

**MAHAVEER FINANCE INDIA LIMITED**

# **38th Annual Report**



**M**otivation **F**aith **I**ntegrity **L**earning

**Regd. Office :**  
**K.G. Plaza, 3rd Floor, No. 41-44, General Patters Road,**  
**Chennai - 600 002.**

# MAHAVEER FINANCE INDIA LIMITED

## **BOARD OF DIRECTORS**

Sri **G. Chidambar**, Chairman  
Sri **K.S. Markandan**, Independent Director  
Sri **P.S. Balasubramaniam**, Independent Director  
Sri **J. Chandrasekaran**, Independent Director  
Sri **Abhishek G. Poddar**, Nominee Director  
Sri **M. Praveen Dugar**, Executive Director & CFO  
Sri **M. Deepak Dugar**, Joint Managing Director  
Sri **N. Mahaveerchand Dugar**, Managing Director

## **AUDITORS**

M/s. Singhi & Co.  
Chartered Accountants  
Unit 11-D, 11th Floor,  
Ega Trade Centre.  
809, Poonamallee High Road,  
Kilpauk, Chennai - 600 010.

## **SECRETARY**

Miss Monika Gurung  
Ph. No. 28614466, 28614477 & 28614488  
Email: cs@mahaveerfinance.com

## **REGISTERED OFFICE**

K.G. Plaza, '3rd Floor',  
41-44, General Patters Road,  
Chennai - 600 002.  
Phone : 28614466, 28614477 & 28614488  
E-mail : mahaveerfinance@yahoo.co.in  
info@mahaveerfinance.com  
CIN : U65191TN1981PLC008555

## **BANKERS**

State Bank of India  
Punjab National Bank  
Indian Overseas Bank  
The Catholic Syrian Bank Ltd

## **BRANCH :**

**Tamil Nadu** : Ashok Nagar, Athur, Chengalpet, Coimbatore, Cuddalore, Erode, Hosur, Kanchipuram, Karur, Kolathur, Kumbakonam, Madurai, Madurai-N, Mayavaram-1, Nagapattinam, Namakkal, Pudukottai, Salem, Sivakasi, Tambaram, Teni, Tirunelveli, Trichy, Vellore, Pondicherry.

**Andhra Pradesh** : Adoni, Anantapur, Eluru, Guntur, Jaggiapet, Kadapa, Kakinada, Kurnool, Madanapalle, Nandyal, Nayudupeta, Nellore, Ongole, Rajampet, Rajamundry, Tirupati, Vijayanagaram, Vijayawada, Visakhapatnam.

**Telangana** : Gadwal, Hyderabad, karimnagar, Mehboobnagar, Miryalaguda, Warangal, Shad Nagar, Siddipet, Suryapet.

**DEPOSITORIES** : Central Depository Services (India) Limited (CDSL)  
National Securities Depository Limited (NSDL)

**DEBENTURE TRUSTEE** : 1. Axis trustee Services Limited 2. Vistra ITCL

## **REGISTRARS AND SHARE TRANSFER AGENT :**

CAMEO CORPORATE SERVICES LIMITED  
Subramanian Building, No. 1 Club House Road, Chennai - 600 002.  
Phone : 044-28460390 (6 Lines) Fax No. 044-28460129  
E-mail : agm@cameoindia.com Website : www.cameoindia.com

## **MEMBERS OF**

- |   |   |
|---|---|
| 1. Federation of Indian Hire Purchase Association   | 5. Madras Hire Purchase Association               |
| 2. Finance Companies Association (India)            | 6. Finance Industry Development Council (Mumbai)  |
| 3. South India Hire Purchase Association            | 7. Jain International Trade Organisation (Mumbai) |
| 4. Federation of All India Hire Purchase Financiers | 8. Hindustan Chamber of Commerce                  |

# MAHAVEER FINANCE INDIA LIMITED

CIN:-U65191TN1981PLC008555

Regd. Office: K.G.Plaza 3rd Floor, 41-44 General Patters Road, Chennai – 600002.

Phone Nos.28614466, 28614477 & 28614488

E-mail: mahaveerfinance@yahoo.co.in, info@mahaveerfinance.com

## NOTICE

**NOTICE** is hereby given that the Thirty Eighth Annual General Meeting of the Members of Mahaveer Finance India Limited will be held at South India Hire Purchase Association Premises, Desabandu Plaza, 1st Floor, 47 Whites Road, Royapettah, Chennai–600 014 on Thursday 26th September 2019 at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive and adopt the audited financial accounts of the Company for the year ended 31<sup>st</sup> March, 2019 and Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. M. Praveen Dugar (holding DIN 00190780) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

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

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provision of section 149, 150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the approval of Members of the Company be and is hereby accorded for reappointment of Mr.G.Chidambar (DIN: 00017015) as a Chairman and an Independent Director of the Company to hold office for a Second term of five consecutive years upto next 43<sup>rd</sup> Annual General Meeting and whose office shall not be liable to retire by rotation”

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

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provision of section 149, 150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the approval of Members of the Company be and is hereby accorded for reappointment of Mr. K.S. Markandan (DIN: 00505217) as an Independent Director of the Company to hold office for a second term of five consecutive years upto next 43<sup>rd</sup> Annual General Meeting and whose office shall not be liable to retire by rotation”

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

“**RESOLVED THAT** pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provision of section 149,

150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the approval of Members of the Company be and is hereby accorded for reappointment of Mr. P.S. Balasubramaniam (DIN: 00019843) as an Independent Director of the Company to hold office for a second term of five consecutive years upto next 43<sup>rd</sup> Annual General Meeting and whose office shall not be liable to retire by rotation”

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

**“RESOLVED THAT** pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 and subject to such other Regulations/Guidelines, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers, including the powers conferred by this resolution) for making offer(s) or invitation(s) to subscribe to Secured/Unsecured Redeemable/Irredeemable Convertible/Non-Convertible Debentures including but not limited to Subordinated Debentures, bonds and / or other debt securities, on a private placement basis, in one or more tranches, during the period from 38<sup>th</sup> Annual General Meeting to 39<sup>th</sup> Annual General Meeting (AGM) for a sum not exceeding Rs.300 crores, within the overall borrowing limits of the company.”

**FURTHER RESOLVED THAT** the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time, as to interest rate, tenor, repayment, security, or otherwise and listing, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

For and on behalf of the Board  
sd/-

**Monika Gurung**  
Company Secretary

Place : Chennai  
Date : 06.08.2019

**Notes:**

1. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business of this notice is annexed hereto.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of him/her. The proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. Proxies in order to be effective must be filed with the Company at the registered office not later than 48 hours before the commencement of the meeting.
3. Members/ Proxies should fill the attendance slip for attending the Meeting.
4. Shareholders are requested to bring their copy of the Annual Report to the meeting.
5. All documents which are referred in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company during office hours on working days upto the date of Annual General Meeting.
6. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and other relevant provisions, the amount of dividends remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the investor Education and Protection Fund (IEPF). Also, the Company has to transfer the Equity Shares pertaining to the unclaimed dividend for the seven consecutive years by any shareholder, to the IEPF Authority.  
The Shareholders whose dividend /shares are transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>. In case the Members have any query on the subject matter and the IEPF Rules, they may contact the Company/RTA.
7. **Dematerialisation facility to be availed at the earliest by the Shareholders who are holding shares in the Physical form. As per MCA notification dated 10th September, 2018 every holder of securities of an unlisted public company, who intends to transfer such securities after 2<sup>nd</sup> October, 2018 shall get such securities dematerialised before the transfer. You are therefore, requested to convert your shares into Demat mode.**
8. **E-mail id to be provided by the shareholders to facilitate easy and faster dispatch of Notices of the general meetings and other communications by electronic mode from time to time under Rule 18(3) of the Companies (Management and Administration) Rules, 2014.**

## **EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **Item No.3 : Re-appointment of Mr. G.Chidambar (DIN: 00017015) as a Chairman and an Independent Director of the Company**

Pursuant to the provision of section 149,150,152 of the Companies Act,2013, Mr. G.Chidambar has given his consent to act as a Director of the Company and a declaration to the Boards that he meet the criteria of independence as provided under section 149 of the Act. On the basis of recommendation by the nomination and remuneration committee and in the opinion of the board, Mr. G.Chidambar fulfils the conditions specified in the Act and rules made there under for re-appointment as an independent Director. Pursuant to the provisions of section 149 of the Act, an ID shall hold office for a second term of five consecutive years upto next 43rd Annual General Meeting on the Board of the Company and shall not be liable to retire by rotation. In compliance with the provisions of section 149 read with schedule IV of the Act, the re-appointment of Mr. G.Chidambar is being placed before the members for their approval.

Mr. G. Chidambar, Chairman and an Independent Director of the Company is interested and none other directors of the Company is interested in the resolution.

### **Item No.4 : Re-appointment of Mr. K.S Markandan (DIN: 00505217) as an Independent Director of the Company**

Pursuant to the provision of section 149,150,152 of the Companies Act, 2013, Mr. K.S Markandan has given his consent to act as a Director of the Company and a declaration to the Boards that he meet the criteria of independence as provided under section 149 of the Act . On the basis of recommendation by the nomination and remuneration committee and in the opinion of the board, Mr.K.S Markandan fulfils the conditions specified in the Act and rules made there under for re-appointment as an independent Director. Pursuant to the provisions of section 149 of the Act, an ID shall hold office for a second term of five consecutive years upto next 43rd Annual General Meeting on the Board of the Company and shall not be liable to retire by rotation. In compliance with the provisions of section 149 read with schedule IV of the Act, the re-appointment of Mr. K.S. Markandan is being placed before the members for their approval.

Mr. K.S. Markandan an Independent Director of the Company is interested and none other directors of the Company is interested in the resolution.

### **Item No.5 : Re-appointment of Mr. P.S. Balasubramaniam (DIN: 00019843) as an Independent Director of the Company**

Pursuant to the provision of section 149,150,152 of the Companies Act, 2013, Mr. P.S. Balasubramaniam has given his consent to act as a Director of the Company and a declaration to the Boards that he meet the criteria of independence as provided under section 149 of the Act. On the basis of recommendation by the nomination and remuneration committee and in the opinion of the board, Mr. P.S. Balasubramaniam fulfils the conditions specified in the Act and rules made there under for re-appointment as an independent Director. Pursuant to the provisions of section 149 of the Act, an ID shall hold office for a second term of five consecutive years upto next 43<sup>rd</sup> Annual General Meeting on the Board of the Company and shall not be liable to retire by rotation. In compliance with the provisions of section 149 read with schedule IV of the Act, the re-appointment of Mr. P.S. Balasubramaniam is being placed before the members for their approval.

Mr. P.S. Balasubramaniam an Independent Director of the Company is interested and none other directors of the Company is interested in the resolution.

**ITEM No.6: Issue of Non-convertible Debentures on a private placement basis:**

As per Section 42 of the Companies Act, 2013 read with Rule 2(a) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company offering or making an invitation to subscribe to Debentures on a private placement basis, is required to obtain the prior approval of the Members by way of a special resolution. In the case of Non-Convertible Debentures however, such an approval can be obtained once in a year for all the offers and invitations for such NCD's.

The company is in need of additional funds to augment its working capital requirements, since there is enough potential available for growth of business. The Company, during the year, is planning to raise funds by the issue of Debentures on such terms and conditions as may be mutually agreed upon.

The Board recommends the resolution as set out in item no.6 of the Notice for approval of the members.

None of the directors of the Company is interested in the resolution.

**Route Map of Annual General Meeting (AGM) VENUE: SOUTH INDIA HIRE PURCHASE ASSOCIATION PREMISES, DESABANDU PLAZA, 1st FLOOR, 47 WHITES ROAD, ROYAPETTAH, CHENNAI- 600 014.**



# DIRECTORS REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

Dear Members,

Your Directors present the 38<sup>th</sup> Annual report with Audited Accounts for the year ended 31<sup>st</sup> March, 2019.

## FINANCIAL RESULTS

(Rs. in lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2019	Year ended 31 <sup>st</sup> March 2018
Total Revenue	4016.10	2242.14
Less: Total Expenses	3293.53	1657.19
Profit Before Tax	722.56	584.95
Profit After Tax	524.76	477.42
Surplus brought forward	753.31	381.37
Available for appropriation	1278.08	858.79
Transfer to :		
- Statutory Reserve	104.95	95.48
- General Reserve	10.00	10.00
Surplus Carried Forward to Balance Sheet	1163.13	753.32

## DIVIDEND:

Considering the need to conserve funds for future growth, your Directors have decided to plough back the profit to reserves for strengthening the assets of the Company. Hence the Board does not recommend any dividend for the financial year ended 31<sup>st</sup> March 2019.

## COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR

During the year 2018-19, your company disbursed Rs 16990.83 lakhs as against Rs. 10677.19 lakhs in the previous year, registering a growth of 59.13 %. Total income for the year grew by 79.11% to Rs. 4016.10 lakhs from Rs. 2242.14 lakhs in the previous year. Profit before tax was higher at Rs 722.56 lakhs as compared to Rs 584.95 lakhs. The net profit from operation was at Rs 524.76 lakhs as against Rs.477.42 lakhs in the previous financial year.

The Company's sustained focus on strict credit acceptance norms and collection skills has ensured good asset quality of the company. The standard assets stood at 98% of the total business assets as on 31/03/2019. The gross and net NPAs stood at 2.22% and 1.99% respectively of the total business assets as on 31/03/2019 as against 2.11% and 1.68% for the previous year.

## DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary or /Joint Ventures or Associate companies.

## RBI GUIDELINES / PRUDENTIAL NORMS

The Company continues to comply with all the regulations prescribed by the Reserve Bank of India, from time to time. As on March 31, 2019, the Capital Adequacy Ratio of the Company is 23.13%.

## CREDIT RATING

Acuite Ratings & Research has assigned a rating of "ACUITE BBB" Outlook Stable for Bank facilities of the Company.



## SHARE CAPITAL

### Increase in the Authorized Share Capital of the Company

The Members of the Company passed an Ordinary Resolution at the 37th Annual General Meeting of the Company held on 25th September, 2018 to increase the authorized share capital of the Company. The Authorised Share Capital of the Company of Rs.10,00,00,000/- (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) Equity Shares of Rs 10/- (Rupees Ten) each was increased to Rs. 25,00,00,000/- (Rupees Twenty Five Crores) divided into 2,50,00,000 (Two Crore and Fifty Lakhs) Equity Shares of Rs 10/- (Rupees Ten) each by creation of additional 1,50,00,000(One crore and Fifty Lakhs) Equity Shares of Rs 10/- (Rupees Ten ) each, ranking pari passu in all respect with the existing Equity Shares of the Company. .

### Conversion of Compulsory Convertible Debentures (CCDs) into Equity Shares of the Company

The Company converted 2500, Unsecured, unlisted, compulsorily fully convertible Debentures into Equity Shares of the Company. The Company issued and allotted 4263766, Equity Shares of Face Value of Rs. 10(Rupees Ten only) each at a premium to the Investor i.e BanyanTree Growth Capital II, LLC in lieu of against Compulsory Convertible Debentures (CCDs) conversion. The fresh allotted Equity shares will rank pari passu in all respects with the existing Equity Shares of the Company.

The Paid up Equity Share Capital of the Company has increased from Rs 8,00,01,000 crores (80,00,100 Equity Shares of Rs 10/- each) to Rs 12,26,38,660 ( 1,22,63,866 Equity Shares of Rs 10/- each) as on March 31, 2019.

## MEETINGS OF THE BOARD OF DIRECTORS WITH ATTENDANCE DETAILS

### 1. BOARD MEETINGS

During the year ended March 31, 2019, Four Board meetings were held on the following dates 07/04/2018, 03/08/2018, 01/12/2018 and 13/02/2019.

The Board Attendance details are furnished herein below:

Name of the Directors	Designation	Category	Attendance at Board Meetings		Last AGM 25/09/2018
			No.of Meetings Held	No.of Meetings attended	
Sri G.Chidambar	Chairman	Non-Executive Independent	4	3	Yes
Sri K.S. Markandan	Director	Non-Executive Independent	4	4	Yes
Sri P.S.Balasubramaniam	Director	Non-Executive Independent	4	2	No
Sri J. Chandrasekaran	Director	Non-Executive Nominee	4	3*	Yes
Sri Abhishek G.Poddar	Director	Non-Executive Nominee	4	2*	Yes
Sri M.Deepak Dugar	Joint Managing Director	Promoter Executive	4	4	Yes
Sri M Praveen Dugar	Executive Director	Promoter Executive	4	4	Yes
Sri N. Mahaveerchand Dugar	Managing Director	Promoter Executive	4	4	Yes

\* Sri J. Chandrasekaran, Independent Director was appointed on 37<sup>th</sup> Annual General Meeting dated 25.09.2018 and Sri Abhishek G.Poddar, Nominee Director was appointed on 3<sup>rd</sup> August, 2018 on Board.

## II. AUDIT COMMITTEE MEETINGS

The Company has an Independent Audit Committee. Two of the three members of the Committee are Independent Directors. All the members of the Committee have financial and accounting knowledge. The role of Audit Committee is to review the Financial Statements, related party transactions, accounting policies and internal control system.

Composition of the Audit Committee and attendance of the members at Committee meetings are as follows:

Name	No. of meeting Held	No. of meeting attended	Meeting dates
Sri K.S. Markandan, Chairman	4	4	07.04.2018
Sri P.S. Balasubramaniam	4	2	03.08.2018
Sri N. Mahaveerchand Dugar	4	4	01.12.2018 13.02.2019

## III. SHAREHOLDER GRIEVANCE AND SHARE TRANSFER COMMITTEE

### Appointment:

The Shareholder grievance and Share transfer Committee

- i) approves and monitors transfers, transmission of securities of the Company.
- ii) reviews the redressal of grievances/complaints from shareholders on matters relating to transfer / transmission of shares, issue of new/duplicate certificates etc, and
- iii) reviews the compliances with various statutory and regulatory requirements.

Composition of the Shareholder Grievance and Share Transfer Committee and attendance of the members at Committee meetings are as follows:

Name	No. of meeting Held	No. of meeting attended	Meeting dates
Sri G. Chidambar, Chairman	6	4	19.04.2018
Sri M. Deepak Dugar	6	5	24.05.2018
Sri N. Mahaveerchand Dugar	6	6	16.06.2018 30.06.2018 23.07.2018 25.09.2018

## IV. NOMINATION & REMUNERATION COMMITTEE

In Compliance with the provisions of Section 178 of the Act, the Company constituted Nomination and Remuneration Committee of the Board of Directors consisting of 4 members, 3 of them being an Independent Directors. The scope of the Committee is to identify/ recommend to the Board of persons qualified to become Directors and formulate the criteria for evaluation of Independent Directors and the Board.

Composition of the Nomination & Remuneration Committee and attendance of the members at Committee meetings are as follows:

Name	No. of meeting Held	No. of meeting attended	Meeting dates
Sri G. Chidambar, Chairman	3	3	
Sri K.S. Markandan	3	3	03.08.2018
Sri P.S. Balasubramaniam	3	1	01.12.2018
Sri M. Deepak Dugar	3	3	13.02.2019

### DIRECTORS:

#### Re-appointment

Sri. M.Praveen Dugar, Director retires by rotation under Section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.

**Appointment:**

Sri G. Chidambar (DIN: 00017015) has been re-appointed as a Chairman and an Independent Director of the Company for a second term of 5(five) consecutive years upto next 43<sup>rd</sup> Annual General Meeting, subject to approval of shareholders at the 38<sup>th</sup> Annual General Meeting of the Company by passing Special Resolution as per Section 149(10) read with Schedule IV of the Companies Act, 2013.

Sri K.S. Markandan (DIN: 00505217) has been re-appointed as an Independent Director of the Company for a second term of 5(five) consecutive years upto next 43<sup>rd</sup> Annual General Meeting, subject to the approval of shareholders at the 38<sup>th</sup> Annual General Meeting of the Company by passing Special Resolution as per Section 149(10) read with Schedule IV of the Companies Act, 2013.

Sri P.S. Balasubramaniam (DIN: 00019843) has been re-appointed as an Independent Director of the Company for a second term of 5(five) consecutive years upto next 43<sup>rd</sup> Annual General Meeting, subject to the approval of shareholders at the 38<sup>th</sup> Annual General Meeting of the Company by passing Special Resolution as per Section 149(10) read with Schedule IV of the Companies Act, 2013.

**DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 134 (3) (c) of the Companies Act, 2013 the Directors state that:-

- (a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 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 this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) Adequate internal financial controls have been put in place and they are operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**INTERNAL FINANCIAL CONTROLS:**

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies (b) safeguarding of assets (c) prevention and detection of frauds/errors (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

**AUDITORS:**

At the 37<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2018, Messrs. Singhi & Co. Chartered Accountants, Chennai- 600 010 Firm (FRN. 302049E) were appointed as the Statutory Auditors of the Company for a term of five consecutive financial years, from the conclusion of the 37<sup>th</sup> Annual General Meeting until the conclusion of the 42<sup>th</sup> Annual General Meeting of the Company. The report of the statutory auditors has no qualification, reservations, adverse comments or disclaimers.

## **EXTRACT OF THE ANNUAL RETURN**

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT-9 is annexed as a part of this report

## **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

The provisions relating to the conservation of energy and technical absorption do not apply to the Company.

## **FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company had no foreign earnings/outgo during the year under reference.

## **LOANS, GUARANTEES OR INVESTMENTS**

During the year, the Company has not given any Loans or Guarantees under the provisions of Section 186 of the Act.

As regards to investments, the Company deployed short-term surplus fund in the units of Mutual Funds, the details relating to which form part of the Notes to the financial statements provided in this Annual Report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis. Form AOC -2, as required under Section 134 (3) (h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules 2014, is attached as part of this report.

## **PARTICULARS OF EMPLOYEES REMUNERATION:**

Details of the every employee of the Company as required pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Company does not have any employee drawing:

- (i) Rs. 1.02 Crores or more per annum
- (ii) Rs. 8.50 Lakhs or more per month

## **RISK MANAGEMENT POLICY**

Your Company, being in the business of financing commercial vehicles, cars etc. it is expected that there would be abundant opportunities for the growth of NBFC sector in financing of commercial vehicles and cars.

Competition from private and public sector banks in the retail financing and competitive interest rates are challenges to the industry.

With strong and dynamic management, experienced and skilled staff, retention of trustworthy customers, improvement of assessment procedures and quality of appraisal, the Company is confident of converting challenges into opportunities.

Any operational risk, market risk and interest risk can have adverse impact on the operations of the Company. Through continuous emphasis on cost control and cost reduction measures and taking corrective action wherever necessary, the Company will minimize risk.

Since money is the raw material for the finance company, the inflow of funds steadily throughout the year is a prerequisite. The Company constantly endeavors to access the required funds.

## **ACKNOWLEDGEMENT:**

Your directors thank all the shareholders, customers, vehicle manufacturers, dealers, bankers and financial institution for their continued support to your company. Your Directors also place record their appreciation of the excellent teamwork and dedication displayed by the employees at all levels.

**For and on behalf of the Board**

**Sd/-**

**G. Chidambar  
(Chairman)**

**Place: Chennai  
Date : 06.08.2019**

## Form No.AOC-2

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

Form of disclosure of particulars of contracts//arrangements entered into by the company with related parties referred to in sub-section of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis  
All transactions entered into by the Company during the year with related parties were on an arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis were not material in nature.

## Form No.MGT-9

**Extract of Annual Return as on the financial year ended on 31<sup>st</sup> March 2019**

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

### I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- U65191TN1981PLC008555
- ii) Registration Date : 05.01.1981
- iii) Name of the Company : MAHAVEER FINANCE INDIA LIMITED
- iv) Category/Sub-Category of the Company: Company Limited by shares / Indian Non-Government Company
- v) Address of the Registered office and contact details:  
K.G.Plaza, 3<sup>rd</sup> Floor, No.41 – 44, General Patters Road, Chennai – 600 002.  
Tel No.28614466/28614477/28614488 :: E-mail : mahaveerfinance@yahoo.co.in
- vi) Whether listed company : No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : CAMEO CORPORATE SERVICES LIMITED  
Subramanian Building, No.1, Club House Road, Chennai – 600 002.  
Phone No. 044 – 28460390 :: E-mail : agm@cameoindia.com  
Website : www.cameoindia.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:

SI.No.	Name and Description of Main products/services	NIC Code of the Product/service	% to total turnover Of the company
1	Hypothecation Loan / Hire Purchase/Lease	As per National Industrial Classification – 2008: Section K – Financial and Insurance Activities Division 64 – Financial Service activities, except Insurance and pension Funding.	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : 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				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other Directors and their Relatives	5742353	2080000	7822353	97.78	5755854	2080000	7835854	63.89	-33.89
<b>Sub-total (A) (1):-</b>	<b>5742353</b>	<b>2080000</b>	<b>7822353</b>	<b>97.78</b>	<b>5755854</b>	<b>2080000</b>	<b>7835854</b>	<b>63.89</b>	<b>-33.89</b>
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding Of Promoter (A) = (A) (1) + (A) (2)</b>	<b>5742353</b>	<b>2080000</b>	<b>7822353</b>	<b>97.78</b>	<b>5755854</b>	<b>2080000</b>	<b>7835854</b>	<b>63.89</b>	<b>-33.89</b>
<b>B.Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
<b>Sub-total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Category of Shareholders	No. of Shares held at the Beginning of the year				No. of Shares held at the End of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	0	1450	1450	0.02	0	950	950	0.01	-0.01
ii) Foreign Bodies	100	0	100	0.001	4263866	0	4263866	34.77	34.77
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	10486	165711	176197	2.20	11212	124541	135753	1.11	-1.09
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh									
IEPF	-	-	-	-	27443	-	27433	0.22	0.22
c) Others									
<b>Sub-total (B) (2):-</b>	<b>10586</b>	<b>167161</b>	<b>177747</b>	<b>2.22</b>	<b>4302521</b>	<b>125491</b>	<b>4428012</b>	<b>36.11</b>	<b>33.89</b>
Total Public Shareholding (B) = (B)(1)+(B)(2)	10586	167161	177747	2.22	4302521	125491	4428012	36.11	33.89
C. Shares held by Custodian for GDRs & ADRs									
<b>Grand Total (A+B+C)</b>	<b>5752939</b>	<b>2247161</b>	<b>8000100</b>	<b>100.00</b>	<b>10058375</b>	<b>2205491</b>	<b>12263866</b>	<b>100.00</b>	<b>-</b>

## (ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the Beginning of the year			Shareholding at the End of the year			% Change in Share Holding During The year
		No. of Shares	% of Total Shares of The Company	% of Shares Pledged/ Encumber Red to Total shares	No. of Shares	% of Total Shares of The Company	% of Shares Pledged/ Encumber Red to Total shares	
1	Mahaveerchand Dugar N	1360500	17.01	Nil	1360500	11.09	Nil	-5.92
2	Gunasundari Dugar	2093773	26.17	Nil	2093773	17.07	Nil	-9.1
3	Deepak Dugar M	1952975	24.41	Nil	1962925	16.01	Nil	-8.4
4	Pradeep Dugar M	458500	5.73	Nil	458500	3.74	Nil	-1.99
5	Praveen Dugar M	1956605	24.46	Nil	1960156	15.98	Nil	-8.48

**(ii) Change in Promoters' Shareholding**

SI. No.		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	<b>At the beginning Of the year</b>	7822353	97.78	7822353	97.78
2	<b>Date wise Increase / Decrease In Share holding During the year</b>				
	24/05/2018 Increase – Transfer	2850	0.02	7825203	63.81
	16/06/2018 Increase - Transfer	400	0.003	7825603	63.81
	30/06/2018 Increase - Transfer	1400	0.01	7827003	63.82
	23/07/2018 Increase - Transfer	700	0.00	7827703	63.83
	01/10/2018 Increase - Transfer	8151	0.07	7835854	63.89
3	<b>At the end of the year</b>			7835854	63.89

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

SI. No.		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	<b>For each of the Top 10 Shareholders</b>				
	BANYANTREE GROWTH CAPITAL II LLC	100	0.001		
	At the beginning of the year				
	Date wise Increase/Decrease				
	Purchase- 29.09.2018	4263766		4263866	34.77
	At the end of the year				
2	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	-	-		
	At the beginning of the year				
	Date wise Increase/Decrease				
	Transfer- 19.10.2018	27443		27443	0.22
	At the end of the year				
3	DILIP KUMAR SURANA	3675	0.05		
	At the beginning of the year				
	Date wise Increase/Decrease	-	-		
	At the end of the year			3675	0.02



4	ANOOP KANWAR NAHAR At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.008
5	GOUTHAM CHAND NAHAR At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.008
6	PARVEEN CHAND NAHAR At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.008
7	RAJKUMARI At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.008
8	MEHTA S H At the beginning of the year Date wise Increase/Decrease At the end of the year	900 -	0.01 -	900	0.007
9	MRUDULA S MEHTA At the beginning of the year Date wise Increase/Decrease At the end of the year	900 -	0.01 -	900	0.007
10	RAMESH K At the beginning of the year Date wise Increase/Decrease At the end of the year	900 -	0.01 -	900	0.007

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	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	Chidambar G At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.01
2	Mahaveerchand Dugar N At the beginning of the year Date wise Increase/Decrease At the end of the year	1360500	17.01	1360500	11.09
3	Deepak Dugar M At the beginning of the year Transfer - 24/05/2018 Transfer - 16/06/2018 Transfer - 30/06/2018 Transfer - 23/07/2018 Transfer - 01/10/2018 At the end of the year	1952975 750 400 1400 700 6700	24.41 0.006 0.003 0.01 0.005 0.05	1962925	16.01

4	Praveen Dugar M At the beginning of the year Transfer - 06/04/2017 Transfer - 10/05/2017 At the end of the year	1956605 2100 1451	24.41 0.01 0.01	1960156	15.98
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## (VI) INDEBTEDNESS

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

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the Beginning of the Financial year				
i) Principal Amount	61,26,37,359.00	55,33,04,000.00	0.00	1,16,59,41,359.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
ii) Interest accrued but not due	14,51,602.00	1,40,706.00	0.00	15,92,308.00
<b>Total (i+ii+iii)</b>	<b>61,40,88,961.00</b>	<b>55,34,44,706.00</b>	<b>0.00</b>	<b>1,16,75,33,667.00</b>
Change in Indebtedness During the financial year				
• Addition	134,20,70,525.00	2,13,75,000.00	0.00	136,42,45,525.00
• Reduction	58,30,26,653.00	25,91,39,000.00	0.00	84,29,65,653.00
<b>Net Change</b>	<b>75,90,43,872.00</b>	<b>(23,77,64,000.00)</b>	<b>0.00</b>	<b>52,12,79,872.00</b>
Indebtedness at the end of The financial year				
i) Principal Amount	1,37,16,81,231.00	31,55,40,000.00	0.00	16,87,22,131.00
ii) Interest due but not paid		0.00		0.00
iii) Interest accrued but not due	58,29,393.00	0.00	0.00	58,29,393.00
<b>Total (i+ii+iii)</b>	<b>1,37,75,10,624.00</b>	<b>31,55,40,000.00</b>	<b>0.00</b>	<b>169,30,50,624.00</b>

Unsecured Loans consist of Subordinated NCD's and Loan from Related Parties.

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mahaveerchand Dugar N	Deepak Dugar M	Praveen Dugar M	
1	Gross Salary				
	(a) Salary as per Provisions contained In section 17(1) of the Income-tax Act, 1961	33,00,000	26,00,000	26,00,000	85,00,000
	(b) Value of Perquisites u/s 17(2) Income- tax Act, 1961	0	0	0	0
	(c) Profits 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 - as % of profit - others	0	0	0	0
5.	Personnel Accident Insurance	1,677	1,677	1,677	5,031
	<b>Total (A)</b>	<b>33,01,677</b>	<b>26,01,677</b>	<b>26,01,677</b>	<b>85,05,031</b>

Note: The remuneration paid to Key Managerial Persons were within the limits specified in the Act.

**B. Remuneration to other Directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Chidambar G	Markandan K.S.	Balasubramaniam P.S.	J. Chandrasekaran	
	<b>1. Independent Directors</b>					
	Fee for attending Board committee Meetings	30,000	40,000	20,000	30,000	1,20,000
	Commission	0	0	0		0
	Others	0	0	0		0
	<b>Total (1)</b>	<b>30,000</b>	<b>40,000</b>	<b>20,000</b>	<b>30,000</b>	<b>1,20,000</b>

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Ms Monika Gurung (Company Secretary)	Total Amount
1	Gross Salary		
	(a) Salary as per Provisions contained in section 17(1) of the Income-tax Act, 1961	4,20,000	4,20,000
	(b) Value of Perquisites u/s 17(2) Income - tax Act,1961	0	0
	(c ) Profits 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 - as % of profit - others	0	0
5	Personnel Accident Insurance	0	0
	<b>Total</b>	<b>4,20,000</b>	<b>4,20,000</b>

**VII. PENALTIES / PUNISHMENT /COMPOUNDING OF OFFENCES: Nil**

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHAVEER FINANCE INDIA LIMITED**

## **Report on the Standalone Financial Statements**

### **Opinion**

1. We have audited the accompanying financial statements of **MAHAVEER FINANCE INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Cash Flow Statement 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 ("The Act" or "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its Profit and its cash flows for the year ended on that date.

### **Basis for Opinion**

2. 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 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 audit opinion on the financial statements.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

3. The Company's Board of Directors is responsible for the other information. The other information comprises of the Board's Report including its Annexures, and other report placed by the management before the members. 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 financial statements or our knowledge obtained in the 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**

4. The Company's Board of Directors is 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 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. 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**

5. 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 standalone financial statements.
6. 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 Act, 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.
7. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

8. 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 Act (hereinafter referred to as the "Order"), we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and 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 and 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;
  - f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure B to this report.
  - 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 the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - 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:
    - (i). The Company has disclosed the impact, if any, of pending litigations as at 31st March, 2019 on its financial position in its financial statements – Refer Note 25.
    - (ii). The Company has long-term contracts as at 31st March, 2019 for which there were no material foreseeable losses. The company does not have derivative contracts as at 31st March, 2019; and
    - (iii). There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Chennai  
Date : 06/08/2019

For SINGHI & Co.  
Chartered Accountants  
Firm Registration Number : 302049E  
SUDESH CHORARIA  
Partner  
Membership No. 204936  
UDIN :19204936AAAABK3388

## **“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT**

**(Referred to in paragraph 8 of the Independent Auditors’ Report of even date to the members of MAHAVEER FINANCE INDIA LIMITED on the financial Statements as of and for the year ended 31<sup>st</sup> March, 2019.)**

We report that:

- i. In respect of its fixed assets:
  - a) According to information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the said programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - c) According to information and explanations given to us, there are no immovable properties held in the name of the company, and hence clause 3(i) (c) of the Order are not applicable to the company.
- ii. The Company is a Non Banking Financial Company (NBFC) engaged in the business of giving loans and does not maintain any inventory. Thus the provision of clause 3 (ii) of the order are not applicable to the company.
- iii. As informed to us, the company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act. Therefore, the provision of clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the company.
- iv. As informed to us, the company has not granted any loans or made any investment, or provided any guarantees or security to the parties covered under section 185 and 186. Therefore the provision of clause 3(iv) of the said Order are not applicable to the company.
- v. According to the information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed thereunder.
- vi. The Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Companies Act 2013.
- vii. According to the information and explanations given to us and the records of the Company examined by us:
  - a) The Company is generally regular, except for minor delays, in depositing undisputed statutory dues including Employees’ state insurance, Provident fund, Income Tax, Sales tax, Service Tax, Value added tax, Goods and Service tax, Customs Duty, Excise Duty, cess and other material statutory dues, as applicable, with appropriate authorities  
According to the records and information and explanations given to us no undisputed amount payable in respect of Income Tax, Sales Tax, Service Tax, Goods and Service tax, Customs Duty, Excise Duty, Cess and other material statutory dues is outstanding as at 31<sup>st</sup> March 2019, for a period of more than six months from the date they became payable.
  - b) There are no dues of Income tax, Sales tax, Service tax, Goods and Service tax, Customs duty, Excise duty and Cess which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us by the management, and based on our examination of the records of the company, the company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- ix. According to the information and explanations given to us by the management, and based on our examination of the records of the company, the term loans availed by the company from financial institutions/banks have been applied for the purpose for which they were raised. Further, no money was raised by the company during the year by way of Initial public offer or further public offer.
- x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- xi. The company has paid managerial remuneration in accordance with the requisite approvals, where required, as mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, the provision of clause 3(xii) of the Order are not applicable to the company.
- xiii. According to the information and explanations provided to us and based on our examination of the records of the Company and as confirmed by the management, the transactions entered into with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable, and the details have been disclosed in the Financial Statements in accordance with the applicable accounting standards;
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the company has made preferential allotment or private placement of shares or fully convertible debentures during the year. The company has complied with the requirements of Section 42 of the Companies Act, 2013 in this regard and the amounts raised have been used for the purposes for which the funds were raised.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of the clause 3(xv) of the Order are not applicable to the company.
- xvi. The company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and has obtained the Registration.

Place : Chennai  
Date : 06/08/2019

**For SINGHI & Co.**  
**Chartered Accountants**  
**Firm Registration Number : 302049E**  
**SUDESH CHORARIA**  
**Partner**  
**Membership No. 204936**  
**UDIN :19204936AAAABK3388**

## **“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT**

(Referred to in paragraph 9(f) of the Independent Auditors’ Report of even date to the members of Mahaveer Finance India Limited on the financial Statements as of and for the year ended 31<sup>st</sup> March, 2019)

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

1. We have audited the internal financial controls over financial reporting of MAHAVEER FINANCE INDIA LIMITED (“the Company”) as of March 31, 2019 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**

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

#### **AUDITOR’S RESPONSIBILITY**

3. 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 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.

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

5. 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**

6. 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:

- a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b. 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 authorizations of management and directors of the Company; and
- c. 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**

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

#### **OPINION**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 the Institute of Chartered Accountants of India.

For SINGHI & Co.  
Chartered Accountants  
Firm Registration Number : 302049E

**SUDESH CHORARIA**  
Partner  
Membership No. 204936  
UDIN :19204936AAAABK3388

Place : Chennai  
Date : 06/08/2019



# MAHAVEER FINANCE INDIA LIMITED

Balance Sheet as at 31<sup>st</sup> March, 2019

Rs.

PARTICULARS	NOTE NO	March 31 2019	March 31 2018
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	2	12,26,38,660	8,00,01,000
(b) Reserves and surplus	3	37,42,80,674	11,44,41,563
		<b>49,69,19,334</b>	<b>19,44,42,563</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	4	86,32,66,487	74,89,56,388
(b) Deferred tax liabilities (Net)	5	-	-
(c) Long-term provisions	6	13,19,919	16,05,451
		<b>86,45,86,406</b>	<b>75,05,61,839</b>
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	7	24,99,70,313	19,28,04,494
(b) Other current liabilities	8	65,79,08,791	23,75,34,788
(c) Short-term provisions	9	1,55,49,172	1,43,89,537
		<b>92,34,28,276</b>	<b>44,47,28,819</b>
<b>TOTAL</b>		<b>2,28,49,34,016</b>	<b>1,38,97,33,221</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant & Equipment	10	1,50,66,690	1,59,41,008
(b) Non-Current Investments	11	20,00,04,960	4,960
(c) Deferred Tax Assets (Net)	5	46,82,000	23,96,000
(d) Other Non-Current Assets	12	4,41,05,503	1,39,45,414
		<b>26,38,59,154</b>	<b>3,22,87,382</b>
<b>(2) Current assets</b>			
(a) Cash and Cash Equivalents	13	2,81,81,413	66,32,656
(b) Short-term Loans and Advances	14	1,89,61,84,874	1,33,70,26,237
(d) Other Current Assets	15	9,67,08,576	1,37,86,946
		<b>2,02,10,74,863</b>	<b>1,35,74,45,839</b>
<b>TOTAL</b>		<b>2,28,49,34,016</b>	<b>1,38,97,33,221</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes are an integral part of the financial statements

This is the balance sheet referred to in our report of even date.

**For Singhi & Co.,**  
Chartered Accountants  
Firm Regn No. 302049E

**G Chidambar**  
Chairman  
DIN: 00017015

**K S Markandan**  
Director  
DIN: 00505217

**P S Balasubramaniam**  
Director  
DIN: 00019843

**Sudesh Choraria**  
Partner  
Membership No.204936

**J. Chandrasekaran**  
Director  
DIN: 01118392

**Abhishek G Poddar**  
Nominee Director  
DIN: 07143528

**M Deepak Dugar**  
Joint Managing Director  
DIN: 00190705

Place : Chennai  
Date : 06.08.2019

**N Mahaveer Chand Dugar**  
Managing Director  
DIN: 00190628

**M Praveen Dugar**  
Executive Director & CFO  
DIN: 00190780

# MAHAVEER FINANCE INDIA LIMITED

Statement of Profit and Loss for the period ended 31<sup>st</sup> March 2019

Rs.

PARTICULARS	NOTE NO	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Revenue :</b>			
I. Revenue from operations	16	40,00,21,422	22,29,58,643
II. Other income	17	15,88,631	12,55,038
III. <b>Total Revenue (I + II)</b>		<b>40,16,10,053</b>	<b>22,42,13,680</b>
<b>IV. Expenses:</b>			
Employee benefits expense	18	7,94,45,515	3,43,85,376
Finance costs	19	17,53,42,300	9,99,17,506
Depreciation and amortization expense	10	79,25,117	55,53,058
Other expenses	20	6,66,40,901	2,58,62,927
<b>Total expenses</b>		<b>32,93,53,832</b>	<b>16,57,18,867</b>
V. <b>Profit before Tax ( III - IV)</b>		<b>7,22,56,221</b>	<b>5,84,94,813</b>
VI. Tax expense:	21		
(1) Current tax		2,20,65,450	1,78,70,767
(2) Deferred tax		(22,86,000)	(71,18,423)
		<b>1,97,79,450</b>	<b>1,07,52,343</b>
VII. <b>Profit After tax (V - VI)</b>		<b>5,24,76,771</b>	<b>4,77,42,469</b>
VIII. Basic and Diluted Earnings Per Share of Rs.10/- each in Rupees		4.28	5.97
<b>Significant Accounting Policies</b>	1		

The accompanying notes are an integral part of the financial statements  
This is the statement of profit and loss referred to in our report of even date.

**For Singhi & Co.,**  
Chartered Accountants  
Firm Regn No. 302049E

**G Chidambar**  
Chairman  
DIN: 00017015

**K S Markandan**  
Director  
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Nominee Director  
DIN: 07143528

**M Deepak Dugar**  
Joint Managing Director  
DIN: 00190705

Place : Chennai  
Date : 06.08.2019

**N Mahaveer Chand Dugar**  
Managing Director  
DIN: 00190628

**M Praveen Dugar**  
Executive Director & CFO  
DIN: 00190780

**MAHAVEER FINANCE INDIA LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

**Rs.**

	<b>2018-19</b>		<b>2017-18</b>	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before Tax and Extra-Ordinary items:		7,22,56,221		5,84,94,813
Add:				
Depreciation	79,25,117		55,53,058	
(Profit) / Loss on Sale of Assets	(50,317)		(33,112)	
Provision for Non-Performing Assets	(9,82,924)		27,82,113	
Provision for Standard Assets	13,47,425		6,53,424	
Provision for Repo Assets	46,95,134		-	
Provision for Gratuity	(2,85,532)		16,05,451	
Finance Cost	17,53,42,300		9,99,17,506	
Dividend Received	(7,519)	18,79,83,683	(14,016)	11,04,64,424
Operating Profit Before Working Capital Changes		26,02,39,904		16,89,59,237
(Increase)/Decrease in Short term Loans & Advances	(55,91,58,636)		(58,59,98,430)	
(Increase)/Decrease in Other Current Assets	(8,29,21,630)		14,91,308	
(Increase)/Decrease in Other Non-Current Assets	(3,01,60,089)		(76,78,347)	
Increase/(Decrease) in Other Current Liabilities	42,03,74,004	(25,18,66,352)	5,12,26,535	(54,09,58,934)
Cash Generated from Operations		83,73,552		(37,19,99,697)
Financial Expenses		(17,53,42,300)		(9,99,17,506)
Direct Taxes paid		(2,59,65,450)		(1,30,72,930)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>(19,29,34,198)</b>		<b>(48,49,90,133)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets		(76,04,225)		(1,18,01,713)
Sale of Fixed Assets		6,03,744		2,80,000
Purchase of Investments		(20,00,00,000)		(380)
Sale of Investments		-		917
Dividend Received		7,519		14,016
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(20,69,92,962)</b>		<b>(1,15,07,160)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase in Equity Share Capital		4,26,37,660		1,000
Increase in share premium reserve		20,73,62,340		-
Increase in securities premium reserve		-		1,000
Increase/(Decrease) in Long Term Borrowings		11,43,10,098		50,01,42,876
Increase/(Decrease) in Short Term Borrowings		5,71,65,819		(14,55,373)
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>42,14,75,918</b>		<b>49,86,89,503</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>2,15,48,758</b>		<b>21,92,210</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b>		<b>66,32,655</b>		<b>44,40,445</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>2,81,81,413</b>		<b>66,32,655</b>

This is the statement of cash flows referred to in our report of even date.

**For Singhi & Co.,**  
Chartered Accountants  
Firm Regn No. 302049E

**G Chidambar**  
Chairman  
DIN: 00017015

**K S Markandan**  
Director  
DIN: 00505217

**P S Balasubramaniam**  
Director  
DIN: 00019843

**Sudesh Choraria**  
Partner  
Membership No.204936

**J. Chandrasekaran**  
Director  
DIN: 01118392

**Abhishek G Poddar**  
Nominee Director  
DIN: 07143528

**M Deepak Dugar**  
Joint Managing Director  
DIN: 00190705

Place : Chennai  
Date : 06.08.2019

**N Mahaveer Chand Dugar**  
Managing Director  
DIN: 00190628

**M Praveen Dugar**  
Executive Director & CFO  
DIN: 00190780

# **MAHAVEER FINANCE INDIA LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

### **CORPORATE INFORMATION**

**Mahaveer Finance India Limited** (the 'Company') is a unlisted Public Limited Company domiciled in India and incorporated on 05-01-1981 under the provisions of the Companies Act' 1956 ('the Act') . The Company is registered with the Reserve Bank of India (RBI) since inception. The last renewed Certificate of registration was issued by RBI on November 12, 2015 to carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits.

As per the revised guidelines issued by Reserve Bank of India ('RBI'): RBI/2014-15/299 / DNBR (PD) CC.No.002/03.10.001/2014-15, dated November 10, 2014 ('the guidelines'), since the asset size of the Company was less than Rs. 500 crore, the Company is classified as NBFC-Non Deposit taking and Non-Systematically Important (NBFC-ND).

The financial statements of the Company for the year ended March 31, 2019 were authorised for issue by the Board of Directors at their meeting held on 6th August 2019.

### **BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared in accordance with the 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 Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014, the Companies (Accounting standards) Amendment Rules, 2016 and as per the guidelines issued by Reserve Bank of India ('RBI') as applicable to a Non-Banking Financial (Non-deposit accepting or holding) Companies ('NBFC Regulation'). The financial statements have been prepared on an accrual basis and under the historical cost convention. The notified Accounting Standards (AS) are followed by the Company insofar as they are not inconsistent with the NBFC Regulation.

The accounting policies adopted in the preparation of Financial Statements are consistent with those used in the previous year.

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **(a) Current/ Non Current classification of assets and liabilities**

As required by Schedule III, the Company has classified assets and liabilities into current and non-current based on the operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Considering the segment in which the company operates, the operating cycle with respect to the hypothecation Loans has been considered as 36 months by the management.

##### **(b) 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.

**(c) Property, Plant & Equipment**

Properties, Plant & Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of purchase price and any other directly attributable costs of bringing the asset to its working condition for its intended use.

**(d) Depreciation and amortization:**

Depreciation on tangible assets is provided using the useful life of assets prescribed under Schedule II of the Companies Act, 2013.

Intangible assets include computer software, which are acquired, capitalized and amortized on a useful life of assets prescribed under Schedule II of the Companies Act, 2013.

**(e) Impairment of assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at the pre tax discount rate reflecting current market assessment of time value of money and risks specific to asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**(f) Loans**

Loans are stated at the amount advanced, as reduced by the amounts received up to the balance sheet date.

**(g) Investments**

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investment are made, are classified as Current Investment. All other investments are classified as Non-Current investment.

Non-Current Investments are valued at cost. Provision for diminution in value is made to recognize a decline other than temporary in the value of Long Term investments. Current Investments are stated at lower of cost and fair value.

On disposal of an investment the difference between carrying amount and net disposals proceed is charged credited to the or Statement of Profit and Loss.

**(h) Retirement and other employee benefits**

The year end accrued liability on account of Gratuity payable to employees has been ascertained and provided for on the basis of Gratuity payable as per Payment of Gratuity Act 1972.

**(i) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**Interest income**

Income from Hypothecation loans and other financing activities is accounted on accrual basis , applying the Internal Rate of Return (IRR) method, and on assets securitised / assigned, income is recognised over the life of the underlying assets based on the method prescribed by RBI. In case of Loans and Advances identified as Non Performing Assets (NPA), Income is recognised on receipt basis.

Interest income on fixed deposits is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Fee income**

Fee income on loans is recognised on accrual basis in the year in which the agreement is entered.

**(j) Loan origination cost**

Loan origination costs such as credit verification, agreement stamping, direct selling agents' commission and valuation charges are recognised as expense in the year of disbursal of the loan.

**(k) Borrowing Cost**

Borrowing costs are charged to revenue on accrual basis. Other Borrowing costs incurred for raising long term debts are amortized on a systematic basis over the period of the debt availed.

**(l) Income taxes**

i) Current Income Tax is provided as per the provisions of the Income tax Act 1961.

ii) Deferred Tax is provided using the Liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amount used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

**(m) Provisioning / write-off of assets**

Non performing loans are written off / provided for, and provision on standard assets is made at the minimum provision required as per Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

**(n) Earnings per share**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit 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.

**(o) Provisions**

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that 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 best 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 best estimates.

**(p) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## MAHAVEER FINANCE INDIA LIMITED

Notes annexed to and forming part of the balance sheet as at March 31, 2019 and the statement of profit and loss for the year ended March 31, 2019 (Contd..)

Rs.

NOTES TO THE ACCOUNTS	March 31, 2019	March 31, 2018
<b>2 SHARE CAPITAL:</b>		
a. Authorised 2,50,00,000 Equity Shares of Rs.10/- each	<b>25,00,00,000</b>	<b>10,00,00,000</b>
b. Issued, Subscribed and fully paid up : 1,22,63,866 Equity Shares of Rs.10/- each fully paid-up in cash	<b>12,26,38,660</b>	<b>8,00,01,000</b>
c. <b>Movements in equity share capital :</b>	<b>No. of shares</b>	<b>Amount (Rs.)</b>
As at April 01, 2017	80,00,000	8,00,00,000
Increase during the year	100	1,000
<b>As at March 31, 2018</b>	<b>80,00,100</b>	<b>8,00,01,000</b>
Increase during the year		
Issue of Equity shares on Private Placement basis	42,63,766	4,26,37,660
<b>As at March 31, 2019</b>	<b>1,22,63,866</b>	<b>12,26,38,660</b>

**d. Terms/ rights attached to equity shares:**

Equity shares have a par value of Rs.10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the Company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**e. Shares in the company held by each shareholder holding more than 5% of Equity shares**

Name of the Shareholder	March 31, 2019		March 31, 2018	
	No. of Shares held	%	No. of Shares held	%
Mahaveerchand Dugar N	13,60,500	11.09%	13,60,500	17.01%
Gunasundari Dugar N	20,93,773	17.07%	20,93,773	26.17%
Deepak Dugar M	19,62,925	16.01%	19,52,975	24.41%
Praveen Dugar M	19,60,156	15.98%	19,56,605	24.46%
Banyan Tree Growth Capital	42,63,866	34.77%	100	0.001%
Pradeep Dugar M	-	-	4,58,500	5.73%

## MAHAVEER FINANCE INDIA LIMITED

Notes annexed to and forming part of the provisional balance sheet as at March 31, 2019 and the provisional statement of profit and loss for the year ended March 31, 2019 (Contd..)

		Rs.	
NOTES TO THE ACCOUNTS (Contd.)	March 31, 2019	March 31, 2018	
<b>3. RESERVES &amp; SURPLUS</b>			
<b>a. STATUTORY RESERVE</b> (As per Section 45-IC of the Reserve Bank of India Act, 1934)			
Opening balance	2,88,48,450	1,93,00,450	
ADD: Transfer from Surplus in the Statement of Profit and Loss Statement	1,04,95,000	95,48,000	
	<b>3,93,43,450</b>	<b>2,88,48,450</b>	
<b>b. GENERAL RESERVE</b>			
Opening balance	1,02,60,233	92,60,233	
ADD: Transfer from Surplus in the Statement of Profit and Loss Statement	10,00,000	10,00,000	
	<b>1,12,60,233</b>	<b>1,02,60,233</b>	
<b>c. SECURITIES PREMIUM RESERVE</b>			
Opening Balance	1,000	1,000	
ADD: Received during the year	20,73,62,340	-	
	<b>20,73,63,340</b>	<b>1,000</b>	
<b>d. Surplus in the Statement of Profit and Loss</b>			
Opening balance	7,53,31,880	3,81,37,411	
Add: Profit for the year from the Statement of Profit and Loss	5,24,76,771	4,77,42,469	
	12,78,08,651	8,58,79,880	
Less: Appropriations:			
Transfer to General Reserve	10,00,000	10,00,000	
Transfer to Statutory Reserve	1,04,95,000	95,48,000	
Profit & Loss A/c Surplus Closing Balance	<b>11,63,13,651</b>	<b>7,53,31,880</b>	
<b>Total reserves and surplus</b>	<b>37,42,80,674</b>	<b>11,44,41,563</b>	



# MAHAVEER FINANCE INDIA LIMITED

## NOTES TO THE ACCOUNTS (Contd.)

Rs.

### 4. LONG TERM BORROWINGS

	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current Maturities	Non Current	Current Maturities
<b>Secured</b>				
Vehicle Loans	28,55,697	13,27,794	10,72,960	18,57,837
Term Loan from Banks	15,81,23,625	14,39,75,020	2,70,83,333	5,24,62,107
Term Loan from NBFC	40,22,87,165	42,86,81,617	17,08,00,095	17,00,01,239
	<b>56,32,66,487</b>	<b>57,39,84,431</b>	<b>19,89,56,388</b>	<b>22,43,21,183</b>
<b>Unsecured</b>				
Redeemable Subordinated Non Convertible Debentures (6 years)	10,00,00,000	-	10,00,00,000	-
13.50% Redeemable Non Convertible Debentures (200 Nos. of Face Value of Rs.10,00,000/- each) (5 years)	20,00,00,000	-	20,00,00,000	-
5% Compulsorily convertible Debentures (2500 Nos. of Face Value of Rs.1,00,000/- each) (Refer Note below)	-	-	25,00,00,000	-
	30,00,00,000	-	55,00,00,000	-
	<b>86,32,66,487</b>	<b>57,39,84,431</b>	<b>74,89,56,388</b>	<b>22,43,21,183</b>
Less : Current maturities of long-term borrowings (Refer Note No. 8)		57,39,84,431		22,43,21,183
<b>Total Long term borrowings</b>	<b>86,32,66,487</b>	<b>-</b>	<b>74,89,56,388</b>	<b>-</b>

#### a) Terms and conditions of loans taken

Category of lender	Rate of interest per annum (Range)	No. of Installments	Periodicity	Outstanding as at March 31, 2019	Outstanding as at March 31, 2018
Vehicle Loans from Banks	8.92 to 9.59%	48 Months	Monthly	41,83,491	29,30,797
Term Loan from Banks and financial Institutions	11 to 14%	24 to 36 Months	Monthly	82,10,14,961	7,95,45,440
Term Loan from Others	12 to 14%	18 to 36 Months	Monthly/ Quarterly	31,20,52,465	34,08,01,334
				<b>1,13,72,50,917</b>	<b>42,32,77,571</b>

## MAHAVEER FINANCE INDIA LIMITED

- b) During the year, the Debenture holders of 2500 Nos Compulsorily convertible Debentures opted to convert their entire investment into Equity Shares as per the agreed terms.

Rs.

	As at March 31, 2019	As at March 31, 2018
<b>5. Deferred Tax Liabilities (Net)</b>		
<b>Deferred Tax Liability arising on account of</b> Timing difference in depreciable assets	(15,68,000)	(3,71,000)
<b>Deferred Tax Assets arising on account of</b> Expenses allowable against taxable income in future years	31,14,000	20,25,000
<b>Net Deferred Tax Liability</b>	<b>(46,82,000)</b>	<b>(23,96,000)</b>
<b>6. Long Term Provisions</b>		
Employee benefits -Gratuity	13,19,919	16,05,451
	<b>13,19,919</b>	<b>16,05,451</b>
<b>7. Short Term borrowings</b>		
<b>Secured</b>		
Cash Credit Facilities from banks (**)	23,44,30,313	18,93,59,788
<b>Unsecured</b>		
Loans and Advances from Related parties	1,55,40,000	34,44,706
	<b>24,99,70,313</b>	<b>19,28,04,494</b>

(\*\*) Cash Credit facilities are secured by charge on Hypothecation Loan Receivables, Hire Purchase / Lease agreements, ranking pari passu, excluding assets which are specifically charged to others.

<b>8. Other Current liabilities</b>		
Unpaid Dividends	2,30,167	3,40,838
Sundry Creditors	33,43,716	9,34,726
Interest accrued but not due on borrowings	58,29,293	14,51,602
Current maturities of long-term borrowings (Refer Note No. 4)	57,39,84,431	22,43,21,183
Securitisation Payable	1,50,40,999	48,16,240
Cash profit on Loan Transfer transaction pending recognition	2,17,82,221	11,32,816
Statutory dues payable	31,09,937	17,46,645
Other payables	3,45,88,027	27,90,738
	<b>65,79,08,791</b>	<b>23,75,34,788</b>

NOTES TO THE ACCOUNTS (Contd.)	March 31, 2019	March 31, 2018
<b>9. Short-term Provisions</b>		
Provision for Taxation (Net)	14,20,000	53,20,000
Provision for Non-Performing Assets	48,33,189	58,16,113
Provision for Standard Assets	46,00,849	32,53,424
Provision for Repo Assets	46,95,134	-
	<b>1,55,49,172</b>	<b>1,43,89,537</b>

**FIXED ASSETS**
**10. Property, Plant & Equipment**

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2018	Additions	Disposals	As on 31-03-2019	As on 01-04-2018	For the Year	Deductions	As on 31-03-2019	As on 31-03-2018	As on 31-03-2019
<b>(i) Tangible Assets</b>										
Land	-	-	-	-	-	-	-	-	-	-
Office Equipments	1,29,82,824	5,01,567		1,34,84,391	1,08,65,162	11,27,423		1,19,92,585	21,17,662	14,91,805
Furniture & Fixtures	1,39,95,145	14,05,830	3,81,790	1,50,19,186	54,21,557	24,10,188	3,62,700	74,69,044	85,73,588	75,50,141
Computers hardware	14,54,097	12,37,828		26,91,925	3,91,036	11,53,620		15,44,656	10,63,061	11,47,269
Vehicles	65,23,052	28,00,000	22,99,553	70,23,499	23,36,356	29,69,567	17,65,217	35,40,706	41,86,696	34,82,793
<b>(ii) Intangible assets</b>		<b>16,59,000</b>		<b>16,59,000</b>	-	<b>2,64,319</b>		<b>2,64,319</b>	-	<b>13,94,681</b>
Computer software	-	-		-	-	-		-	-	-
<b>Total</b>	<b>3,49,55,118</b>	<b>76,04,225</b>	<b>26,81,343</b>	<b>3,98,78,001</b>	<b>1,90,14,111</b>	<b>79,25,117</b>	<b>21,27,917</b>	<b>2,48,11,311</b>	<b>1,59,41,008</b>	<b>1,50,66,690</b>
<b>Previous year</b>	2,40,53,405	1,18,01,713	9,00,000	3,49,55,118	1,41,14,164	55,53,058	6,53,112	1,90,14,111	99,39,242	1,59,41,008

# MAHAVEER FINANCE INDIA LIMITED

## 11. NON-CURRENT INVESTMENTS

In Shares at Cost - quoted

Rs.

S.No.	Name of the Company	QTY	31.03.2019	31.03.2018
1	Deccan Finance Ltd	50	83	83
2	Dhandapani Finance Ltd	1	53	53
3	Indian Seamless Enterprises Ltd	4	200	200
4	Indo Asian Finance Ltd	3	19	19
5	Jhagadia Copper Ltd	90	2,700	2,700
6	Onida Finance Ltd	800	1	1
7	Sakthi Finance Ltd	100	500	500
8	Sundaram Finance Ltd	200	723	723
9	Tatia Skyline Ltd	400	1	1
10	The Karur Vysya Bank Ltd.	38	680	680
11	Northern Arc Money Market Fund	500000	5,00,00,000	
12	SBI Mutual Fund	51499.082	15,00,00,000	
<b>Value of investments</b>			<b>20,00,04,960</b>	<b>4,960</b>
<b>Aggregate Market value of investments quoted</b>			<b>20,05,95,975</b>	<b>185,677</b>
<b>12.</b>	<b>Other non-current Assets</b>			
	Unsecured, Considered good			
	Over Collateralization		2,70,05,148	23,87,479
	Rent Deposits and Others		86,47,650	69,06,600
	Excess Interest Spread - Derecognised Assets		22,245	22,245
	Unamortised other borrowing costs		84,30,460	46,29,090
			<b>4,41,05,503</b>	<b>1,39,45,414</b>
<b>13.</b>	<b>Cash and Cash Equivalents</b>			
	Balances with Banks		1,71,22,937	30,45,191
	Cash on Hand and at branches		6,67,493	1,33,069
	Bank Deposits		1,03,90,983	34,54,396
	More than 12 months Maturity		-	-
			<b>2,81,81,413</b>	<b>66,32,656</b>
<b>14.</b>	<b>Short-term Loans and Advances</b>			
a.	Secured, Considered good			
	Hypothecation Loans		1,88,76,88,382	1,32,94,13,193
			<b>1,88,76,88,382</b>	<b>1,32,94,13,193</b>
b.	Unsecured Considered good			
	Income Tax refund receivable		-	36,342
	Tax Deducted at Source		8,13,503	44,751
	Other Advances		76,82,988	75,31,951
			<b>84,96,492</b>	<b>76,13,045</b>
	<b>Total (a+b)</b>		<b>1,89,61,84,874</b>	<b>1,33,70,26,237</b>
<b>15.</b>	<b>Other Current Assets</b>			
	<b>Unsecured, Considered good</b>			
	Assets Repossed		5,26,92,240	-
	Other Assets		4,40,16,336	1,37,86,946
			<b>9,67,08,576</b>	<b>1,37,86,946</b>
<b>16.</b>	<b>Revenue from Operations</b>			
	Hypothecation Loans		40,00,21,422	22,29,58,643
			-	-
			<b>40,00,21,422</b>	<b>22,29,58,643</b>

**MAHAVEER FINANCE INDIA LIMITED**

Rs.

NOTES TO THE ACCOUNTS (Contd.)	March 31, 2019	March 31, 2018
<b>17. Other Income</b>		
Dividend	7,519	14,016
Profit on sale of Fixed Assets	50,317	33,112
Miscellaneous Income	15,30,795	12,07,909
	<b>15,88,631</b>	<b>12,55,038</b>
<b>18. Employee benefits expense</b>		
Salaries & Allowances	7,47,16,134	3,07,95,319
Contribution to Provident & Other Funds	33,33,197	13,11,129
Gratuity	-	16,05,451
Staff Welfare Expenses	13,96,185	6,73,477
	<b>7,94,45,515</b>	<b>3,43,85,376</b>
<b>19. Finance costs</b>		
Interest Expense	17,19,44,252	9,80,26,948
Other borrowing costs	33,98,048	18,90,558
	<b>17,53,42,300</b>	<b>9,99,17,506</b>
<b>20. Other Expenses</b>		
Rent	1,13,78,108	81,82,472
Repairs & Maintenance	17,29,552	8,75,923
Insurance	1,77,527	1,24,315
Travelling & Conveyance	57,64,091	30,21,612
Professional and Consultancy charges	1,53,19,246	24,91,583
Legal Fees and expenses	2,10,620	2,12,683
Postal & Telephone Expenses	38,52,675	16,79,110
Business Promotion Expenses	14,74,028	10,61,508
Vehicle Repairs & Maintenance	8,60,274	14,16,798
Director's Sitting Fees	1,20,000	97,500
Miscellaneous Expenses	89,48,553	26,36,978
<b>Payment to Auditors:(**)</b>		
For Statutory Audit	5,00,000	5,00,000
For Other Services	-	1,26,907
Bad Debts written off	1,12,46,592	-
Provision for Non Performing Assets (NPA)	(9,82,924)	27,82,113
Provision for Repo Assets	46,95,134	-
Provision for Standard Assets	13,47,425	6,53,424
Total	<b>6,66,40,901</b>	<b>2,58,62,927</b>
<b>21. Tax Expense</b>		
Current Tax	2,19,20,000	1,78,20,000
Current Tax for earlier years	1,45,450	50,767
	2,20,65,450	1,78,70,767
Deferred Tax	(22,86,000)	(11,62,409)
Deferred Tax adjustments for earlier years	-	(59,56,014)
	<b>1,97,79,450</b>	<b>1,07,52,344</b>

# MAHAVEER FINANCE INDIA LIMITED

## NOTES TO THE ACCOUNTS (Contd.)

### 22. Additional disclosures pursuant to Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

Particulars		(Rs. in lakhs)	
<b>LIABILITIES SIDE :</b>			
<b>1</b>	<b>Loans and Advances availed by the NBFCs</b>	<b>Amount Outstanding</b>	<b>Amount Overdue</b>
	<b>Inclusive of interest accrued thereon but not paid:</b>		
	(a) Debentures:		
	i) Secured		
	ii) Unsecured	3,000.00	-
	(Other than falling within the Meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	11,430.80	-
	(d) Inter-Corporate loans and borrowing		
	(e) Commercial Paper		
	(f) Public Deposits		
	(g) Other Loans	-	-
	Bank Borrowings	2,344.30	-
	Loans from Directors	155.40	-
<b>2</b>	<b>Break-up of (I)(f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid) :</b>		
	(a) In the form of unsecured Debentures		
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall, in the value of security		
	(c) Other Public Deposits		
<b>3</b>	<b>ASSET SIDE :</b>		
	<b>Break-up of Loans and Advances including bills receivables (other than those include in (4) below:</b>		
	(a) Secured	-	-
	(b) Unsecured		

## MAHAVEER FINANCE INDIA LIMITED

Particulars		(Rs. in lakhs)	
<b>ASSETS SIDE :</b>			
<b>4</b>	<b>Break-up of Leased Assets and Stock-on-hire and Hypothecation loans counting towards EL/HP activities:</b>		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	-	-
	(b) Operating Lease	-	-
	(ii) Stock on Hire including hire charges under sundry debtors:		
	(a) Assets on Hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been Repossessed	526.92	-
	(b) Loans other than (a) above	18,876.88	-
<b>5</b>	<b>Break-up of Investments:</b>		
	Long Term Investments:		
	1. Quoted:		
	(i) Equity Shares	0.05	-
	(ii) Debentures	-	-
	(iii) Units of Mutual funds	2,000.00	-
	2. UnQuoted:		
	(i) Equity Shares	-	-
	(ii) Government Securities	-	-

### **6 Borrower group-wise classification of all leased assets. Stock-on-Hire and loans and advances :**

Category	Amount net of provisions		
	secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	18,828.55	-	18,828.55
<b>Total</b>	<b>18,828.55</b>	-	<b>18,828.55</b>

## MAHAVEER FINANCE INDIA LIMITED

7 Investor Group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

(Rs. in lakhs)

Category	Market Value/Breakup of fair value of NAV	Book Value / Breakup of fair value of NAV (Net of provisions)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	2,005.96	2,000.05
<b>Total</b>	<b>2,005.96</b>	<b>2,000.05</b>

8 Other information :

Particulars	Amount
(i) Gross Non-performing Assets	
(a) Related parties	
(b) Other than related parties	476.31
(ii) Net Non-performing Assets	
(a) Related parties	
(b) Other than related parties	427.98
(iii) Assets acquired in satisfaction of debt	

23. Disclosure on Securitisation arrangements as per RBI Circular No. DNBS. PD. No. 301/3.10.01/2012-13:

S. No.	Particulars	No./ Amount Rs. in Cr. (As on 31.03.2019)	No./ Amount Rs. in Cr. (As on 31.03.2018)
1.	No. of SPV's sponsored by the NBFC for Securitisation transactions	2	1
2.	Total amount of Securitised assets as per books of the SPVs sponsored by the NBFC	23.00	1.30
3.	Total amount of exposures retained by the NBFC to comply with MRR as on the date of the Balance Sheet		
	(a) <b>Off-Balance Sheet Exposures</b>		
	* First Loss		
	* Others		
4.	(b) <b>On-Balance Sheet Exposures</b>	3.74	0.41
	* First Loss		
	* Others		
	<b>Amount of exposures to securitization transactions other than MRR</b>		
	(a) <b>Off-Balance Sheet Exposures</b>		
	(i) Exposure to own securitizations		
	* First Loss		
	* Others		
	(ii) Exposure to Third Party securitizations		
	* First Loss		
	* Others		
	(b) <b>On-Balance Sheet Exposures</b>		
	(i) Exposure to own securitizations		
	* First Loss		
	* Others		
	(ii) Exposure to Third Party securitizations		
	* First Loss		
	* Others		



## MAHAVEER FINANCE INDIA LIMITED

24 The company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Accounting Standard 17 "Segment Reporting"

2018-19

2017-18

25 **Contingent Liabilities :**

Claims against the company not acknowledged as debt

Nil

Nil

26 **Related Party Disclosures:**

(i) **Key Management personnel( with whom the Company has transactions):**

- a) N. Mahaveerchand Dugar, Managing Director
- b) M. Deepak Dugar, Joint Managing Director
- c) M.Praveen Dugar, Executive Director

(ii) **The disclosure of related party transactions during the year and balances as on 31st March 2019:**

Rs.

Nature of Transactions	Key Management Personnel	Relatives of Key Management Personnel	Total 31-03-2019	Key Management Personnel	Relatives of Key Management Personnel	31.03.2018
<b>EXPENDITURE:</b>						
Remuneration	85,00,000	-	85,00,000	36,05,031	-	36,05,031
Interest Paid	97,003	11,09,688	12,06,691	95,665	45,041	1,40,706
Rent	-	50,40,000	50,40,000	-	50,16,000	50,16,000
<b>ASSETS:</b>						
Rent Deposit	-	26,00,000	26,00,000	-	26,00,000	26,00,000
<b>LIABILITIES:</b>						
Loans	22,40,000	1,33,00,000	1,55,40,000	3,99,665	30,45,041	34,44,706

27 Additional Information pursuant to paragraphs 5 (viii) of part II of Schedule III to the Companies Act,2013 as follows:

	2018-19 Rs	2017-18 Rs
A) Earnings in Foreign Currency	Nil	Nil
B) Expenditure in Foreign Currency		
Interest paid	31,16,438.00	30,13,699.00
Consultancy Charges	62,50,000.00	Nil

28 Previous year's figures have been regrouped / reclassified to confirm to current year's figures wherever required.

# MAHAVEER FINANCE INDIA LIMITED

CIN: U85191TN1981PLC008555

Regd. Office: K.G. Plaza, 3<sup>rd</sup> Floor, 41-44 General Palters Road, Chennai - 600002.

Phone Nos: 986-4498, 986-4477 & 28914655

E-mail: mahaveerfinance@yahoo.co.in, info@mahaveerfinance.com

## ATTENDANCE CARD

SHARES :

NAME:

FOLIO NO.:

38<sup>th</sup> ANNUAL GENERAL MEETING

TIME: THURSDAY 28<sup>th</sup> SEPTEMBER 2013 AT 11.00 AM.

VENUE: SOUTH INDIA FIRE PURCHASE  
ASSOCIATION PREMISES  
DESABANDU PLAZA,  
FIRST FLOOR, 47, WHITES ROAD,  
ROYAPETTAH, CHENNAI - 600014

MEMBER

PROXY

(Name in Capital Letters)

I hereby record my presence at the  
38<sup>th</sup> AGM of the Company.

Note: 1. Admission restricted to Members / Proxy only.

2. Please avoid bringing children / non-members with you.

3. Kindly contact Help-desk at the venue for any clarifications / assistance.

Signature of Member / Proxy

## MAHAVEER FINANCE INDIA LIMITED

CIN: U85191TN1981PLC008555

Regd. Office: K.G. Plaza, 3<sup>rd</sup> Floor, 41-44 General Palters Road, Chennai - 600002.

Phone Nos: 986-4498, 986-4477 & 28914655

E-mail: mahaveerfinance@yahoo.co.in, info@mahaveerfinance.com

FORM NO. NGT-11

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act 2013 and Rule 19(2) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s):

Folio No./DP ID/Client id:

Registered address:

E-mail:

(We, being the member (s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_ 2. Name: \_\_\_\_\_ 3. Name: \_\_\_\_\_

Address: \_\_\_\_\_ Address: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ E-mail ID: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Signature \_\_\_\_\_ Or failing him/her Signature \_\_\_\_\_ Or failing him/her Signature \_\_\_\_\_

As a duly authorised officer of the company, I hereby certify that the above is a true and correct copy of the Proxy Form of the Company received on Thursday the 28<sup>th</sup> September 2013 at 11.00 AM at the South India Fire Purchase Association Premises, DESABANDU PLAZA, First Floor, 47, Whites Road, Royapet, Chennai-600014 and that the member(s) in respect of such shares are as indicated below.

Serial Item Number	Resolution	Vote (optional)		
		For	Against	Abstain
1.	Adoption of accounts for the financial year 2012/2013			
2.	Appointment of a Director in place of Mr. M. Anveer Dujar, who retires by rotation and being eligible, seeks re-appointment.			
Special Business				
3.	Appointment of Mr. S. Chandrababu as a shareholder as an Independent Director			
4.	Re-appointment of Mr. K.S. Manjundan as an Independent Director			
5.	Re-appointment of Mr. F.S. Jaisankaran as an Independent Director			
6.	Issue of notice to Mr. K. Debarajadasa Pillai regarding his resignation.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2013

Signature of the Shareholder \_\_\_\_\_ **APR** \_\_\_\_\_ Signature of Proxy holder (s) \_\_\_\_\_  
File No. \_\_\_\_\_  
Date \_\_\_\_\_

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

**Book-Post**



If undelivered please return to :

**M/s. Mahaveer Finance India Limited**

K.G. Plaza, 3rd Floor,

No. 41 44, General Patters Road,

Chennai - 600 002.