



S. Vasudevan & Associates

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the Members of Loyal Credit and Investments Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Loyal Credit and Investments Limited** ("the Company"), which comprise the balance sheet as at 31 March 2023, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the 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 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, 2023, and its financial performance, and its cash flows for the year ended on that date.

Basis for Opinion

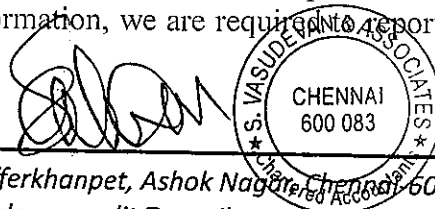
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent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

Information other than the financial statements and auditor's report thereon

The Company's Board of directors are responsible for the preparation of other information. The other information comprises Board's Report, Report on Corporate governance and Business responsibility report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 the 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.

The 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 with reference to financial statements 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 the 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.

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

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

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

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.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (2) As required by Section 143(3) of the Act, based on our audit, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;




- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" wherein we have expressed an unmodified opinion.
- (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 according to information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) 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;
- a. The Company does not have any pending litigations which would impact its financial position;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- d. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts
- i. no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- ii. no funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- iii. Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- e. The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Companies Act, 2013 is not applicable for the year under consideration.
- f. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For S. Vasudevan & Associates

Chartered Accountants

Firm Reg No: 004569S


CA S. Vasudevan

Partner

Membership No.: 027228

UDIN: 23027228 BGVMT4599



Chennai
21 August, 2023

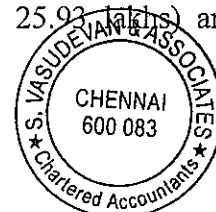
Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of M/s. Loyal Credit and Investments Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) In respect of the Company's property, plant and equipment:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets.
 - (b) The Property, plant & equipment have been physically verified by the management in accordance with a regular programme of verification at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us, the Company does not hold any immovable properties of land and building as at the balance sheet date.
 - (d) The Company has not revalued its property, plant and equipment (including right of use asset) during the year. Accordingly, reporting under clause 3(i) (d) of the Order is not applicable.
 - (e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3 (i)(e) of the Order is not applicable.
- (ii)
- (a) The company is in the business of giving loans and as such does not have any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
 - (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3 (ii) (b) of the Order is not applicable.
- (iii)
- (a) The Companies principal business is to give loans and accordingly, reporting under clause 3 (iii) (a) of the Order is not applicable.
 - (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of loans and advances in the nature of loans granted by the company to other parties (loans and advances in the nature of loans balance outstanding as at balance sheet date Rs 25.92 lakhs) are prejudicial to the

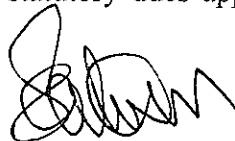


company's interest on account of the fact that the loans have been granted at nil rate of interest per annum which is not at prevailing yield of government security closest to the tenor of the loan. The investments made are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or security, secured and unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- (c) According to information and explanation given to us, in respect of the loans and advances in the nature of loans, schedule of repayment of principal and payment of interest have not been stipulated with respect to the loans and advances in the nature of loans balance outstanding as at balance sheet date Rs 22.93 lakhs. In the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal or payment of interest.

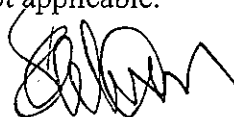
In respect of the loans where the schedule of repayment of principal and payment of interest is stipulated but repayment of principal or payment of interest is not regular for one case.

- (d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at year end is Rs NIL.
- (e) The Companies principal business is to give loans and accordingly, reporting under clause 3 (iii) (e) of the Order is not applicable.
- (f) In our opinion and according to information and explanation given to us, the company has granted the loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment aggregating to Rs 22.93 lakhs (3.49% to the total loans and advances in the nature of loans). The aggregate of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is Rs. 649.24 Lakhs.
- (iv) In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 of the Act are applicable. In respect of investments made by the Company, the Company had complied with the provisions of section 186 of the Act as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Accordingly, reporting under clause 3 (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly, reporting under clause 3 (vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
(a) In our opinion, and according to the information and explanations given to us and on the basis of our examination of the records, the company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' state Insurance, Income Tax, Sales Tax, Service Tax, duty of customs, duty of excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.





Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to information and explanations given to us and on the basis of our examination of the records, there are no dues of income tax, GST, sales tax, service tax, duty of customs, duty of excise or value added tax that have not been deposited on account of any dispute as at March 31, 2023.
- (viii) In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting under clause 3 (viii) of the Order is not applicable.
- (ix)
- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the company has neither obtained term loans nor the term loans which were taken in the previous financial years have been actually utilised during the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanations given to us, the Company did not raise any funds during the year and accordingly, reporting under clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.
- (x)
- (a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable.



- (xi)
- (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, reporting under clause 3 (xi) (a) and (b) of the Order are not applicable.
- (b) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.
- (xii) The Company is not a Nidhi Company and accordingly, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv)
- (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system, commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, reporting under clause 3 (xv) of the Order is not applicable.
- (xvi)
- (a) In our opinion and according to the information and explanations given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and it has obtained the registration.
- (b) In our opinion and according to the information and explanations given to us, the Company has conducted the non-banking financial activities with a valid Certificate of Registration (CoR) from the RBI as per RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanations given to us, the Company is not a Systematically Important Core Investment Company (CIC) as per the Reserve Bank of India, regulations. As such the Company is not required to obtain registration and therefore, reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

- (xviii) There has been no resignation of the Statutory Auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility spending were not applicable to the Company during the period covered by our audit. Accordingly, reporting under clause 3(xx)(a) & (b) of the Order are not applicable.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For S. Vasudevan & Associates

Chartered Accountants

Firm Reg No: 004569S


CA S. Vasudevan

Partner

Membership No.: 027228

UDIN: 23027228 BGVMT4599



Chennai

21 August, 2023

Annexure “B” to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Loyal Credit and Investments Limited of even date)

Report on the Internal Financial controls over Financial Reporting 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 Loyal Credit and Investments Limited (“the Company”) as at March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial controls

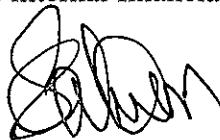
The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of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

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.

For S. Vasudevan & Associates

Chartered Accountants

Firm Reg No: 004569S

CA S. Vasudevan

Partner

Membership No.: 027228

UDIN: 23027228 BGVMTH4599



Chennai

21 August, 2023

LOYAL CREDIT AND INVESTMENTS LIMITED

CIN - U65993TN1979PLC007999

Balance Sheet as at 31 March, 2023

Particulars	Note No.	As at 31 March, 2023	As at 31 March, 2022
		Rs.	Rs.
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	2,07,52,270	4,07,52,270
(b) Reserves and surplus	4	3,41,54,827	3,19,04,882
(c) Money Received against share warrents			
		5,49,07,097	7,26,57,152
2 Share application money pending allotment			
3 Non-current liabilities			
(a) Long-term borrowings	5	6,72,85,205	8,14,58,499
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
		6,72,85,205	8,14,58,499
4 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	6	3,80,137	85,849
(A) total outstanding dues of micro enterprises and small enterprises			
(B) total outstanding dues of Creditors other than micro enterprises and small enterprises			
(c) Other current liabilities	7	12,89,08,647	16,45,284
(d) Short-term provisions		-	-
		12,92,88,784	17,31,133
TOTAL		25,14,81,086	15,58,46,784
B ASSETS			
1 Non-current assets			
(a) (i) Property, Plant and Equipment	8	1,73,65,131	1,61,50,738
(ii) InTangible assets			
(iii) Capital Work in Progress		-	-
(iv) Intangible Assets under Development		-	-
		1,73,65,131	1,61,50,738
(b) Non-current investments	9	13,78,09,431	13,77,23,362
(c) Deferred tax assets (net)	18.2	12,14,236	11,42,968
(d) Long-term loans and advances	10	6,56,68,653	3,00,000
(e) Other non-current assets		-	-
		22,20,57,451	15,53,17,068
2 Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	11	-	2,462
(d) Cash and cash equivalents	12	2,91,40,277	1,39,847
(e) Short-term loans and advances		-	-
(f) Other current assets	13	2,83,357	3,87,407
		2,94,23,634	5,29,716
TOTAL		25,14,81,085	15,58,46,784


See accompanying notes forming part of the financial statements

In terms of our report attached.

For S. Vasudevan & Associates

Chartered Accountants

Firm Registration Number : 0045695


S. Vasudevan

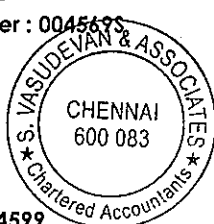
Partner

M.No. 027228

UDIN: 23027228BGMTH4599

Place: Chennai

Date: 21.08.2023

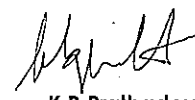


For and on behalf of the Board of Directors


Bala V Koffi

Director

DIN 00765036


K B Prathadevi

Director

DIN 01180104

LOYAL CREDIT AND INVESTMENTS LIMITED

CIN - U65993TN1979PLC007999

Statement of Profit and Loss for the year ended 31 March, 2023

Particulars	Note No.	For the year ended	For the year ended
		31 March, 2023	31 March, 2022
		Rs.	Rs.
A CONTINUING OPERATIONS			
1 Revenue from operations (gross)	14	53,50,446	75,54,402
Revenue from operations (net)		53,50,446	75,54,402
2 Other income	15	50,15,308	8,08,500
3 Total Income (1+2)		1,03,65,754	83,62,902
4 Expenses			
(a) Cost of materials consumed		-	-
(b) Purchase of Stock in Trade		-	-
(c) Changes in inventories of finished goods, work-in-progress		-	-
(d) Employee benefits expenses	16	17,85,064	2,54,814
(e) Finance costs		9,31,618	-
(f) Depreciation and amortisation expense	8	4,11,115	3,95,514
(g) Other expenses	17	43,88,347	25,01,338
Total expenses		75,16,144	31,51,665
5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		28,49,610	52,11,237
6 Exceptional items		-	-
7 Profit / (Loss) before extraordinary items and tax (5 ± 6)		28,49,610	52,11,237
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7 ± 8)		28,49,610	52,11,237
10 Tax expense:			
(a) Current tax expense		8,12,167	10,02,642
(b) Deferred tax	18.2	(71,268)	(66,260)
		7,40,899	9,36,382
11 Profit / (Loss) from continuing operations (9 ± 10)		21,08,712	42,74,855
12 Profit / (Loss) from discontinuing operations		-	-
13 Tax from discontinuing operations		-	-
14 Profit/ (Loss) from discontinuing operations		-	-
15 Profit / (Loss) for the period		21,08,712	42,74,855
16 Earnings per share :			
(1) Basic		0.99	2.06
(2) Diluted		0.99	2.06

See accompanying notes forming part of the financial statements

In terms of our report attached.

For S. Vasudevan & Associates

Chartered Accountants

Firm Registration Number : 004569S

S. Vasudevan

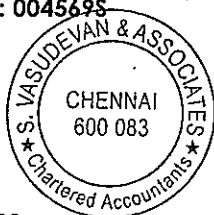
Partner

M.No. 027228

UDIN: 23027228BGMTH4599

Place : Chennai

Date: 21.08.2023



For and on behalf of the Board of Directors

Bala V Kutti

Director

DIN 00765036

K B Prathadevi

Director

DIN 01180104

LOYAL CREDIT AND INVESTMENTS LIMITED

CIN - U65993TN1979PLC007999

Cash Flow Statement for the year ended 31 March, 2023

Particulars	For the year ended 31 March, 2023		For the year ended 31 March, 2022	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before tax and extra-ordinary items		28,49,610		52,11,237
<i>Adjustments for:</i>				
Depreciation and amortisation	4,11,115		3,95,514	
Interest income	(4,12,545)		(36,83,183)	
Impairment Cost	16,616			
Bad debts written off	-		-	
Net unrealised exchange (gain) / loss	-	15,186	-	(32,87,670)
Operating profit / (loss) before working capital changes		28,64,796		19,23,567
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	-		-	
Trade receivables	2,462		64,741	
Short-term loans and advances	-		-	
Long-term loans and advances	(6,53,68,653)		1,79,08,483	
Other current assets	1,04,050		(2,98,417)	
Other non-current assets	-		-	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	2,94,288		-	
Other Current liabilities	12,72,63,363		5,97,203	
Other long-term liabilities	-		(2,27,84,772)	
Short-term provisions	-		-	
Long-term provisions	-	6,22,95,510	-	(45,12,762)
Cash flow from extraordinary items		6,51,60,306		(25,89,195)
Cash generated from operations		6,51,60,306		(25,89,195)
Net income tax (paid) / refunds		(8,12,167)		(10,02,642)
Net cash flow from operating activities (A)		6,43,48,139		(35,91,837)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(16,42,125)		(1,02,890)	
Proceeds from sale of Fixed assets	-		-	
Sale of long-term investments	(86,069)		(70,533)	
Interest received	4,12,545		36,83,183	
Rental income from investment properties	-		-	
Cash flow from extraordinary items		(13,15,649)		35,09,760
Net cash flow from investing activities (B)		(13,15,649)		35,09,760

LOYAL CREDIT AND INVESTMENTS LIMITED

CIN - U65993TN1979PLC007999

Cash Flow Statement for the year ended 31 March, 2023

Particulars	For the year ended 31 March, 2023		For the year ended 31 March, 2022	
	Rs.	Rs.	Rs.	Rs.
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-		-	
Share application money received / (refunded)	(2,00,00,000)		-	
Increase / (Decrease) in Deferred Tax Liability	-		-	
Increase / (Decrease) in other long-term liabilities	(1,41,73,294)		-	
Increase / (Decrease) in Reserves	1,41,233		-	
Dividend paid	-		-	
Tax on Dividend	-		-	
Finance cost	-		-	
Net cash flow from financing activities (C)		(3,40,32,061)		-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		2,90,00,430		(82,077)
Cash and cash equivalents at the beginning of the year		1,39,846		2,21,923
Cash and cash equivalents at the end of the year		2,91,40,276		1,39,846
Cash and cash equivalents at the end of the year Comprising:				
(a) Cash on hand		-		2,334
(b) Balances with banks		2,91,40,276		1,37,512
		2,91,40,276		1,39,846

See accompanying notes forming part of the financial statements

In terms of our report attached.

For S. Vasudevan & Associates

Chartered Accountants

Firm Registration Number : 004569S

For and on behalf of the Board of Directors

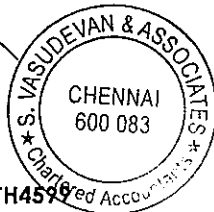
S. Vasudevan
Partner

M.No. 027228

UDIN: 23027228BGMTH4599

Place : Chennai

Date: 21.08.2023



Bala V Kuffi
Bala V Kuffi
Director
DIN - 00765036

K B Prathadevi
K B Prathadevi
Director
DIN 01180104

LOYAL CREDIT AND INVESTMENTS LIMITED
CIN - U65993TN1979PLC007999
Notes forming part of the financial statements

Note	Particulars
1	<p>Corporate Information</p> <p>The Company M/s. Loyal Credit and Investments Limited was incorporated on 07-11-1979. Registered Office is situated at 4th Floor, Kothari Buildings, 114, M.G. Road, Chennai 600 034. The Company's main objective is Financing of hire purchase of all kinds of movable and immovable properties and generation of electricity from wind mills. The company is yet to obtain Certificate of Registration (CoR) from the Reserve Bank of India (RBI).</p>
2	<p>Significant accounting policies</p>
2.1	<p>Basis of accounting and preparation of financial statements</p> <p>The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
2.2	<p>Use of estimates</p> <p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.</p>
2.3	<p>Inventories</p> <p>Inventories are valued at cost after providing for obsolescence and other losses, where considered necessary.</p>
2.4	<p>Cash and cash equivalents</p> <p>Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances.</p>
2.5	<p>Depreciation and amortisation</p> <p>Depreciation/amortisation on fixed assets, including revaluation cost and the capitalisation of capital expenditure, are charged over the period of the remaining useful life of the asset, arrived at after considering the asset life as prescribed under Schedule-II to the Companies Act, 2013, adopting straight line method of depreciation/amortisation.</p>

2.6 Revenue recognition

Dividend Income

Dividend Income is recognised when the Company's right to receive the payment is established.

Interest Income

Interest Income is recognised on a time proportion basis, taking into account the amount outstanding and rate applicable.

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from Non-operating activities

Other income are recognised on accrual basis which in general includes profit on sale of fixed assets, investments etc.

2.7 Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses, if any.

2.8 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current Investments are carried at lower of cost and market value.

2.10 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

2.11 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan.

2.12 Segment Reporting

As per Accounting Standard - 17 "Segment Reporting" , the company is required to report information based on Business Segment and Geographical Segment. It is perception of the management that there is only one segment and the business is viewed as a whole. Thus, the said Accounting Standard is not mandatory for Small and Medium Size Enterprises as defined in notification dated December 7, 2006 issued by Ministry of Company Affairs.

<p>2.13</p>	<p>Earnings per share Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.</p>
<p>2.14</p>	<p>Taxes on income Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.</p> <p>Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.</p>
<p>2.15</p>	<p>Impairment of assets The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount.</p>
<p>2.16</p>	<p>Provisions and contingencies A provision is recognised when the Company has a present obligation as a result of past events 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. Contingent liabilities are disclosed in the Notes.</p>

LOYAL CREDIT AND INVESTMENTS LIMITED

CIN - U65993TN1979PLC007999

Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	Rs.	Number of shares	Rs.
(a) Authorised				
Equity shares of Rs. 10/- each	25,00,000	2,50,00,000	25,00,000	2,50,00,000
Optional Convertible Preference Shares of Rs. 50,00,000/- each	7	3,50,00,000	7	3,50,00,000
		6,00,00,000		6,00,00,000
(b) Issued				
Equity shares of Rs.10/- each	20,75,227	2,07,52,270	20,75,227	2,07,52,270
Optional Convertible Preference Shares of Rs. 50,00,000/- each	-	-	4	2,00,00,000
		2,07,52,270		4,07,52,270
(c) Subscribed and fully paid up				
Equity shares of Rs.10/- each	20,75,227	2,07,52,270	20,75,227	2,07,52,270
Optional Convertible Preference Shares of Rs. 50,00,000/- each	-	-	4	2,00,00,000
		2,07,52,270		4,07,52,270
Total		2,07,52,270		4,07,52,270

Notes:

(i) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
K.V. Bala	20,68,627	99.68%	20,68,627	99.68%

(ii) Shareholding of Promoter

Class of shares / Name of the Promoter	As at 31 March, 2023		As at 31 March, 2022		% Change during the year
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares					
K.V. Bala	20,68,627	99.68%	20,68,627	99.68%	0.00%
Prathadevi K B	1,100	0.05%	1,100	0.05%	0.00%
Shalini K B	1,100	0.05%	1,100	0.05%	0.00%
Amit K B	1,100	0.05%	1,100	0.05%	0.00%

(iii) STATEMENTS OF CHANGES IN EQUITY

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Balance at the beginning of the current reporting period	20,75,227	100.00%	20,75,227	100.00%
Changes in Equity Share Capital due to prior period error	-	0.00%	-	0.00%
Related Balance at the beginning of the current reporting period	-	0.00%	-	0.00%
Changes in Equity Share Capital during the current year	-	0.00%	-	0.00%
Balance at the end of the current reporting period	20,75,227	100.00%	20,75,227	100.00%
Optional Convertible Preference Shares				
Balance at the beginning of the current reporting period	-	0.00%	4	100.00%
Changes in Equity Share Capital due to prior period error	-	0.00%	-	0.00%
Related Balance at the beginning of the current reporting period	-	0.00%	-	0.00%
Changes in Equity Share Capital during the current year	-	0.00%	-4	100.00%
Balance at the end of the current reporting period	-	0.00%	-	0.00%

LOYAL CREDIT AND INVESTMENTS LIMITED

CIN - U65993TN1979PLC007999

Notes forming part of the financial statements

Particulars	As at 31 March, 2023 Rs.	As at 31 March, 2021 Rs.
Note 4 Reserves and surplus		
(a) General Reserve		
Opening Balance	1,69,04,882	1,26,30,027
Add: Transfer During the Year from Profit & Loss Acc	21,08,712	42,74,855
- Prior Period - Income Tax	1,41,233	-
Closing balance	1,91,54,827	1,69,04,882
(b) Capital Redemption Reserve		
	1,50,00,000	1,50,00,000
Total	3,41,54,827	3,19,04,882
Note 5 Long-term Liabilities		
loans and advances		
From Other Parties		
against Investments	2,00,06,575	-
Related Parties		
Unsecured	2,64,86,630	8,06,66,499
Others		
Unsecured	2,07,92,000	7,92,000
Total	6,72,85,205	8,14,58,499
Note 6 Trade Payables		
total outstanding dues of micro enterprises and small enterprises; and	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises (#)	3,80,137	85,849
Total	3,80,137	85,849
* Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management represents the principal amount payable to these enterprises. There is no interest due and outstanding as on the reporting date.		
# Balances are subject to confirmation and reconciliation.		

Trade payables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	-	-	-	-	-
Others	3,80,137	-	-	-	3,80,137
(Previous Year)	(85,849)	-	-	-	(85,849)
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	3,80,137	-	-	-	3,80,137
(Previous Year)	(85,849)	-	-	-	(85,849)

Note 7 Other current liabilities

Others		
- Statutory remittances payable	10,43,663	9,90,739
- Expense Payable	29,93,282	2,34,545
- Rental Deposit	3,00,000	4,20,000
- Security Deposit (Related Party)	6,20,00,000	
- Advance for sale of investment (Related Party)	6,25,71,702	
Total	12,89,08,647	16,45,284

LOYAL CREDIT AND INVESTMENTS LIMITED
CIN - U65993TN1979PLC007999

Particulars	Gross block			Accumulated depreciation and impairment		Net block	
	Balance as at 1 April, 2022	Additions	Disposals	Balance as at 31 March, 2023	Depreciation / amortisation for the year	Eliminated on disposal of assets	Balance as at 31 March, 2022
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
A. Tangible assets							
Land	69,18,112	15,92,950	-	85,11,062	-	-	69,18,112
Buildings	63,04,307	-	-	63,04,307	-	-	32,66,348
Office Equipments	8,06,400	49,175	3,38,880	5,16,695	61,825	3,48,256	1,95,233
Furniture & Fixtures	1,44,210	-	78,210	66,000	7,249	52,218	77,065
Plant & Machinery	2,84,93,151	-	-	2,84,93,151	3,42,041	-	56,93,979
Total	4,26,66,180	16,42,125	4,17,090	4,38,91,215	4,11,115	4,00,474	1,61,50,737
Depreciation and amortisation relating to continuing operations:							
			For the year ended 31 March, 2023	For the year ended 31 March, 2022			
			Rs.	Rs.			
Depreciation and amortisation for the year on tangible assets			4,11,115	3,95,514			
Depreciation and amortisation relating to continuing operations			4,11,115	3,95,514			

Note 9 Non-current investments

Particulars	As at 31 March, 2023				As at 31 March, 2022				
	No. of Shares	Quoted	Unquoted	Total	Market Value - Quoted	No. of Shares	Quoted	Unquoted	Market Value - Quoted
		Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.
A. Investment in Equity Instruments									
(i) Entities over which KMP can exercise significant influence									
Ind Eco Ventures Limited	61,74,000	-	2,03,25,000	2,03,25,000	58,24,608	6,640	16,45,392	-	16,45,392
Soutra Investments Holdings Pvt Ltd	30,87,000	-	2,03,25,000	2,03,25,000	53,12,175	3,300	31,680	-	31,680
Indonet Global Ltd.	28,02,000	-	1,00,60,000	1,00,60,000	1,20,61,125	7,500	3,86,625	-	3,86,625
Indowind Energy Ltd.	81,25,448	5,15,64,567	-	5,15,64,567	7,53,22,903	81,25,448	5,15,64,567	-	5,15,64,567
Indus Finance Limited	11,33,800	1,50,87,850	-	1,50,87,850	3,46,37,590	11,33,800	1,50,87,850	-	1,50,87,850
(ii) Others									
ICICI Bank Limited.	6,640	16,45,392	-	16,45,392	16,45,392	6,640	16,45,392	-	16,45,392
HDFC Bank Limited	3,300	31,680	-	31,680	31,680	3,300	31,680	-	31,680
Indus Ind Bank Limited	7,500	3,86,625	-	3,86,625	3,86,625	7,500	3,86,625	-	3,86,625
Union Bank of India (Andhra Bank)	1,800	79,110	-	79,110	1,19,682	1,800	79,110	-	79,110
National Thermal Power Corporation	461	28,582	-	28,582	80,790	461	28,582	-	28,582
The Sri Ganapathy Mills Company Ltd	5,00,000	1,22,50,000	-	1,22,50,000	20,301	5,00,000	1,22,50,000	-	1,22,50,000
NHPC	505	18,180	-	18,180	18,180	505	18,180	-	18,180
Sujana Universal Industries Limited	1,05,000	13,21,011	-	13,21,011	13,21,011	1,05,000	13,21,011	-	13,21,011
India Wind Power Limited	4,00,000	-	40,00,000	40,00,000	40,00,000	4,00,000	40,00,000	-	40,00,000
Rain Industries Ltd	1	877	-	877	149	1	877	-	877
Tata Steel	2	219	-	219	209	2	219	-	219
Suzlon Energy Limited	50	434	-	434	395	50	434	-	434
B. Investment in Mutual Funds									
Axis Equity Fund	-	-	-	-	6,84,904	-	-	-	-
ICICI Infrastructure Fund	-	-	-	-	6,84,904	-	-	-	-
Total Investments (A + B)		8,30,99,431	5,47,10,000	13,78,09,431	13,40,64,832		8,30,13,362	5,47,10,000	13,77,23,362
Notes:		8,30,99,431		8,30,99,431	8,30,13,362				16,10,88,393
Book Value of Quoted Investments		8,30,99,431		8,30,99,431	8,30,13,362				16,10,88,393
Market Value of Quoted Investments		13,40,64,832		13,40,64,832	16,10,88,393				16,10,88,393
Aggregate provision in value of investment		Nil		Nil	Nil				Nil

LOYAL CREDIT AND INVESTMENTS LIMITED

CIN - U65993TN1979PLC007999

Notes forming part of the financial statements

Particulars	As at 31 March, 2023 Rs.	As at 31 March, 2022 Rs.
Note 10 Long Term Loans and Advances		
Loans and Advances to related Parties		
Unsecured Considered Good	6,49,23,635	-
Loans and Advances to Others		
Unsecured Considered Good	3,00,000	3,00,000
Balances with Government Authorities	4,45,018	-
Loans and Advances to employees		
Unsecured Considered Good	-	-
Total	6,56,68,653	3,00,000
Note 11 Trade Receivable		
Receivables outstanding for less than 6 months		
Receivables outstanding for more than 6 months	-	-
Receivables outstanding for less than 6 months		
Receivables outstanding for more than 6 months	-	2,462
Total	-	2,462

* Balances are subject to confirmation and reconciliation

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 Years	More than 3 Years	Total
Undisputed Trade receivables - Considered good (Previous Year figures)	-					-
Undisputed Trade receivables - which have significant increase in credit risk						-
Undisputed Trade receivables - credit impaired					-	-
Disputed Trade receivables - considered good (Previous Year figures)		(2,462.00)			-	(2,462.00)
Disputed Trade receivables - which have significant increase in credit risk (Previous Year figures)						-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total Trade Receivables (Previous Year figures)	-	-	-	-	-	-
	-	(2,462.00)	-	-	-	(2,462.00)
Note 12 Cash and cash equivalents						
(a) Cash on hand	-	2,334				
(b) Balances with banks						
(i) In Current accounts	2,91,40,277	1,37,513				
(ii) In Deposit accounts	-	-				
Total	2,91,40,277	1,39,847				
Note 13 Other Current assets						
Other advances	2,83,357	3,87,407				
Total	2,83,357	3,87,407				

LOYAL CREDIT AND INVESTMENTS LIMITED
CIN - U65993TN1979PLC007999
Notes forming part of the financial statements

Particulars	For the year ended 31 March, 2023 Rs.	For the year ended 31 March, 2022 Rs.
Note 14 Revenue from operations		
Income from operations		
Dividend Income	3,66,979	2,00,566
Other Income - RE Sale	4,12,545	36,83,183
Sale of Products - Electricity		
Power Sale	45,70,922	36,70,653
Total	53,50,446	75,54,402
Note 15 Other Income		
Rental Income	8,37,000	8,08,500
Interest Income	40,84,808	-
Other Income	93,500	-
Total	50,15,308	8,08,500
Note 16 Employee Benefit Expenses		
Salaries and wages	17,20,348	1,77,315
Staff welfare expenses	64,716	77,499
Total	17,85,064	2,54,814
Note 17 Other expenses		
Bank Charges	1,670	1,475
Electricity Charges	21,350	155
Fees, Rates and Taxes	24,88,432	5,00,755
Travelling & conveyance Expenses	2,17,942	2,44,866
Printing & Stationery	6,493	40,845
Communication	11,499	2,530
Security Charges	72,600	79,200
Repair & Maintenance	12,79,730	11,32,979
Miscellaneous Expenses	76,490	2,97,410
Payments to auditors (Refer Note (i) below)	25,000	25,000
GST Tax Expenses	1,52,825	1,76,123
Insurance	15,200	-
Impairment Cost	16,616	-
Vehicle Maintenance	2,500	-
Total	43,88,347	25,01,338
Notes:		
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
- statutory audit	25,000	25,000
- tax audit	-	-
Certification charges	-	-
Others	-	-
Total	25,000	25,000

LOYAL CREDIT AND INVESTMENTS LIMITED
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Notes forming part of the financial statements

Note 17 - Additional information forming part of the financial statements

18.1	Earnings per share	For the Y.E. 31/03/2023	For the Y.E. 31/03/2022
	Basic		
	<u>Total operations</u>		
	Net profit / (loss) for the year	21,08,712	42,74,855
	Net profit / (loss) for the year attributable to the equity shareholders	21,08,712	42,74,855
	Weighted average number of equity shares	20,75,227	20,75,227
	Par value per share	10	10
	Earnings per share - Basic	1.02	2.06
	Diluted		
	<u>Total operations</u>		
	Net profit / (loss) for the year	21,08,712	42,74,855
	Net profit / (loss) for the year attributable to the equity shareholders	21,08,712	42,74,855
	Profit / (loss) attributable to equity shareholders (on dilution)	21,08,712	42,74,855
	Weighted average number of equity shares for Basic EPS	20,75,227	20,75,227
	Weighted average number of equity shares - for diluted EPS	20,75,227	20,75,227
	Par value per share	10	10
	Earnings per share - Diluted	1.02	2.06

18.2	Deferred tax (liability) / asset	As at 31/03/2023	As at 31/03/2022
	<u>Tax effect of items constituting deferred tax liability</u>		
	On difference between book balance and tax balance of fixed assets pending amortisation into the Statement of Profit	-	-
	Others	-	-
	<u>Tax effect of items constituting deferred tax assets</u>		
	On difference between book balance and tax balance of fixed assets and other employee benefits	(71,268)	(66,260)
	Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	-	-
	Net deferred tax (liability) / asset	(71,268)	(66,260)

18.3 List of related parties

Description of relationship	Name of the related party
Key Management Personnel	Bala K V
Enterprises over which KMP can exercise significant influence	Indowind Energy Limited Indus Finance Limited Indus Nutri Power Pvt Ltd Ind Eco Ventures Limited Indonet Global Limited Soura Capital Private Limited Everon Power Limited Bekae Properties Pvt Limited Indus Capital Pvt Ltd Perpetual Power Pvt Ltd
Relatives of Key Management Personnel	Prathadevi K B Amit Shalini

Details of related party transactions during the year ended 31 March, 2023 and balances outstanding as at 31 March, 2023:

Particulars	Transaction value	
	KMP & relatives of KMP	Enterprise over which KMP can exercise significant influence
<u>Balances outstanding at the end of the year</u>		
Investment in Equity instruments		11,73,62,417
Long term Liabilities		2,64,86,630
Trade Receivables		-
Travelling expenses		-

LOYAL CREDIT AND INVESTMENTS LIMITED

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Notes forming part of the financial statements

Note 17 - Additional information forming part of the financial statements

18.4 Ratios

Ratios	Numerator	Denominator	Current Reporting Period	Previous reporting period
Debt Equity Ratio	Debt Capital	Shareholder's Equity	1.23	1.12
Debt Service coverage ratio	EBITDA-CAPEX	Debt Service (Int+Principal)	4.37	NA
Return on Equity Ratio	Profit for the year	Average Shareholder's Equity	0.04	0.06
Inventory Turnover Ratio	COGS	Average Inventory	NA	NA
Trade Receivables turnover ratio	Net Sales	Average trade receivables	NA	NA
Trade payables turnover ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Closing Trade Payables	NA	NA
Net capital turnover ratio	Sales	Working capital (CA-CL)	NA	NA
Net profit ratio	Net Profit	Sales	NA	NA
Current Ratio	Current Assets	Current Liabilities	0.23	0.31
Return on Capital employed	Earnings before interest and tax	Capital Employed	0.07	0.07
Return on investment	Net Profit	Investment	0.02	0.03

18.5

Foreign Exchange Expenses / Earnings

For the year ended 31 March, 2023

For the year ended 31 March, 2022

Expenditure in foreign currency
Earnings in foreign exchange

-
-

18.6 Micro and medium scale business entities

There are no micro, small or medium enterprises to whom the company owes dues, which are outstanding for more than 45 days during the year and also as at the end of previous year. 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.

18.7

Based on the information available with the Company, amounts due to small scale industrial undertaking as at 31st March, 2023 is Rs. Nil Previous year: Rs Nil.

18.8

Previous year's figures:

The previous years figures have been regrouped/restated wherever necessary to confirm to the Schedule VI requirements.

LOYAL CREDIT AND INVESTMENTS LIMITED

Kothari Buildings, 4th Floor, Chennai - 600 034

CIN - U65993TN1979PLC007999

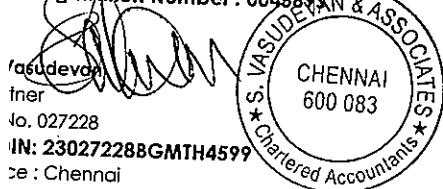
Additional Regulatory Information Required under Division II to Schedule II of the Companies Act 2013

S No	Disclosure requirement as per Amended Schedule III	Remarks for Non Disclosure (If any)
1	Title deeds of Immovable Property not held in name of the Company	The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company
2	Revaluation of Property, Plant & Equipment	The Company has not revalued any of Property, Plant & Equipment, Hence disclosure under this clause is not applicable
3	Revaluation of Intangible Assets	The Company doesn't have any Intangible Assets, Hence disclosure under this clause is not applicable
4	Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties	The Company has granted Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties not specifying any terms of repayment, Associates 1. Ind Eco ventures ltd - 22.92 Lakhs 2. Indowind Energy Limited - 626.31 lakhs
5	Capital-Work-in Progress (CWIP)	The are no Capital-Work-In Progress, Hence disclosure under this clause is not applicable
6	Intangible assets under development	NIL
7	Details of Benami Property held	The Company has no Benami Property held in its name, Hence disclosure under this clause is not applicable
8	Borrowings from banks or financial institutions on the basis of security of current assets	The Company has no Borrowings from Banks or Financial institutions on the basis of security of current assets, Hence disclosure under this clause is not applicable
9	Wilful Defaulter	The Company has not been declared as wilful defaulter by any bank or financial Institution or other lender during the financial year. Hence disclosure under this clause is not applicable
10	Relationship with Struck off Companies	The Company has no Transactions with Struck off Companies, Hence no disclosure under this clause is applicable.
11	Registration of charges or satisfaction with Registrar of Companies (ROC)	There were no charges which were not registered / satisfied with Register of Companies
12	Compliance with number of layers of companies	The company has no layers as per section 2 (87) of the Companies Act, 2013.
13	Analytical Ratios	Refer Note No 18.4
14	Compliance with approved Scheme(s) of Arrangements	No Scheme of arrangements have been approved or pending for approval by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013 (a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; (b) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
15	Utilisation of Borrowed funds and share premium	
16	Undisclosed Income	NIL
17	Corporate Social Responsibility (CSR)	The Company is not required to Contribute under Provisions of u/s 135 (CSR) of the Companies Act 2013, Hence disclosure under this clause is not applicable.
18	Details of Crypto Currency or Virtual Currency	The Company has not Traded or invested in crypto currency or virtual currency, Hence disclosure under this clause is not applicable

Terms of our report attached.

S. Vasudevan & Co.
Chartered Accountants

Registration Number : 0045699



S. Vasudevan
Partner
No. 027228
IN: 230272288GMTH4599
Date: Chennai
Date: 21.08.2023

For and on behalf of the Board of Directors

Balaji V Kuttal
Director
DIN 00765036

K B Prathadevi
Director
DIN 01180104