

BOARD'S REPORT

To

The Members,

Your Directors have pleasure in presenting the **8th Annual Report** on the business and operations of the company together with the Audited Statement of Accounts for the Financial Year ended 31st March 2019.

Financial Performance:

During the year under review, performance of your Company was as under:

Particulars	Amount in ₹	
	Year ended 31 st March, 2019	Year ended 31 st March, 2018
Total revenue	12,36,10,517	9,88,08,925
Total Expenses	12,84,56,072	8,67,58,233
Profit/(Loss) before taxation	(48,45,555)	1,20,50,692
Less/Add:		
Current Tax	-	39,75,907
Deferred Tax	(12,91,265)	(7,65,236)
Total Tax Expenses	(12,91,265)	32,10,671
Profit / Loss after tax	(35,54,290)	88,40,021
Add: Balance B / F from the previous year	1,35,78,231	65,06,214
Less: dividend and dividend distribution tax	1,28,14,369	-
Less: Transfer to reserve	-	17,68,004
Balance Profit /(Loss) C / F to the next year	(27,90,428)	1,35,78,231

Dividend:

During the Financial Year 2018-19, the company has incurred a net loss of ₹ 35,54,290/-. Hence, the Board didn't recommend any dividend during this financial year.

State of Company's Affairs and Future Outlook

During the Financial Year 2018-19, the Company registered a growth of 25% in its revenue as compared to the previous Financial Year 2017-18. However overall expenditure increased by 48%. During the year under review the company earned a total revenue of ₹ 12,36,10,517/- consisting of interest income of ₹ 10,60,75,385/-, Loan Processing Income of ₹ 1,24,763/-, income from investment of ₹ 4,99,319/-, income from mutual fund distribution of ₹ 1,47,54,173/-, commission-insurance ₹ 10,92,125/- and other income of ₹ 10,64,752/-. The Company has incurred expenditure of ₹ 12,84,56,072/- including

provision created for vendor advances and towards standard and substandard assets and detailed in the profit and loss account.

Material changes and commitments, if any, affecting the financial position of the company which has occurred between the end of the Financial Year of the company to which the Financial Statements relate and the date of the report:

There were no material changes and commitments likely to affect the financial position of the Company, which is having an impact on the functioning and working of the Company. The operations of the Company have been effectively managed, and the Management shall review the performance from time to time in order to monitor the business activities of the Company.

Change in nature of business, if any:

Your Company has not deviated from its line of business activity nor has expanded the area of activities.

Reserves:

During the Financial Year 2018-19, your company has incurred loss hence no amount is transferred to the reserves.

Share Capital:

The Capital structure of the Company is as follows:

Share Capital	31.03.2019	31.03.2018
Authorized Share Capital 75,000,000 Equity Shares of ₹10/- each	750,000,000	750,000,000
Issued Share Capital 23,716,544 Equity Shares of ₹ 10/- each	237,165,440	237,165,440
Subscribed and fully paid up Share Capital 21,293,817 Equity Shares of ₹ 10/- each fully paid up	212,938,170	212,938,170
Subscribed but not fully Paid up Share Capital 1,150,000 Equity Shares of ₹ 10/- each in which ₹ 3.05/ share paid up 1,272,727 Equity Shares of ₹ 10/- each in which ₹ 6.5/ share paid up	3,507,500 8,272,726	3,507,500 8,272,726
Total	224,718,396	224,718,396

Changes in Share Capital:

There was no change in the share capital of the company during the Financial Year 2018-19.

During the financial year 2018-19 the company had issued 3,13,000 Secured Non-Convertible Redeemable Debentures of ₹ 1000/- each aggregating to ₹ 31,30,00,000/- and 1,50,000 Unsecured Non-Convertible Redeemable Debentures of ₹ 1000/- each up to an amount of 15,00,00,000/- by way of private placement.

Revision of Financial Statement:

There was no revision of the Financial Statements of any earlier years during the year under review.

Extract of Annual Return:

As provided under Section 92(3) of the Act, extract of Annual Return for the Financial Year 2018-19, in Form MGT-9, is required to be enclosed is attached to the report as Annexure I.

Subsidiary / Associate Companies / Joint Ventures:

For the Financial Year ended on 31st March 2019, the Company has had no holding company, subsidiaries or associate and joint ventures.

Composition of Board:

During the Financial Year under review, the Board comprised of the following members:

DIN	Name of the Director	Designation	Date of Appointment	Date of Cessation
01254207	Alex K Babu	Managing Director	15/02/2011	NA
01038074	Pradeep Kumar Cheenankandy	Director	25/02/2015	29/11/2018
01969624	Ambrish Naresh Sampat	Director	20/11/2015	NA
06560851	John George	Director	09/03/2016	NA
06379667	Rapheal Thomas	Director	19/04/2018	NA

During the Financial Year 2018-19, Mr. Pradeep Kumar Cheenankandy (DIN: 01038074), Director of the company tendered his resignation from the post of directorship with effect from 29/11/2018 and the Board had approved the same.

Further on the recommendation of Nomination and Remuneration Committee, Mr. Kiliyanat Padmakumar Puliasseri, was appointed as an Additional Director, with effect from 1st July 2019.

All Independent Directors have given their declarations that they meet the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013.

Key Managerial Personnel:

The Key Managerial Personnel comprised of the following members: -

DIN / PAN	Name	Designation
01254207	Alex K Babu	Managing Director
CIJPS6370Q	Suraj Ramachandran	Chief Financial Officer
AZNPT4889J	Anju Thomas	Company Secretary

The company has appointed Mr. Vinay Sasidharan as Chief Executive Officer w.e.f 01/08/2019

Meetings of the Board of Directors:

During the Financial Year 2018-19, 19 meetings of Board of Directors of the company were held as detailed below;

Date of the meeting	Pradeep Kumar Cheenankandy	Alex Kalluvila Babu	Rapheal Thomas	Ambrish Naresh Sampat	John George
19.04.2018	Present	Present	Present	Present	Present
20.04.2018	Present	Present	Present	Present	Present
01.05.2018	Present	Present	Present	Present	Present
01.06.2018	Present	Present	Present	Present	Present
01.07.2018	Present	Present	Present	Present	Present
15.07.2018	Present	Present	Present	Present	Present
16.07.2018	Present	Present	Present	Present	Present
01.08.2018	Present	Present	Present	Present	Present
21.08.2018	Present	Present	Present	Present	Present
01.09.2018	Present	Present	Present	Present	Present
01.10.2018	Present	Present	Present	Present	Present
01.11.2018	Present	Present	Present	Present	Present
01.12.2018	NA	Present	Present	Present	Present
31.12.2018	NA	Present	Present	Present	Present
08.01.2019	NA	Present	Present	Present	Present
01.02.2019	NA	Present	Present	Present	Present
28.02.2019	NA	Present	Present	Present	Present
01.03.2019	NA	Present	Present	Present	Present
11.03.2019	NA	Present	Present	Present	Present

*Mr. Pradeep Kumar Cheenankandy ceased to be the Director of the Company w.e.f. 29th November 2018

As, Mr. Kiliyanat Padmakumar Puliasseri was appointed after the financial year 2018-19 and hence did not attend any meetings of the Board of Directors held in FY 2018-19.

General Meeting:

Date of Meeting	Nature of Meeting	No. of Directors attended the meeting	No. of members attended the meeting including Directors
12.09.2018	Annual General Meeting	2	13
18.04.2018	Extra Ordinary General Meeting	1	4
19.12.2018	Extra Ordinary General Meeting	1	4

Independent Directors Meeting:

Date of Meeting	John George	Ambrish Naresh Sampat
Category	Independent Director	Independent Director
25.09.2018	Present	Present

Audit Committee:

The Company has constituted an Audit Committee as required under Section 177 of the Companies Act, 2013. The Board has accepted all the recommendations of the Audit Committee during the year 2018-19 and Mr. John George was the Chairman of such Committee meeting.

The Composition and details of meeting of Audit Committee is as follows:

Date of Meeting	Alex K Babu	Ambrish Naresh Sampat	John George
Category	Executive and Non-independent Director	Non-Executive and Independent Director	Non-Executive and Independent Director
21.08.2018	Present	Present	Present

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of Directors decides on the policies and details of remuneration payable to the Directors. The Committee had met three times during the Financial Year under review i.e on 19.04.2018, 21.08.2018 and 01.12.2018, and all its members were present at the Meetings and Mr. Ambrish Naresh Sampat was the Chairman of such Committee Meetings. The composition of the Nomination and Remuneration Committee is as follows: -

Date of the meeting	Pradeep Kumar C	Ambrish Naresh Sampat	John George
Category	Non-Executive and Non-independent Director	Non-Executive and Independent Director	Non-Executive and Independent Director
19.04.2018	Present	Present	Present
21.08.2018	Present	Present	Present
01.12.2018	NA	Present	Present

Due to the resignation of existing Director Mr. Pradeep Kumar C on 29/11/2018, the company had decided to reconstitute the Nomination and Remuneration Committee at its meeting held on 01/12/2018.

Remuneration Policy:

The Company has laid down remuneration criteria for directors, key managerial personnel and other employees in the Remuneration Policy. **The main contents of this policy are as follows:**

1. The remuneration structure is based on the qualification and skill levels at the time of joining the organisation and reviewed on a yearly basis by way of an assessment of their actual performance, through a robust "Performance Management System".
2. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully and is comparable to the compensation structure obtaining in other NBFCs and the broader financial sector.
3. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
4. Remuneration to executive directors, key managerial personnel involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Particulars of Loan, Guarantees and investments under Section 186:

The Company, being a Non-Banking Financial Company registered under Chapter IIIB of the Reserve Bank of India Act, 1934, is exempted from the provisions of Loans made by Company under Section 186 of Companies Act, 2013. The company has made an investment of ₹ 1,21,95,000/- in one of the group company M/s Hedge Equities Ltd and the company has not made any guarantee in contraventions of Sub-section (1) of Section 186 of Companies Act, 2013.

Particulars of Contracts or Arrangements with Related Parties:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in subsection (1) of Section 188 of the Companies Act, 2013 read along with rule 8 of the Companies (Accounts) Rules, 2014 has been enclosed in Form AOC-2 attached as Annexure II

Auditors:

M/s Manikandan & Associates, Chartered Accountants, having firm registration number 008520S, were appointed by the Company at the 4th Annual General Meeting held on 07.08.2015 as Statutory Auditors of the Company for a period of 4 Financial Years subject to ratification by members each year. The term of his appointment has been completed by this 8th AGM and he is eligible to re-appointment for a

period of 2 financial years i.e, 2019-20 and 2020-2021. A resolution as detailed below will be placed in the next AGM of the Company in this regard.

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Manikandan & Associates, Chartered Accountant, (Firm Registration No. 008520S) be and is hereby appointed as the Statutory Auditors of the Company for the next two years to hold the office from the conclusion of this 8th Annual General Meeting till the conclusion of 10th Annual General Meeting of the Company, subject to ratification by members every year, on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor.

“RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.

Auditor's report:

Your Company confirms that there are no qualifications in the Statutory Auditor's Report for the year under review.

Fraud reporting by the Auditors

During the year, there were no instances of fraud reporting by the Auditors to the Management, hence the provisions of Section 143(12) of the Companies Act, 2013 is not applicable to the Company.

Cost Auditors

The provisions of Companies (Cost Records & Audit) Amendment Rules 2014 are not applicable to your Company. The Central government has not specified maintenance of cost records for the Company under sub – section (1) of section 148 of the Companies act 2013. Therefore, there is no requirement for appointment of Cost Auditors.

Secretarial Auditors:

Section 204 of the Companies Act, 2013 with regard to Secretarial audit is not applicable to your Company during the year under review, since the Company is unlisted public Company and the paid-up share capital of the Company is less than ₹ 50 Crore and turnover is also less than ₹ 250 crores.

Conservation of Energy, Technology, Absorption and Foreign Exchange

The particulars as prescribed under sub-section (3) (m) Section 8 of the Companies Act, 2013, read with the Companies (the Companies (Accounts) Rules, 2014) Rules, 2014 as amended up to date, are set out hereunder:

A. Conservation of energy:

Though your Company does not have energy intensive operations, it continues to adopt energy conservation measures in its administrative and other operations to the extent possible in spirit of contributing towards green ecology initiative which is globally gaining popularity and adoptability. Adequate measures have been taken to conserve energy by using energy-efficient computers and equipment, which would help in conservation of energy.

B. Technology Absorption, Adaptation and Innovation, Research and Development:

Your Company has neither carried out any research and development activities during the year under review nor incurred any expenditure thereupon. However, your Company is always finding out newer ways of attracting customers and launching new initiatives to capture market dominance.

C. Foreign Exchange Earnings and Outgo:

During the period under report, your Company had not earned any amount of foreign exchange nor had incurred expenditure in foreign exchange.

Risk Management Policy:

As per the Risk Management Policy of the company all fixed assets and machineries are properly maintained

The company has a proper Risk Management Policy towards operations and administrative affairs of the company. The Managing Director will review the policy at regular intervals of time and ensure proper implementation of the policy formulated.

Details of significant and material orders passed by the Regulators or Courts or Tribunal:

There were no significant material orders passed by any Regulators or Courts or Tribunal during the year under review which would have impact on the going concern status of the Company and its future operation.

Adequacy of internal financial controls with reference to the Financial Statements:

The Company has an adequate system of internal controls in place. These controls have been designed to provide a reasonable assurance with regard to maintenance of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, and protecting assets from unauthorized use or losses, compliances with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

Deposits:

The Company has not accepted any deposits. The directives issued by Reserve Bank of India and as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the company.

Corporate Social Responsibility (CSR) Policy:

The provisions of Section 135(1) of the Companies Act 2013 read with Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 relating to Corporate Social Responsibility is not applicable to your Company, and accordingly, the Company has not disclosed the particulars of the CSR policy, CSR Committee constitution and other matters under this head.

Statement Indicating the manner in which Formal Annual Evaluation has been made by the Board of its own performance, its Directors and that of its committees:

This Company is not listed in any Stock Exchanges in India. The paid-up share capital of our company is ₹ 22,47,18,395.50 i.e., less than the thresholds specified under Section 134 of Companies Act, 2013. Hence the requirement to disclose the manner in which Formal Annual Evaluation has been made by the Board of its own performance, its Directors and that of its committees is not applicable to the Company during the year under review.

Disclosure of Establishment of Vigil Mechanism:

The provisions of Section 177(9) of the Companies act, 2013 is not applicable since the Company has not borrowed any monies nor or accepted any deposits exceeding the limits prescribed under the act, during the year under review.

Disclosure under Sexual Harassment of Women at Workplace (prevention, prohibition & Redressal) Act, 2013:

The Company has zero tolerance for sexual harassment at work place and has adopted a sexual harassment policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has constituted necessary Committee as required under the above-mentioned Act.

There was no Sexual Harassment of Women reported during the year ended 31.03.2019. There are proper and adequate arrangements so as to avoid occurrence of sexual harassment.

Directors Responsibility Statement:

In accordance with the provisions of the Section 134(5) of the Companies Act 2013, the Board of Directors to best of their knowledge and ability, confirm that:

- a) in the preparation of annual accounts for the Financial Year ended 31st March 2019, the applicable accounting standards had been followed and there was no departure from the accounting standards followed ;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2019 and of the profit of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis ;
- e) had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Particulars of Employees:

The statement of particulars of employees as per Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to your Company.

Acknowledgement:

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from RBI its suppliers, redistribution stockists, retailers, business partners and others associated with the Company as its trading partners.

It will be the Company's endeavour to build and nurture strong links with the trade based on mutuality of benefits, respect for and cooperation with each other, consistent with consumer interests.

The Directors also take this opportunity to thank all Investors, Clients, Vendors, Banks, Government and Regulatory Authorities for their continued support.

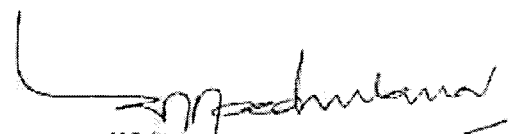
**For and on behalf of the Board of Directors
HEDGE FINANCE LIMITED**

Place: Kochi

Date: 04/09/2019



Alex Kalluvila Babu
Managing Director
DIN :01254207



K P Padmakumar
Director
DIN - 00023176

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and rules 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN	:	U65923KL2011PLC027672
ii) Registration Date	:	15/02/2011
iii) Name of the company	:	HEDGE FINANCE LIMITED
iv) Category / Sub- Category of the Company	:	Company Limited by Shares/ Indian Nongovernment Company
v) Address of the Registered Office and contact details	:	Hedge House, Palarivattom P.O, Mamangalam, Kochi, Ernakulam-682 025
vi) E-mail	:	cfo@hedgefinance.com
vii) Whether listed company	:	No
viii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	CDSL Ventures Limited Milind Saraf Manager-Rta Operations I-202 Deck Level, Tower No. 4, 2nd Floor, Above Belapur Railway Station Belapur – Navi, Mumbai-400614 Maharashtra 022-61216903 milinds@cdslindia.com

II. Principal Business Activities of the Company

All the business activities contributing 10% 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.	To carry on business of lending money either through hire purchase, leasing, gold loan	64910	85.81
2	Management of Mutual Fund distribution	66301	11.94

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
Nil					

IV. 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				No. of Shares held at the end of the year				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% Change during the Year
A. Promoters									
(1) Indian									
a) Individual/ HUF	Nil	6053423	6053423	25.52	4789787	963636	5753423	24.26	1.27
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total(A)(1):	Nil	6053423	6053423	25.52	4789787	963636	5753423	24.26	1.26
(2) Foreign									
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other.....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total(A)(2):	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoters (A)=(A)(1) + (A)(2)	Nil	6053423	6053423	25.52	4789787	963636	5753423	24.26	1.26
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FII's	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify) –	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1): -	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions									
a) Bodies Corporate									
Indian	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i. Individual shareholders holding nominal sh. Capital up to ₹1 lakh	Nil	1000	1000	0.01	Nil	1000	1000	0.01	Nil
ii. Individual shareholders holding nominal sh. Capital in excess of ₹1 lakh	Nil	17662121	17662121	74.47	10195455	7766666	17962121	75.74	1.27
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2): -	Nil	17663121	17663121	74.48	10195455	7767666	17963121	75.75	1.27
Total Public Shareholding (B)=(B)(1) + (B)(2)	Nil	17663121	17663121	74.48	10195455	7767666	17963121	75.75	1.27
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	Nil	23716544	23716544	100%	14985242	8731302	23716544	100%	Nil

*Please note the paid-up share capital of the company is ₹ 224718396/-, the difference between the amount of paid up share capital and the number of shares is due to partly paid up shares held by Mr. Alex Kalluvila Babu

(ii) Shareholding of Promoters

SL No	Shareholders 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	Alex K Babu	4489787	18.93	Nil	4489787	18.93	Nil	Nil
2	Bobby Jose	300000	1.26	Nil	Nil	Nil	Nil	Nil
3	Bhuvanendran N	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4	Pradeep Kumar C	963636	4.06	Nil	963636	4.06	Nil	Nil
5	Nithya Alex	300000	1.26	Nil	300000	1.26	Nil	Nil
6	Teslin Abraham	Nil	Nil	Nil	Nil	Nil	Nil	Nil
7	Raji C P	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(iii) Change in Promoter's Share Holding (Please specify, if there is no change)

There has been certain change in the shareholding of the promoters

Sl. No	Particulars	Reason	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	Alex K Babu					
	At the beginning of the year (01.04.2018)		4489787	18.93	4489787	18.93
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		4489787	18.93	4489787	18.93
2	Bobby Jose					
	At the beginning of the year (01.04.2018)		300000	1.26	300000	1.26
	21-08-2018	Transferred shares	300000	1.26	300000	1.26
	At the end of the year (31.03.2019)		Nil	Nil	Nil	Nil
3	Bhuvanendran N					
	At the beginning of the year (01.04.2018)		Nil	Nil	Nil	Nil
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		Nil	Nil	Nil	Nil
4	Pradeep Kumar C					
	At the beginning of the year (01.04.2018)		963636	4.06	963636	4.06
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		963636	4.06	963636	4.06
5	Nithya Alex					
	At the beginning of the year (01.04.2018)		300000	1.26	300000	1.26
		No change	Nil	Nil	Nil	Nil

	At the end of the year (31.03.2019)		300000	1.26	300000	1.26
6	Teslin Abraham					
	At the beginning of the year (01.04.2018)		Nil	Nil	Nil	Nil
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		Nil	Nil	Nil	Nil
7	Raji C. P					
	At the beginning of the year (01.04.2018)		Nil	Nil	Nil	Nil
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		Nil	Nil	Nil	Nil

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters, and Holders of GDRs & ADRs)

Sl. No.	Particulars	Reason	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	K C Babu					
	At the beginning of the year (01.04.2018)		6395455	26.97	6395455	26.97
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		6395455	26.97	6395455	26.97
2	DR. P S George					
	At the beginning of the year (01.04.2018)		16,66,666	7.03	16,66,666	7.03
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		16,66,666	7.03	16,66,666	7.03
3	Kiran B					
	At the beginning of the year (01.04.2018)		1200000	5.06	1200000	5.06
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		1200000	5.06	1200000	5.06
4	Dr. Joseph V T & Celine Joseph					
	At the beginning of the year (01.04.2018)		1000000	4.22	1000000	4.22
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		1000000	4.22	1000000	4.22
5	Cheriyath Varghese					
	At the beginning of the year (01.04.2018)		1000000	4.22	1000000	4.22
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		1000000	4.22	1000000	4.22
6	Lissy Mathew					
	At the beginning of the year (01.04.2018)		425000	1.79	425000	1.79
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		425000	1.79	425000	1.79
7	Mathew Philip					
	At the beginning of the year (01.04.2018)		425000	1.79	425000	1.79
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		425000	1.79	425000	1.79

8	Asha John					
	At the beginning of the year (01.04.2018)		250000	1.05	250000	1.05
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		250000	1.05	250000	1.05
9	Aswathi Annie, Abraham					
	At the beginning of the year (01.04.2018)		150000	0.63	150000	0.63
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		150000	0.63	150000	0.63
10	Ajit Jones Mathew					
	At the beginning of the year (01.04.2018)		150000	0.63	150000	0.63
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		150000	0.63	150000	0.63

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Particulars	Reason	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	Alex K Babu					
	At the beginning of the year (01.04.2018)		4489787	18.93	4489787	18.93
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		4489787	18.93	4489787	18.93
2	Ambrish Naresh Sampat					
	At the beginning of the year (01.04.2018)		500	0.002	500	0.002
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		500	0.002	500	0.002
3	John George					
	At the beginning of the year (01.04.2018)		500	0.002	500	0.002
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		500	0.002	500	0.002
4	Suraj Ramachandran					
	At the beginning of the year (01.04.2018)		Nil	Nil	Nil	Nil
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		Nil	Nil	Nil	Nil
5	Anju Thomas					
	At the beginning of the year (01.04.2018)		Nil	Nil	Nil	Nil
		No change	Nil	Nil	Nil	Nil
	At the end of the year (31.03.2019)		Nil	Nil	Nil	Nil
6	Mr. Rapheal Thomas					
	At the beginning of the year (01.04.2018)		3200000	13.49	3200000	13.49
	21.08.2018	Shares acquires through transfer	300000	1.26	300000	1.26
	At the end of the year (31.03.2019)		3500000	14.76	3500000	14.76

(vi) Indebtedness:

Indebtedness of the company including interest outstanding / accrued but not due for payment

Particulars	Secured loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i) principal amount	16,94,94,561	8,00,00,000	0	24,94,94,561
ii) interest due but not paid	0	0	0	0
iii) interest accrued but not due	0	0	0	0
Total (i + ii + iii)	16,94,94,561	8,00,00,000	0	24,94,94,561
Change in Indebtedness during the financial year				
*Addition	17,22,75,000	15,00,00,000	0	32,22,75,000
*Reduction	-23844240	-8,00,00,000	0	-103844240
Net changes	148430760	7,00,00,000	0	21,84,30,760
Indebtedness at the end of the financial year				
i) principal amount	31,79,25,321	15,00,00,000	0	46,79,25,321
ii) interest due but not paid	0	0	0	0
iii) interest accrued but not due	0	0	0	0
Total (i + ii + iii)	31,79,25,321	15,00,00,000	0	46,79,25,321

(vii) Remuneration of Directors and Key Managerial Personnel

Remuneration to Managing Director, Whole-Time Director and / or Manager

Sl. No	Particulars of Remuneration	Name of Managing Director / WTD / Manager	
		Alex K Babu (MD)	Total amount
	Gross Salary		
1	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,216,604	2,216,604
	b) Value of perquisites under Section 17(2) Income Tax Act 1961	0	0
	c) Profit in lieu of salary under Section 17(3) Income Tax Act 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	-As % of profit	0	0
	-others, specify	0	0
5	Others, please specify	0	0
	Total (A)	2,216,604	2,216,604
	Ceiling as per the Act	84,00,000	84,00,000

B. Remuneration to other Directors

Sl. No	Particulars of Remuneration	Name of Director	Total amount
1	Independent Directors	0	0
	-Fee for attending Board Committee Meetings	0	0
	-Commission	0	0
	-Others please specify	0	0
	Total (1)	0	0
2	Other Non-Executive Directors	0	0
	-Fee for attending Board Committee Meetings	0	0
	-Commission	0	0
	-Others, please specify	0	0
	Total (2)	0	0
	Total (B)= (1+2)	0	0
	Total Managerial Remuneration	0	0
	Overall ceiling as per the Act	0	0

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	Gross Salary				
1	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0	380400	690000	1070400
	b) Value of perquisites under Section 17(2) Income Tax Act 1961	0	0	0	0
	c) Profit in lieu of salary under Section 17(3) Income Tax Act 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	-As % of profit	0	0	0	0
	-others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	380400	690000	1070400


XII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

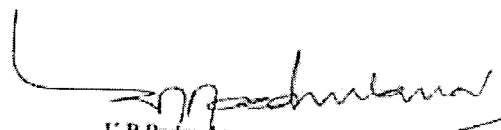
Type	Sections of the Companies Act	Brief Description	Details of penalties/punishment/compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Director					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers in Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**For and on behalf of the Board of Directors
HEDGE FINANCE LIMITED**

Place: Kochi

Date: 04/09/2019


Alex Kalluvila Babu
Managing Director
DIN :01254207


K P Padmakumar
Director
DIN : 00023176



INDEPENDENT AUDITOR'S REPORT

The Members of
HEDGEFINANCE LIMITED

Opinion

We have audited the standalone financial statements of **Hedge Finance Limited**, which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss, and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of affairs of the Company as at March 31, 2019, and its Profit/Loss, and its Cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

There is no material uncertainty related to going concern

Key Audit Matters

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

Nil

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 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 1, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 purpose 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - c. In our opinion, the company has no independent branches and hence there is no need to prepare report on the accounts of Branch Office of the company audited under sub section (8).
 - d. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us.
 - e. In our opinion the aforesaid financial statements comply with Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - f. In our opinion, the comments or observations don't have any adverse effect on functioning of the company.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - i. 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 2".

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) the Company does not have any pending litigations which would impact its financial position
- ii) the Company does not have any long-term contracts requiring a provision for material foreseeable losses.
- iii) The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.

For, MANIKANDAN & ASSOCIATES


C.K.MANIKANDAN
(PARTNER)

CHARTERED ACCOUNTANTS
MEMBERSHIP No.208654

FIRM.No.008520S

UDIN : 19208654AAAAA03159

Place : Kochi

Date : 04/09/2019

**Annexure 1 to the Independent Auditors' Report of
Hedge Finance Limited
as of and for the year ended March 31, 2019
(referred to in our report of even date)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) The title deed of the immovable property is held in the name of the company.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. There are no material discrepancies between the book records and the physical stocks have been noticed
- (iii) The company has granted loan to Hedge Equities Limited and balance outstanding as on 31-03-2019 is ₹ 5.2 Cr
 - (a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest
 - (b) The company is regular in payment of interest where applicable.
 - (c) Since no amount is overdue this clause is not applicable.
- (iv) The company has not granted any loans, investments, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013 and hence this clause is not applicable to the company.
- (v) The Company has not accepted any deposits from the public as per the provisions of sections 73 to 76 of the Companies Act and the rules framed there under. Hence this clause is not applicable to the Company.
- (vi) The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any services rendered by the company.
- (vii) (a) According to the information and explanations given to us, the Company has been regular in depositing undisputed statutory dues.

- (b) According to the information and explanations given to us, there are no dues outstanding of income tax, GST and cess on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowing to any financial institutions, banks, Government or dues to debenture holders.
- (ix) The company has not raised any money by way of public offer or further public offer including debt instruments and term loans and hence this clause is not applicable.
- (x) There are no instances of fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- (xi) Managerial Remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act 2013.
- (xii) The company is not a Nidhi company and hence paragraph 3(xii) of Companies (Auditors Report) order, 2016 is not applicable to the company.
- (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 the sections 177 and 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) The company has issued redeemable non convertible debentures and the company has complied with Section 42 of the Companies Act, 2013 and the amount raised has been used for the purpose for which it was raised.
- (xv) The company has not entered into any non cash transactions with Directors or persons connected with him.
- (xvi) The company is not required to register under Section 45 IA of the Reserve Bank of India Act, 1934.

Place : Kochi
Date : 04/09/2019

For, MANIKANDAN & ASSOCIATES

MANIKANDAN.C.K
(PARTNER)

CHARTERED ACCOUNTANTS
MEMBERSHIP No.208654
FIRM.No.008520S

UDIN : 19208654AAAAA03159

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 Hedge Finance Limited (the company) as of 31 March, 2019 in conjunction with our Audit of the standalone 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, 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, 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India Those Standards and the Guidance Note require that we comply with the 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 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 system 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 (1) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with authorizations of management and directors of the company and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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 system over financial reporting and such internal controls over financial reporting were operating effectively as at 31st March, 2019, 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 Institute of Chartered Accountants of India.

Place : Kochi
Date : 04/09/2019

For, MANIKANDAN & ASSOCIATES

MANIKANDAN.C.K
(PARTNER)

CHARTERED ACCOUNTANTS

MEMBERSHIP No.208654

FIRM.No.008520S

UDIN : 19208654AAAAA03159



To the Board of Directors of

Hedge Finance Ltd

1. We have audited the attached Balance Sheet of Hedge Finance Ltd as at March 31st, 2019 and also the Statement of Profit and Loss for the year ended on that date annexed thereto and issued our audit opinion.
These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit report.
2. As required by the Non - Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India ('the RBI') and amended from time to time ('the Directions'), based on the information and explanations given to us which to the best of our knowledge and belief were necessary for this purpose, we report hereunder on the matters specified in paragraphs 3 and 4 of the Directions:
 - a) The company is engaged in the business of a Non- Banking Financial Institution ('NBFI') as defined in section 45 -I(a) of the Reserve Bank of India Act, 1934 ('the Act') during the year ended March 31, 2019. The company was registered with the RBI as an NBFI without accepting public deposits vide certificate of Registration ('CoR') number [COR No. N-16.00190 dated 16/04/2012 from the RBI.]
 - b) Based on the asset/income pattern as on March 31, 2019 determined by the Management in accordance with the audited financial statements for the year ended as on that date, and with reference to paragraph 15 of the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, the Company is entitled to continue to hold such CoR.
 - c) Based on the criteria set forth by the RBI in Company Circular No.DNBS.PD .CC No.85/03.02.089/2006-07 dated December 6, 2006 for classification of NBFCs, the company has been correctly classified as Loan Company as defined in Non-Banking Financial Companies, Acceptance of Public Deposits (Reserve Bank) Directions, 1998 with reference to the business carried on by it during the financial year ended March, 2019.
 - d) The Board of Directors has passed a resolution on 19-04-2018 for Non-Acceptance of Public deposits.
 - e) The Company has not accepted any public deposits during the year ended March 31st, 2019.
 - f) The company has complied with the prudential norms relating to income recognition, accounting Standards, asset classification and provisioning for bad &

doubtful debts as applicable to it in terms of Non- Systemically Important Non Banking Financial (Non Deposit Accepting or Holding)Companies Prudential Norms (Reserve Bank)Directions,2016 during the year ended March 31st,2019.

3. We have no responsibility to update this report for events and circumstances occurring after the date of our audit opinion mentioned in paragraph 1.
4. This report is issued solely for reporting matters specified in paragraphs 3 and 4 of the Directions, to the Board of Directors and is not to be used or distributed for any other purpose.

For, MANIKANDAN & ASSOCIATES



MANIKANDAN.C.K
(PARTNER)

CHARTERED ACCOUNTANTS
MEMBERSHIP No.208654
FIRM.No.008520S

UDIN : 19208654AAAAA03159

Place :Kochi
Date : 04/09/2019

Schedule to the Balance Sheet of a Non-Deposit taking Non Banking Financial Company

[as required in terms of paragraph 13 of Non-Systemically Important Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016]

(₹ In lakhs)

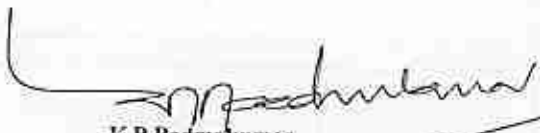
Particulars			
Liabilities side			
(1)	Loans and advances availed by the non-banking financial inclusive of interest accrued thereon but not paid:	Amount outstanding	Amount Overdue
	(a) Debentures: Secured	4849.12	Nil
	: Unsecured	1500.00	Nil
	(Other than falling within the meaning of public deposits)		
	(b) Deferred credits	Nil	Nil
	(c) Term loans	7.35	Nil
	(d) Inter corporate loans and borrowing	Nil	Nil
	(e) Commercial paper	Nil	Nil
	(f) Other Loans (specify nature)	Nil	Nil
Assets side			
		Amount outstanding	
(2)	Break up of Loans and Advances including Bills receivable (other than those included in (4) below:		
	(a) Secured	6360.11	
	(b) Unsecured	1826.82	
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	i. Lease assets including lease rentals under sundry debtors:		Nil
	(a) Financial lease		
	(b) Operating lease		Nil
	ii. Stock on hire including hire charges under Sundry debtors:		
	(a) Assets on hire		
	(b) Repossessed Assets		Nil
	iii Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above		

4	<p>Break-up of Investments:</p> <p><i>Current Investments:</i></p> <p>1. Quoted:</p> <p>(i) Shares: (a) Equity 54.39 (b) Preference Nil</p> <p>(ii) Debentures and Bonds 26</p> <p>(iii) Units of mutual funds Nil</p> <p>(iv) Government Securities Nil</p> <p>(v) Others Nil</p> <p>2. Unquoted:</p> <p>(i) Shares: (a) Equity Nil (b) Preference Nil</p> <p>(ii) Debentures and Bonds Nil</p> <p>(iii) Units of mutual funds Nil</p> <p>(iv) Government securities Nil</p> <p>(v) Others Nil</p> <p><i>Long term investments:</i></p> <p>1. Quoted:</p> <p>(i) Shares: (a) Equity 121.95 (b) Preference Nil</p> <p>(ii) Debentures and Bonds Nil</p> <p>(iii) Units of Mutual funds 47.66</p> <p>(iv) Government Securities Nil</p> <p>(v) Others Nil</p> <p>2. Unquoted:</p> <p>(i) Shares : (a) Equity Nil (b) Preference Nil</p> <p>(ii) Debentures and Bonds Nil</p> <p>(iii) Units of mutual funds Nil</p> <p>(iv) Government securities Nil</p> <p>(v) Others Nil</p>																			
5	<p>Borrower group wise classification of assets financed as in (2) and (3) above</p> <p>Category</p> <p>1.Related Parties</p> <p>(a) Subsidiaries</p> <p>(b) Companies in the same group</p> <p>(c) Other related parties</p> <p>2. Other than related parties</p> <p>Total</p>	<p>Amount net of Provisions</p> <table border="1"> <thead> <tr> <th>Secured</th> <th>Unsecured</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Nil</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>2100.24</td> <td>69.9</td> <td>2170.14</td> </tr> <tr> <td>1785.15</td> <td>0</td> <td>1785.15</td> </tr> <tr> <td>2458.82</td> <td>1721.89</td> <td>4180.71</td> </tr> <tr> <td>6344.21</td> <td>1791.79</td> <td>8136.00</td> </tr> </tbody> </table>	Secured	Unsecured	Total	Nil	Nil	Nil	2100.24	69.9	2170.14	1785.15	0	1785.15	2458.82	1721.89	4180.71	6344.21	1791.79	8136.00
Secured	Unsecured	Total																		
Nil	Nil	Nil																		
2100.24	69.9	2170.14																		
1785.15	0	1785.15																		
2458.82	1721.89	4180.71																		
6344.21	1791.79	8136.00																		
6	<p>Investor group-wise classification of all investments (current and long term) in shares and securities(both quoted and unquoted)</p> <p>Category</p> <p>1.Related parties</p> <p>(a) Subsidiaries</p> <p>(b) Companies in the same group</p> <p>(c) Other related parties</p>	<table border="1"> <tbody> <tr> <td>Nil</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>Nil</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td>Nil</td> <td>Nil</td> <td>Nil</td> </tr> </tbody> </table>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil									
Nil	Nil	Nil																		
Nil	Nil	Nil																		
Nil	Nil	Nil																		

	2. Other than related parties	Nil	Nil	Nil
	Total	Nil	Nil	Nil
7	Other information			
	1) Gross Non Performing Assets			
	i) Related Parties	Nil	Nil	Nil
	ii) Other than related Parties	348.57	2.08	350.65
	2) Net Non performing Assets			
	i) Related parties	Nil	Nil	Nil
	ii) Other than related parties	276.77	Nil	276.77
	Assets acquired in satisfaction of debt	Nil	Nil	Nil

For and on Behalf of the Board of Directors


 Alex Kalluvila Babu
 Managing Director
 DIN :01254207


 K P Padmakumar
 Director
 DIN : 00023176


 Vinay Sasidharan
 Chief Executive Officer

Place : Kochi

Dated : 04/09/2019


 Suraj Ramachandran
 Chief Financial Officer


 Anju Thomas
 Company Secretary


HEDGE FINANCE LTD
 BALANCE SHEET AS AT 31st MARCH 2019


UDIN: 19208654AAAAA03159


Particulars	Note No.	As at 31st March 2019	As at 31st March 2018
		<i>Amount in ₹</i>	<i>Amount in ₹</i>
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds:			
Share Capital	4	22,47,18,396	22,47,18,396
Reserves and Surplus	5	1,28,47,842	2,92,16,501
2 Non-current liabilities			
Long-term Borrowings	6	31,79,25,321	16,94,94,561
Deferred Tax Liabilities (Net)			
3 Current Liabilities			
Other Current Liabilities	7	36,21,69,906	29,79,26,244
Short-term Provisions	8	1,21,79,554	52,30,546
TOTAL		92,98,41,020	72,65,86,248
II. ASSETS			
1 Non-current Assets			
Property Plant and Equipment	9		
(i) Tangible Assets		4,20,75,930	1,64,25,489
(ii) Intangible Assets		4,13,768	84,000
Deferred Tax Asset(net)	10	22,78,105	9,86,840
Long-term Loans and Advances	11	11,10,79,530	22,18,41,958
Long Term Investments	12	1,69,61,000	-
2 Current Assets			
Current Investments	13	80,39,063	22,00,000
Cash and Cash Equivalents	14	1,86,58,503	3,90,35,143
Short-term Loans and Advances	15	72,33,75,910	43,67,48,644
Other Current Assets	16	69,59,210	92,64,174
TOTAL		92,98,41,020	72,65,86,248


For and on behalf of the Board


As per our Report of even date attached
 For, MANIKANDAN & ASSOCIATES



 Alex Kalluvila Babu
 (Managing Director)
 DIN:01254207


 K P Padmakumar
 (Director)
 DIN:00023176


 K. MANIKANDAN
 (PARTNER)
 CHARTERED ACCOUNTANTS
 MEMBERSHIP NO: 208654
 FIRM REG NO: 008520S


 Vinay Sasidharan
 (Chief Executive Officer)


 Sura Ramachandran
 (Chief Financial Officer)


 Anju Thomas
 (Company Secretary)

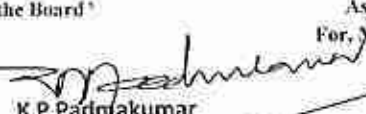
Place : Kochi
 04/09/2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2019

Particulars	Note No.	Year Ended 31st March 2019	Year Ended 31st March 2018
		Amount in ₹	Amount in ₹
I Income			
Revenue from Operations	17	10,60,75,385	7,45,68,866
Other Income	18	1,75,35,132	2,42,40,059
Total Revenue		12,36,10,517	9,88,08,925
II Expenses			
Employee Benefits Expenses	19	3,05,83,072	2,53,09,509
Finance costs	20	6,08,78,440	3,01,45,829
Other expenses	21	3,50,72,691	3,01,73,718
Depreciation and amortization expenses	22	19,21,869	11,29,177
Total Expenses		12,84,56,072	8,67,58,233
III Profit Before Tax		-48,45,555	1,20,50,692
IV Tax expense:			
Current tax			39,75,907
Deferred tax		-12,91,265	-7,65,236
Total Tax Expense:		-12,91,265	32,10,671
V Profit for the year		-35,54,290	88,40,021
VI Earnings per Equity Share:			
Basic	23	-0.16	0.39
Diluted		-0.16	0.39

For and on behalf of the Board


 Alex Kalluvila Babu
 (Managing Director)
 DIN:01254207



 K P Padmakumar
 (Director)
 DIN:00023176

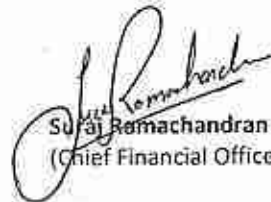
As per our Report of even date attached
 For, MANIKANDAN & ASSOCIATES



 C.K. MANIKANDAN
 (PARTNER)

CHARTERED ACCOUNTANTS
 MEMBERSHIP NO: 208654
 FIRM REG NO: 0085205
 UDIN :
 19208654AAAAA03159




 Vinay Sasidharan
 (Chief Executive Officer)


 Sujay Ramachandran
 (Chief Financial Officer)


 Anju Thomas
 (Company Secretary)

Place : Kochi
 04/09/2019

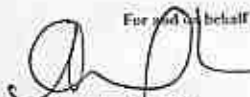
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st - March - 2019


	As At 31st March 2019	As At 31st March 2018
	Amount in ₹	Amount in ₹
CASH FLOWS FROM OPERATING ACTIVITY		
Net profit before tax and extraordinary items	-48,45,555	1,20,30,692
Add: Adjustment For:		
Depreciation / amortization	19,21,869.00	11,29,177
Provision for standard asset & NPA	69,49,008.00	39,93,564
Interest on debenture	5,76,68,371.00	2,82,39,084
Less: Adjustment For:		
Income from Investment	5,45,225	40,10,194
Operating profit before working capital changes	6,11,48,469	4,14,02,324
Movements in working capital		
Decrease/(increase) in long term loans & Advances	11,07,62,429	-17,89,33,829
Decrease/(increase) in short term loans & Advances	-28,66,27,266	-18,05,26,201
Decrease/(increase) in Other current assets	23,04,964	-59,08,470
Increase/(Decrease) in current liabilities	1,44,18,421	53,75,683
Cash generated from /used in operations	-9,79,92,984	-31,85,90,494
Less: Direct tax paid (including TDS)		48,14,027
Net cash flow from /used in Operating Activities (A)	-9,79,92,984	-32,34,04,521
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	-2,79,02,078	-1,41,01,120
Purchase of Investment	-1,42,86,58,248	-1,37,56,53,282
Sale of Investment	1,42,92,03,472	1,37,96,63,475
Income From Investments		
Other investment	-2,28,00,063	14,08,544
Net cash flow from Investing Activities (B)	-5,01,56,917	-86,82,382
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares		
Proceeds from Secured Debentures	31,30,00,000	20,81,20,000
Increase/Decrease in Loan from financial institution	-7,36,99,165	9,12,33,683
Redemption of Debentures	-4,10,44,834	-3,71,55,424
Interest on debentures	-5,76,68,371	-2,82,39,084
Dividend Paid	-1,06,46,909	-1,06,46,909
DDT paid	-21,67,460	-21,67,460
Net cash flow from Financing Activities (C)	12,77,73,261	22,11,44,806
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	-2,03,76,640	-11,09,42,097
CASH & CASH EQUIVALENT AT THE BEGINNING OF THE YEAR	3,90,35,143	14,99,77,240
CASH & CASH EQUIVALENT AT THE END OF THE YEAR	1,86,58,503	3,90,35,143

Notes on accounts:

The schedules and the notes thereon form an integral part of the Cash Flow Statement.
This is the Cash Flow Statement referred to in our report of even date.

For and on behalf of the Board


Alex Kalluvila Babu
(Managing Director)
DIN:01254207


K P Padmakumar
(Director)
DIN:00723176

As per our Report of even date attached
For MANIKANDAN & ASSOCIATES


C.K. MANIKANDAN
(PARTNER)
CHARTERED ACCOUNTANTS
MEMBERSHIP NO: 208654
FIRM REG NO: 0085205




Vinay Sasidharan
(Chief Executive Officer)


Suralakshmi
(Chief Financial Officer)


Anju Thomas
(Company Secretary)

Place : Kochi
04/09/2019

HEDGE FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

(All amounts are in Indian Rupees, unless otherwise stated)

1. Corporate Information

The Company incorporated on 15th February 2011 vide Certificate of Incorporation No. U65923KL2011PLC027672 issued by the Registrar of Companies, Kerala to carry on the business of lending money either with or without security, carry on the business of hire purchase finance, leasing, gold loan, carry on the business of financiers, but the company shall not do the business of banking within the meaning of Banking Regulation Act, 1949 and subject to the Rules and Regulations issued by the Reserve Bank of India from time to time. The company has obtained Certificate of Commencement of Business on 18th June 2012.

2. Basis of preparation 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 the accounting standards notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the guidelines issued by Reserve Bank of India as applicable to a non deposit accepting NBFC. The Financial Statements are prepared under the historical convention on accrual basis of accounting (except otherwise stated) and in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013

3. Significant Accounting Policies

i. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. 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.

ii. Revenue Recognition

Revenue is recognized to the extent that is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Such interests, where installments are overdue in respect of nonperforming assets are recognized on realization basis.

iii. Inflation

Assets and Liabilities are recorded at historical cost to the company. These costs are not adjusted to reflect the changing value in the purchasing power of money.

iv. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use.

v. Depreciation

Depreciation on Fixed Assets has been provided on Straight Line Method in the manner prescribed in Schedule II to the Companies Act, 2013 by adopting the useful lives prescribed as part C of schedule II to the Companies Act, 2013 and retaining 5% of the original cost as residual value.

vi. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition intangible assets are carried at cost less accumulated amortization and accumulated impairment losses if any. Intangible assets are amortized on straight line basis over the estimated useful economic life of 5 years.

vii. Impairment of Assets

A Substantial portion of the company's asset comprise "Financial Assets" to which Accounting Standard 28 on impairment of Asset issued by the Institute of Chartered Accountants of India is not applicable. In the opinion of the company the fixed assets possessed by the company are in the nature of "Corporate Assets" and are not cash generating unit as defined by the said Accounting Standard and there is no impairment of any Fixed Asset.

viii. Employee Benefits

- (i) Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- (ii) Payment of Gratuity to employees is not covered by any Gratuity Scheme. The company has made provision for gratuity.

ix. Taxes on Income

Income Taxes are accounted for in accordance with Accounting Standard (AS-22) "Accounting for Taxes on Income", issued by Institute of Chartered Accountants of India. Income Tax comprises both current tax and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961.

The tax effect of the timing difference that results between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance sheet date.

Deferred tax asset are recognized only to the extent there is reasonable certainty of its realization

x. Foreign Currency Transactions- Nil (Previous year Nil)

xi. 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. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

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 are adjusted for the effects of all dilutive potential equity shares.

xii. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. On disposal of investments, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit & Loss.

xiii. Related Party Disclosure

Disclosures are made as per the requirements of the Accounting Standard 18 read with the clarifications issued by The Institute of Chartered Accountants of India.

xiv. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases.

xv. Provisions and Contingencies

There are no contingencies as at the balance sheet date that needs to be disclosed. Also there are no events occurring after the balance sheet date that necessitate adjustment of assets and liabilities or other events that require disclosure.

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

xvi. Cash and cash equivalents

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

HEDGE FINANCE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 - March - 2019

(All amounts are in Indian Rupees, unless otherwise stated)

Note No:-4
Equity Share Capital

	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount In Rs	Number	Amount In Rs
Authorised				
Equity Shares of Rs 10/- each	7,50,00,000	75,00,00,000	7,50,00,000	75,00,00,000
	7,50,00,000	75,00,00,000	7,50,00,000	75,00,00,000
Issued				
Equity Shares of Rs 10/-each	2,37,16,544	23,71,65,440	2,37,16,544	23,71,65,440
	2,37,16,544	23,71,65,440	2,37,16,544	23,71,65,440
Subscribed & fully Paid up				
Equity Shares of Rs10/-each fully paid up	2,12,93,817	21,29,38,170	2,12,93,817	21,29,38,170
	2,12,93,817	21,29,38,170	2,12,93,817	21,29,38,170
Subscribed but not fully Paid up				
Equity Shares of Rs 10/- each Rs 3.05/share paid up	11,50,000	35,07,500	11,50,000	35,07,500
Equity Shares of Rs 10/- each Rs 6.5/share paid up	12,72,727	82,72,726	12,72,727	82,72,726
	24,22,727	1,17,80,226	24,22,727	1,17,80,226
Total	2,37,16,544	22,47,18,396	2,37,16,544	22,47,18,396

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

Equity Shares	As at 31st March, 2019		As at 31st March, 2018	
	Number	Amount In Rs	Number	Amount In Rs
Shares of Rs.10/-				
Shares outstanding at the beginning of the year:	2,37,16,544	22,47,18,396	2,37,16,544	22,47,18,396
Shares Issued during the year				
Share amount received for partly paid up shares				
Preference shares converted into equity shares during the year				
Shares bought back during the year				
Shares outstanding at the end of the year	2,37,16,544	22,47,18,396	2,37,16,544	22,47,18,396

b. Terms/rights attached to equity shares

The company has only one type of equity shares having par value of Rs 10/- each. Every member shall have one vote for every share held by him. The transfer, transmission or consolidation of shares shall be effected within one month from the date of lodgment of application. The company in the general meeting may declare dividends & the Board may from time to time pay to the members such interim dividends as justified by the profits of the company.

Upon the winding up of the company, the surplus assets shall be distributed among the members in specie or kind.

c. Details of Shareholders holding more than 5% shares in the company

Name of the share holder	As at 31st March, 2019		As at 31st March, 2018	
	No of shares	Percentage of holding	No of shares	Percentage of holding
Alex K Babu	4489787	19%	4489787	19%
Raphael P Thomas	3500000	15%	2500000	11%
Dr P S George	1666666	7%	1666666	7%
K C Babu	6395455	27%	6395455	27%

NOTE No. 5			
Reserves and Surplus			
	As at 31st March 2019	As at 31st March 2018	
a. Statutory Reserve			
Opening Balance	1,56,38,270.00	1,38,70,266.00	
Current year transfer	-	17,68,004.00	
Total (A)	1,56,38,270.00	1,56,38,270.00	
b. Surplus			
Opening balance	1,35,78,231.00	65,06,214.00	
(+) Net Profit/(Net Loss) For the current year	-35,54,290.00	88,40,021.00	
(+) Transfer from Reserves			
(-) Divident Paid	1,06,46,909.00		
(-) Divident Tax Paid	21,67,460.00		
(-) Transfer to Reserves 20%		17,68,004.00	
Total (B)	-27,90,428.00	1,35,78,231.00	
Total	1,28,47,842.00	2,92,16,501.00	

Note No :- 6			
Long Term Borrowings			
	As at 31st March 2019	As at 31st March 2018	
a) Debentures			
(i) Secured Non Convertible Debentures-1st Series	2,13,94,526.00	1,73,82,745.00	
(ii) Secured Non Convertible Debentures-2nd Series	2,57,58,802.00	3,28,82,287.00	
(iii) Secured Non Convertible Debentures-3rd Series	9,80,17,500.00	11,84,95,000.00	
(iv) Secured Non Convertible Debentures-4th Series	17,22,75,000.00		
b) Term Loan-Vehicle			
From Banks	4,79,493.00	7,34,529.00	
Total	31,79,25,321.00	16,94,94,561.00	

The company has issued Redeemable non convertible secured and unsecured debentures in various schemes. The debentures issued have repayment period depending on the scheme it falls under. The schemes range from monthly annually and maturity interest payment. The rate of interest on these debentures range from 9% to 13% p.a.

Note No :- 7		
Other Current Liabilities		
	As at 31st March 2019	As at 31st March 2018
a) Current Maturities of Long-term Debt		
(i) Secured Non Convertible Debentures-1st Series	-	51,13,997.00
(ii) Secured Non Convertible Debentures-2nd Series	65,96,395	1,94,57,600.00
(iii) Secured Non Convertible Debentures-3rd Series	2,01,44,572	8,96,25,000.00
(iv) Secured Non Convertible Debentures-4th Series	14,07,25,000	
(v) Unsecured Non Convertible Debentures	15,00,00,000	8,00,00,000.00
b) Current Maturities of term loan	2,55,036.00	2,55,036.00
c) Bank OD	14,778.00	
d) Cash Credit From Others :-		
i) Aditya Birla Finance LTD	33.00	3,01,88,716.00
ii) Bajaj Finance Limited	1,80,29,776.00	1,78,00,000.00
iii) HFL Wealth & Asset Management	-	4,35,00,000.00
e) Interest Payable on Debentures		
i) Interest accrued but not due on borrowings	1,71,14,874.00	72,10,521.00
ii) Interest accrued and due on borrowings;	19,35,443.00	9,68,022.00
f) Other Current Liabilities :-		
i) Dues to creditors for expenses	31,73,539.00	24,39,188.00
ii) Statutory payables	24,16,903.00	12,97,752.00
iii) Other Payables	17,63,557.00	70,412.00
Total	36,21,69,906.00	29,79,26,244.00

Note No :- 8		
Short term Provisions		
	As at 31st March 2019	As at 31st March 2018
Provision for Standard Assets	19,76,047	15,36,756.00
Provision for NPA	71,79,483	36,93,790.00
Provision for Taxation	-	-
Provision for Advance	30,24,024	
Total	1,21,79,554	52,30,546.00

Asset	Gross Block						Accumulated Depreciation/Amortization Expense				Net Block	
	Balance As At 01.04.2018	Additions	Disposals	Revaluations/ (Impairments)	Balance As At 31.03.2019	Balance As At 01.04.2018	Depreciation/Amortization Expense charge for the year	Adjustment due to revaluations	On disposals	Balance As At 31.03.2019	Balance As At 31.03.2019	Balance as at 31 March 2018
0) Tangible Assets												
Computers & Accessories	34,59,899	6,14,176	-	-	40,74,075	10,23,622	10,24,707	-	-	20,48,329	20,25,746	24,36,277
Office Equipments	6,88,943	28,267	-	-	7,17,210	86,591	66,952	-	-	1,51,543	5,63,667	6,02,352
UPS And Battery	2,33,394	9,375	-	-	2,42,769	2,10,826	7,823	-	-	2,18,649	24,120	22,568
Air Conditioner	1,93,921	7,58,000	-	-	9,51,921	61,112	36,845	-	-	97,957	8,33,964	1,32,809
Mobile Phone	90,479	87,411	-	-	1,77,890	80,829	51,273	-	-	1,32,102	45,788	9,650
Printers & Scanners	77,545	-	-	-	77,545	7,551	24,558	-	-	32,109	45,436	69,994
Buildings	1,03,79,975	2,15,72,800	-	-	3,19,52,775	82,303	2,41,901	-	-	3,24,204	3,16,28,571	1,02,97,672
Furnitures & Fixtures	6,19,153	36,37,934	-	-	42,57,087	18,447	46,773	-	-	65,220	41,91,867	6,00,706
Electrical Fittings	1,35,316	7,58,100	-	-	8,93,416	2,994	13,320	-	-	16,314	8,77,102	1,32,322
Motor Vehicle	7,87,574	-	-	-	7,87,574	3,16,958	93,524	-	-	4,10,482	3,77,092	4,70,616
HYUNDAI 120 ASIA KL 7 CB 8800	7,63,592	-	-	-	7,63,592	3,59,478	90,677	-	-	4,50,155	3,13,437	4,04,114
MARUTHI DEZIRE KL 7 BZ 6987	14,14,887	-	-	-	14,14,887	1,68,478	1,68,018	-	-	3,36,496	10,78,391	12,46,409
Breeze-ZD)	-	56,015	-	-	56,015	-	5,266	-	-	5,266	50,749	-
Activa 5G	1,88,44,678	2,75,22,078	-	-	4,63,66,756	24,19,189	18,71,637	-	-	42,90,876	4,20,75,930	1,64,25,489
Total(A)												
Intangible Assets	1,80,000	3,80,000	-	-	5,60,000	96,000	50,232	-	-	1,46,232	4,13,768	84,000
Computer Software	1,80,000	3,80,000	-	-	5,60,000	96,000	50,232	-	-	1,46,232	4,13,768	84,000
Total (B)												
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-
Total (A + B)	1,90,24,678	2,79,02,078	-	-	4,69,26,756	25,15,189	19,21,869	-	-	44,37,058	4,24,89,698	1,65,09,489
Previous Year	49,23,558	1,41,01,120	-	-	1,90,24,678	13,86,012	11,29,177	-	-	25,15,189	1,65,09,489	35,37,546

Note No. 9

Property, Plant & Equipment

NOTE No :- 10

Deferred Tax Asset(Net)

	As at 31st March 2019	As at 31st March 2018
Opening Deferred Tax Asset		
Fixed Asset	9,86,840	2,21,604
Impact of difference between tax depreciation and depreciation charged for financial reporting	-5,15,477	-3,34,991
Provision for Advances	18,06,742	11,00,227
Total	22,78,105	9,86,840

NOTE No :- 11

Long Term Loans and advances

	As at 31st March 2019	As at 31st March 2018
a) Loans and advance to related parties (Secured, considered good)	-	10,33,83,044
b) Other loans & advance		
Secured considered good	6,63,83,569.35	9,03,22,718
Unsecured considered good	4,44,92,987	2,79,48,696
c) Security Deposits		
Rent Deposit	52,974	1,87,500
Other Deposits	1,50,000	-
Total	11,10,79,530	22,18,41,958

Note No :- 12

Long Term Investments

	As at 31st March 2019	As at 31st March 2018
a) Investments in Mutual Funds (Quoted at cost)#	47,66,000	-
b) Investments in Shares	1,21,95,000	-
Total	1,69,61,000	-

Note No :- 13

Current Investments

	As at 31st March 2019	As at 31st March 2018
a) Investments in Mutual Funds (Quoted at cost)#		22,00,000
b) Investments in Shares	54,39,063	-
c) Investments in NCD (Quoted at cost)#	26,00,000	-
Total	80,39,063	22,00,000

#Refer Note 24 for details of investments purchased and sold during the year.

Note No :- 14		
Cash and Bank Balances		
	As at 31st March 2019	As at 31st March 2018
Cash and Cash Equivalents:		
a) Balances with banks In current accounts	1,86,12,463.00	3,89,91,980.00
b) Cash	29,495.00	26,118.00
c) Others: Trading Stamp Paper	16,545.00	17,045.00
Total	1,86,58,503.00	3,90,35,143.00

Note No :- 15		
Short Term Loans & Advances		
	As at 31st March 2019	As at 31st March 2018
a) Secured, considered good-Related parties	27,11,58,801.00	12,32,03,286.00
b) secured considered good-Others	29,82,65,249.00	20,00,90,565.00
C)Unsecured ,considered good-Related parties	70,07,254.00	5,62,98,441.00
d)Unsecured, Considered good - others	13,11,81,693.00	4,85,20,836.00
Advance income tax (net of provisions for taxation and tax deducted at source)	1,07,53,748.00	39,77,725.00
Other Advances	50,09,165.00	46,57,791.00
Total	72,33,75,910.00	43,67,48,644.00

Note No :- 16		
Other Current Assets		
	As at 31st March 2019	As at 31st March 2018
(Unsecured, considered good unless otherwise stated)		
(a)Prepaid Expenses	2,72,004.00	4,66,269.00
(b)Other Receivables:	66,87,206.00	87,12,924.00
(c)GST input Credit	-	84,981.00
Total	69,59,210.00	92,64,174.00

Note No :- 17				
Revenue From Operations				
	As at 31st	March	As at 31st	March
	2019		2018	
Interest Income		10,60,75,385		7,45,68,866
Total		10,60,75,385		7,45,68,866

Note No :- 18				
Other Income				
	As at 31st	March	As at 31st	March
	2019		2018	
Loan Processing Income		1,24,763		87,588
Income from Investments		4,99,319		41,27,264
Income from Mutual Fund		1,47,54,173		1,94,98,982
Other Income		10,64,752		48,313
Commission-Insurance		10,92,125		4,77,912
Total		1,75,35,132		2,42,40,050

Note No :- 19				
Employee Benefit Expenses				
	As at 31st	March	As at 31st	March
	2019		2018	
Salaries & Allowances		2,82,94,106		2,08,42,440
Staff Bonus & Incentive, Others		9,43,737		33,71,630
Contribution to PF & ESI		13,45,229		10,95,439
Total		3,05,83,072		2,53,09,509

Note No :- 20				
Finance Cost				
	As at 31st	March	As at 31st	March
	2019		2018	
Interest Expenses		31,81,115		15,89,112
Interest on Non-convertible secured debentures		4,24,13,151		1,92,67,013
Interest on Non-convertible Unsecured debentures		1,52,55,220		89,72,071
Bank Charges & Processing Fee		28,954		3,17,633
Total		6,08,78,440		3,01,45,829

Note No :- 21		
Other Expenses		
	As at 31st March 2019	As at 31st March 2018
Advance Written Off	5,97,177	-
Advertisement Charges	35,57,939	80,13,559
Annual Maintenance Charges	1,16,087	14,288
Audit fee & Expenses (Refer Note no:20 (a))	6,50,000	6,00,000
Business Promotion	1,72,000	6,99,873
Commission	27,82,762	26,18,850
Consultancy fee	72,81,035	46,50,262
Donation	5,04,890	6,94,080
DP transaction & Trading Charges	1,49,404	51,574
Electricity charges	12,91,655	8,459
Flood Relief	2,03,491	-
Food & Lodging Expenses	2,15,500	6,67,024
GST Reversal	18,71,441	15,26,785
Income Tax F.Y 2014-15	-	73,264
Insurance Expense	2,10,302	3,53,025
Internet Charges	70,985	47,372
Marketing Fee	-	1,05,000
Miscellaneous Expenses	15	1,497
Mutual Fund registration Expenses	20,803	33,303
Office Expenses	7,33,210	3,749
Postage & Courier	20,843	13,095
Presents & Compliments	7,880	76,485
Printing & Stationery	4,32,247	9,81,506
Professional Charges	18,79,659	9,78,425
Provision For Advance	30,24,024	-
Provision for NPA	34,85,693	34,85,693
Provision for Standard Assets	4,39,291	5,07,871
Rates & Taxes	3,40,964	94,567
Rent	4,20,500	3,68,750
Repairs & Maintenance	7,89,895	3,11,242
Subscription Charges	19,00,313	10,87,221
Telephone & Mobile Charges	1,09,906	1,26,297
Travelling Expense	17,92,779	19,80,602
Total	3,50,72,691	3,01,73,718
Payment to Auditors : (Note no: 21 (a))		
As Auditor		
a.Audit Fee	6,00,000	5,50,000
b.For Taxation Matters:	25,000	25,000
c.For Management Services		
d.For Other Services	25,000	25,000
Total	6,50,000	6,00,000

Note No:22		
Depreciation & amortization expenses		
	As at 31st March 2019	As at 31st March 2018
Depreciation of tangible assets	18,71,637	10,93,177
Amortization of Intangible Assets	50,232	36,000
	19,21,869	11,29,177

Note No :- 23			
Earnings Per Share (EPS)			
The following reflects the profit and share data used in the basic and diluted EPS computations :			
	As at 31st 2019	March	As at 31st 2018
			March
Net profit/(loss) for calculation of EPS		-35,54,290	88,40,021
Weighted average number of equity shares in calculating basic EPS (Nos.)		2,24,71,840	2,24,71,840
Weighted average number of equity shares in calculating diluted EPS(Nos.)		2,24,71,840	2,24,71,840
EPS			
(1) Basic		-0.16	0.39
(2) Diluted		-0.16	0.39

24. Details of Investments Purchased and sold during the year

Security	Sell Value	Buy Value
ADITYA BIRLA	5,31,269	4,93,476
ADITYA BIRLA CAPITAL	9,71,897	13,79,080
AVANTI FEEDS	3,91,465	6,23,960
AVENUE SUPERMARTS LIMITED	4,99,693	4,99,109
BAJAJ FINSERV	5,80,401	4,96,606
BANK OF BARODA	4,94,190	4,63,606
CDSL	9,02,802	10,52,657
CONTAINER CORPORATION OF INDIA	7,58,635	9,65,673
FEDERAL BANK	4,37,480	3,41,474
FUTURE CONSUMER ENTERPRISE	4,43,514	4,98,242
FUTURE RETAIL	4,28,714	4,99,941
GABRIEL INDIA	3,72,491	3,62,238
GAIL (INDIA) LTD	14,58,709	15,47,428
HAVELS INDIA LIMITED	5,39,060	4,99,204
HINDALCO	7,17,678	7,05,996
ICICI LOMBARD	22,96,958	21,09,606
IDFC FIRST BANK LTD	6,25,889	5,40,500
INDIAN TERRAIN	4,24,969	4,99,490
INDIGRID INVIT FUND LTD	9,43,657	9,89,460
INDRAPRASTHA GAS	4,75,871	4,98,317
INTERGLOBE AVIATION	3,71,634	4,99,280
KAYA	4,59,045	4,91,077
LT FOODS	3,91,857	4,96,299
MUTHOOT FINANCE LIMITED	64,76,361	57,11,357
RELIANCE INDUSTRIES	52,15,281	44,53,543
SPICEJET	3,54,074	4,97,894
STERLITE TECHNOLOGIES	4,94,788	4,95,425
SUN PHARMACEUTICALS IND	5,22,026	4,59,867
TATA GLOBAL BEVERAGES LTD	4,21,779	4,97,527
TATA MOTORS LIMITED	8,01,956	7,87,742
VENKY	3,58,911	4,97,098
V-GUARD INDUSTRIES	4,32,303	4,99,608
VOLTAS	4,36,551	4,99,909
YES BANK LIMITED	5,12,615	5,05,559
HDFC HYBRID EQUITY FUND	45,813	40,000
HDFC LIQUID FUND	32,70,99,407	32,70,00,000
HDFC MID CAP OPPORTUNITIES FUND	3,60,356	3,40,000
ICICI PRU BALANCED ADVANTAGE FUND	45,247	40,000
ICICI PRU VALUE DISCOVERY FUND	46,604	40,000
RELIANCE LIQUID FUND	1,06,88,08,209	1,06,85,00,000

RELIANCE ULTRA SHORT DURATION FUND - GROWTH OPTION	12,09,227	12,00,000
UTI MID CAP FUND	44,085	40,000
TOTAL	1,42,92,03,471	1,42,86,58,248

25. Note 06: Contd Term Loan-Vehicle from The Federal Bank Ltd, Kaloor Branch

(₹ in Lakhs)

Sl.No	Financial Institution	Facility availed	Sanction Limit and Interest rate	Repayment terms	Primary and Collateral Security	Balance as at March 31, 2019	Balance as at March 31, 2018
1	The Federal Bank Limited	Term Loan	10.25 (Present Interest rate is 8.95 p.a)	Repayable in 60 equal installments	Hypothecation of Brand New Maruti Breeza	4.79	7.34

26. Note 07: Contd Other Current liabilities

(₹ in Lakhs)

Sl.No	Financial Institution	Facility availed	Sanction Limit and Interest rate	Repayment terms	Primary and Collateral Security	Balance as at March 31, 2019	Balance as at March 31, 2018
1	Aditya Birla Finance	Cash Credit	15 Crores (Present Interest rate is 11% p.a)	Repayable on Demand	Pledge of Basket of securities as per the approved list of securities of ABFL at applicable margins. No unapproved scrip will be accepted except without specific approval for the same.	.00033	301.88
2	IIFL Wealth Finance Limited	Cash Credit	10 Crores (Rate of Interest IIFLW PLR +20 bps) (Present Interest rate is 10.95% p.a)	Bullet payment at the end of tenure	Diversified securities approved by the Lender. The list of acceptable security can change anytime at the sole discretion of the lender.	0	435
3	Bajaj Finance Limited	Cash Credit	10 Crores (Present Interest rate is 10.5% p.a)	Bullet repayment	Securities as per Bajaj Finance Ltd 's Approved List.	180.29	178
4	The Federal Bank Limited	Term Loan	10.25(Present Interest rate is 8.95 p.a)	Repayable in 60 equal installments	Hypothecation of Brand New Maruti Breeza	2.55	2.55
5	South Indian Bank.	Over Draft	1.2Crores (Present Interest Rate is 10.95 p.a)	(a) On Demand (b) The working capital limits should be renewed within 12 Months.	1 st charge on current assets, book debts, loans & advances and receivables created out of our finance. EM of 2 units (3A & 3B Commercial space in Hedge House situated at No. 40/3443,40/3444, Sy.No.136/13A Pearl Opulence, Palarivattom, Ekm.	0.15	0

27. Loan portfolio and Provision for Non Performing Assets for major categories of loan portfolio:

(₹ in Lakhs)

	Gross Loan outstanding		Provision for NPA		Net Loan Outstanding	
	2019	2018	2019	2018	2019	2018
Business Loan - Secured - Term - Bullet Payment	1427.19	1356.46	72.41	37.38	1354.78	1319.08
Business Loan - Unsecured - Term - Bullet Payment	321.98	0.94	0.80	0.00	321.17	0.93
Business Loan-Secured - OD	1836.77	621.21	4.59	1.55	1832.18	619.66
Business Loan-Unsecured-OD	321.09	300.00	0.80	0.75	320.28	299.25
CONSUMER LOAN	1168.59	524.15	2.92	1.31	1165.67	522.84
MARGIN FUNDING	247.13	731.43	0.62	1.83	246.51	729.60
Equipment Finance-EMI	55.67	36.20	0.14	0.09	55.53	36.10
Personal Loan Unsecured- Term - EMI	1.79	0.00	0.00	0.00	1.79	0.00
Staff Loan - Term Loan - Bullet	7.91	7.18	2.10	2.09	5.82	5.08
Staff Loan - EMI	6.18	0.50	0.02	0.00	6.17	0.50
LAS	81.19	45.11	0.20	0.11	80.98	44.99
Mortgage Loan - OD	1761.44	1918.47	4.40	4.80	1757.03	1913.67
Mortgage Loan-Term - Bullet Payment	1014.11	882.80	2.54	2.21	1011.57	880.60
Mortgage Loan-Term - EMI	3.30	0.00	0.01	0.00	3.30	0.00
Personal Loan-Unsecured - Term - Bullet Payment	0.51	73.24	0.00	0.18	0.51	73.06
Total	8254.85	6497.69	91.55	52.30	8163.29	6445.36

28. Managerial Remuneration under section 197 of the Companies Act, 2013

(₹ in Lakhs)

	Current Year	Previous Year
Salaries & allowances	22.16	22.16

29. Earnings per share

Earnings per share are calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year as under:

Particulars	Current year	Previous year
Profit after tax attributable to equity shareholders (₹)	(35,54,290)	88,40,021
Weighted average number of equity shares outstanding during the year	22471840	22471840
Basic /Diluted Earnings per share (₹)	(0.16)	0.39
Nominal value per share (₹)	10	10

30. No amount was due for transfer to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 on March 31st 2019.

31. There is no Micro and Small enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31st March 2019. This information as required to be disclosed under the Micro, Small and Medium enterprises development Act,2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

As on 31 Mar 2019 As on 31 Mar 2018

32. Expenditure in foreign currency	NIL	NIL
33. Value of imports	NIL	NIL
34. Value of all imported raw material	NIL	NIL
35. Foreign remittance on account of dividends	NIL	NIL
36. Earnings in foreign exchange	NIL	NIL
37. Contingent liabilities	NIL	NIL

38. The company has reclassified or regrouped previous year figures to conform to this year's financials.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2019

(All amounts are in Indian Rupees, unless otherwise stated)

39) As per Accounting Standard 18, the disclosures of transaction with the related parties as defined in the accounting standard are given below:

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

Sl No	Name of related party	Relationship
1	ALEX KALLUVILA BABU	Managing Director
2	RAPHEAL THOMAS	Director
3	SURAJ RAMACHANDRAN	CFO
4	ANJU THOMAS	CS
5	K C BABU	Relative of MD
6	NITHYA ALEX	Relative of MD
7	JACOB KALLUVILA BABU	Relative of MD
8	NANCY BABU	Relative of MD
9	TWO STAR AJANTHA PROPERTIES PRIVATE LIMITED	Common Directorship
10	HEDGE EQUITIES LIMITED	Common Directorship
11	HEDGE COMMODITIES LIMITED	Common Directorship
12	HEDGE SCHOOL OF APPLIED ECONOMICS LIMITED	Common Directorship
13	ANUJA PROPERTY DEVELOPERS PRIVATE LIMITED	Common Directorship
14	HEDGEINFO SYSTEMS PRIVATE LIMITED	Common Directorship
15	HEDGE PROPERTIES PRIVATE LIMITED	Common Directorship
16	GILGAL PROPERTY DEVELOPERS PRIVATE LIMITED	Common Directorship
17	AESTHETICS SECURITIES PRIVATE LIMITED	Common Directorship
18	CORDATE PROPERTY DEVELOPERS PRIVATE LIMITED	Common Directorship
19	LEXINE BUILDERS AND DEVELOPERS PRIVATE LIMITED	Common Directorship
20	TRIGGER LOGISTICS PRIVATE LIMITED	Common Directorship
21	OMNICORE SOLUTIONS PRIVATE LIMITED	Common Directorship
22	CARLTON LOGISTICS PRIVATE LIMITED	Common Directorship
23	YOUNG PRESIDENTS ORGANIZATION (KERALA CHAPTER)	Common Directorship
24	MODUS LOGISTICS PRIVATE LIMITED	Common Directorship
25	UNIROYAL MARINE EXPORTS LTD	Common Directorship
26	HIMAX BUILDERS INDIA PRIVATE LIMITED	Relative of KMP
27	GAVRIELLA BUILDERS AND DEVELOPERS PRIVATE LIMITED	Relative of KMP
28	BABYMARINE SEAFOOD RETAIL PRIVATE LIMITED	Relative of KMP
29	CASPER SECURITIES PRIVATE LIMITED	Relative of KMP
30	ENSO FINANCIAL CONSULTANCY PRIVATE LIMITED	Relative of KMP

31	CORNELIAN REALTORS AND DEVELOPERS PRIVATE LIMITED	Relative of KMP
32	NIYOG CONSULTANCY SERVICES PRIVATE LIMITED	Relative of KMP
33	FEDEX SECURITIES LIMITED	Relative of KMP
34	KADAKKETH FARM PRODUCTS PRIVATE LIMITED	Relative of KMP
35	KALLUVILA AGRO PRODUCTS PRIVATE LIMITED	Relative of KMP
36	SHREWSBERRY FARM PRODUCTS PRIVATE LIMITED	Relative of KMP
37	CIANNA PROPERTY DEVELOPERS PRIVATE LIMITED	Relative of KMP
38	KENSHA BUILDERS AND DEVELOPERS PRIVATE LIMITED	Relative of KMP
39	CALEB SECURITIES PRIVATE LIMITED	Relative of KMP
40	ARCHANGEL LEASING AND INFOTECH PRIVATE LIMITED	Relative of KMP
41	LAAB M SCREENS PRIVATE LIMITED	Relative of KMP
42	JAS CULINARY SPECIALITIES PRIVATE LIMITED	Relative of KMP
43	ALSTON BUILDERS AND DEVELOPERS PRIVATE LIMITED	Relative of KMP
44	ANUBA PROPERTY DEVELOPERS PRIVATE LIMITED	Relative of KMP
45	FREO RENTALS AND LEASING PRIVATE LIMITED	Relative of KMP
46	ALTHOM PROPERTY DEVELOPERS PRIVATE LIMITED	Relative of KMP
47	NITHYAJA PROPERTY DEVELOPERS PRIVATE LIMITED	Relative of KMP
48	ANAS PROPERTY DEVELOPERS PRIVATE LIMITED	Relative of KMP
49	BABY MEMORIAL HOSPITAL LIMITED	Relative of KMP
50	WHITEFIELD DAIRY PRIVATE LIMITED	Relative of KMP
51	GANYA REALTORS AND DEVELOPERS PRIVATE LIMITED	Relative of KMP
52	BABY BUILDERS PRIVATE LIMITED	Relative of KMP
53	MAX LAB CINEMAS AND ENTERTAINMENT PRIVATE LTD	Relative of KMP

II) Transactions during the year and balances at the yearend*

Sl No.	Particulars	Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key management person or their relatives	
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
1	Loan advanced						
	Hedge Equities Limited	-	-	-	-	5,20,00,000.00	6,00,00,000.00
	Baby Marine Sea Food Retail Private Limited	-	-	-	-	2,63,09,577.00	2,62,98,441.00
	Hedge School of Applied Economics	-	-	-	-	70,07,254.00	-
	Ganya Realtors and Developers	-	-	-	-	-	1,98,661.00
	Max Lab Cinemas & Entertainment Private Limited	-	-	-	-	9,10,45,414.00	2,93,75,753.00
	Cordate Property Developers Private Limited	-	-	-	-	-	1,01,11,997.00
	Lexine Builders & Developers Pvt Ltd	-	-	-	-	-	1,01,11,997.00
	Cornelian Realtors and Developers Private Limited	-	-	-	-	2,93,50,700.00	2,93,22,869.00
	Kensha Builders & Developers Private Limited	-	-	-	-	1,18,44,448.00	1,51,67,340.00
	Babu Chandy	-	-	7,72,37,900.00	4,41,49,017.00	-	-
	Raji.C.P	-	-	21,50,127.00	59,29,387.00	-	-
	Jacob K Babu	-	-	-	-	-	-
	Nithya Alex	-	-	31,11,491.00	44,75,758.00	-	-
Nancy Babu	-	-	9,64,16,176.00	10,33,83,044.00	-	-	
Suraj Ramachandran	46,768.00	40,707.00	-	-	-	-	
2	Interest on Loan						
	Hedge Equities Limited	-	-	-	-	91,72,993.00	80,32,602.00
	Baby Marine Sea Food Retail Private Limited	-	-	-	-	38,12,649.00	34,36,980.00
	Hedge School of Applied Economics	-	-	-	-	5,754.00	-
	Ganya Realtors and Developers	-	-	-	-	5,83,688.00	13,23,015.00
	Max Lab Cinemas & Entertainment Private Limited	-	-	-	-	95,69,226.00	58,64,450.00
	Cordate Property Developers Private Limited	-	-	-	-	7,86,735.00	4,19,656.00
	Lexine Builders & Developers Pvt Ltd	-	-	-	-	7,48,681.00	4,19,656.00
	Cornelian Realtors and Developers Private Limited	-	-	-	-	44,02,363.00	12,17,332.00
	Kensha Builders & Developers Private Limited	-	-	-	-	17,73,476.00	6,29,585.00
	Babu Chandy	-	-	89,29,491.00	1,02,45,981.00	-	-
	Raji.C.P	-	-	3,61,740.00	3,14,406.00	-	-
	Jacob K Babu	-	-	3,460.00	-	-	-
	Nithya Alex	-	-	6,60,955.00	1,46,758.00	-	-
Nancy Babu	-	-	1,35,07,582.00	26,72,835.00	-	-	
Suraj Ramachandran	18,756.00	8,033.00	-	-	-	-	
3	Remuneration						
	Alex.K.Babu	22,16,604.00	22,16,604.00	-	-	-	-

4	Salaries & Allowances	-	-	-	-	-	-	-
	Suraj Ramachandran (CFO)	6,90,000.00	5,60,000.00	-	-	-	-	-
	Anju Thomas (C.S)	3,80,400.00	3,08,000.00	-	-	-	-	-
5	Rent paid	-	-	-	-	-	-	-
	Hedge Equities Limited	-	-	-	-	2,40,000.00	2,40,000.00	-
6	Travelling Expenses	-	-	-	-	-	-	-
	Alex.K.Babu	5,36,933.00	5,12,222.00	-	-	-	-	-
	Suraj Ramachandran (CFO)	20,557.00	24,877.00	-	-	-	-	-
7	Other Receivables	-	-	-	-	-	-	-
	Hedge Equities Limited	-	-	-	-	45,29,903.00	79.00	-
	Hedge Properties Private Limited	-	-	-	-	-	5,97,177.00	-
8	Investments in Group Companies	-	-	-	-	-	-	-
	Hedge Equities Limited	-	-	-	-	1,21,95,000.00	-	-

For and on behalf of the Board
 Alex Kalluvila Babu
 (Managing Director)
 DIN:01254207

As per our Report of even date attached
 For, MANIKANDAN & ASSOCIATES,
 CHARTERED ACCOUNTANTS
 MEMBERSHIP NO: 208654
 FIRM REG NO: 0085205

C. MANIKANDAN
 (PARTNER)



Vinay Sasidharan
 (Chief Executive Officer)

Suraj Ramachandran
 (Chief Financial Officer)

Anju Thomas
 (Company Secretary)

Place : Kochi
 04/09/2019