key Managerial Personnel and their relatives are concerned or interested in the resolution.

Item no.5

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 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 / Subordinated Debt 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 NCDs / Subordinated Debt 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.6

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:-

- Objects of the Issue: To meet the capital adequacy and expected credit growth of the Company.
- 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.
- 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	4,72,47,700	78.75	7,22,47,700	84.99
Companies In which directors are interested	70,00,000	11.67	70,00,000	8.24
Public	57,52,300	9.58	57,52,300	6.76
Total	6,00,00,000	100	8,50,00,000	100.00

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

- 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	4,70,07,700	78.35	25,00,00,000	84.71

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

- Lock in Requirements: - The shares to be allotted on preferential basis shall not be subject to any lock in period.
- 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 31.08.2016 (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: 31.08.2016

DIRECTORS' REPORT

To
 The Members of
 Chemmanur Creditsand Investments Limited

Your Directors are pleased to present the 8th Annual Report of the company, together with the Audited Accounts for the financial year ended on 31st March 2016 and the report of the statutory auditors thereon.

1. Financial Results

(Amount in Rupees)

Description	2015-16	2014-15
Total Income	55,46,70,607.00	50,23,40,695.00
Total Expenditure	54,32,58,557.00	48,55,04,248.00
Profit before Tax	1,14,12,050.00	1,68,36,447.00
Less: Tax Expenses	39,83,386.00	55,30,509.00
Profit for the Year	74,28,664.00	1,13,05,938.00

2. Dividend

In view of the proposed expansion plan and future development of the company, your Board of Directors does not recommend any dividend for the Financial Year 2015-16.

3. Capital and reserves

The paid up equity share capital of the company as on 31st March, 2016 is Rs.60Crore. There was no preferential issue, rights issue, bonus issue etc. of equity and preference shares during the financial year 2015-16. Company had transferred Rs.14,85,733/- representing 20% of net profit to statutory reserve during the year.

4. Working results

In spite of several adversities, your company could present a profitable balance sheet with an operating profit of Rs.3,66,79,963/- for the last financial year. Net profit after depreciation and tax for the last financial year was Rs.74,28,664/- as against Rs.1,13,05,938/- for the previous year. Fall in interest income on gold loans due to general reduction in interest rate in the market and additional expenses by way of interest and Bank Charges on new Cash Credit facility availed from State Bank of India contributed to reduction in operating profit and net profit during the year. We are happy to inform the members that the company has been successful in securing a bank credit facility during the last financial year. Cash Credit facility of Rs.25 cr. with a sub-limit of Rs.19 cr. up to 31.03.2016 was sanctioned by State Bank of India in October, 2015. This is the first and the only Bank credit enjoyed by us as of now.

The total gold loan advanced by the company under different schemes stood at Rs.182.93 cr. as on 31.03.2016 and total outstanding under microfinance loans to women self-help groups was Rs. 27.14 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 31.03.2016 was Rs.47.50 cr.

5. Business Outlook.

NBFCs have been effective in serving the unbanked customers by spearheading in to retail asset backed lending, lending against securities, lending for small business activities and Microfinance. Factors supporting growth of NBFCs include better product line, wider and effective reach, quick turnaround time, strong risk management capabilities and better understanding of customer segments. In an environment where delivery of financial services has become increasingly commoditized, customer experience will play the distinguishing factor for an ideal service provider. The ability to provide tailor made financial solutions across multiple platforms will result in an upsurge of product innovations. Going ahead, there is need for NBFCs to be integrated in to the financial system with full policy support. This will help meet the financing needs of growing India. According to ICRA, NBFCs will account for 17.1% of the country's total credit by financial year 2018-19, compared with 13.1% in financial year 2014-15.

Your Company, incorporated in 2008, 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, 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, collection agency for Chit Company 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.

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 broad customer base spread over the whole of Kerala, diversified product range, experienced team of professionals and well developed systems and processes position CCIL suitably well to capture the emerging opportunities in the Non-Banking Financial Services

space. 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, adopting new marketing techniques etc. Your company is in the process of widening its area of operation by opening branches in the neighbouring state of Tamilnadu. Three branches are already opened in Coimbatore / Ooty and more branches are planned in the nearby area in coming months. Efforts are also on to secure more bank loans as this will reduce our overall cost of funds.

Your Directors believe that the result of above efforts together with less dependence on high cost funds, timely interest collection, reduction in auction loss, increase in income from non-fund based activities / third party products etc. 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.

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.

6. Internal Control.

The company has in place adequate internal controls with reference to financial statements and operations and the same are operating effectively. The Company has in-built internal control systems with well-defined responsibilities at each level. It conducts internal audit through its Audit Department. Major audit functions include (1) Gold Inspection, (2) Accounts Audit and (3) Microfinance Audit.

The Audit Committee of the Board exercises supervision and control over the functioning of such internal controls. The system envisaged plays an important and critical role in identification, control and management of risks through the internal audit function, which is regarded as one of the most important components of Risk Management Process.

Statutory Auditors in their Audit Report has confirmed that the company has an adequate Internal Financial Controls over Financial Reporting and that these controls were operating effectively.

7. Resources

Mobilization of resources at optimal cost and its deployment in the most profitable and secured manner constitutes the two important functions of the company. In the last financial year, the main source of funding for the company continued to be Equity, Non-Convertible Debentures (NCDs) and Subordinated Debt. As at the end of the last Financial Year, the company had equity capital of Rs.60 cr., NCDs outstanding of Rs.143 cr. and outstanding Subordinated Debt of Rs.65 cr.

For the first time, your company could secure a bank loan during the last financial year. State Bank of India sanctioned a Cash Credit facility of Rs.25 cr. with a sublimit of Rs.19 cr. up to 31.03.2016. Management has been making continuous efforts to broaden the resource base of the company so as to maintain its competitive edge. Your directors are confident that the company will be able to raise adequate resources for onward lending in line with its business plans.

8. 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 leverage ratio of 4.63 as at the end of the Financial Year.

9. 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.

10. Changes in Directors and Key Managerial Personnel

1. Mr. Lijo Moothedan, Director is retiring at this annual general meeting. Being eligible he offers himself for re- appointment.
2. Mr.Jisso C. Baby was re-appointed as whole time Director in the board meeting held on 31st December, 2015 subject to the ratification of the members in the ensuing Annual General Meeting.
3. There was no change in Key Managerial Personnel during the Financial Year. However, after the close of the Financial Year, Mr. Thanish Dalee, Chief Financial Officer resigned and was relieved of his duties on 30th April, 2016. New Chief Financial Officer Mr. Pramod .M has been appointed on 25th July, 2016.

11. 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 Act 2013 that he meets with the criteria laid down in Section149 (6) of Companies Act 2013.

12. 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'.

Meetings of the Board

During the financial year 2015-16, the Board met on eleven occasions. viz ; 16-04-2015, 29-06-2015,26-08-2015,18-09-2015,05-10-2015,30-10-2015,25-11-2015,31-12-2015,05-02-2016,08-03-2016 and 17-03-2016.

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 and Rule 5 (2) of the Company's (Appointment and Remuneration of Managerial Personnel Rules) 2014.

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'.

Particulars of Loans, Guarantees or Investments

The company has not given any loan, guarantees, securities or investment under section 186 of the Companies Act, 2013. However, M/s. CD Bobby Developers and Builders Private Limited and M/s. Bobby Housing and Constructions Private Limited provided Corporate guarantee and collateral security for availing the Cash credit of Rs.25 Crore by your company from State Bank of India M.G. Road Branch, Thrissur. Further, Mr. C.D. Bobby, Mr. Jisso C Baby and Mr. Lijo Moothedan, Directors of the company executed personal guarantee for the company to enable the company to avail the Cash Credit facility granted to it by the Bank.

Risk Management Policy

The Company has internal Risk Management Policy wherein all material risks faced by the Company viz. Operational Risk, Regulatory Risk, Price Risk, Interest Rate Risk and Credit Risk are identified and assessed. Risk Management is managed by competent personnel and the same is reviewed by Risk Management Committee on a periodic basis. For each of the Risks identified in the process, corresponding controls are assessed and policies and procedure are put in place for monitoring, mitigating and reporting risk on a periodic basis.

Details of policy Developed and Implemented by the Company on its Corporate Social Responsibility Initiatives.

The provisions of section 135 and Rules made thereunder with respect to Corporate Social Responsibility are not applicable to the Company. However the company has been actively supporting various Corporate Social Responsibility initiatives taken up by the Group and its Chairman Mr. C.D. Bobby.

Formal Annual Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013. The Board and the Nomination, and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria stated in the performance evaluation policy.

The performance of the board and the committees was evaluated by all the Directors including the Independent Directors. Detailed procedure is included in the Performance evaluation policy of the Company as given in Annexure III.

13. Audit and Auditors Report

Statutory Audit

M/s Cheeran Varghese & Co., Chartered Accountants, Mundupalam First Cross Road, Thrissur- 680 001, whose term of appointment as Statutory Auditor of the company ends with the conclusion of the ensuing Annual General Meeting, are eligible for re-appointment. Your company proposes to appoint them as Statutory Auditors to hold office from the conclusion of the ensuing Eighth Annual General Meeting till the conclusion of the Eleventh Annual General Meeting of the company, subject to ratification as to the said appointment at every Annual General Meeting, on such remuneration as may be decided by the Board of Directors. 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 8th March, 2016 had

appointed Mr. Mr. V. K. Kerala Varma, Sree Kovilakam, Green Park Avenue, Thiruvambadi P.O, Thrissur-680 021, a Practicing Company Secretary as the Secretarial Auditor of the Company to conduct Secretarial Audit for the Financial Year 2015-16. The Report of the Secretarial Auditor in Form MR-3 is annexed separately to this Annual Report.

14. 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 the Company is as follows:

Rating agency	Facilities	Amount (in Crore)	Ratings	Date
CARE	Non-Convertible Debentures	100 Crore	BB+	31/03/2016
CARE	Long Term Bank Facilities	50 Crore	BB+	31/03/2016

15. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of The Companies (Accounts) Rules, 2014, is as follows:

Conservation of Energy

For your company, by its nature of business, energy conservation has limited applicability. However, the company follows a practice of purchase and use of energy efficient electrical and electronic equipment and gadgets in its operations.

Technology Absorption

During the period under review there was no major technology absorption undertaken by the company. However, your company has been increasingly using information technology in its operations and promotes conservation of resources.

Foreign Exchange Earnings and Outgo

The Company does not have any foreign exchange earnings and outgo during the period covered under this report.

16. 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, 2016 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, 2016 and of the Profit of the Company for the period then ended.

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.

17. 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.

18. Details of Auctions Held During the Year 2015-16.

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 2015-16 are given below.

Year	No. of Loan Accounts	Principal amount outstanding at the dates of auction (A) (Rs.)	Interest amount outstanding at the dates of auction (B Rs.)	Total (A+B)(Rs.)	Value fetched (Rs.)
2015-16	10115	28,58,27,287/-	13,68,93,780/-	42,27,21,067/-	34,95,06,500/-

19. 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 has been trying to get a proper person for appointment as Independent Director and is hopeful of meeting the requirement before the close of the current financial year (2016-17).

There were no qualifications, reservations or adverse remarks made by the statutory Auditors in their report.

20. 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: 31.08.2016

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016**

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- 641006 Ph: +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	65.86
		Micro Finance	09.77
		Small Business Loan	17.10

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
-	-	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-2015]				No. of Shares held at the end of the year * [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	Nil	45441200	45441200	75.735	Nil	47247700	47247700	78.746	+3.011
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other...	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	Nil	45441200	45441200	75.735	Nil	47247700	47247700	78.746	+3.011
(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	45441200	45441200	75.735	Nil	47247700	47247700	78.746	+3.011

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	-	7000000	7000000	11.667	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	3350000	3350000	5.583	-	2480000	2480000	4.133	-1.450
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	4208800	4208800	7.015	-	3272300	3272300	5.454	-1.561
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	Nil	14558800	14558800	24.265	Nil	12752300	12752300	21.254	-3.011
Total Public Shareholding (B)=(B)(1) + (B)(2)	Nil	14558800	14558800	24.265	Nil	12752300	12752300	21.254	-3.011
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	Nil	60000000	60000000	100.000	Nil	60000000	60000000	100.000	

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	45201200	75.335	0.00	47007700	78.346	0.00	3.011
2	Jisso C. Baby	35000	0.058	0.00	35000	0.058	0.00	Nil
3	Lijo Moothedan	35000	0.058	0.00	35000	0.058	0.00	Nil
4	Smitha Boby	55000	0.092	0.00	55000	0.092	0.00	Nil
5	Nishanth Thomas	30000	0.05	0.00	30000	0.050	0.00	Nil
6	Deena Lijo	30000	0.05	0.00	30000	0.050	0.00	Nil
7	Jose Chakkappan	55000	0.092	0.00	55000	0.092	0.00	Nil

(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	4,52,01,200	75.335		
	At the beginning of the year				
	30.04.2015 Bought (Transfer)	1,60,000		45361200	75.602
	22.08.2015 Bought (Transfer)	2,20,000		45581200	75.969
	07.11.2015 Bought (Transfer)	3,61,500		45942700	76.571
	17.03.2016 Bought (Transfer)	1,065,000		47007700	78.346
	At the end of the year	-		47007700	78.346
2	Mr. Jisso C. Baby	35,000	0.058		
	At the beginning of the year				
	At the end of the year	-	-	35,000	0.058
3	Mr. Lijo Moothedan	35,000	0.058		
	At the beginning of the year				
	At the end of the year	-	-	35,000	0.058
4	Ms. Smitha Bobby	55,000	0.092		
	At the beginning of the year				
	At the end of the year	-	-	55,000	0.092
5	Mr. Nishanth Thomas	30,000	0.050		
	At the beginning of the year				
	At the end of the year	-	-	30,000	0.050
6	Ms. Deena Lijo	30,000	0.050		
	At the beginning of the year				
	At the end of the year	-	-	30,000	0.050
7	Mr. Jose Chakkappan	55,000	0.092		
	At the beginning of the year				
	At the end of the year	-	-	55,000	0.092

(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	300000	0.500	300000	0.500
2	Eltho P John	250000	0.417	250000	0.417
3	Sibil.N	200000	0.333	200000	0.333
4	Beena Eldho	150000	0.250	150000	0.250
5	Gopalan T	120000	0.200	120000	0.200
6	Kunjuvaran.P	100000	0.167	100000	0.167
7	Shahanas LC	100000	0.167	100000	0.167
8	Dr M R Ravi	100000	0.167	100000	0.167
9	Dr Ravindranath C	100000	0.167	100000	0.167
10	Jayabharathi .K	90000	0.150	90000	0.150

v) Shareholding of Directors and Key Managerial Personnel:

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 - Managing Director				
	At the beginning of the year	4,52,01,200	75.335		
	30.04.2015 Bought (Transfer)	1,60,000		45361200	75.602
	22.08.2015 Bought (Transfer)	2,20,000		45581200	75.969
	07.11.2015 Bought (Transfer)	3,61,500		45942700	76.571
	17.03.2016 Bought (Transfer)	1,065,000		47007700	78.346
	At the end of the year	-		47007700	78.346
2	Mr. Jisso C. Baby- Whole Time Director				
	At the beginning of the year	35,000	0.058		
	At the end of the year	-	-	35,000	0.058
3	Mr. Lijo Moothedan - Director				
	At the beginning of the year	35,000	0.058		
	At the end of the year	-	-	35,000	0.058
4	PM Rajagopal -Director				
	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	-	-	-	-

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	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	-	2,39,58,63,438
Change in Indebtedness during the financial year				
* Addition	24,05,73,392			24,05,73,392
* Reduction		1,85,05,000	-	1,85,05,000
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	1,62,02,59,392	82,36,18,314	-	2,44,38,77,706
ii) Interest due but not paid				40,54,053
iii) Interest accrued but not due				23,38,48,661
Total (i+ii+iii)	1,62,02,59,392	82,36,18,314		2,68,17,80,420

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	Jisso C. Baby	Lijo Moothedan	P.M. Rajagopal	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	-	720000/-	-	-	
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 -

Sl. No.	Name of Director	Particulars of Remuneration			Total
		Fee for attending board/ meetings	Commission	Others, please specify	
1	P.M. Rajagopal	3,13,250.00	-	-	3,13,250.00
	Total	3,13,250.00	-	-	3,13,250.00
	Overall Ceiling as per the Act				

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	7,20,000	12,28,400	49,48,400
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit others, specify...				
5	Others, please specify				
	Total	3000000	7,20,000	12,28,400	49,48,400

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

 There were no penalties/punishments/compounding of offences for the year ending 31st March 2016.

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					
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	Rs.3,29,083.00
	Date of approval by the Board	25/11/2014
	Amount paid as advances, if any	Nil
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	Rs.1,25,76,418.00
	Date of approval by the Board	Ongoing process was Approved earlier
	Amount paid as advances, if any	Nil
3.	Name (s) of the related party & nature of relationship	Chemmanur International Jewellers
	Nature of contracts/arrangements/transaction	Purchase of gold coins for contest winners/ Sale of Gold Coins under Buy back arrangement of 'Bhadram Scheme'
	Duration of the contracts/arrangements/transaction	One time sale and purchase
	Salient terms of the contracts or arrangements or transaction including the value, if any	Gold Sale – Rs.13,91,725 Gold Purchase- Rs.2,93,133
	Date of approval by the Board	Ongoing process was Approved earlier
	Amount paid as advances, if any	Nil

By Order of the Board
For Chemmanur Credits and Investments Limited

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

Place: Thrissur
Date:31.08.2016

ANNEXURE III POLICY ON APPOINTMENT AND REMUNERATION 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 enquiries on various channels identifies 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 Directors to verify character references, qualifications, prior experience and other governmental checks, if appropriate.
4. The Proposed Directors will be given the opportunity to undertake due diligence of the Company including access to information and meeting with the Senior Executives and other 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 Company. In case of selected director, he/she 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 various Committees. As a 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.
 - Adhering to various assessment criteria in the evaluation policy.
8. Every Director appointed in the Company shall give disclosure of interest in the first meeting of every financial year.

Independent Directors

The remuneration payable to Independent Directors shall be in accordance with various provisions of Companies Act, 2013, Rules and Schedule IV subject to the discretion of the Board of Directors.

Non- Independent Directors/ Executive Directors

The remuneration payable to Non- Independent Directors/ Executive Directors shall be in accordance with various provisions of Companies Act, 2013, Rules and Schedule V subject to the discretion of the Board of Directors.

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. Also the Board of Directors of the Company shall oversee the performance of the committees constituted. In addition, the Nomination and remuneration Committee shall carry out the evaluation of performance of every director, Key managerial Personnel and Senior Management 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:

SI.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 Safeguard of confidential information

Non-Independent Directors/Executive 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.

SI.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 Safeguard of confidential information

Board of Directors/Committees

SI.No Assessment Criteria

1. Is the composition of the board /Committee 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 /committee meet all applicable independence requirements.
3. The Board of Directors /committee 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 /committee are effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
5. Are sufficient numbers of board/committee meetings, of appropriate length, being held to enable proper consideration of issues
6. The Chairman of the Board/committee 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 Code of Governance

Your Company believes that good governance practices, internal control systems, transparent operational activities and proper risk management systems are essential for sustainable business. The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations. The Company believes that its business plans and strategies will lead to sustained corporate growth and long-term benefit to all.

Board of Directors, composition and attendance.

1. Composition of Board

As on 31st March, 2016, the Company's Board consisted of four Directors having considerable professional experience in their respective fields. Apart from the Chairman and Managing Director who is the Chief Promoter of the Company, the Board has one Independent Director, one Non-Executive Director and one Whole Time Director. The composition of the Board meets the criteria and fulfills the norms as prescribed in Companies Act, 2013 and rules made there under. This composition also fulfills the norms prescribed by Reserve Bank of India in this regard.

Policy on appointment and Remuneration of Directors under Section 178 of the Companies Act 2013 and Fit and proper criteria guidelines prescribed by Reserve Bank of India is in place at the time of appointment of Directors and on a continuing basis. The Independent Director has confirmed that he met the criteria as mentioned under Section 149(6) of the Companies Act, 2013. None of the Directors on the Board hold directorship in more than ten public companies. None of the Directors are related to each other.

2. Board Meetings and Attendance of Board

During the period from 01/04/2015 to 31/03/2016 the Board met on 11 occasions viz; 16-04-2015, 29-06-2015,26-08-2015,18-09-2015,05-10-2015,30-10-2015,25-11-2015,31-12-2015,05-02-2016,08-03-2016 and 17-03-2016 to discuss important business strategies and objectives. The gap between two consecutive meetings was less than 120 days.Details regarding Board Members, meetings attended, and directorship in other companies, if any, are appended below:

Sl.No	Name of Director	Director Identification Number	Date of Appointment	Status	No of Meetings attended	Directorship in other public Limited Companies.
1.	Mr. CD Bobby	00046095	16/12/2008	Chairman and Managing Director	9	1
2.	Mr. Jisso. C. Baby	01622660	16/12/2008	Whole Time Director (Public Relations and Corporate Affairs)	11	1
3.	Mr. Lijo Moothedan	00877403	16/12/2008	Non-Executive Director	9	Nil
4.	Mr. P. M. Rajagopal	07177470	25/03/2015	Director	8	Nil

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

3. Change in Board of Directors during FY 2015-16

There was no change in the Board of Directors during the Financial Year.

4. Information Provided to the Board Members

Your Company's Board of Directors plays primary role in ensuring good governance and smooth functioning of the Company. The Board's role, functions, responsibility and accountability are clearly defined. As part of its function, your Board periodically reviews all the relevant information which is required to be placed before it and in particular reviews and approves corporate strategies, business plans, annual budgets, projects and capital expenditure. Your Board not only monitors the Company's overall corporate performance it also sets standards of corporate behavior, ensures transparency in corporate dealing and compliance with the laws and regulations. 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.

Sub Committees of the Board.

The Board has constituted sub-committees of the Board. Each Committee of the Board functions according to the terms of reference as approved by the Board. Meeting of each sub-committee is convened by the respective Committee Chairman. The composition and terms of reference of these sub-committees including the number of meetings held during the financial year and the related attendance are given below.

1. Audit and Risk Management Committee

The Company has constituted a qualified and independent Audit Committee as required under Section 177 of the Companies Act, 2013. The

Committee has three members well qualified to handle accounts, finance, audit and legal matters. The Audit Committee at the Board level of your Company acts as a link between the Independent Auditors, Internal Auditors, the Management and the Board of Directors and oversees the financial reporting process. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively. The Audit Committee met eight times during FY 2015-16 viz. 29-06-2015, 04-08-2015, 30-10-2015, 25-11-2015, 31-12-2015, 05-02-2016, 08-03-2016, and 17-03-2016. The constitution, record of attendance of meetings and other details of the Audit Committee of the Company are given below:

Sl.No.	Name of Member	Position Held	Category	No of Meetings attended
1.	Mr. P. M. Rajagopal	Chairman	Independent Director	8
2.	Mr. Jisso. C. Baby	Member	Whole Time Director (Public Relations and Corporate Affairs)	8
3.	Mr. Lijo Moothedan	Member	Non-Executive Director	7

The Chief Executive Officer, the Chief Financial officer and the Internal Auditor are invited to the Audit Committee meetings. Company Secretary acts as Secretary to the Committee. The Chairman of the Audit Committee Mr. P.M.Rajagopal was present at the Annual General Meeting of the company held on 29-09-2015.

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:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in our Board's report in terms of clause (5) of Section 133 of the Companies Act, 2013.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management.
 - iv. Significant adjustments made in the financial statements arising out of audit findings.
 - v. Compliance with legal requirements relating to financial statements.
 - vi. Disclosure of any related party transactions, and
 - vii. Qualifications, if any, in the draft audit report.
5. Reviewing with the management the quarterly financial statements before submission to the board for approval.
6. Reviewing with the management performance of the statutory and internal auditors and adequacy of the internal control systems.
7. 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.
8. Discussion with internal auditors regarding any significant findings and follow-up thereon.
9. 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.
10. 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.
11. To look into the reasons for substantial defaults, if any, in the payments to the debenture-holders, shareholders and creditors.
12. 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

In compliance with Section 178 of Companies Act, 2013 the Board constituted "Nomination and Remuneration Committee". The terms of reference of the committee includes, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria and review their performance. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best talents and is commensurate with the performance of individual. The Committee met on 31-12-2015 to consider the re-appointment of Mr. Jisso C Baby as Whole Time Director.

Sl.No.	Name of Member	Position Held	Category	No of Meetings attended
1.	Mr. Jisso C. Baby	Chairman	Whole Time Director (Public Relations and Corporate Affairs)	1
2.	Mr. C.D. Boby	Member	Managing Director	1
3.	Mr. Lijo Moothedan	Member	Non-Executive Director	1

The Chief Executive Officer, the Chief Financial officer and the General Manager - Sales, Mktg. & Recovery are invited to attend the Nomination and Remuneration Committee meetings. Company Secretary acts as Secretary to the Committee. The Chairman of the Nomination and Remuneration Committee Mr. Jisso C Baby was present at the Annual General Meeting of the company held on 29-09-2015.

3. Stakeholders Relationship Committee

In compliance with the provisions of Section 178 of Companies Act, 2013, your company constituted the “Stakeholders Relationship Committee” on 05/10/2015. Stakeholders Relationship Committee is authorized to consider and resolve the grievances of security holders of the company and to approve all such matters relating to it and do all such acts, deeds, matters and things as it may, at its discretion, deem necessary and desirable. The Stakeholders Relationship Committee met six times during FY 2015-16 viz.30-10-2015,25-11-2015,31-12-2015, 05-02-2016, 08-03-2016 and 17-03-2016

Terms of reference of the Stakeholders Relationship Committee shall be as follows:

1. Efficient transfer of shares and debentures including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressing of shareholders and investor complaints on non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates, etc.;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by the Company.
4. Complaints on Allotment and listing of shares and debentures;
5. Reference to statutory and regulatory authorities regarding investor grievances;
6. Ensure proper and timely attendance and redressal of investor queries and grievances; and to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

Sl.No.	Name of Member	Position Held	Category	No of Meetings attended
1.	Mr. P.M Rajagopal	Chairman	Independent Director	6
2.	Mr. Jisso.C. Baby	Member	Whole Time Director (Public Relations and Corporate Affairs)	6
3.	Mr.T.K.Thomas	Member	Chief Executive Officer	5
4.	Mr. Raveendranthan	Member	Sr. Manager –Administration&Grievance Redressal Officer	6
5.	Ms.Priya Menon	Member	Company Secretary	6

The Chairman of the Stakeholders Relationship Committee Mr. P.M. Rajagopal was present at the Annual General Meeting held on 29.09.2015.

4 Risk Management Committee

Evaluation of Business Risk and managing the risk has always been an ongoing process in your Company. The Company has set up a Risk Management Committee on 05/10/2015 to identify, monitor and minimize risk. The Risk Management Committee met six times during FY 2015-16 viz. 30-10-2015, 25-11-2015, 31-12-2015, 05-02-2016, 08-03-2016, and 17-03-2016.

The terms of reference of the Risk Management Committee shall be as follows

- To overlook the activities and functions of ALCO.
- Monitoring the market risk levels of the company by ensuring adherence to the various risk-limits set by the Board;
- Articulating the current interest rate view and a view on future direction of interest rate movements and base its decisions for future business strategy on this view as also on other parameters considered relevant.
- Reviewing the business strategy of the company both on the assets and liabilities sides, consistent with the interest rate view, budget and pre-determined risk management objectives which will include;
 - I. determining the desired maturity profile and mix of the assets and liabilities;
 - II. product pricing for both assets as well as liabilities side;
 - III. Deciding the funding strategy i.e. the source and mix of liabilities or sale of assets; the proportion of fixed vs. floating rate funds, wholesale vs. retail funds, money market vs. capital market funding , domestic vs. foreign currency funding, etc.
 - IV. Reviewing the results of and progress in implementation of the decisions made in the previous meetings

Sl.No.	Name of Member	Position Held	Category	No of Meetings attended
1.	Mr. P. M. Rajagopal	Chairman	Independent Director	6
2.	Mr. Jisso. C. Baby	Member	Whole Time Director (Public Relations and Corporate Affairs)	6
3.	Mr. Lijo Moothedan	Member	Non-Executive Director	5

The Chief Executive Officer, the Chief Financial Officer and the Internal Auditor are invited to attend the Risk Management Committee meetings. Company Secretary acts as Secretary to the committee.

5. Debenture Committee

The Debenture Committee was constituted by the Board to oversee and approve all matters in connection with issue, allotment, and other formalities of Redeemable Non-Convertible Debentures and Subordinated debt. The Committee comprised of the following members as on 31st March, 2016.

Sl.No.	Name of Member	Position Held	Category
1.	Mr. Jisso.C.Baby	Chairman	Whole Time Director (Public Relations and Corporate Affairs)
2.	Mr.T.K.Thomas	Member	Chief Executive Officer
3.	Mr. Thanish Dalee*	Member	Chief Financial Officer
4.	Ms. PriyaMenon	Member	Company Secretary

*Resigned and relieved from company's service on 30.04.2016.

6. Asset Liability Management Committee (ALCO)

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 Committee comprised of the following members as on 31st March, 2016.

Sl.No.	Name of Member	Position Held	Category
1.	Mr. Jisso.C.Baby	Chairman	Whole Time Director (Public Relations and Corporate Affairs)
2.	Mr.T.K.Thomas	Member	Chief Executive Officer
3.	Mr. Thanish Dalee*	Member	Chief Financial Officer
4.	Ms. Kumar N.N	Member	Head Operations and Internal Auditor
5.	Mr. S.V. Manikantan	Member	(GM –Sales, Mktg. & Recovery)

Company Secretary acts as Secretary to the Committee.

*Resigned and relieved from company's service on 30.04.2016.

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
2015	29/09/2015	3.00 P.M. Registered Office of the Company at Mangalodhayam Building, Round South, Thrissur.	Appointment of Mr.P.M.Rajagopal as Director of the Company Adoption of new Memorandum of Association Adoption of new Articles of Association Issue of fully secured redeemable non- convertible Debentures (NCDs) and unsecured Subordinated Debt on Private Placement basis. Issue of equity shares on preferential basis
2014	29/09/2014	3.00 P.M. 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	3.00 P.M. 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.

Details of Extra Ordinary General Meetings held during the period.

No Extra Ordinary General meeting was conducted during the period.

Means of communication to shareholders.

The company has its website at www.chemmanurcredits.com wherein all important details related to 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	30.09.2016 at the Registered Office of the Company at Mangalodhayam Building, Round South, Thrissur – 680 001
5.	Financial Year	2015-16
6.	Date of Book Closure	24.09.2016 to 30.09.2016 (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	248	74.92	24,800,000	4.13
100001 and above	83	25.08	575,200,000	95.87
TOTAL	331	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 and all other investor related activities are attended to and processed at the office of the Registrars and Transfer agents as detailed above.

Human Resources

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity and to contribute to develop and achieve individual excellence and departmental objectives and continuously improve performance to realize the full potential of personnel. Your Company's HR mission is to support our corporate leadership, Department Heads and employees in achieving their personal and strategic goals. The Company continues to focus on training programs for skill development, compliance and improved customer experience. As on March 31, 2016, your Company had 680 Employees as compared to 647 as on March 31, 2015.

Risk management and portfolio quality

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's risk management is embedded in the business processes. The major risks are credit risk, market risk, liquidity risk and operational risk which includes IT risk. The Company has procedures in place to measure, assess, monitor and manage these risks systematically across all its portfolios.

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 and Vigilance Departments. The Audit Committee also oversees the risk management by adopting proper internal control techniques in your company.

Internal Control Systems

The Company has put in place proper and adequate internal control systems to ensure that all assets are safeguarded and protected against

loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly. The internal control is exercised through documented policies, guidelines and procedures. It is supplemented by an extensive program of gold inspections internal audits conducted by in house trained personnel. The audit observations and corrective action taken thereon are periodically reviewed by the Audit Committee to ensure effectiveness of the internal control systems.

Cautionary Statement

Statements made herein describing the Company's expectations or predictions are "forwardlooking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, input costs, government regulations, economic development within/outside the country etc.

By Order of the Board
For Chemmanur Credits and Investments Limited

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

Place: Thrissur
Date:31.08.2016

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, 2016, the Statement of Profit and Loss and the Cash flow statement for the period 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. 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, 2016, and its **profit** and cash flows for the period ended on that date.

Emphasis of Matter

(i) We draw attention to **Note No.30** 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, 2016 ("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 Auditors' Report (Reserve Bank) Directions, 2008, we give in Annexure – III, 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, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure II'; and
- g) With respect to the other matters to be included in the Auditors' 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: 36**.
 - 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 : 30/06/2016

Annexure I to the Auditors' Report

The Annexure I referred to in our report to the members of **Chemmanur Credits and Investments Limited** ("the Company") for the period ended on March 31, 2016. 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.
(c) In our opinion and according to the information and explanations given to us, the Company does not hold any immovable property and thus paragraph 3 (i) (c) of the Order is not applicable.
- (ii) The Company is a service company, primarily rendering Financial Services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, made any investments, provided any guarantees, and given any security to which the provisions of section 185 and 186 of the Companies Act, 2013 are applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and accordingly paragraph 3 (v) of the Order is not applicable.
- (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.
(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute except for the cases mentioned in **Note No: 36**.
- (viii) 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 during the year.
- (ix) The company has not obtained any term loans or raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, managerial remuneration has paid in accordance with requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements of the Company as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph (xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly paragraph (xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has obtained the required registration under section 45-IA of the Reserve Bank of India Act, 1934.

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

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

PLACE : THRISSUR
DATE : 30/06/2016

Annexure II to the Auditors' Report

The Annexure II referred to in our report to the members of **Chemmanur Credits and Investments Limited** (the Company) for the year ended on March 31, 2016.

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

We have audited the internal financial controls over financial reporting of **Chemmanur Credits and Investments Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note issued by the ICAI.

For **CHEERAN VARGHESE & CO**

Chartered Accountants

Firm Registration No : 050061S

Sd/-

C.V. VARGHESE

PARTNER

M. No: 020644

PLACE : THRISSUR

DATE : 30/06/20116

Annexure III 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, 2016** and also the Statement of Profit and Loss and Cash Flow Statement for the period 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, 2016.
3. The Company has not been classified as an Asset Finance Company during the year ended March 31, 2016.
4. The Company has not been classified as an NBFC- MFIs during the year ended March 31, 2016.
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.
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.

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 : 30/06/2016

Balance Sheet as at 31, March, 2016

Particulars	Note No.	Amount in ₹	
		As at	
		March 31, 2016	March 31, 2015
EQUITY & LIABILITIES			
Shareholders' funds			
Share capital	3	60,00,00,000.00	60,00,00,000.00
Reserves and surplus	4	(21,40,544.00)	(95,69,208.00)
		59,78,59,456.00	59,04,30,792.00
Non-current liabilities			
Long-term borrowings	5	2,21,95,11,314.00	1,66,70,03,314.00
Deferred tax liabilities (Net)	6	25,50,710.00	12,46,240.00
Other long term liabilities	7	21,66,35,057.00	15,84,64,624.00
		2,43,86,97,081.00	1,82,67,14,178.00
Current liabilities			
Short-term borrowings	8	19,21,58,392.00	0.00
Other current liabilities	9	9,66,57,658.00	60,49,56,406.00
Short-term provisions	10	2,07,46,474.00	1,18,00,517.00
		30,95,62,524.00	61,67,56,923.00
TOTAL		3,34,61,19,061.00	3,03,39,01,893.00
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	30,73,22,919.00	30,42,20,869.00
Accumulated depreciation / amortization		7,60,88,881.00	5,15,11,299.00
		23,12,34,038.00	25,27,09,570.00
Intangible assets	11	58,84,711.00	58,84,711.00
Accumulated depreciation / amortization		15,46,042.00	9,57,561.00
		43,38,669.00	49,27,150.00
Deferred tax assets (net)		0.00	0.00
Capital work-in-progress	12	8,67,354.00	0.00
Long-term loans and advances	13	22,03,912.00	33,05,868.00
Other Non current assets	14	3,56,49,836.00	3,66,02,343.00
		3,87,21,102.00	3,99,08,211.00
Current assets			
Current Investments	15	0.00	20,00,000.00
Cash and bank balances	16	5,40,98,551.00	10,13,28,746.00
Short-term loans and advances	13	2,77,74,72,876.00	2,36,04,36,750.00
Other current assets	14	24,02,53,825.00	27,25,91,466.00
		3,07,18,25,252.00	2,73,63,56,962.00
Total		3,34,61,19,061.00	3,03,39,01,893.00

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
 Place : Thrissur
 Date : 30/06/2016

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

Statement of profit and loss for the year ended 31, March , 2016

Particulars	Note No.	Amount in ₹	
		Year ended March 31, 2016	Year ended March 31, 2015
Income			
Revenue from operations	17	53,73,50,935.00	48,32,37,371.00
Other income	18	1,73,19,672.00	1,91,03,324.00
Total revenue		55,46,70,607.00	50,23,40,695.00
Expenses			
Finance costs	19	27,51,46,987.00	23,36,05,428.00
Employee benefits expense	20	12,76,29,872.00	11,66,44,647.00
Other expenses	21	11,52,13,785.00	11,01,71,865.00
Depreciation and amortization expense	22	2,52,67,913.00	2,50,82,308.00
Total Expenses		54,32,58,557.00	48,55,04,248.00
Profit before Exceptional, Extraordinary, Prior Period items and tax		1,14,12,050.00	1,68,36,447.00
Exceptional Items		0.00	0.00
Profit before extraordinary items, Prior Period Items and tax		1,14,12,050.00	1,68,36,447.00
Extraordinary Items		0.00	0.00
Profit Before Prior Period Items and Tax		1,14,12,050.00	1,68,36,447.00
Prior Period Items		0.00	0.00
Profit Before Tax		1,14,12,050.00	1,68,36,447.00
Tax expenses			
Current tax		40,20,029.00	36,47,546.00
Deferred tax		13,04,470.00	55,30,509.00
Minimum Alternate Tax		(13,41,113.00)	(36,47,546.00)
Total tax expense		39,83,386.00	55,30,509.00
Profit for the year		74,28,664.00	1,13,05,938.00
Earnings per equity share [nominal value of share ₹10-]	23		
Basic earnings per share (₹)		0.12	0.22
Diluted earnings per share (₹)		0.12	0.22
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/-
Priya Menon
Company Secretary

Sd/-
Jisso C Baby
Director (DIN 01622660)

Place : Thrissur
Date : 30/06/2016

For Cheeran Varghese & Co.,
Chartered Accountants
Firm Registration No.050061S
Sd/-
C.V. Varghese
Partner
M.No. 020644

Cash Flow Statement For The Year Ended March 31, 2016

Particulars	Amount in ₹	
	As at March 31, 2016	As at March 31, 2015
A. Cash flows from operating activities		
Net Profit	74,28,664.00	1,13,05,938.00
Adjustment for :-		
Add: Depreciation	2,52,67,913.00	2,50,82,308.00
Income tax refund received	33,39,932.00	0.00
Provision for Non Performing Assets	65,66,006.00	34,56,245.00
Contingent Provision for Standard Assets	9,81,811.00	1,56,326.00
Loss on Sale of Fixed Asset	14,50,821.00	5,74,206.00
Interest on Shortfall of Advance Tax	1,16,026.00	1,05,509.00
Interest paid on Debentures & Bond	26,82,87,461.00	23,30,48,414.00
Provision For Deferred Tax	13,04,470.00	55,30,509.00
Provision For Income Tax	26,78,916.00	0.00
Less: Interest Received from Bank	34,30,410.00	61,12,760.00
Income received on mutual fund	11,878.00	1,07,100.00
Operating Profit before Changes in Working Capital	31,39,79,732.00	27,30,39,595.00
Changes in Working Capital:		
(Increase)/Decrease in Short Term Loans and Advances	(41,70,36,126.00)	(12,70,31,561.00)
(Increase)/Decrease in Long Term loans and Advances	24,43,069.00	86,97,276.00
(Increase)/Decrease in Other Current Assets	3,23,37,641.00	2,27,21,325.00
(Increase)/Decrease in Other Non-Current Assets	(11,15,957.00)	92,03,139.00
Increase / (Decrease) in Other Current liabilities	86,21,095.00	68,21,812.00
Cash Generated From Operations	(6,07,70,546.00)	19,34,51,586.00
Income Tax Paid	40,09,383.00	24,81,587.00
Net Cash From Operating Activities	(6,47,79,929.00)	19,09,69,999.00
B. Cash Flows From Investing Activities		
Interest received from Bank	34,30,410.00	61,12,760.00
Capital Work in Progress	(8,67,354.00)	6,48,42,718.00
Proceeds From Sale of Fixed Assets	3,13,429.00	1,70,077.00
Purchase of Fixed Assets	(49,68,150.00)	(7,27,86,630.00)
Income Received on Mutual fund Investments	11,878.00	1,07,100.00
Proceeds From Sale of Mutual Fund	20,00,000.00	(19,00,000.00)
Net Cash From Investing Activities	(79,787.00)	(34,53,975.00)
C. Cash Flows From Financing Activities		
Issue of shares	0.00	10,00,00,000.00
Proceeds from Issue of Debentures	4,84,15,000.00	1,96,19,000.00
Proceeds from Issue of Unsecured Bond	5,37,95,000.00	10,48,00,000.00
Proceeds from Loan from Director	(7,23,00,000.00)	(17,63,00,000.00)
Proceeds from SBI cash credit loan	19,21,58,392.00	0.00
Interest Paid on Debentures & Bond	(20,44,38,871.00)	(17,86,00,367.00)
Net Cash From Financing Activities	1,76,29,521.00	(13,04,81,367.00)
Net Increase in Cash and Cash Equivalents	(4,72,30,195.00)	5,70,34,657.00
Cash and Bank Balance at Beginning of Period	10,13,28,746.00	4,42,94,089.00
Cash and Bank Balance at end of Period	5,40,98,551.00	10,13,28,746.00
Components of Cash and Cash Equivalent at the end of the Period		
Current Account with Banks	4,13,46,235.00	4,14,54,893.00
Cash on Hand	1,27,52,316.00	5,98,73,853.00
Total	5,40,98,551.00	10,13,28,746.00

Sd/-

Boby CD

Chairman and MD (DIN 00046095)

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 : 30/06/2016

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 451A 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 respects 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 recognized on realization basis. The Accounting Policies adopted in the preparation of Financial Statements are consistent with those of previous 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.

During the year ended March 31, 2016, the Company has complied with the requirements of Schedule III of Companies Act 2013 for the preparation and presentation of its financial statement. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

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 Years
Electrical Fittings	10 Years
Computer	3 Years
Plant and Equipment	15 Years
Vehicles	8 Years
Strong Room-RCC Frame Structure	60 Years

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.

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 gold ornaments pledged as security in the case of defaulted loan accounts in accordance with the terms of the agreement with the customers.

NOTE: 3 SHARE CAPITAL

	March 31, 2016	March 31, 2015
Authorized shares		
80000000 equity shares of ₹10 each (Previous year 800,00,000 equity shares of ₹ 10 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 60000000 equity shares of ₹ 10/- each)	600,000,000.00	600,000,000.00
Total issued, subscribed and fully paid-up share capital	600,000,000.00	600,000,000.00

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

	March 31, 2016		March 31, 2015	
	No.	Amount	No.	Amount
At the beginning of the year	60000000	600,000,000.00	50000000	500,000,000.00
Issued during the period	-	-	10000000	100,000,000.00
Outstanding at the end of the period	60000000	600,000,000.00	60000000	600,000,000.00

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having face value ₹10/- (PY ₹10/-) 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 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, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Number of Bonus Shares Issued	Nil	Nil	Nil	Nil	Nil

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

	March 31, 2016		March 31, 2015	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
C.D. Bobby	47007700	78.35%	45201200	75.34%
Chemmanur Gold Palace International Limited	7000000	11.67%	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, 2016	As at March 31, 2015
Statutory Reserve		
Balance at the beginning of the year	50,37,839.00	27,76,651.00
Add: Amount transferred from surplus in the Statement of Profit and Loss	14,85,733.00	22,61,188.00
Balance at the end of the year	65,23,572.00	50,37,839.00
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(1,46,07,047.00)	(2,36,11,856.00)
Profit/ Loss for the year	74,28,664.00	1,13,05,938.00
Less: Carrying amounts of Fixed Assets debited to retained earnings where remaining useful life of the asset is NIL as on 31.03.2014	0.00	39,941.00
Less: Appropriations		
Transfer to Statutory reserve	14,85,733.00	22,61,188.00
Total appropriations	14,85,733.00	22,61,188.00
Net surplus in the statement of profit and loss	(86,64,116.00)	(1,46,07,047.00)
Total Reserves and Surplus	(21,40,544.00)	(95,69,208.00)

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 ₹ 14,85,733 (Previous Year - ₹ 22,61,188) 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, 2016	As at March 31, 2015
Non-convertible Debentures - Private placement (Note no.26)	1,39,58,93,000.00	87,48,80,000.00
Unsecured Bond(Note no.28)	65,37,95,000.00	60,00,00,000.00
Loan from Director(Note no.30)	16,98,23,314.00	19,21,23,314.00
Total	2,21,95,11,314.00	1,66,70,03,314.00
The above amount includes		
Secured borrowings	1,39,58,93,000.00	87,48,80,000.00
Unsecured borrowings	82,36,18,314.00	79,21,23,314.00
Total	2,21,95,11,314.00	1,66,70,03,314.00
Aggregate amount of loans guaranteed by directors	0.00	0.00
Aggregate amount of loans guaranteed by others	0.00	0.00

Note .6

Amount in ₹

Deferred tax Liability (net)	As at March 31, 2016	As at March 31, 2015
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting.	(85,25,150.00)	(86,90,960.00)
Gross deferred tax liability	(85,25,150.00)	(86,90,960.00)
Deferred tax asset		
Carry Forward Depreciation Loss	0.00	6,33,710.00
Interest not collected on NPA	20,53,420.00	48,27,040.00
Provision for substandard asset	39,21,020.00	19,83,970.00
Gross deferred tax asset	59,74,440.00	74,44,720.00
Net deferred tax Asset	(25,50,710.00)	(12,46,240.00)

NOTE: 7

Amount in ₹

Other long term liabilities	As at March 31, 2016	As at March 31, 2015
Interest accrued but not due on long term borrowings	21,23,94,117.00	13,70,89,877.00
Interest accrued and due on long term borrowings	40,40,940.00	2,11,74,747.00
Advance received from Western Union Money Transfer	2,00,000.00	2,00,000.00
Total	21,66,35,057.00	15,84,64,624.00

NOTE:8

Amount in ₹

Short Term Borrowings	As at March 31, 2016	As at March 31, 2015
SBI Cash Credit Account	19,21,58,392.00	0.00
Total	19,21,58,392.00	0.00
Aggregate amount of loans guaranteed by directors	19,21,58,392.00	0.00
Aggregate amount of loans guaranteed by others	0.00	0.00

8.2 For details of securities offered Refer Note :38

NOTE:9

Amount in ₹

Other current liabilities	As at March 31, 2016	As at March 31, 2015
Current Maturities of Long-term Borrowings(Refer note 26)	3,22,08,000.00	50,48,06,000.00
Loan From Director	0.00	5,00,00,000.00
Interest Accrued But not Due on Short term Borrowings	2,14,54,544.00	25,50,208.00
Interest Accrued And Due on Short term Borrowings	13,113.00	1,32,39,292.00
Interest Not Collected On NPA	66,45,372.00	1,48,98,274.00
Statutory Dues Payable	59,86,777.00	37,81,437.00
Employee Related Payables	80,16,843.00	22,833.00
Retention Payable	6,08,571.00	22,01,454.00
Rent Payable	53,55,476.00	37,76,259.00
Payable For Expenses	84,90,496.00	28,78,847.00
Others	78,78,466.00	68,01,802.00
Total	9,66,57,658.00	60,49,56,406.00

NOTE:10

Amount in ₹

Short Term Provisions	As at March 31, 2016	As at March 31, 2015
Other provisions		
Provisions for taxation (Note No:29)	13,98,140.00	0.00
Contingent Provision for Standard Assets	66,58,956.00	56,77,145.00
Provision for Non Performing Assets	1,26,89,378.00	61,23,372.00
Total	2,07,46,474.00	1,18,00,517.00

NOTE: 11

Tangible Assets

Description	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.15	Additions	Deductions	As at 31.03.16	As at 01.04.15	Additions	Deductions	Other Adjust	As at 31.03.16	As at 31.03.15	As at 31.03.16
Furniture & Fittings	175740443.02	1845069.00	166547.00	177418965.02	29534757.82	17626986.67	42482.88	0.00	47119261.60	146205685.00	130299703.00
Plant & Machinery	48544824.96	2595429.00	1699553.08	49440700.88	4054463.24	3257223.63	59366.98	0.00	7252319.90	44490362.00	42188381.00
Computer	10808300.00	363888.00	0.00	11172188.00	7983240.33	1364974.58	0.00	0.00	9348214.90	2825060.00	1823973.00
Electrical Fittings	14575821.00	163764.00	0.00	14739585.00	2103062.00	1446638.93	0.00	0.00	3549700.93	12472759.00	11189884.00
Motor Vehicle	843350.00	0.00	0.00	843350.00	394333.94	174612.93	0.00	0.00	568946.87	449016.00	274403.00
RCC Frame Structure	53708130.00	0.00	0.00	53708130.00	7441442.00	808995.36	0.00	0.00	8250436.36	46266688.00	45457694.00
TOTAL	304220868.98	4968150.00	1866100.08	307322918.90	51511299.33	24679432.09	101849.86	0.00	76088881.56	252709570.00	231234038.00
Previous Year	235030474.00	70053114.00	862719.00	304220869.00	26969544.00	24629680.00	118436.00	30511.00	51511299.00	208060930.00	252709570.00

Intangible Assets

Description	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.15	Additions	Deductions	As at 31.03.16	As at 01.04.15	Additions	Deductions	Other Adjust	As at 31.03.16	As at 31.03.15	As at 31.03.16
Intangible Assets	5884711.00	0.00	0.00	5884711.00	957561.00	588481.00	0.00	0.00	1546042.00	4927150.00	4338669.00
TOTAL	5884711.00	0.00	0.00	5884711.00	957561.00	588481.00	0.00	0.00	1546042.00	4927150.00	4338669.00
Previous Year	3151195.00	2733516.00	0.00	5884711.00	504933.00	452628.00	0.00	0.00	957561.00	2646262.00	4927150.00

Note .12

Amount in ₹

Capital work-in-progress	As at March 31, 2016	As at March 31, 2015
Building work in progress	8,67,354.00	0.00
Total	8,67,354.00	0.00

NOTE: 13

Amount in ₹

Long Term Loans and Advances	As at March 31, 2016	As at March 31, 2015
Loan Portfolio		
Unsecured Considered Good		
Staff Advance	22,03,912.00	33,05,868.00
Total	22,03,912.00	33,05,868.00
(a) Secured considered good	0.00	0.00
(b) Unsecured Considered Good	22,03,912.00	33,05,868.00
(c) Doubtful	0.00	0.00
(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	0.00	0.00
(e) Loans and Advances due by Partnership firms or Private companies respectively in which director is a partner or a director or member	0.00	0.00
Short Term Loans and Advances		
Loan Portfolio		
Secured Considered Good		
Gold Loan	1,82,93,10,613.00	1,68,26,81,378.00
Loan Against Debentures	1,31,96,265.00	1,97,18,265.00
Unsecured Considered Good		
Personal loan	17,75,26,291.00	15,39,44,865.00
Micro Finance Loan	27,14,31,524.00	29,49,59,174.00
SME Loan	14,34,82,558.00	19,94,83,229.00
SBL Loan	33,15,34,673.00	0.00
MAT Credit Entitlement	98,88,996.00	85,47,883.00
Staff Advance	11,01,956.00	11,01,956.00
Total	2,77,74,72,876.00	2,36,04,36,750.00
(a) Secured considered good	1,84,25,06,878.00	1,70,23,99,643.00
(b) Unsecured Considered Good	93,49,65,998.00	65,80,37,107.00
(c) Doubtful	0.00	0.00
(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	0.00	0.00
(e) Loans and Advances due by Partnership firms or Private companies respectively in which director is a partner or a director or member	0.00	0.00

NOTE:14

Amount in ₹

Other Non Current Assets / Current Assets	Non-current March 31, 2016	Current March 31, 2016	Non-current March 31, 2015	Current March 31, 2015
Interest Accrued on Loan Portfolio	0.00	22,22,59,433.00	0.00	24,87,19,351.00
Prepaid Expenses	0.00	13,46,000.00	0.00	13,43,987.00
Service Tax Paid In Advance	0.00	3,04,367.00	0.00	1,19,286.00
Gold Ornaments	6,880.00	0.00	6,880.00	0.00
Income Tax Refundable (Note No:29)	0.00	0.00	20,68,464.00	0.00
Tax Deducted At Source	0.00	0.00	0.00	6,967.00
	6,880.00	22,39,09,800.00	20,75,344.00	25,01,89,591.00
Advances Recoverable in Cash or Kind				
Unsecured, considered good	0.00		0.00	
Other Advances	0.00	1,63,44,025.00	0.00	2,24,01,875.00
	0.00	1,63,44,025.00	0.00	2,24,01,875.00
Security Deposits				
Unsecured Considered Good				
Rental deposits	3,45,86,493.00	0.00	3,35,22,978.00	0.00
Other Security Deposits	10,56,463.00	0.00	10,04,021.00	0.00
	3,56,42,956.00	0.00	3,45,26,999.00	0.00
Total	3,56,49,836.00	24,02,53,825.00	3,66,02,343.00	27,25,91,466.00

NOTE:15

Amount in ₹

Current Investments/Non Current Investments	Non-current March 31, 2016	Current March 31, 2016	Non-current March 31, 2015	Current March 31, 2015
Investments in Mutual Fund	0.00	0.00	0.00	20,00,000.00
Total	0.00	0.00	0.00	20,00,000.00
Aggregate value of quoted investments		0.00		20,00,000.00
Market value of quoted investments		0.00		20,08,941.85

NOTE:16

Amount in ₹

Cash and bank balances	Non-current March 31, 2016	Current March 31, 2016	Non-current March 31, 2015	Current March 31, 2015
Balances with banks:	0.00	4,13,46,235.00	0.00	4,14,54,893.00
Cash on hand	0.00	1,27,52,316.00	0.00	5,98,73,853.00
Total	0.00	5,40,98,551.00	0.00	10,13,28,746.00

NOTE:17

Amount in ₹

Revenue from operations	Year ended March 31, 2016	Year ended March 31, 2015
Interest Income		
- Gold loans	33,70,71,100.00	35,81,98,884.00
- Other loans	1,33,15,691.00	1,94,91,534.00
- Micro Finance	6,16,99,087.00	7,42,43,913.00
- SME loans	8,58,13,133.00	33,11,063.00
-SBL Loan	1,70,91,655.00	0.00
Revenue From other services		
- Commission	1,56,68,473.00	2,53,87,139.00
- Service Charge	66,91,796.00	26,04,838.00
Total	53,73,50,935.00	48,32,37,371.00

NOTE:18

Amount in ₹

Other Income	Year ended March 31, 2016	Year ended March 31, 2015
Interest income on Bank and other deposits	34,30,410.00	61,12,760.00
Rental Income	1,25,76,418.00	1,28,15,949.00
Lease Rentals	9,94,753.00	61,903.00
Income from Mutual Fund	11,878.00	1,07,100.00
Auction Charges	6,906.00	5,612.00
Auction Loss Recovery	1,15,609.00	0.00
Interest on refund of income tax	1,83,698.00	0.00
Total	1,73,19,672.00	1,91,03,324.00

NOTE: 19

Amount in ₹

Finance Cost	Year ended March 31, 2016	Year ended March 31, 2015
Interest		
- on Debentures	17,17,22,202.00	16,35,72,247.00
- on Subordinate Bonds	9,65,65,259.00	6,94,76,167.00
- on SBI Cash Credit	35,30,429.00	0.00
Other borrowing cost		
- Bank Charges	19,62,082.00	4,49,008.00
- Interest on Statutory Dues	6,543.00	2,497.00
- Interest on Short fall of Advance tax	1,16,026.00	1,05,509.00
- Commission paid	12,44,446.00	0.00
Total	27,51,46,987.00	23,36,05,428.00

NOTE: 20

Amount in ₹

Employee benefit expense	Year ended	Year ended
	March 31, 2016	March 31, 2015
Salaries, wages and bonus	10,34,39,193.00	9,30,34,174.00
Contribution to provident and other funds	45,37,492.00	28,95,382.00
Incentive	1,96,15,812.00	2,06,70,176.00
Staff welfare expenses	37,375.00	44,915.00
Total	12,76,29,872.00	11,66,44,647.00

NOTE: 21

Amount in ₹

Other expenses	Year ended	Year ended
	March 31, 2016	March 31, 2015
Electricity	67,67,159.00	55,71,732.00
Inauguration Expenses	48,962.00	11,935.00
Software Maintenance	23,74,330.00	10,82,196.00
Rent	5,05,19,496.00	4,93,59,022.00
Rates and Taxes	12,77,957.00	4,60,882.00
Insurance	8,52,001.00	13,09,248.00
Repairs and Maintenance	21,57,350.00	40,67,237.00
Advertising and Sales Promotion	14,94,369.00	22,91,683.00
Service tax paid	17,10,021.00	14,46,824.00
Office Expenses	46,19,713.00	42,83,022.00
Travelling and conveyance	65,99,269.00	50,55,702.00
Communication Costs	82,06,491.00	54,58,389.00
Printing and Stationery	13,15,817.00	15,88,268.00
Payment to Auditors	3,50,000.00	3,11,500.00
Legal and Professional fees	18,69,151.00	23,14,771.00
Security Charges	1,54,49,657.00	2,04,79,857.00
Provision for Standard Assets	9,81,811.00	1,56,326.00
Provision for Substandard Assets	65,66,006.00	34,56,245.00
Miscellaneous Expenses	19,12,369.00	14,67,026.00
Auction Recovery Charges	1,41,856.00	0.00
Total	11,52,13,785.00	11,01,71,865.00

NOTE: 22

Depreciation and amortization expense	Year ended	Year ended
	March 31, 2016	March 31, 2015
Depreciation of tangible assets	2,46,79,432.00	2,46,29,680.00
Amortization of intangible assets	5,88,481.00	4,52,628.00
Total	2,52,67,913.00	2,50,82,308.00

Note: 23

Earnings per share (EPS)

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

	Year ended	Year ended
	March 31, 2016	March 31, 2015
Net profit for calculation of basic EPS	74,28,664.00	1,13,05,938.00
Weighted average number of equity shares in calculating basic EPS (Nos.)	6,00,00,000.00	5,14,79,452.00
Effect of dilution:		
Stock options granted under ESOP (Nos.)	0.00	0.00
Weighted average number of equity shares in calculating diluted EPS (Nos.)	6,00,00,000.00	5,14,79,452.00
Basic earnings per share (₹)	0.12	0.22
Diluted earnings per share (₹)	0.12	0.22

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

25. The Applicability of The Kerala Money-Lenders Act, 1958 to Non Banking Financial Companies is pending before Honourable Supreme Court of India.

26. Notes on Non Convertible Debentures (NCDs) issued under Private Placement.

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.

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

As on 31st March 2016

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	2500000.00	0.00	0.00	131000.00	2631000.00
4 Years	3300000.00	0.00	0.00	0.00	3300000.00
3 Years	36155000.00	2300000.00	2000.00	206500.00	38663500.00
2 years	354148000.00	10088000.00	0.00	42433500.00	406669500.00
Less than 1 Year	941654000.00	3180000.00	6557000.00	25446000.00	976837000.00
Total	1337757000.00	15568000.00	6559000.00	68217000.00	1428101000.00

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	0.00	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

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

Particulars	Amount in ₹	
	As on 31st March 2016	As on 31st March 2015
NCD 2011/11-01	27,477,000.00	31,504,000.00
NCD 2012/02(DD)	3,695,000.00	3,879,000.00
NCD 2012/03(TD)	257,000.00	319,000.00
NCD 2012/04	27,218,000.00	28,221,000.00
NCD 2012/05	67,094,000.00	73,201,000.00
NCD 2012/06	160,468,000.00	188,248,000.00
NCD 2012/07	88,759,000.00	111,188,000.00
NCD 2012/08	311,710,000.00	348,965,000.00
NCD 2012/09	408,362,000.00	436,382,000.00
(See Note 1)	1,095,040,000.00	1,221,907,000.00
NCD 2014/11A	6,000,000.00	8,500,000.00
NCD 2014/11	20,000,000.00	20,000,000.00
NCD 2014/11B	27,000,000.00	29,500,000.00
(See Note 2)	53,000,000.00	58,000,000.00
NCD 2015/12 -	85,749,000.00	99,779,000.00
NCD 2015/13 -	184,312,000.00	-
NCD 2015/14	10,000,000.00	-
See Note 3)	280,061,000.00	99,779,000.00
Grand Total	1,428,101,000.00	1,379,686,000.00

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;

28. Notes on Subordinate Debt Certificates issued under Private Placement.

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

As on March 31 2016

Maturity Date	<=13.5%	>13.5<=14.5	>14.5<=16.1%	>16.1<=30%	Total
5 Year and Above	37,620,000.00	95,000.00	2,600,000.00	-	40,315,000.00
4 Year to 5 years	12,030,000.00	200,000.00	355,000.00	-	12,585,000.00
3 Year to 4 years	57,685,000.00	695,000.00	57,890,000.00	-	116,270,000.00
2 Year to 3 years	109,975,000.00	23,350,000.00	154,345,000.00	-	287,670,000.00
1 Year to 2 years	5,275,000.00	93,080,000.00	98,600,000.00	-	196,955,000.00
Total	222,585,000.00	117,420,000.00	313,790,000.00	-	653,795,000.00

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	50,640,000.00	-	-	68,360,000.00	119,000,000.00
3 Year to 4 years	107,305,000.00	18,685,000.00	-	157,745,000.00	283,735,000.00
2 Year to 3 years	-	98,735,000.00	-	98,530,000.00	197,265,000.00
Total	157,945,000.00	117,420,000.00	-	324,635,000.00	600,000,000.00

29. Notes to Income Tax Provision/(Refundable)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision For Income Tax		
2013-14	0.00	18,02,942.00
2014-15	38,57,986.00	38,57,986.00
2015-16	41,36,055.00	0.00
(A)	79,94,041.00	87,58,312.00
Less : Advance Tax		
2013-14	0.00	20,00,000.00
2014-15	13,76,399.00	0.00
2015-16	0.00	0.00
(B)	13,76,399.00	49,85,618.00
Tax Deducted at Source		
2013-14	0.00	31,42,874.00
2014-15	24,81,587.00	24,81,587.00
2015-16	27,37,915.00	0.00
(C)	52,19,502.00	57,36,227.00
Mat Credit Entitlement 2015-16	0.00	0.00
(D) Provision Net of Advance tax and TDS (A)-((B) + (C) + (D))	13,98,140.00	(19,63,533.00)

30. Loan from Director

Company has taken loan from Mr. C.D. Bobby, chairman and managing director of the company and also issued non convertible debentures to him in the previous years. Yearend balance of loan from Mr. C.D. Bobby and debentures issued is ₹ 169823314.00 and ₹ 1330000.00 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.

31. Disclosure as per AS - 15**i. Defined Contribution Plan**

Particulars	Amount in ₹	
	March 31, 2016	March 31, 2015
Contribution to Employee's Provident Fund	1,847,498.00	625,979.00
Contribution to Employee's State Insurance	2,278,736.00	2,118,475.00
Contribution to Employee's Group Insurance	258,359.00	95,310.00

32. 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	
	2016	2015	2016	2015	2016	2015
Standard Assets	1821149836.00	1671509211.89	4552875.00	4178773.00	1816596961.00	1667330438.89
Sub Standard Assets	6024818.00	10150523.56	602482.00	1015052.00	5422336.00	9135471.56
Doubtful Asset	1713918.00	1021642.40	352514.00	204328.00	1361404.00	817314.40
Loss Asset	Nil	Nil	Nil	Nil	Nil	Nil
Total	1828888572.00	1682681377.85	5507871.00	5398153.00	1823380701.00	1677283224.85

• Other Loans

Particulars	Amount in ₹					
	Gross Loan Outstanding		Provision For Assets		Net Loan Outstanding	
	2016	2015	2016	2015	2016	2015
Standard Assets	842432402.59	599348831.49	2106081.00	1498372.00	840326321.59	597850459.49
Sub Standard Asset	77562732.52	49027998.38	7756273.00	4902800.00	69806459.52	44125198.38
Doubtful Asset	3978108.56	1192.00	3978109.00	1192.00	-0.44	0.00
Loss Asset	Nil	Nil	Nil	Nil	Nil	Nil
Total	923973243.67	648378021.87	13840463.00	6402364.00	910132780.67	641975657.87

Percentage of Non - Performing asset to Total loans outstanding = 3.24%

Percentage of Gold Loan Non-Performing Asset to Total Gold loan outstanding = 0.42%

33. Loan to Asset Values

Particulars	Amount in ₹	
	March 31, 2016	March 31, 2015
Gold Loan	1,828,888,572.00	1,682,681,377.85
Total Assets	3,346,119,061.00	3,033,901,893.00
% of Gold Loan to total Assets	54.66	55.46

34 - Leverage Ratio

Particulars	2015-16	2014-15
Total Liabilities	3,346,119,061.00	3,033,901,893.00
Less: Share Capital	600,000,000.00	600,000,000.00
Less: Reserves & Surplus	(2,140,544.00)	(9,569,208.00)
Total Outside Liabilities (A)	2,748,259,605.00	2,443,471,101.00
Share Capital	600,000,000.00	600,000,000.00
Reserves and Surplus	(2,140,544.00)	(9,569,208.00)
Less: Intangible Asset	4,338,669.00	4,927,150.00
Less: Deferred Tax Asset	0.00	0.00
Total Owned Funds (B)	593,520,787.00	585,503,642.00
Leverage Ratio (A) / (B)	4.63	4.17

35. 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:

Auction of Gold ornaments pledged as security in the defaulted loan accounts

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	10115	285,827,287.00	136,893,780.00	422,721,067.00	349,506,500.00

Note: No sister concerns participated in the auctions during the year ended March 31, 2016

36. Pending Litigations on the Financial position of the Company

Claims against the Company not acknowledge as debts.	March 31, 2016	March 31, 2015
(i)Income Tax demand for the A.Y. 2012-13	18,68,101.00	0.00
The Joint Commissioner of Income Tax, Thrissur has issued an order imposing penalty u/s 271D of the Income Tax Act amounting to '24,90,805.00 for violating provisions of 269SS for the A.Y. 2012-13. Appeal against the order has been filed with the Commissioner of Income Tax (Appeals) Thrissur. Company has made a pre-deposit of '6,22,704.00.		
(ii)Income Tax demand for the A.Y. 2012-13	0.00	0.00
Income tax appeal is pending with the commissioner 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 increase the tax liability of the company but it has reduced the carry forward losses to the subsequent years. The total amount of addition is ' 9587477.00.		
(iii)Income Tax demand for the A.Y. 2013-14	0.00	0.00
Income tax appeal is pending with the commissioner of Income Tax (Appeals), Thrissur for the AY 2013-2014. Appeal is filed by the company against the order under sec 143(3) of the Income Tax act 1961, issued by the Assistant Commissioner of Income-Tax, Circle-1(1), Thrissur making an addition by disallowing expenditure. The addition did not increase the tax liability of the company but it has reduced the carry forward losses to the subsequent years. The total amount of addition is ' 9858886.00.		

37. 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 31-03-2016	As on 31-03-2015
Associates	<ol style="list-style-type: none"> CDB 24 Karat Gold and diamonds Private limited. CDB 24 Karat Gold and Diamonds (Manjeri) Pvt. Ltd. CDB 24 Karat International Jewellers Private Limited. PushyaragamJewellers (koyilandi) Private Limited. Kohinoor Gold Durbar Private limited. Indraneelam Jewellery Mart(Tirur) Private Limited Vydooryam Fashion Jewellers (Chemmad) Pvt. Ltd. Chemmanur Gold Palace International Ltd Boby Chemmanur (No.1) Chits Private Ltd Boby Chemmanur Airlines Private Ltd Boby Housing and Construction Private Limited CD Boby Developers and Builders Private Ltd CDB Infrastructure Private Limited BDC Realty and Infra PrivateLimited DBC Real Estate Developers Private Ltd. Ripples Associates India Private Limited Boby Chemmanur Nidhi Ltd. 	<ol style="list-style-type: none"> CDB 24 Karat Gold and diamonds Private limited. CDB 24 Karat Gold and Diamonds (Manjeri) Pvt. Ltd. CDB 24 Karat International Jewellers Private Limited. Pushyaragam jewellers (koyilandi) private limited. Kohinoor Gold Durbar Private limited. Indraneelam Jewellery Mart(Tirur) Private Limited Vydooryam Fashion Jewellers (Chemmad) Pvt. Ltd. Chemmanur Gold Palace International Ltd Boby Chemmanur (No.1) Chits Private Ltd Boby Chemmanur Airlines Private Ltd Boby Housing and Construction Private Limited CD Boby Developers and Builders Private Ltd CDB Infrastructure Private Limited BDC Realty and Infra PrivateLimited DBC Real Estate Developers Private Ltd. Ripples Associates India Private Limited
Key Management Personnel	<ol style="list-style-type: none"> C. D. Boby (Chairman & MD) T.K. Thomas (CEO) Priya Menon (CS) Jisso C. Baby(W.T.D) 	<ol style="list-style-type: none"> C. D. Boby (Chairman & MD) T.K. Thomas (CEO) Priya Menon (CS) Jisso C. Baby(W.T.D)
Relatives of Key Management Personnel	<ol style="list-style-type: none"> Mr. C I Devassykutty Mrs. Smitha Boby Mrs. Cisly Devassykutty Bynny Joffi Mr. Bose Devassykutty Ms. Anna Boby Mr. Nishanth David Thomas Mr. Nidhin George Thomas 	<ol style="list-style-type: none"> Mr. C I Devassykutty Mrs. Smitha Boby Mrs. Cisly Devassykutty Bynny Joffi Mr. Bose Devassykutty Ms. Anna Boby Mr. Nishanth David Thomas Mrs. Annamma David Mr. Nidhin George Thomas

(b) Related Party Transactions During the Year

Particulars	Associates		Key Management Personnel		Relatives of Key Management Personnel	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Loan Received						
Loan from chairman	-	-		172,500,000.00	-	-
Loan Repaid						
Loan Repaid to Chairman	-	-	72,300,000.00	348,800,000.00	-	-
Share Issue						
Preferential Issue of Equity Shares to Chairman by converting loan	-	-	-	100,000,000.0	-	-
Interest Paid						
C. D. Bobby (NCD and Bond purchased from other Investors)	-	-	427,490.00	209,895.00	-	-
Commission Received						
Boby Chemmanur (No.1) Chits Private Ltd	329,083.00	14,495.00	-	-	-	-
Chit Collection Received						
Boby Chemmanur (No.1) Chits Private Ltd	10,630,969.00	1,101,622.00		-	-	-
Chit Collection Repaid						
Boby Chemmanur (No.1) Chits Private Ltd	10,630,969.00	1,101,622.00	-	-		
Remuneration to Whole time Director						
Jisso C Baby	-		699,000.00	692,000.00		-
Gold Sale						
Chemmanur International Jewellers	1,391,725.00	-	-	-	-	-
Gold Purchase						
Chemmanur International Jewellers	293,133.00	-	-	-	-	-
Rent Received						
Chemmanur Gold Palace International Limited	12,576,418.00	12,815,949.00	-	-	-	-

38. SECURITY OFFERED**1. PRIMARY SECURITY**

Hypothecation of loan receivables to the extent of '35.00 crs(both present & future) of the company.

2. COLLATERAL SECURITY**a) IMMOVABLE PROPERTY**

784.62 Cents of Land In Sy No.984/P, 147/197/7, 983/1, 985/1p, 986/1p, 987/1p, 985/1p, 147/197/8, 147/197/3, 984/1p, 984/P In Ollukkara Village, Thrissur Taluk, Ollukkara SRO In The Name Of M/s C.D Bobby Developers And Builders Pvt Ltd

b) 5.93 Cents of Land In Sy No.984/3p In Ollukkara Village, Thrissur Taluk, Ollukkara SRO In The Name of Bobby Housing And Constructions Pvt Ltd

3 THIRD PARTY GUARANTEES**A. Personal Guarantees of**

- 1.Sri.C.D.Boby
- 2.Sri. LijoMoothedan
3. Sri. Jisso C Baby

B. Corporate guarantees of

1. M/s. C.D Bobby Developers And Builders Pvt Ltd
2. M/s Bobby Housing And Constructions Pvt Ltd

39. Additional Information to the Statement of Profit and Loss

Particulars	Amount in ₹	
	As on 31-03-2016	As on 31-03-2015
(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-Systemically Important Non-Banking Financial (Non – Deposit Accepting of Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015)

Particulars	(₹ in Lakhs)	
Liability Side :		
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	14281.01	Nil
: Unsecured - Subordinate Debt (Bond)	6537.95	Nil
(other than falling within the meaning of public deposit)		
(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)	1698.23	Nil

*See note 1 below

Asset Side:
Amount Outstanding in Rs. Lakhs

2. Break-up of Loans and Advances including bills receivables[other than those included in (4) below]:	
(a) Secured	18425.07
(b) Unsecured	9371.70
3. 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	

4. Break up of Investments :

Amount Outstanding in Rs. Lakhs

Current Investments:		
1. Quoted:	(i) Shares (a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government Securities	Nil
	(v) Others (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	18369.99	9233.29	27603.28
Total	18369.99	9233.29	27603.28

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	Nil	Nil
Total	Nil	Nil

7 Other Information

Particulars	Amount
(i) Gross Non – Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	892.80
(ii) Net Non-Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	765.90
(iii) Assets acquired in satisfaction of debt	Nil

*Notes:

1. As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. 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.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments 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

Place : Thrissur,
Date : 30/06/2016

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

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, 2016

To,
 The Members,
 Chemmanur Credits and Investments Limited,
 Mangalodhayam Building, Round South, Thrissur,
 Pin-680001 Ph: 0487-3041200, 2424010

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,2016,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, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder(as amended from time to time) 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 thereunder; - 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. There was no change in the composition of the Board of Directors during the year under review.

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 1,96,912 Secured Redeemable Non-Convertible Debentures of face value of Rs.1000/-each aggregating to Rs.1,9,69,12,000/-arising out of Private Placement made during the Financial Year 2015-16.

Sd/-

Place: Thrissur
Date: 31/08/2016

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

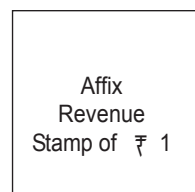
3. Name:		
Address:		Signature:..... ,
E-mail Id:		

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 Friday, 30th September 2016 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 st March 2016 and the Directors' and Auditors' Reports thereon.
2.	Re-appointment of Mr. Lijo Moothedan, Director, who retires by rotation and being eligible, offers himself for reappointment.
3.	Appointment of M/s. Cheeran Varghese & Co., Chartered Accountants as the statutory auditors and fixing their remuneration
Special business	
4.	Appointment of Mr. Jisso C. Baby as Whole time Director (Public Relations and Corporate Affairs)
5.	Issue of NCDs / Subordinate Debt.
6.	Preferential Issue of Equity Shares.

Signed this..... day of September 2016

Signature of Proxy holder(s) Signature of shareholder



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



Chemmanur Credits and Investments Limited

CIN: U65923KL2008PLC023560
Mangalodhayam Building,
Round South, Thrissur, Pin-680001
Ph: 0487-3041200, 2424010
Email: mail@chemmanurcredits.com
Website: www.chemmanurcredits.com

ATTENDANCE SLIP

Eighth Annual General Meeting 30.09.2016

Folio No. / DP ID Client ID No.	
Name of First named Member/Proxy/ Authorised Representative	
Name of Joint Member(s), if any:	
No. of Shares held	

I/We certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/We hereby record my/our presence at the Eighth Annual General Meeting of the Company being held on Friday, 30th September, 2016 at 3.00 p.m at the Registered Office of the company at Mangalodhayam Buildings, Round South, Thrissur- 680 001.

Signature of First holder/Proxy/Authorised Representative:	
Signature of 1st Joint holder:	
Signature of 2nd Joint holder:	

Note (s): 1. **Please duly fill and sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.**

2. **Only shareholders of the Company and/or their Proxy will be allowed to attend 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. Pramod M.
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

- ▶ ഗോൾഡ് ലോൺ ▶ ബിസിനസ്സ് ലോൺ ▶ മൈക്രോ ഫിനാൻസ്
- ▶ കടപത്രങ്ങൾ
- ▶ ടിക്കറ്റ് ബുക്കിംഗ് (വിമാനം / ട്രെയിൻ / ബസ്)
- ▶ വിദേശത്തുനിന്നും പണം സ്വീകരിക്കാനുള്ള സൗകര്യം
- ▶ "Eazy Gold" - ഗോൾഡ് ലോൺ തവണ വ്യവസ്ഥയിൽ
- ▶ "X-pay" - ഇന്ത്യയിൽ ഉടനീളം പണം അയക്കുവാനുള്ള സൗകര്യം





CHEMMANUR
Credits and Investments Limited

GOLD LOAN



Customer Care : 95440 89999 Email : mail@chemmanurcredits.com
www.chemmanurcredits.com