

# Munoth Financial Services Ltd

September 6, 2025

M/s. Bombay Stock Exchange Limited,  
Phiroze Jheejeebhoy Towers,  
Dalal Street  
Mumbai- 400 001

Ref: Scrip Code: 531821 - MUNOTH FINANCIAL SERVICES LIMITED

Sub: Intimation for the 34<sup>th</sup> Annual General Meeting along with Annual Report for F.Y. 2024-25,  
Book Closure and E-Voting Related activities pursuant to Regulation 30, 34 and 42 of SEBI(LODR)  
Regulations, 2015

Respected Sirs,

Pursuant to provisions of Regulation 30, 34 and 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with General Circular No. 14/2020 dated 08.04.2020, General Circular No. 17/2020 dated 13.04.2020 and General Circular No. 20/2020 dated 05.05.2020 and subsequent amendments that has enabled convening of the Annual General Meeting (AGM) through video conferencing or other audio visual means, we wish to inform you that:

1. The 34<sup>th</sup> Annual General Meeting ("AGM") is scheduled to be held on Tuesday, September 30, 2025 at 11:30 A.M through Video Conferencing or other audio visual to transact businesses as set out in the Notice of AGM and no physical meeting will be held.
2. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations the Company is providing facility to the members to cast their votes by electronic means, through CDSL on all resolutions as set out in the notice for the AGM to those members, who are holding share either in physical or in electronic form as on the cut-off date i.e. September 23, 2025.
3. The remote e-voting will commence at (9:00 A.M. IST) on September 27, 2025 and ends at (5:00 P.M. IST) on September 29 , 2025, remote e-Voting module shall be disabled by CDSL upon expiry of aforesaid period. Members are required to cast their votes by Remote e -voting only during voting period and however, they may attend the AGM through VC/OAVM but shall not be entitled to cast their votes at Annual General Meeting .
4. The e-voting instructions and the process to join meeting through video conferencing is set out in Notice, which forms part of the Annual Report; and

# Munoth Financial Services Ltd

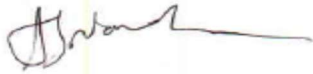
5. Register of Members and Share Transfer Books of the Company shall remain closed from September 24, 2025 to September 30, 2025 (both days inclusive) for the purpose of AGM. Copy of Notice of AGM dated August 29, 2025 along with Annual Report for the Financial Year 2024-25 of the Company is enclosed and the same is also made available on the website [www.munothfinancial.com](http://www.munothfinancial.com).

This is for your information and records.

Thanking you,

Sincerely,

For Munoth Financial Services Limited



A G Nandini

Company Secretary



- 
- Member of National Stock Exchange (INZ000283035)
  - Merchant Banker (INM000003739)
  - Portfolio Management Service (INP000000308)
  - Depository Participant (IN-DP-500-2020)



Regd. Office :  
Munoth Centre, Suite No. 46 & 47, 3rd Floor,  
343, Triplicane High Road, Chennai - 600 005. INDIA  
Tele : + 91 - 44 - 2859 1185  
E-mail : [info@munothfinancial.com](mailto:info@munothfinancial.com)  
CIN : L65991TN1990LC019836



# **Munoth Financial Services Limited**

**34<sup>th</sup> Annual Report 2024-25**



## **MUNOTH FINANCIAL SERVICES LIMITED**

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### **BOARD OF DIRECTORS**

Mr. Lalchand Munoth, Chairman (DIN No: 01693640)  
Mr. Jaswant Munoth, Managing Director (DIN No: 00769545)  
Mr. Bharat Munoth (DIN No: 00769588)  
Mr. Vikas Munoth (DIN No: 00769366)  
Ms. Lakshika Mehta (DIN No: 07183815)  
Mr. Sakthivelmurugan Masagounder (DIN No.08531800)  
\*Mr. C R Sasi (DIN No: 06752354)  
\*Ms. Mansi Chopra (DIN No: 11252880)  
\* Additional Directors

### **SECRETARY**

A G Nandini

### **AUDITORS**

M/s. Kumbhat & Co.,  
Chartered Accountants  
Chennai

### **SECRETARIAL AUDITOR**

N Selvam  
Practicing Company Secretary

### **BANKERS**

HDFC Bank  
Bank of Baroda

### **LEGAL ADVISORS**

Aiyar & Dolia  
Advocates  
29 & 30, Law Chambers  
High Court Buildings  
Chennai - 600 104.

### **REGISTRARS AND SHARE TRANSFER AGENTS**

Cameo Corporate Services Limited  
"Subramanian Building"  
1, Club House Road,  
Chennai - 600 002.

### **REGISTERED OFFICE**

Munoth Centre, Suite No. 46 & 47  
3rd Floor, 343, Triplicane High Road,  
Chennai - 600 005.

### **CIN NO:**

**L65991TN1990PLC019836**



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## MUNOTH FINANCIAL SERVICES LIMITED

### MUNOTH FINANCIAL SERVICES LIMITED

CIN NO: L65991TN1990PLC019836

Regd. Office : Suite No.46 & 47, Munoth Centre, 343, Triplicane High Road,  
3rd Floor, Chennai - 600 005.

### NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Thirty Fourth (34th) Annual General Meeting of the shareholders of Munoth Financial Services Limited will be held on Tuesday, September 30, 2025 at 11:30 A.M through video conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business.

#### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial statements of the Company for the financial year ended March 31, 2025 including the audited Balance Sheet as on that date and the Statement of Profit and Loss for the year ended on that date and cash flow statement as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vikas Munoth (DIN No: 00769366) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Lalchand Munoth (DIN No.01693640) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS**

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution for remuneration payable and reappointment of Mr. Jaswant Munoth (DIN : 00769545) as Managing Director of the Company

**"RESOLVED** that pursuant to the approval of the Board of Directors and recommendation of Nomination and remuneration committee and subject to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 approval of Shareholders be and is hereby accorded to Mr. Jaswant Munoth (DIN : 00769545), for reappointment as a director, liable to retire by rotation, and also Managing Director of the Company for a period of three years effective from June 20, 2025 to June 19, 2028, on the terms and conditions of appointment and remuneration, as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of re-appointment and remuneration so as to not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with limits specified in Schedule V to the Companies Act, 2013 and as may be agreed to by the Board of Directors and Mr. Jaswant Munoth."

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

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution for remuneration payable and appointment of Mr. Bharat Munoth as Whole Time Director of the Company



## MUNOTH FINANCIAL SERVICES LIMITED

“RESOLVED that pursuant to the approval of the Board of Directors and recommendation of Nomination and remuneration committee and subject to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 approval of Shareholders be and is hereby accorded to Mr. Bharat Munoth (DIN : 00769588), for appointment as Whole Time Director of the Company for a period of five years, not liable to retire by rotation effective from August 14, 2025 to August 13, 2030, on the terms and conditions of appointment and remuneration, as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of re-appointment and remuneration so as to not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with limits specified in Schedule V to the Companies Act, 2013 and as may be agreed to by the Board of Directors and Mr. Bharat Munoth.”

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

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution for appointment of Mr. C R Sasi as Independent Director of the Company

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. C R Sasi (DIN:06752354) who has submitted a declaration that he meets the criteria for independence as provided in section 149 (6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a shareholder of the Company under Section 160 of the Act proposing his candidature for the office of Director of the Company, approval of shareholders be and is hereby accorded for appointment as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years from August 18, 2025 to August 17, 2030.”

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

7. To consider and if thought fit, to pass with or without modifications, the following resolution as a Special resolution for appointment of Ms. Mansi Chopra as Independent Woman director of the company:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Mansi Chopra (DIN: 11252880) who has submitted a declaration that she meets the criteria for independence as provided in section 149 (6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a shareholder of the Company under Section 160 of the Act proposing her candidature for the office of



## **MUNOTH FINANCIAL SERVICES LIMITED**

Director of the Company, approval of shareholders be and is hereby accorded for appointment as Independent Woman Director of the Company, not liable to retire by rotation and to hold office for 5 consecutive years with effect from August 29, 2025 to August 28, 2030."

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

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** for amendment in Articles of Association:

**"RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any of the Companies Act 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the shareholders of the Company be and is hereby accorded to alter the Articles of Association of the Company by inserting new Clauses 14A, 14AA and 80 of Articles of Association of the Company with the following Article:

14A The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to -

- (a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
- (b) employees under any scheme of employees' stock option; or
- (c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

14AA A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

80. General Power: Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

**"RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to make, alter, accept any changes as may be required and to settle any doubts / clarifications that may arise in this regard and to do all the acts, deeds and things in their absolute discretion, for the purpose of making all such filings with the Registrar of Companies as may be required in relation to the aforesaid purpose and further to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this aforesaid resolution."

By order of the Board  
For **MUNOTH FINANCIAL SERVICES LIMITED**

-sd-

**LALCHAND MUNOTH**  
**CHAIRMAN**  
DIN : 01693640

Place: Chennai  
Date: 29-08-2025





**NOTES:**

**EXPLANATORY STATEMENT:**

The relevant explanatory statement as set out in the notice is annexed hereto.

**AGM THROUGH VIDEO CONFERENCING (VC)/OTHER AUDIO VISUAL MEANS (OAVM):**

In view of the continuing Covid-19 pandemic, maintenance of social distance norms, the Government of India, the Ministry of Corporate Affairs ("MCA") has vide its circular no.20/2020 dated May 5, 2020, Circular no. 02/2021 dated January 13, 2021 read with Circular Nos. 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively and General Circular No 10/2022 & General Circular No. 11/2022 dated dated 28.12.2022, General Circular No. 09/2023 dated September 25, 2023 and subsequent amendments (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and (collectively referred to as "SEBI Circulars") and subsequent amendments if any, permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Shareholders at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

**PROXY:**

Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Shareholders will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

**CORPORATE SHAREHOLDERS ATTENDING THROUGH THEIR AUTHORISED REPRESENTATIVES:**

Corporate shareholders attending the meeting through their authorized representatives pursuant to Section 113 of Companies Act, 2013 ("the Act") are requested to send to the Company, at least 48 hours prior to the start of voting, scanned copies of the following documents through email at [cs@munothfinancial.com](mailto:cs@munothfinancial.com)

- a) a certified copy of the Board resolution authorizing their representatives
- b) Photograph of the Representative.

**CLOSURE OF REGISTER OF SHAREHOLDERS:**

The Register of Shareholders and the Share Transfer Books of the Company will remain closed from September 24, 2025 to September 30, 2025(both days inclusive).

**CHANGE OF PARTICULARS:AND UPDATION OF EMAIL ADDRESS :**

Shareholders holding shares in dematerialised form are requested to intimate all particulars of mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc. to their Depository Participant (DP). Shareholders who are holding shares in physical form are requested to intimate such details to Cameo Corporate Services Ltd, " through web module <https://investors.cameoindia.com/>, wherein the shareholders can log in and register his email id and mobile number against the folio number in which they hold the shares.



**NOTICE OF AGM AND ANNUAL REPORT :**

The Annual Report for the year 2024-25 containing the Notice for 34th AGM, is being provided only in electronic form, to all the shareholders whose names appear on the Register of Shareholders / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as at the close of business hours on August 29, 2025 and who have registered their email id with the Company/ Depositories. Any shareholder, who has not registered his email id may register his/her ID with RTA and may also request for a copy of Annual Report electronically.

**DEMATERIALISATION OF SHARES:**

The company's equity shares have been notified for compulsory dematerialisation. Accordingly trading of these shares through Stock Exchange would be facilitated if the share certificates are dematerialised. Shareholders having the physical share certificates are advised to consider opening of a Demat account with an authorised Depository participant and arrange for dematerialising their shareholdings in the company.

**REQUEST TO SHAREHOLDERS:**

In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the year 2024-25 is being sent only through electronic mode to those Shareholders whose email addresses are registered with the Company/ Depositories. Shareholders may note that the Notice and Annual Report 2024-25 will also be available on the Company's website [www.munothfinancial.com](http://www.munothfinancial.com), websites of the Stock Exchange- BSE Limited at [www.bseindia.com](http://www.bseindia.com).

Shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

Shareholders holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. It is strongly recommended that shareholders having more than one folio in the same name or with identical names in the same order in case of Joint holdings, are requested

to write to the company's Share Transfer Agents, viz Cameo Corporate Services Ltd immediately along with the relevant share certificates to enable consolidation of such holdings in a single folio. If the shares are jointly held such requests should be signed by all the joint holders.

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and issued circulars stating that the service of notice/documents including Annual Reports can be sent through e-mail to its shareholders. To support this green initiative of the Government in full measure Shareholders who are yet to register/update their email addresses with the Company or with the Depository Participants are once again requested to register/ update the same for receiving the Notices, Annual Reports and other documents through electronic mode. Shareholders holding shares in physical form may get their email addresses registered/ updated by providing their Name, Folio Number, E-mail ID and consent to receive the Notices, Annual Reports and other documents through electronic mode, by sending an email at [cs@munothfinancial.com](mailto:cs@munothfinancial.com) or intimate such details to Cameo Corporate Services Ltd, " through web module <https://investors.cameoindia.com/> ,wherein the shareholders can log in and register his email id and mobile number against the folio number in which they hold the shares.



**PROCEDURE TO ATTEND MEETING**

**a) Log in Procedure:**

- (i) Shareholders may attend the Meeting through VC/OAVM viz. Zoom App. with the following Link  
Join Zoom Meeting  
<https://us02web.zoom.us/j/83217885009?pwd=GhvkZHIJbqjRbNPp0ZoUQM2r6qHBdC.1>  
Meeting ID: 832 1788 5009  
Passcode: 255230  
and/or by using Meeting ID: and Passcode: through smart phone or "laptop, connected through broadband.
- (ii) Participants Connecting from Mobile Devices or Tablets or through Laptop via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (iii) Shareholders can login and join 30 (Thirty) minutes prior to the schedule time and window for joining shall be kept open till the expiry of 30 (Thirty) minutes after the schedule time; or the closing of the meeting, whichever is earlier.
- (iv) The attendance of the Shareholders attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- (v) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.munothfinancial.com](http://www.munothfinancial.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- (vi) In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination and subsequent amendments, it has been decided to allow companies whose AGMs were due to be held in the year 2024, to conduct their AGMs on or before 30.09.2024 in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021, General Circular No. 09/2023 dated September 25, 2023 and subsequent amendments, if any.

**b) Instructions for Remote E-Voting:**

**VOTING THROUGH ELECTRONIC MEANS**

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide shareholders facility to exercise their right to vote by electronic means and the business may be transacted through e-voting services provided by Central Depository Services Limited (CDSL).

Voting Rights are reckoned on the basis of the shares registered in the names of the shareholders/beneficial owners as on the record date fixed for this purpose i.e. 23/09/2025.

It is hereby clarified that it is not mandatory for a shareholder to vote using the e-voting facility, and a shareholder may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:



**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on September 27, 2025 at 9 A.M. and ends on September 29, 2025 at 5 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would be entitled to attend the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.

Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Step 1 : Login method for e-Voting for Individual shareholders holding securities in Demat mode, if applicable is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is</li> </ol>



	<p>also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Shareholder' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>



## MUNOTH FINANCIAL SERVICES LIMITED

Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

### **Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.



## MUNOTH FINANCIAL SERVICES LIMITED

If you are a first-time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company, please enter the shareholder id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul>

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**



## MUNOTH FINANCIAL SERVICES LIMITED

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@munothfinancial.com](mailto:cs@munothfinancial.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

Mr.N Selvam, practicing Company Secretary has been appointed as scrutinizer for conducting the e- voting process in fair and transparent manner.

The results of the e-voting along with the scrutinizer's report shall be placed in the Company's website [www.munothfinancial.com](http://www.munothfinancial.com) and on the website of CDSL within a period not exceeding two working days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.





**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

ITEM NO. 4: Reappointment and remuneration payable to Mr. Jaswant Munoth, Managing Director

Mr. Jaswant Munoth was reappointed as the Managing Director for two years with effect from June 20, 2023. Keeping in view his entrepreneurial spirit and commitment as well as taking into account his responsibilities, the nomination and remuneration committee has decided to reappoint him as Managing Director with the remuneration of Rs. 2,00,000/- per month. Mr. Jaswant Munoth is also the Managing Director of Munoth Communication Limited. The Board of Directors in their meeting held on August 14, 2025, has decided to reappoint him as the Managing Director of the Company for the period of three years with effect from June 20, 2025 and who is eligible to retire by rotation. He is also a member of the Shareholder/ Investor Grievance Committee, Audit Committee and Nomination and Remuneration Committee of the Board of Directors of the Company. Mr. Jaswant Munoth is a Commerce graduate with a Masters Degree in Business Administration. He has extensive knowledge in the field of finance and investments. His dynamism and the business acumen will be of great asset to the Company. Mr. Jaswant Munoth did not draw any remuneration from the Company during the previous term as Managing Director.

He is also the Managing Director of Munoth Communication Limited and Director of Munoth Industries Limited, Munoth NEG Windfarm Private Limited, Misimal Navajee Estates Private Limited, Maharana Finance & Investments P Limited, Shankeswara Finance & Investments P Limited, South India Chemicals & Leasing P Limited, Munoth Bioscience Limited, Tamilnadu Educational and Medical Foundation, Federation of JIto Chamber of Commerce and Industry and Munoth Lithium Battery Private Limited.

As on March 31, 2025, his shareholding in the Company is 836100 shares and has no shares held by / for other persons on a beneficial basis. Approval of Shareholders is required by way of Special resolution for reappointment and payment of remuneration to Mr. Jaswant Munoth.

The material terms of appointment and remuneration as contained in the draft Agreement are given below:

- I) Salary, Allowances and Commission (hereinafter referred to as “Remuneration”):
  - a) Salary comprising (i) Basic salary: At the rate not exceeding ‘2,00,000/- per month; and (ii) Allowances: Not exceeding one and a half times the Basic salary, with increments as may be decided by the Board of Directors of the Company from time to time. subject to a ceiling on increment of 30% in a year (following April to March year) over the existing Basic salary and Allowances, as on 1st April every year.
  - b) Commission and Performance linked incentive: On net profits of the Company determined in accordance with the relevant provisions of the Companies Act, 2013 at a rate to be determined by the Board of Directors from time to time, but not exceeding an amount equivalent to twice the Salary in I(a) above, for the relevant period. The payment may be made on a pro-rata basis every month or on an annual basis or partly monthly and partly on an annual basis at the discretion of the Board.



**II) Perquisites:**

1. In addition to the Remuneration as stated above, Mr. Jaswant Munoth shall be entitled, as per Rules of the Company, to perquisites like:
  - a. Rent-free furnished residential accommodation with free use of all the facilities and amenities, such as air conditioners, geysers etc. In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance as per policy of the Company.
  - b. Reimbursement of all medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalisation.
  - c. Personal Accident Insurance Premium.
  - d. Air passage and/or leave travel allowance for self and shareholders of his family
  - e. Subscription to clubs.
  - f. Use of Company maintained cars with drivers for business and personal use.
  - g. Use of communication devices such as telephones, audio and video conference facilities etc., at the residence.
  - h. Education Allowance for children, whether abroad or in India.
  - i. Encashment of leave at the end of his tenure as per policy of the Company.
  - j. Contributions to provident fund, superannuation fund or annuity fund and any other retirement benefits.
  - k. Participation in any/ all employee stock option schemes/ plans of the Company
  - l. Gas, Electricity, water & furnishings; maintenance and repairs thereof
  - m. Such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Jaswant Munoth.

The value of the perquisites evaluated as per Income-tax Rules, 1962, wherever applicable, and at cost in the absence of any such Rule, shall be subject to an overall annual ceiling of an amount not exceeding the Salary in I(a) above for the relevant period. The perquisites mentioned above from (h) to (m) shall be based on actual amounts and excluded from the aforesaid perquisite limit.

2. The Board of Directors or Committee thereof may, in their discretion, revise/modify any of the terms from time to time, within the limits stipulated.

- III) Minimum Remuneration: Notwithstanding anything herein contained, where in any financial year during the period of his office as Managing Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr. Jaswant Munoth remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 (corresponding to Para 1 of Section II of Part II of Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. Jaswant Munoth.

The Board recommends the passing of the resolutions as set out at item no.4 of the 34<sup>th</sup> Annual General Meeting as Special resolution. Except Mr. Jaswant Munoth, being an appointee, Mr. Lalchand Munoth, Mr. Bharat Munoth and Mr. Vikas Munoth are interested in this Resolution.



## **MUNOTH FINANCIAL SERVICES LIMITED**

### **Item No. 5 Appointment and remuneration payable to Mr. Bharat Munoth, Whole Time Director**

Mr. Bharat Munoth was appointed as the Whole Time Director, not liable to retire by rotation for five years with effect from August 14, 2025. Keeping in view his entrepreneurial spirit and commitment as well as taking into account his responsibilities the nomination and remuneration committee has decided to appoint him as Whole Time Director with the remuneration of Rs. 1,00,000/- per month...Mr. Bharat Munoth is also the CFO of the Company.

Mr. Bharat Munoth, is a commerce graduate and he has extensive knowledge and experience in the field of finance and investments. He is the director of the company since 1992. He is also the Director of Munoth Communication Limited, Munoth Bioscience Limited, South India chemicals and Leasing Private Limited, Maharana Finance and Investments Private Limited and Shankeswar Finance and Investments Private Limited.

As on March 31, 2025, his shareholding in the Company is 7,17,900 shares and has no shares held by/ for other persons on a beneficial basis.

Approval of Shareholders is required by way of Special resolution for appointment and payment of remuneration to Mr. Bharat Munoth

The material terms of appointment and remuneration as contained in the draft Agreement are given below: -

- I) Salary, Allowances and Commission (hereinafter referred to as "Remuneration"):
  - a) Salary comprising (i) Basic salary: At the rate not exceeding '1,00,000/- per month; and (ii) Allowances: Not exceeding one and a half times the Basic salary, with increments as may be decided by the Board of Directors of the Company from time to time. subject to a ceiling on increment of 30% in a year (following April to March year) over the existing Basic salary and Allowances, as on 1st April every year.
  - b) Commission and Performance linked incentive: On net profits of the Company determined in accordance with the relevant provisions of the Companies Act, 2013 at a rate to be determined by the Board of Directors from time to time, but not exceeding an amount equivalent to twice the Salary in I(a) above, for the relevant period. The payment may be made on a pro-rata basis every month or on an annual basis or partly monthly and partly on an annual basis at the discretion of the Board.

#### **II) Perquisites:**

- 1. In addition to the Remuneration as stated above, Mr. Bharat Munoth shall be entitled, as per Rules of the Company, to perquisites like:
  - a. Rent-free furnished residential accommodation with free use of all the facilities and amenities, such as air conditioners, geysers etc. In case no accommodation is provided by the Company, he shall be entitled to House Rent Allowance as per policy of the Company.
  - b. Reimbursement of all medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalisation.
  - c. Personal Accident Insurance Premium.
  - d. Air passage and/or leave travel allowance for self and shareholders of his family



- e. Subscription to clubs.
- f. Use of Company maintained cars with drivers for business and personal use.
- g. Use of communication devices such as telephones, audio and video conference facilities etc., at the residence.
- h. Education Allowance for children, whether abroad or in India.
- i. Encashment of leave at the end of his tenure as per policy of the Company.
- j. Contributions to provident fund, superannuation fund or annuity fund and any other retirement benefits.
- k. Participation in any/ all employee stock option schemes/ plans of the Company
- l. Gas, Electricity, water & furnishings; maintenance and repairs thereof
- m. Such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Bharat Munoth .

The value of the perquisites evaluated as per Income-tax Rules, 1962, wherever applicable, and at cost in the absence of any such Rule, shall be subject to an overall annual ceiling of an amount not exceeding the Salary in I(a) above for the relevant period. The perquisites mentioned above from (h) to (m) shall be based on actual amounts and excluded from the aforesaid perquisite limit.

2. The Board of Directors or Committee thereof may, in their discretion, revise/modify any of the terms from time to time, within the limits stipulated.

- III) Minimum Remuneration: Notwithstanding anything herein contained, where in any financial year during the period of his office as Managing Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr. Bharat Munoth remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Part II of Schedule V to the Companies Act, 2013 (corresponding to Para 1 of Section II of Part II of Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr. Bharat Munoth.

The Board recommends the passing of the resolutions as set out at item no.5 of the 34<sup>th</sup> Annual General Meeting as Special resolution. Except Mr. Bharat Munoth, being an appointee, Mr. Lalchand Munoth, Mr. Jaswant Munoth and Mr. Vikas Munoth are interested in this Resolution.

**ITEM NO 6: Appointment of Mr. C R Sasi as Independent Director for the period of five(5) years**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. C R Sasi as an Additional Director of the Company with effect from August 14, 2025. In terms of the provisions of Section 161(1) of the Act, Mr. C R Sasi, would hold office up to the date of the ensuing Annual General Meeting. Mr. C R Sasi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. As per the Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation. The Company has received a declaration from Mr. C R Sasi that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (LODR) Regulations. Mr. C R Sasi possesses required skills, experience and knowledge and in the opinion of the Board, Mr. C R Sasi fulfills the conditions for his appointment as an Independent Director as specified in the Act and he is independent of the management. Based on the recommendation of Committee, the Board of Directors at its meeting held on August 14, 2025 approved



## **MUNOTH FINANCIAL SERVICES LIMITED**

to appoint Mr. C R Sasi as an Independent Director for five (5) years with effect from August 14, 2025 to August 13, 2030, subject to the approval of shareholders.

Approval of Shareholders is required by way of Special resolution for appointment of Mr. C R Sasi, as an Independent Director for five (5) years with effect from August 14, 2025 to August 13, 2030

Brief resume of the director and Nature of his expertise in specific functional areas:

Mr. C R Sasi, aged 84 years is a Chartered Engineer with B.E (Hons) from Telecom College of Engineering Guindy and has qualified from Indian Engineering Service. He has also got PG Certification in Production Management, Financial Management & Export Marketing. He is a Life Fellow IE(India), Life Fellow IETE and Life Senior Shareholder IEEE(USA). He has worked in many innovative projects during the past 50 years of professional activity. He has formerly served in Ministry of Information & Broadcasting, Department of Technical Education(TN), Binny & HHE. He has also been Chairman of IEEE Madras Section, Vice Chairman IEEE India Council and founder Secretary IEEE Engineering Management & Industry Application Society Chapter and president Alumni Association College of Engineering, Guindy. He has been Accredited Referee (Entrepreneurship)- Stanford Graduate Business school, Key Mentor (Accredited by City & Guilds UK)- BYST (Entrepreneurship & Project Finance. He is also Independent Director of Munoth Industries Limited and he does not have any shareholding in the Company.

The Board recommends the passing of the resolutions as set out at item no.6 of the 34<sup>th</sup> Annual General Meeting as Special resolution.. Except Mr. C R Sasi, the appointee none of the Directors or KMP are interested or concerned in this resolution

**ITEM NO 7:** Appointment of Ms. Mansi Chopra as a Independent Woman Director for the period of five (5 ) years

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Ms. Mansi Chopra as an Additional Director of the Company with effect from August 29, 2025. In terms of the provisions of Section 161(1) of the Act, Ms. Mansi Chopra, would hold office up to the date of the ensuing Annual General Meeting. Ms. Mansi Chopra is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. As per the Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and she shall not be included in the total number of directors for retirement by rotation. The Company has received a declaration from Ms. Mansi Chopra that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (LODR) Regulations. Ms. Mansi Chopra possesses required skills, experience and knowledge and in the opinion of the Board, Ms. Mansi Chopra fulfills the conditions for his appointment as an Independent Woman Director as specified in the Act and she is independent of the management. Based on the recommendation of Committee, the Board of Directors at its meeting held on August 29, 2025 approved to appoint Ms. Mansi Chopra, as an Independent Director for five (5) years, subject to the approval of shareholders.

Approval of Shareholders is required by way of Special resolution for appointment of Ms. Mansi Chopra, as an Independent Director for five (5) years with effect from August 29, 2025 to August 28, 2030

Brief resume of the director and Nature of her expertise in specific functional areas:

Mansi Chopra, aged 40 years brings a diverse blend of academic, entrepreneurial, and holistic expertise to her role as an Independent Director. She holds a B.Sc. in Mathematics from Stella Maris College, Chennai, and is a Partner at MBR Enterprises, Balotra, a leading player in the business of chemicals



## **MUNOTH FINANCIAL SERVICES LIMITED**

and dyes. Alongside her business acumen, she is also a certified healer in various modalities, reflecting her deep interest in personal growth and well-being.

With a balanced outlook shaped by both commerce and holistic practices, she adds valuable perspective to governance and decision-making. Her interests include reading, travelling, and singing, which further enrich her creative and empathetic approach in both professional and personal spheres. She does not hold any shares in the Company.

The Board recommends the passing of the resolutions as set out at item no.7 of the 34<sup>th</sup> Annual General Meeting as Special resolution. Except Ms. Mansi Chopra, the appointee none of the Directors or KMP are interested or concerned in this resolution

### **ITEM NO 8: Amendments to Article of Association by including clauses 14A, 14AA and 80**

The Company for further issue of shares through preferential allotment/ Private placement requires the approval of the Shareholders by special resolution for making amendments to the Articles of Association to empower the Company for the said further issue of securities and be made in any manner whatsoever the Board may determine including by way of preferential offer or private placement.

The general clause wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided is also included.

Approval of Shareholders is required by way of Special resolution in connection with the aforesaid amendment of Articles of Association. A draft copy of the altered AOA can be inspected by the shareholders at the Registered office of the Company on all working days (excluding Saturdays and Sundays) during 10:00 A.M. to 5:00 P.M. up to the date of Annual General Meeting, The Board recommends the passing of the resolutions as set out at item no.8 of the 34<sup>th</sup> Annual General Meeting as Special resolution. None of the Directors or KMP are interested or concerned in this resolution.

By order of the Board

For **MUNOTH FINANCIAL SERVICES LIMITED**

-sd-

**LALCHAND MUNOTH**

**CHAIRMAN**

DIN : 01693640

Place: Chennai

Date: 29-08-2025



## MUNOTH FINANCIAL SERVICES LIMITED

### DIRECTORS' REPORT

To The Shareholders

Your Directors have pleasure in presenting their Thirty Fourth Annual Report together with the Audited Accounts for the year ended March 31, 2025.

### FINANCIAL RESULTS:

Particulars	2024-2025 Rs.in '000	2023-2024 Rs. in '000
Revenue from operations	5711.49	4,926.37
Other Income	116.26	5663.30
Total Expenses	8565.42	8370.28
Profit or( Loss) before exceptional items and tax	(2737.66)	2219.38
Less: Exceptional items	-	-
Profit or (Loss) after Exceptional items and before tax Expenses	(2737.66)	2219.38
Less: Tax Expenses (Current & Deferred)	865.28	328.64
Profit/(Loss) for the year	(3602.94)	1890.74
Change in fair value of equity instruments	2090.45	1215.54
Re-measurement of Post Employment defined benefit plan	581.09	24.24
Total other Comprehensive Income for the year	2671.54	1239.78
Income tax relating to items that will not be Reclassified to Profit or loss	672.43	-
Other Comprehensive income, net of tax	1999.11	1239.78
Total Comprehensive Income for the period	(1603.82)	3130.52
Earnings Per Share		
- Basic Earning per Share	(0.70)	0.37
- Diluted Earning per Share	(0.70)	0.37

### REVIEW OF BUSINESS OPERATIONS:

During the financial year 2024-25, the Company's total revenue from operations has increased to INR 57.11 Lakhs from INR 49.26 Lakhs in the previous financial year.

The Company has made a loss of INR 36.03 Lakhs in the current financial year as against a profit of INR 18.90 Lakhs in the last financial year.

### Stock Broking:

Income from stock broking operations has increased to INR 47.54 Lakhs from INR 37.79 Lakhs in the previous financial year.

The Company provides institutional broking business and is empanelled with public sector banks and insurance companies.



**Depository participant:**

As a Depository Participant the company offers facilities to both institutional and retail investors to maintain their investments in securities in electronic form. Income from Depository operations has decreased to INR 5.58 Lakhs from INR 5.59 Lakhs in the previous financial year.

**Merchant Banking & Portfolio Management Services:**

The company has made application to SEBI for surrender of PMS registration.

The Company's MBD division is providing valuation services in accordance with the requirement of the various acts/statutory requirements.

Income from Merchant Banking & Portfolio advisory services has decreased to INR 4 Lakhs as against INR 5.88 Lakhs in the previous year.

**FUTURE PROSPECTS**

The company will continue to focus on Investment Banking and Institutional Broking business.

**INDIAN ACCOUNTING STANDARDS (IND AS)**

The Ministry of Corporate Affairs (MCA) on February 15, 2015 notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of companies. Ind AS has replaced the previous Indian GAAP as per the Companies Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies 2013, (the 'Act') and other relevant provisions of the Act. The financial statements for the year ended March 31, 2018 are the first financial statements the Company has prepared in accordance with Ind AS with the date of transition as April 1, 2016.

**DIVIDEND:**

The Board of Directors has decided not to recommend any dividend.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN 31ST MARCH 2025 ( THE END OF THE FINANCIAL YEAR) and 30<sup>TH</sup> MAY, 2025 (THE DATE OF REPORT)**

There were no material changes and commitments affecting the financial position of the company between March 31, 2025 (the end of the financial year) and May 30, 2025 (the date of the report).

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO.**

The Company has no activities relating to conservation of energy, technology absorption, foreign exchange earnings and outgo and hence the provisions of Section 134(m) of the Companies Act, 2013 is not applicable to the Company.

**STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**





## **MUNOTH FINANCIAL SERVICES LIMITED**

The Risk Management Committee of the Company continuously monitors business and operations risk through an efficient risk management system.

### **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable for the financial year 2024-25.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The Company has not provided working capital loan, Guarantee or provided security. The details of investments made by the company are given in the notes to the financial statements.

### **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:**

The Company has conducted 4 Board meetings during the financial year under review. The board is presented with all the relevant information well in advance before each meeting on various matters affecting the working of the company and the Directors have separate and independent access to senior management at all times. The Board meetings were held on May 29, 2024, August 13, 2024, November 13, 2024 and February 13, 2025.

### **AUDIT COMMITTEE:**

The Audit Committee has Ms. Lakshika Mehta (Chairman), Mr. Sakthivelmurugan Masagounder and Mr. Jaswant Munoth as Members. All the recommendations made by the Audit Committee were accepted by the Board.

### **NOMINATION AND REMUNERATION COMMITTEE:**

The Remuneration Committee has Mr. Sakthivelmurugan Masagounder (Chairman), Ms. Lakshika Mehta and Mr. Jaswant Munoth as Members. The committee is vested with all necessary powers and authority to determine and recommend the remuneration payable to Executive Directors.

### **COMPANY'S POLICY RELATING TO DIRECTOR'S APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Director's qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished as Annexure 1 and is attached to this report.

### **SHAREHOLDERS RELATIONSHIP COMMITTEE:**

Pursuant to Companies Act 2013, the Board of Directors had reconstituted Shareholders'/ Investor Grievance Committee with the new name Shareholders relationship committee. The committee specifically looks into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report etc. In addition, the committee also oversees the share transfers.

The Committee has Ms. Lakshika Mehta (Chairman), Mr. Sakthivelmurugan Masagounder and Mr. Jaswant Munoth as Members

The chairperson or the shareholder authorized by him of each of the committees constituted under Section 178 attended the general meeting of the Company.



**EVALUATION:**

The aspects covered in the evaluation included the contribution made by the Directors to the corporate governance practices, long term strategic planning, fulfillment of Director's obligations and fiduciary responsibilities and active participation at the Board and Committee meetings. The effectiveness of Board / Committee processes were assessed based on the Directors' inputs received during the meetings of the Board and one to one meeting by the Chairman with the Directors.

**EXTRACT OF ANNUAL RETURN:**

The Extract of Annual return as on March 31, 2025 as per the amendment through MCA Circular dated 24/08/2020 is available in the weblink [www.munothfinancial.com](http://www.munothfinancial.com)

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the year under review, as stipulated under 34(2)(e) of SEBI(LODR) Regulations is presented in separate section forming part of the Annual Report as Annexure 2

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

As required in Clause (c) of Sub- Section (3) of Section 134 of the Companies Act, 2013, your Director confirms and state that

- a) In the preparation of the annual accounts, the applicable accounting standards have 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 close of the financial year ended 31st March 2025 and of the Profit/Loss of the company for the year ended 31st March 2025.
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a going concern basis.
- e) The Directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DEPOSITS:**

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of balance sheet.

**DIRECTORS AND KMP**

**Appointment of Independent Directors**



## **MUNOTH FINANCIAL SERVICES LIMITED**

**\*\*Mr. C R Sasi and Ms. Mansi Chopra are appointed as additional Directors in the board meeting held on 14/08/2025 and 29/08/2025 respectively and their regularisation as Independent Directors for the period of 5 years is subject to the approval of shareholders in the 34<sup>th</sup> AGM. The brief profile of Directors and their functional expertise is given in the explanatory statement annexed to the notice of 34<sup>th</sup> AGM.**

### **Re appointment of Directors retiring by rotation**

Pursuant to Section 152 of the Companies Act, 2013, Mr. Vikas Munoth and Mr. Lalchand Munoth retire by rotation and being eligible offers themselves for reappointment

### **Information pursuant to Regulation 36(3) of SEBI (LODR) Regulations for Directors retiring by rotation and being eligible offers themselves for reappointment**

#### **1. Brief resume of Mr. Vikas Munoth and nature of his expertise in specific areas.**

Mr. Vikas Munoth is retiring by rotation at this Annual General Meeting and being eligible offers himself of reappointment

Mr. Vikas Munoth, aged 48 years (Date of Birth : 26/03/1977) holds a Bachelor Degree in Commerce and holds a post-graduate diploma in Business Management specializing in Finance and Marketing. He is also a Chartered Financial Analyst and specialises in fundamental and technical analysis. He has extensive years of experience and knowledge in the field of Capital Markets. He is also the Nominee Director of Tirupati Electronics Manufacturing Cluster Limited, Director of Munoth Communication Limited, Munoth Lithium Battery Private Limited and Managing Director Munoth Industries Limited.

As on March 31, 2025, his shareholding in the Company is 10,14,500 shares and has no shares held by/ for other persons on a beneficial basis.

He has attended all the 4 board meetings held on May 29, 2024, August 13, 2024, November 13, 2024 and February 13, 2025.

Disclosure of relationships between directors inter-se: Mr. Lalchand Munoth is the father of Mr. Vikas Munoth and Mr. Bharat Munoth & Mr. Jaswant Munoth are brothers of Mr. Vikas Munoth.

#### **2. Brief resume of Mr. Lalchand Munoth and nature of his expertise in specific areas.**

Mr. Lalchand Munoth is retiring by rotation at his Annual General Meeting and being eligible offers himself for reappointment. Mr. Lalchand Munoth, aged 87 years (DOB: 05/12/1938) holds a Bachelor Degree in Arts from the Mysore University. He is a senior shareholder of the board and a guiding figure for the Munoth Team. His stature in the industry and array of corporate relationships are valuable for the Company. He is the architect behind several successful finance & investment companies and has vast experience in the finance field. He is the director of the Company since 1990. He is also director of, Misrimal Navajee Estates Private Limited, Munoth Industries Limited, Munoth Bioscience Limited and South India Chemicals and Leasing Private Limited.

He has attended all the 4 board meetings held on May 29, 2024, August 13, 2024, November 13, 2024 and February 13, 2025.

As on March 31, 2025, his shareholding in the Company is 6,87,100 shares and has no shares held by/for other persons on a beneficial basis.

Disclosure of relationships between directors inter-se: Mr. Lalchand Munoth is the father of Mr. Jaswant Munoth, Mr. Bharat Munoth & Mr. Vikas Munoth.

#### **3. Brief resume of Mr. Jaswant Munoth and nature of his expertise in specific functional areas:**



## **MUNOTH FINANCIAL SERVICES LIMITED**

**\*\*Mr. Jaswant Munoth**, aged 60 years (Date of Birth : 14/07/1965) is getting reappointed as Managing Director of the Company for three years liable to retire by rotation, and his appointment is subject to the approval of shareholders in the 34<sup>th</sup> AGM and holds a Bachelor Degree in Commerce from University of Madras with a Masters Degree in Business Administration. He has extensive 36 years of experience and knowledge in the field of Capital Markets. He is the Managing Director of the company since its inception on 1990. He has managed and steered the company through the adverse market conditions prevailed in the financial sector. He heads Merchant Banking and Portfolio Management Division of the Company. Under his leadership the Merchant Banking division has Lead managed 47 IPOs. He has worked with other leading merchant Bankers in 65 other IPO's under various other capacities. He also heads Portfolio Management Services since its inception in 1999 and manages portfolio of clients.

He is also the Managing Director of Munoth Communication Limited and director of Munoth Industries Limited, Munoth NEG Windfarm Private Limited, Misimal Navajee Estates Private Limited, Maharana Finance & Investments P Limited, Shankeswara Finance & Investments P Limited, South India Chemicals & Leasing P Limited, Munoth Bioscience Limited, Tamilnadu Educational and Medical Foundation, Federation of JIto Chamber of Commerce and Industry and Munoth Lithium Battery Private Limited.

As on March 31, 2025, his shareholding in the Company is 836100 shares and has no shares held by/ for other persons on a beneficial basis. He has attended all the 4 board meetings held on May 29, 2024, August 13, 2024, November 13, 2024 and February 13, 2025 and 4 audit committee meetings held on May 29, 2024, August 13, 2024, November 13, 2024 and February 13, 2025 attended all Stakeholders Relationship committee Meetings held during the year.

Disclosure of relationships between directors inter-se: Mr. Lalchand Munoth is the father of Mr. Jaswant Munoth and Mr. Bharat Munoth & Mr. Vikas Munoth are brothers of Mr. Jaswant Munoth.

#### **4. Brief resume of Mr. Bharat Munoth and nature of his expertise in specific areas.**

**\*\*Mr. Bharat Munoth** is getting appointed as whole time director for the period of 5 years, not liable to retire by rotation and his appointment is subject to the approval of shareholders in the 34<sup>th</sup> AGM.

Mr. Bharat Munoth, aged 55 years (DOB:02/03/1970) is a commerce graduate and he has extensive knowledge and experience in the field of finance and investments. He is the director of the company since 1992. He is also the director of Munoth Communication Limited, Munoth Bioscience Limited, South India chemicals and Leasing Private Limited, Maharana Finance and Investments Private Limited and shankeswar Finance and Investments Private Limited.

As on March 31, 2025, his shareholding in the Company is 7,17,900 shares and has no shares held by/

for other persons on a beneficial basis.

He has attended all the 4 board meetings held on May 29, 2024, August 13, 2024, November 13, 2024 and February 13, 2025.

Disclosure of relationships between directors inter-se: Mr. Lalchand Munoth is the father of Mr. Bharat Munoth and Mr. Jaswant Munoth & Mr. Vikas Munoth are brothers of Mr. Bharat Munoth.

#### **DECLARATION OF INDEPENDENT DIRECTORS:**

The independent Directors have confirmed and declared that they are not disqualified to act as an independent Director in compliance with the provisions of Section 149 of the Companies Act., 2013.



**ADEQUACY OF INTERNAL CONTROL, FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

**STATUTORY AUDITORS :**

Shareholders of the Company at the AGM held on August 18, 2022 had approved the appointment of M/s. Kumbhat & Co., Chartered Accountants as Statutory auditors for a period of 5 years from the conclusion of 31<sup>st</sup> AGM upto 36<sup>th</sup> AGM to be held in 2027..

**SECRETARIAL AUDIT REPORT:**

A Secretarial Audit was conducted in accordance with provisions of section 204 of the Companies Act, 2013 and the Secretarial Audit Report dated 30/05/2025 given by Mr. N Selvam is attached as Annexure 3 and forms a part of the report of the Directors.

**COST AUDIT:**

Cost Audit is not applicable to the Company for the financial year 2024-25.

**EXPLANATION / COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS.**

There were no comments or observations or adverse remarks made by the Auditor or Practicing Company Secretary in their reports.

**COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company has complied with Secretarial Standards issued by Institute of Company Secretaries of India (ICSI) as and when it was applicable.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary or Joint venture Company. The nil disclosure in Form No. AOC 1 is enclosed as Annexure 4.

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

In line with the requirements of the Companies act, 2013 and equity listing Regulation, the Company has formulated a policy on Related Party transactions which is also available on Company's website at [www.munothfinancial.com](http://www.munothfinancial.com). The policy intends to ensure that proper reporting, approval and disclosure procedures are in place for all transactions between the Company and Related Parties.

All Related Party transactions are placed before the Audit Committee for review and approval, Prior omnibus approval is obtained for Related Party transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length.

The disclosures for the financial year in Form No . AOC.2, if any is enclosed as Annexure 5.



**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE:**

There are no persons employed in the Company during the year or for part of the year who were in receipt of remuneration in excess of the limits set out in Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with in terms of provisions of Section 197(12) of the Companies Act, 2013.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014 are provided in the Annual Report as Annexure 6.

**VIGIL MECHANISM:**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Regulation, includes an Ethics & Compliance Task Force comprising Senior Executives of the Company. The policy on vigil mechanism and whistle blower policy may be accessed on the company's website [www.munothfinancial.com](http://www.munothfinancial.com).

**CORPORATE GOVERNANCE REPORT:**

Pursuant to Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance is not applicable to the Company for the financial year 2024-25 since the NetWorth is below 25 Crores and the Paid up Capital of the Company is less than 10 Crores.

**STOCK EXCHANGES:**

The Company's shares are listed on BSE.

**PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Board of Directors and the designated employees have confirmed compliance with the code.

**GENERAL:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

1. Issue of equity shares with differential rights as to dividend, voting or otherwise
2. Issue of shares (including sweat equity shares) to employees of the company and ESOS under any scheme
3. The company does not have any subsidiaries and hence the disclosure stating that the Managing Director / whole Time Director of the Company not receiving any remuneration or commission for subsidiary is not applicable.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



## **MUNOTH FINANCIAL SERVICES LIMITED**

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### **ACKNOWLEDGEMENTS:**

Your Directors would like to express their gratitude to the Shareholders, vendors, bankers and customers for their support and co-operation. They wish to thank all the employees of the Company for their sincere and dedicated services.

#### **For and on behalf of the Board of Directors**

Place: Chennai

-sd-

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Date: 30-05-2025\*\*

Jaswant Munoth

Vikas Munoth

Managing Director

Whole Time Director

DIN :00769545

DIN :00769366

(\*\* This report was modified and taken for Board approval on 29/08/2025)



Annexure 1

**Nomination and Remuneration Policy**

The Remuneration/Compensation Committee of Munoth Financial Services Limited ("the Company"), was renamed as Nomination and Remuneration Committee by the Board at its meeting held on March 31, 2015

**1. OBJECTIVE** The Nomination and Remuneration Committee and this Policy are in compliance with Section 178 of the Companies Act, 2013 ("**The Act**") read along with the applicable rules thereto

The key objectives of the Committee are:

- 1.1** To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- 1.2** To evaluate the performance of the shareholders of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.3** To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- 1.4** To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.5** To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and to assist the Board in fulfilling its responsibilities.

**2. DEFINITIONS**

- 2.1 Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 2.2 Board** means Board of Directors of the Company.
- 2.3 Directors** mean Directors of the Company.
- 2.4 Key Managerial Personnel** means Chief Executive Officer or the Managing Director or the Manager; Whole-time director; Chief Financial Officer; Company Secretary; and such other officer as may be prescribed.
- 2.5 Senior Management** means personnel of the company who are shareholders of its core management team excluding the Board of Directors including Functional Heads.

**3. ROLE OF COMMITTEE**

**3.1 The role of the Committee inter alia will be the following:**

- a. to formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- b. to recommend to the Board the appointment and removal of Senior Management
- c. to carry out evaluation of Director's performance and recommend to the Board appointment / removal based on his / her performance.
- d. to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.





## **MUNOTH FINANCIAL SERVICES LIMITED**

- e. to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f. ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks, g. to devise a policy on Board diversity;
- h. to develop a succession plan for the Board and to regularly review the plan;

### **Policy for appointment and removal of Director, KMP and Senior Management**

#### **3.2 Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### **3.3 Term / Tenure**

- a) Managing Director/Whole-time Director : The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) Independent Director: An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it shall be ensured that number of Boards on which such Independent Director serves is as may be prescribed under the Act and / or the Listing Agreement.

#### **3.4 Evaluation** The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

#### **3.5 Removal** Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons



## MUNOTH FINANCIAL SERVICES LIMITED

recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**3.6 Retirement** The Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**3.7 Policy relating to the Remuneration for the Managing / Whole-time Director, KMP and Senior Management Personnel**

The Remuneration Policy of the Company for managerial personnel is primarily based on the following:

Performance of the Company,

Potential of individual and,

External competitive environment

### General

- a. The remuneration/compensation/commission, etc., to the Managing / Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval at the time of appointment. The remuneration / compensation / commission etc. of the Managing / Whole Time Director shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b. The remuneration and commission to be paid to the Whole-time Directors shall be in accordance with the provisions of the Act.
- c. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which would be within the limits approved by the Shareholders in the case of Whole-time Directors and as per the Policy of the Company in case of others.
- d. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### Remuneration to Managing / Whole-time Director, KMP and Senior Management Personnel

- a. **Fixed pay:** The Managing / Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b. **Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- c. **Provisions for excess remuneration:** If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act



## MUNOTH FINANCIAL SERVICES LIMITED

or without appropriate approvals, the Committee shall recommend the due course of action to the Board as and when required.

### Remuneration to Non- Executive / Independent Director

- a. **Remuneration / Commission:** The remuneration / commission shall be fixed as per the limits and conditions mentioned by the Company and the Act.
- b. **Sitting Fees:** The Non- Executive / Independent Director may receive Sitting fees for attending meetings of Board or Committee thereof, provided that the amount of such fees shall not exceed the amount as may be prescribed by the Central Government from time to time.
- c. **Commission:** Commission may be paid subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- d. **Stock Options:** An Independent Director shall not be entitled to any stock option of the Company.

### 4. NOMINATION COMMITTEE FUNCTIONS:

The functions of the Committee in relation to nomination matters include:

- a. Ensuring that there is an appropriate induction in place for new Directors and shareholders of Senior Management and reviewing its effectiveness;
- b. Ensuring that on appointment to the Board, independent directors receive a formal letter of appointment in accordance with the guidelines provided under the Act;
- c. Identifying and recommending Directors who are to be put forward for retirement by rotation.
- d. Determining the appropriate size, diversity and composition of the Board;
- e. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- f. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- g. Evaluating the performance of the Board shareholders and Senior Management in the context of the Company's performance from business and compliance perspective;
- h. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- i. Delegating any of its powers to one or more of its shareholders or the Secretary of the Committee;
- j. Recommend any necessary changes to the Board; and
- k. Considering any other matters, as may be requested by the Board.

### 5. REMUNERATION COMMITTEE FUNCTIONS

The function of the Committee in relation to remuneration matters include:

- a. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate shareholders



## **MUNOTH FINANCIAL SERVICES LIMITED**

of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the shareholders of the Board.

- b. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c. to delegate any of its powers to one or more of its shareholders or the Secretary of the Committee.
- d. to consider any other matters as may be requested by the Board.
- e. Professional indemnity and liability insurance for Directors and senior management.

**6. SHAREHOLDERSHIP** The Committee shall consist of a minimum 32 directors, majority of them being independent. Minimum two shareholders shall constitute a quorum for the Committee meeting. Shareholdership of the Committee shall be disclosed in the Annual Report. Term of the Committee shall be continued unless terminated by the Board of Directors.

**7. CHAIRPERSON** The Chairperson of the Committee shall be an Independent Director. The Chairperson of the Company may be appointed as a shareholder of the Committee but shall not be a Chairman of the Committee. In the absence of the Chairperson, the shareholders of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

**8. FREQUENCY OF MEETINGS** The meeting of the Committee shall be held at such regular intervals as may be required.

### **9. OTHERS**

- a. A shareholder of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.
- b. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Shareholders present and voting and any such decision shall for all purposes be deemed a decision of the Committee. In the case of equality of votes, the Chairman of the meeting will have a casting vote.
- c. The Company Secretary of the Company shall act as Secretary of the Committee.
- d. Proceedings of all meetings must be recorded as Minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

### **For and on behalf of the Board of Directors**

Place: Chennai

Date: 30-05-2025\*\*

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Jaswant Munoth  
Managing Director  
DIN :00769545

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Vikas Munoth  
Whole Time Director  
DIN :00769366

**MANAGEMENT DISCUSSION AND ANALYSIS (MD &A)****Industry Structure and developments:**

Capital markets are central to India's growth story, catalysing capital formation for the real economy, enhancing the financialisation of domestic savings, and enabling wealth creation. As of December 2024, the Indian stock market has achieved new highs, with intermittent corrections, in the midst of geopolitical uncertainties, currency depreciation and domestic market volatility challenges. Investor participation has been a contributor, with number of investors growing. This growth, combined with active listing activity and recent measures by the regulator, viz. Securities and Exchange Board of India (SEBI), to temper excesses, is expected to foster sustainable market expansion.

**Opportunities & Threats**

The positive performance of the Indian stock was driven by strong profitability growth, rapid traction of digital financial infrastructure, expanding investor base and substantial reforms in products and processes. The period since the pandemic has seen a surge in individual and household participation as capital market investors through direct (trading in markets through their accounts) and indirect (through mutual funds) channels. Healthy corporate earnings, stable macro fundamentals, efficient and robust technology architecture facilitating efficient trading, clearing, and depository systems, and trust garnered by mutual fund ecosystem and online digital investment platforms have encouraged greater participation in capital markets

The recessionary trends visible in some parts of the globe cannot be isolated. The market participants will have to build resilience to withstand the onslaught of spillover risks and set appropriate risk appetite and risk governance systems to withstand in a highly uncertain business world.

**Segment- wise product performance**

The Company's business activities are all related to capital market segment and can be considered as single segment company

**Concerns, Risk and outlook**

India's key challenges are selling from FIIs, a high-interest rate, elevated inflation, and slowing earnings growth and most of the issues are getting factored into the prices. If the cautiousness continues in the short-term, it can be presumed that the worst is over, limiting further price corrections though valuation moderate

Elevated valuations and optimistic market sentiments in the US raise the likelihood of a meaningful market correction in 2025. Should such a correction occur, it could have a cascading effect on India, especially given the increased participation of young, relatively new retail investors. Many of these investors that have entered the market post-pandemic have never witnessed a significant and prolonged market correction. Hence, if one were to occur, its impact on sentiment and spending may be non-trivial.

Capital markets significantly contribute to capital formation, the financialisation of domestic savings, and wealth creation. Strong macroeconomic fundamentals, healthy corporate earnings, supportive



## **MUNOTH FINANCIAL SERVICES LIMITED**

institutional investment, robust inflows from SIPs, and increased formalisation, digitisation, and accessibility have all fuelled the market's continued growth.

### **Adequacy of Internal Controls:**

The Company follows an extensive internal control system to ensure that prudential business policies are followed regularly in managing existing clientele and developing new business contacts. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. The Audit committee reviews the adequacy of internal control system on regular basis

### **Financial Performance:**

#### **REVIEW OF BUSINESS OPERATIONS:**

During the financial year 2024-25, the Company's total revenue from operations has increased to INR 57.11 Lakhs from INR 49.26 Lakhs in the previous financial year.

The Company has made a loss of INR 36.03 Lakhs in the current financial year as against a profit of INR 18.90 Lakhs in the last financial year.

### **Stock Broking:**

Income from stock broking operations has increased to INR 47.54 Lakhs from INR 37.79 Lakhs in the previous financial year.

The Company provides institutional broking business and is empanelled with public sector banks and insurance companies.

### **Depository participant:**

As a Depository Participant the company offers facilities to both institutional and retail investors to maintain their investments in securities in electronic form. Income from Depository operations has decreased to INR 5.58 Lakhs from INR 5.59 Lakhs in the previous financial year.

### **Merchant Banking & Portfolio Management Services:**

The company has made application to SEBI for surrender of PMS registration.

The Company's MBD division is providing valuation services in accordance with the requirement of the various acts/statutory requirements.

Income from Merchant Banking & Portfolio advisory services has decreased to INR 4 Lakhs as against INR 5.88 Lakhs in the previous year.

### **FUTURE PROSPECTS**

The company will continue to focus on Investment Banking and Institutional Broking business.

### **Human Resource Development:**

The Company has a team of able and experienced professionals and the Company considers that the main strength is its human resources, who create a climate to suit its growth and excellence.



**Cautionary Statement**

Statements in the Management Discussion and Analysis regarding the Company's objectives, estimates and expectations are within the scope of applicable laws and regulations. Actual performance might differ from those either expressed or implied.

**For and on behalf of the Board of Directors**

Place: Chennai

-sd-

sd-

Date: 30-05-2025\*\*

Jaswant Munoth

Vikas Munoth

Managing Director

Whole Time Director

DIN :00769545

DIN :00769366



Annexure 3

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

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

To,

The Shareholders,

Munoth Financial Services Limited

I/We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MUNOTH FINANCIAL SERVICES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by ("the Company") for the financial year ended on March 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;





## MUNOTH FINANCIAL SERVICES LIMITED

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) regulations, 2009; and
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- I/we have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - (ii) The Listing Agreements entered into by the Company with BSE.

I/we further report that, based on the information provided by the company, its officers and authorised representatives during the conduct of audit, and also on review of quarterly compliance reports submitted by the officers, in my opinion, adequate systems and processes and control mechanism exists in the Company to monitor and ensure compliance with other applicable laws such as labour laws, etc.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. The Company has appointed secretarial auditor as per the secretarial standards issued by The Institute of Company Secretaries of India.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting..

Majority decision is carried through while the dissenting shareholders' views are captured and recorded as part of the minutes.

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

**I/we further report that** during the audit period the company has not issued /carried out

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the shareholders in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.



## **MUNOTH FINANCIAL SERVICES LIMITED**

(v) Foreign technical collaborations.

I further report that during the audit period, there were no other specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc, having a major bearing on the Company's affairs.

Place: Chennai

Date: 30-05-2025

N Selvam

Company Secretary

FCS No: 4318

CP No: 4858

UDINF004318C000499263

**Annexure 4****Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.) NA

Sl. No.	Particulars	Details
1.	Name of the subsidiary	
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.



**Part “B”: Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures NA**

The Company does not have any Subsidiary or Joint venture Company.

Name of associates / Joint Ventures			
1. Latest audited Balance Sheet Date			
2. Shares of Associate/Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates/Joint Venture			
Extend of Holding%			
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated			
5. Net worth attributable to shareholding as per latest audited Balance Sheet			
6. Profit/Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

- Names of associates or joint ventures which are yet to commence operations. - NIL
- Names of associates or joint ventures which have been liquidated or sold during the year. – NIL

**For Kumbhat & Co LLP**  
Chartered Accountants  
FRN NO: 001609S/S000162

**For and on behalf of the Board of Directors**

**-sd-  
[M.V. CHANDRAMOULEESWARAN]**  
Partner  
M.NO: 202629  
UDIN: 25202629BMIHRL4755

**-sd-  
A. G. NANDINI**  
Company Secretary

**-sd-  
LALCHAND MUNOTH**  
Chairman  
(DIN : 1693640)

**-sd-  
BHARAT MUNOTH**  
Director & CFO  
(DIN : 00769588)

**-sd-  
JASWANT MUNOTH**  
Managing Director & CEO  
(DIN : 00769545)

**-sd-  
VIKAS MUNOTH**  
Whole time Director  
(DIN : 00769366)

PLACE : CHENNAI  
DATE : 30-05-2025



# MUNOTH FINANCIAL SERVICES LIMITED

## ANNEXURE 5

### FORM NO. AOC -2

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

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

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

Name of the related party	Nature of relationship	Nature of transactions	Transaction value 'Rs. in '000s
Vikas Munoth	Director	Loan (Net amount) received from Director during the FY	1174*

Salient terms of transaction including the value if any; Regular and ordinary course of business.

Date of Approval by the Board, if any: Sale of shares \*; Loan form Director: 14/08/2023

Amount paid as advances, if any : Nil

\*During the financial year, repaid the loan by selling the investment in South India Chemicals & Leasing Private Limited

**For and on behalf of the Board of Directors**

**-sd-**

**Jaswant Munoth**  
Managing Director  
(DIN : 00769545)

**-sd-**

**Vikas Munoth**  
Whole Time Director  
(DIN : 00769366)

Place : Chennai  
Date : 30-05-2025



# MUNOTH FINANCIAL SERVICES LIMITED

## ANNEXURE 6

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Lalchand Munoth NA Mr. Jaswant Munoth NA Mr. Bharat Munoth NA Mr. Vikas Munoth NA Mr. Ajit Kumbhat NA Ms. Lakshika Mehta NA Mr. Sakthivelmurugan Masagounder NA
(ii)	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Mr. Lalchand Munoth: NA Mr. Jaswant Munoth: NA Mr. Bharat Munoth: NA Mr. Vikas Munoth: NA Ms. Lakshika Mehta NA Mr. Sakthivelmurugan Masagounder NA Ms. A G Nandini: No Increase
(iii)	the percentage increase in the median remuneration of employees in the financial year	No Increase
(iv)	the number of permanent employees on the rolls of company	11
(v)	the explanation on the relationship between average increase in remuneration and company performance	No increase in the FY and hence NA
(vi)	comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of Key Managerial Personnel: INR 6.025 Lakhs (for Company secretary Net loss of the Company for the year is INR .36.03lakhs
(vii)	variations in the market capitalisation of the company,  price earnings ratio as at the closing date of the current financial year and previous financial year percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	The market capitalisation as on 28/03/2025 (Last traded date) was Rs.2927.12 Lacs. (last year as on Last traded date was Rs. 2872.68 Lacs)  NA  The Company had come out with the Initial Public Offer (IPO) in June 1996 is at Rs. 10/- per share, As on 28/03/2025, the market price per share is Rs.57/-



## MUNOTH FINANCIAL SERVICES LIMITED

(viii)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	No increase in Remuneration
(ix)	comparison of the each remuneration of the Key Managerial Personnel against the Performance of the company	A G Nandini - 6.025 Lakhs p.a Net loss of the Company for the year is INR 36.03 lakhs
(x)	the key parameters for any variable component of remuneration availed by the directors	No variable component of remuneration availed by directors
(xi)	the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	No remuneration paid to any Director during the Financial Year
(xii)	affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration is as per the remuneration policy of the Company.

### Details of the employees of the Company - Pursuant to section 197 (Rule 5) of the Companies act 2013

The Company does not have employee who is drawing more than Rs. 60 Lakhs per annum during the year.

### For and on behalf of the Board of Directors

-sd-

**Jaswant Munoth**  
Managing Director  
(DIN : 00769545)

-sd-

**Vikas Munoth**  
Whole Time Director  
(DIN : 00769366)

Place : Chennai  
Date : 30-05-2025



**CEO AND CFO CERTIFICATION**

The Board of Directors,  
Munoth Financial Services Limited,  
343, Triplicane High Road,  
Triplicane,  
Chennai - 600 005.

Certificate by Chief Executive Officer and Chief Financial Officer

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2025 and that to the best of our knowledge and belief, we hereby certify that

1. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading.
2. These statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
3. That, there are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we were aware and the steps that we have taken or propose to take to rectify the identified deficiencies and We have informed the auditors and the audit committee that
  - There were no significant changes in internal control during the year
  - There were no significant changes in accounting policies during the year
  - There has been no instances of fraud.
6. We further declare that all Board Shareholders and Senior Managerial Personnel have affirmed compliance with the code of conduct for the financial year.

**For and on behalf of the Board of Directors**

Place : Chennai  
Date : 30-05-2025

**-sd-**  
**Jaswant Munoth**  
Managing Director  
(DIN : 00769545)

**-sd-**  
**Vikas Munoth**  
Whole Time Director  
(DIN : 00769366)





**INDEPENDENT AUDITOR'S REPORT**

To the Members of Munoth Financial Services Limited

**Report on the audit of the Standalone Financial Statements**

**Opinion**

We have audited the Standalone financial statements of **Munoth Financial Services Limited** ("the Company"), which comprise the Stand alone Balance sheet as at 31st March 2025, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of changes in equity and Standalone Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "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, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its **Loss**, including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Key Audit Matter(s)**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and sustainability report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report(s) thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, based on the work we have performed, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions



### **Responsibilities of Management and those charged with governance for the Standalone Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone 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.

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

- Identify and assess the risks of material misstatement of the Standalone 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 controls.
- Obtain an understanding of internal financial 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 with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors
- Conclude on the appropriateness of the Management and Board of Director's use of the going concern basis of accounting in preparation of Standalone Financial Statements 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 standalone 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.



## MUNOTH FINANCIAL SERVICES LIMITED

- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive Income, Statement of Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,
  - e) On the basis of the written representations received from the Directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B." Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
  - g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us, no remuneration is paid by the Company to its Directors during the year and hence the reporting of matters as required under Section 197(16) does not arise.



## MUNOTH FINANCIAL SERVICES LIMITED

- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
1. The Company has no pending litigations which would have a material impact on its financial position.
  2. The Company has not entered into any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There has not been an occasion in case of the Company during the year under report to transfer of any sums to the Investor Education and Protection Fund by the Company. The question of delay in transferring such sums does not arise.
  4.
    - i. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - ii. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - iii. Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of the Rule 11 (e), as provided under (i) and (ii) above, contain any material misstatement.
  5. The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Companies Act, 2013 is not applicable for the year under consideration.
  6. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 applicable from April 1, 2023. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, for the periods where the audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, and during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

**For KUMBHAT AND CO LLP**

Chartered Accountants

FRN: 001609S/S000162

**M.V. Chandramouleeswaran**

Partner

Membership No: 202629

UDIN: 25202629BMIHRL4755

Place: Chennai.

Date: 30-05-2025



## MUNOTH FINANCIAL SERVICES LIMITED

### ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF MUNOTH FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2025

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the member of M/s. **Munoth Financial Services Limited** )

- (i) (A) In our opinion and according to the information and explanation given to us, the Company maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) In our opinion and according to the information and explanation given to us, the Company maintaining proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of property, plant and equipment so to cover the material assets on a periodical basis which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant, and Equipment during the year. Hence reporting under clause 3 (i) (d) of the order is not applicable. The Company does not have right of use assets or intangible asset.
- (e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, and Rules made thereunder.
- (ii) (a) The Company is engaged in the business of providing service and does not have any inventories. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable.  
(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or any other parties during the year. Hence reporting under clause 3(iii) of the Order is not applicable.
- (iv) According to the information and explanation given to us and on the basis of our examination of the records of the Company, has made investments but has not given loans or security and therefore the relevant provisions of Section 185 and 186 of the Companies Act, 2013 (“the Act”) are not applicable to the Company.
- (v) In our opinion and according to information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Hence reporting under clause 3 (v) of the Order is not applicable.



## **MUNOTH FINANCIAL SERVICES LIMITED**

- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act. Hence reporting under clause 3 (vi) of the Order is not applicable.
- (vii) (a) In our opinion the Company has generally been regular (except minor delay in Provident Fund remittance) in depositing undisputed statutory dues, including goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, Value Added Tax, Cess, and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they become payable.
- (b) There are no statutory dues referred to in sub clause(a), which have not been deposited on account of dispute.
- (viii) In our opinion and according to the information and explanation given to us, there are no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence reporting under the clause 3 (viii) is not applicable.
- (ix) (a) According to the information and explanations given to us and audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender
- (c) According to the information and explanations given to us, the Company has not taken any term loans. Hence reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate. The Company does not have any subsidiary or joint venture. Hence reporting under the clause 3 (ix) (e) of the Order with regard to subsidiary or joint venture is not applicable.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its associate. The Company does not have any subsidiary or joint venture. Hence reporting under the clause 3 (ix) (f) of the Order with regard to subsidiary or joint venture is not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting under the clause 3 (x) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence reporting under the clause 3 (x) (b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us, and on the basis of the audit procedure performed for the purpose of reporting the true and fair view of the Standalone Financial Statements, we report that no fraud by the Company or any fraud on the Company has been noticed or reported during the year. Hence, reporting under the clause 3 (xi) (a) of the Order is not applicable.



## MUNOTH FINANCIAL SERVICES LIMITED

- (b) No report under sub-section (12) of section 143 of the companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year up to the date of this report.
- (c) According to the information and explanations given to us, no whistle-blower complaints have been received by the Company during the year. Hence, reporting under the clause 3 (xi) (c) of the Order is not applicable.
- (xii) According to the information and explanation given to us, The Company is not a Nidhi Company; hence reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with the section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) According to the information and explanations given to us, and audit procedures performed by us, in our opinion the Company has an internal audit system, commensurate with the size and nature of its business.  
(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them. Hence reporting under clause 3 (xv) of the Order is not applicable.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).  
(b) According to the information and explanations given to us, and in our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities.  
(c) According to the information and explanations given to us, and in our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence reporting under clause 3 (xvi)(c) of the Order is not applicable.  
(d) In our opinion and according to the information and explanations given to us, there is no CIC (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) within the group. Hence, reporting under clause 3 (xvi) (d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses of ₹ 2,447.88 ('000) during the financial year ended 31st March 2025 and has not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditors in the Company during the year. Hence reporting under clause 3 (xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumption, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however state that this is not an assurance as to the future viability of the Company.



## MUNOTH FINANCIAL SERVICES LIMITED

We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all liabilities falling due within the period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our Opinion and according to the information and explanations given to us, the Company has no requirement to comply with the section 135 of the Act. Hence reporting under clause 3(xx) is not applicable.
- (xxi) Since this audit report is on the standalone financial statements, the provisions of the clause 3(xxi) of the Order are not applicable to the Company and hence not commented upon.

**For KUMBHAT AND CO LLP**

Chartered Accountants

FRN: 001609S/S000162

**M.V. Chandramouleeswaran**

Partner

Membership No: 202629

UDIN: 25202629BMMHRL4755

Place: Chennai.

Date: 30-05-2025

### **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF MUNOTH FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2025**

#### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **MUNOTH FINANCIAL SERVICES LIMITED** of even date)

We have audited the internal financial controls with reference to Standalone Financial Statements of **Munoth Financial Services Limited** (“the Company”) as of March 31, 2025 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

#### **Management and Board of Directors’ Responsibility for Internal Financial Controls**

The Company’s Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to the Standalone financial statements 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**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. 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 with reference to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.





## MUNOTH FINANCIAL SERVICES LIMITED

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, 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 Standalone financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to Standalone Financial Statements.**

A Company's internal financial controls with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements.**

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal control with reference to Standalone Financial Statements 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 ICAI.

**For KUMBHAT AND CO LLP**

Chartered Accountants

FRN: 001609S/S000162

**M.V. Chandramouleeswaran**

Partner

Membership No: 202629

UDIN: 25202629BMIHRL4755

Place: Chennai.

Date: 30-05-2025



# MUNOTH FINANCIAL SERVICES LIMITED

## BALANCE SHEET AS AT MARCH 31, 2025

Particulars	Note	As at March 31, 2025 (Rs. In 000's)	As at March 31, 2024 (Rs. In 000's)
<b>ASSETS</b>			
(1) <b>Non- Current Assets</b>			
(a) Property Plant and Equipment	2	39,787.74	39,889.95
(b) Other Intangible Assets	3	3.88	5.17
(c) Financial Assets			
(i) Investments	4	60,813.51	61,338.81
(ii) Others	5	11,970.00	13,050.00
(d) Deferred Tax Assets (Net)	6	-	680.68
(e) Other Non Current Assets	7	261.26	1,646.34
(2) <b>Current Assets</b>			
(a) Financial Assets			
(i) Trade receivables	8	9,732.69	21,691.51
(ii) Cash and cash equivalents	9	702.04	489.81
(iii) Other Financial Assets	10	-	28.68
(b) Income Tax assets (Net)	11	17.44	37.76
(c) Other Current Assets	12	1,189.19	1,137.75
<b>Total</b>		<b>1,24,477.76</b>	<b>1,39,996.46</b>
<b>EQUITY AND LIABILITIES</b>			
(1) <b>Equity</b>			
(a) Equity Share Capital	13	51,353.00	51,353.00
(b) Other Equity	14	54,446.25	56,050.07
<b>Total Equity</b>		<b>1,05,799.25</b>	<b>1,07,403.07</b>
(2) <b>Non Current Liabilities</b>			
(a) Provisions	15	499.20	882.62
(b) Deferred Tax Liability(Net)	6	306.86	
		806.06	882.62
(3) <b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	16		
(i) Total Outstanding dues of micro enterprises and small enterprises; and		-	-
(ii) Total Outstanding dues of creditors other than micro enterprises and small enterprises.		10,225.85	23,235.13
(ii) Short Term Borrowings	17	4,806.02	6,031.86
(iii) Other Financial Liabilities	18	2,389.20	2,021.80
(b) Other Current Liabilities	19	336.39	319.53
(c) Provisions	20	115.00	102.45
		17,872.47	31,710.77
<b>Total Liabilities</b>		<b>18,678.53</b>	<b>32,593.39</b>
<b>Total</b>		<b>1,24,477.78</b>	<b>1,39,996.46</b>

Significant Accounting Policies

1

The Notes forms integral part of this Balance Sheet.

As per our report of even date attached

**For Kumbhat & Co LLP**

Chartered Accountants

FRN NO: 001609S/S000162

**For and on behalf of the Board of Directors**

-sd-

**LALCHAND MUNOTH**

Chairman  
(DIN : 1693640)

-sd-

**JASWANT MUNOTH**

Managing Director & CEO  
(DIN : 00769545)

-sd-

**[M.V. CHANDRAMOULEESWARAN]**

Partner

M.NO: 202629

UDIN: 25202629BMIHRL4755

-sd-

**A. G. NANDINI**

Company Secretary

-sd-

**BHARAT MUNOTH**

Director & CFO  
(DIN : 00769588)

-sd-

**VIKAS MUNOTH**

Whole time Director  
(DIN : 00769366)

PLACE : CHENNAI

DATE : 30-05-2025



# MUNOTH FINANCIAL SERVICES LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

Particulars	Note	As at March 31, 2025 (Rs. in 000's)	As at March 31, 2024 (Rs.in 000's)
<b>Income</b>			
(1) Revenue from operations	21	5,711.49	4,926.36
(2) Other Income	22	116.26	5,663.30
<b>Total Revenue (1)+(2)</b>		<b>5,827.76</b>	<b>10,589.66</b>
(3) Expenses			
(i) Impairment on Financial Instruments	23	28.81	-
(ii) Employee benefit expenses	24	3,792.71	3,523.20
(iii) Finance Cost	25	0.66	30.25
(iv) Depreciation & Amortisation	2 & 3	109.09	222.33
(v) Other expenses	26	4,634.14	4,594.50
<b>Total Expenses</b>		<b>8,565.42</b>	<b>8,370.28</b>
(4) Profit/(Loss) before exceptional and tax		<b>(2,737.66)</b>	<b>2,219.38</b>
(5) Exceptional Items		-	-
(6) Profit/(Loss) before tax from continuing operations		<b>(2,737.66)</b>	<b>2,219.38</b>
(7) Less: Tax expense:			
(a) Current tax		-	-
(b) For Earlier years	27	972.71	355.41
(c) Deferred tax	6	(107.43)	(26.77)
(8) Profit (Loss) for the period from continuing operations		<b>(3,602.94)</b>	<b>1,890.74</b>
(9) Profit/(loss) from discontinued operations		-	-
(10) Tax expenses of discontinued operations		-	-
(11) Profit/(loss) from Discontinued operations (after tax)		-	-
(12) Profit/(loss) for the period		<b>(3,602.94)</b>	<b>1,890.74</b>
(13) " Other Comprehensive Income" "			
(i) (a) Items that will not be reclassified to Profit or Loss			
Changes in fair value of FVOCI Equity Instruments		2,090.45	1,215.54
Re-measurement of Post Employment Defined Benefit Plan		581.09	24.24
Total Other Comprehensive Income		2,671.54	1,239.78
Income Tax relating to items that will not be reclassified to Profit or Loss		672.43	-
Other Comprehensive Income/(-) Loss for the year, net of tax		1,999.11	1,239.78
(14) Total Comprehensive Income for the period		<b>(1,603.82)</b>	<b>3,130.52</b>
Earnings per equity share of ? 10 each (in ?)			
(i) Basic		(0.70)	0.37
(ii) Diluted		(0.70)	0.37

The Notes forms integral part of this Statement of Profit and Loss.

As per our report of even date attached

**For Kumbhat & Co LLP**

Chartered Accountants

FRN NO: 001609S/S000162

**For and on behalf of the Board of Directors**

-sd-

**LALCHAND MUNOTH**

Chairman

(DIN : 1693640)

-sd-

**JASWANT MUNOTH**

Managing Director & CEO

(DIN : 00769545)

-sd-

**[M.V. CHANDRAMOULEESWARAN]**

Partner

M.NO: 202629

UDIN: 25202629BMIHRL4755

-sd-

**A. G. NANDINI**

Company Secretary

-sd-

**BHARAT MUNOTH**

Director & CFO

(DIN : 00769588)

-sd-

**VIKAS MUNOTH**

Whole time Director

(DIN : 00769366)

PLACE : CHENNAI

DATE : 30-05-2025



## MUNOTH FINANCIAL SERVICES LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

	March 31, 2025 (Rs. In 000's)	March 31, 2024 (Rs. In 000's)
<b>I Cash flow from operating activities</b>		
Profit from Continuing Operations	(3,602.94)	(1,890.74)
<b>Adjustments for:</b>		
Depreciation	109.09	222.33
Deferred Tax Liability	(107)	(26.77)
Dividend Income	(20.77)	(4.89)
Loss/ (Gain) on fair value of Investments	215.77	(5,576.74)
Interest Income	(1.76)	(80.16)
Provision for gratuity	196.22	171.89
Trade Payables Written back	(92.57)	-
Trade Receivables Written off	28.68	435.59
Impairment on Financial Instruments	28.81	-
Provision for Bonus	14.00	4.00
Income Tax Refund Written off	972.71	355.41
<b>Operating profit before working capital changes</b>	<b>(2,260.18)</b>	<b>(2,608.58)</b>
<b>Changes in Operating assets/ liabilities: -</b>		
<b>Adjustments for (increase)/ decrease in operating assets</b>		
Decrease/(increase) in Trade Receivables	11,901.32	(20,651.29)
Decrease/(increase) in Other Financial Assets	1,108.68	(84.78)
Decrease/(increase) in Other Current Assets	(31.12)	1,516.89
Decrease/(increase) in Other Non Current Assets	834.89	(705.37)
(Decrease)/increase in deferred tax Assets		
<b>Adjustments for Increase/ (Decrease) in operating liabilities</b>		
(Decrease)/increase in other current liabilities	16.86	88.54
(Decrease)/increase in Trade Payables	(12,916.71)	15,706.13
(Decrease)/increase in Other Financial Liabilities	367.40	758.26
(Decrease)/increase in deferred tax liability		
<b>Cash generated from operations</b>	<b>(978.86)</b>	<b>(5,980.20)</b>
Less: Taxes Paid (Net of Refund Received)	-	
<b>Net cash from operating activities (A)</b>	<b>(978.86)</b>	<b>(5,980.20)</b>
<b>II Cash flow from investing activities</b>		
Interest Received	1.76	80.16
Purchase of Fixed Assets	(5.59)	(82.39)
Dividend Receipts	20.77	4.89
Proceeds from Sale of unquoted shares	2,400.00	-
<b>Net cash used in investing activities (B)</b>	<b>2,416.93</b>	<b>2.65</b>



## MUNOTH FINANCIAL SERVICES LIMITED

**March 31, 2025**  
(Rs. In 000's)

**March 31, 2024**  
(Rs. In 000's)

### III Cash flow from financing activities

Loan Taken/(repaid)	(1,225.84)	1,940.00
<b>Net cash (used)/generated in financing activities (C)</b>	<b>(1,225.84)</b>	<b>1,940.00</b>
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	212.23	(4,037.55)
Cash and Cash Equivalents at the beginning of the year	489.81	4,527.36
Less: Decrease in Cash and Cash Equivalents which are existed from more than 3 Months	-	-
<b>Cash and Cash Equivalents at the end of the year</b>	<b>702.04</b>	<b>489.81</b>

### IV Reconciliation of Cash and Cash Equivalents with the Balance Sheet

Cash and Cash Equivalents as per the Balance Sheet	702.04	489.81
Less: Bank Balance not considered as Cash & Cash Equivalents	-	-
Net Cash and Cash Equivalents	702.04	489.81
<b>Components of Cash and Cash Equivalents</b>		
Cash in Hand	227.15	129.60
Balances with Scheduled Banks		
- Current Account	474.89	360.21
<b>Closing Cash and Cash Equivalents</b>	<b>702.04</b>	<b>489.81</b>

### Change in Liability arising from Financing Activities

Particulars	1st April 2024	Cashflow	31st March 2025
Borrowing - Current (Ref Note : 17)	6,031.86	-1,225.84	4,806.02
Particulars	1st April 2023	Cashflow	31st March 2024
Borrowing - Current (Ref Note : 17)	4,091.86	1,940.00	6,031.86

Statement of Cash Flows has been prepared under the Indirect Method as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.

As per our report of even date attached

**For Kumbhat & Co LLP**

Chartered Accountants

FRN NO: 001609S/S000162

**For and on behalf of the Board of Directors**

-sd-

**LALCHAND MUNOTH**

Chairman

(DIN : 1693640)

-sd-

**JASWANT MUNOTH**

Managing Director & CEO

(DIN : 00769545)

-sd-

**[M.V. CHANDRAMOULEESWARAN]**

Partner

M.NO: 202629

UDIN: 25202629BMIHRL4755

-sd-

**A. G. NANDINI**

Company Secretary

-sd-

**BHARAT MUNOTH**

Director & CFO

(DIN : 00769588)

-sd-

**VIKAS MUNOTH**

Whole time Director

(DIN : 00769366)

PLACE : CHENNAI

DATE : 30-05-2025



**Statement of Changes in Equity for the Year ended March 31, 2025**

**A : Equity Share Capital**

Current Reporting Period

Rs. in '000

Balance at the beginning of the current reporting period (1 April 2024)	Changes in Equity Share capital during the current year	Balance at the end of the current reporting period (31 March 2025)
51,353.00	-	51,353.00

Previous Reporting Period

Rs. in '000

Balance at the beginning of the current reporting period (1 April 2023)	Changes in Equity Share capital during the current year	Balance at the end of the current reporting period (31 March 2025)
51,353.00	-	51,353.00

**B. Other equity**

Current Reporting Period

Rs. in '000

Particulars	OTHER EQUITY					TOTAL
	Securities Premium	Revaluation Reserve	Retained Earnings	Capital Reserve	Other Comprehensive Income Fair value Changes in FVTOCI Equity Instrument	
<b>Balance at 1 April 2024</b>	20,250.00	35,976.57	-32,094.55	259.50	31,658.56	56,050.08
Loss for the year			-3,602.94			-3,602.94
Other comprehensive income for the year(net)					1,999.11	1,999.11
<b>Balance at 31 March 2025</b>	<b>20,250.00</b>	<b>35,976.57</b>	<b>-35,697.49</b>	<b>259.50</b>	<b>33,657.67</b>	<b>54,446.25</b>



## MUNOTH FINANCIAL SERVICES LIMITED

Previous Reporting Period Rs. in '000

Particulars	OTHER EQUITY					TOTAL
	Securities Premium	Revaluation Reserve	Retained Earnings	Capital Reserve	Other Comprehensive Income Fair value Changes in FVTOCI Equity Instrument	
<b>Balance at 1 April 2023</b>	20,250.00	35,976.57	-33,985.30	259.50	30,418.78	52,919.55
Loss for the year		1,890.74				1,890.74
Other comprehensive income for the year					1,239.78	1,239.78
<b>Balance at 31 March 2024</b>	<b>20,250.00</b>	<b>35,976.57</b>	<b>-32,094.55</b>	<b>259.50</b>	<b>31,658.56</b>	<b>56,050.08</b>

The Notes forms integral part of these Financial Statements.

As per our report of even date attached

**For Kumbhat & Co LLP**  
Chartered Accountants  
FRN NO: 001609S/S000162

**For and on behalf of the Board of Directors**

<b>-sd- LALCHAND MUNOTH</b> Chairman (DIN : 1693640)	<b>-sd- JASWANT MUNOTH</b> Managing Director & CEO (DIN : 00769545)
<b>-sd- A. G. NANDINI</b> Company Secretary	<b>-sd- BHARAT MUNOTH</b> Director & CFO (DIN : 00769588)
<b>-sd- [M.V. CHANDRAMOULEESWARAN]</b> Partner M.NO: 202629 UDIN: 25202629BMMIHL4755	<b>-sd- VIKAS MUNOTH</b> Whole time Director (DIN : 00769366)

PLACE : CHENNAI  
DATE : 30-05-2025

**Notes forming part of Financial Statements for the year ended 31 March, 2025****Corporate Information**

Munoth Financial Services Limited is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956, with CIN No. L65991TN1990PLC019836 having its Registered Office at Suite No 46 & 47, Munoth Centre, 3rd Floor, 343 Triplicane High Road, Triplicane, Chennai, Tamil Nadu, 600005. Incorporated during the Year 1990, under the provisions of Companies Act, 2013. Its Shares are listed on Bombay Stock Exchange. The Company belongs to the Munoth Group, Chennai. The Company primarily focuses on Stock Broking, DP Operations, Portfolio Advisory Services, Merchant Banking.

**MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2025****1.1 Basis of preparation Statement of compliance**

These financial statements comprising Balance Sheet, Statement of Profit and Loss, Cash flow Statement and Statement of changes in Equity, together with notes as at and for the year ended March 31, 2025 have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the ACT") and guidelines issued by the Securities and Exchange Board of India (SEBI). The financial statements are prepared in accordance with Ind AS prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The company has consistently applied accounting policies, unless stated otherwise, to all periods.

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under Ind AS and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as

**Use of estimates**

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act"), and other relevant provisions of the Act requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

These financial statements for the year ended 31st March 2025 have been approved and authorized for issue by the board of directors at its meeting on 30th May 2025.





### **Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

- (a) certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- (b) assets held for sale – measured at fair value less cost to sell;
- (c) defined benefit plans – plan assets measured at fair value; and

### **1.2 Current and Non Current Classification**

An entity presents current and non-current assets and current and non-current liabilities as separate classifications in its balance sheet

As the operating cycle cannot be identified easily in normal course, the Company has assumed its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

An entity shall classify an asset as current when:

- (a) It expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) It holds the asset primarily for the purpose of trading;
- (c) It expects to realise the asset within twelve months after the reporting period; or
- (d) The asset is cash or a cash equivalent (as defined in Ind AS 7 Statement of Cash Flows ) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets shall be classified as non-current.

An entity shall classify a liability as current when:

- (a) It expects to settle the liability in its normal operating cycle;
- (b) It holds the liability primarily for the purpose of trading;
- (c) The liability is due to be settled within twelve months after the reporting period; or
- (d) It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

### **1.3 Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest thousands (upto two decimals).

### **1.4 Critical accounting estimates and management judgements**

In application of the accounting policies, which are described in note 1, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.



**(A) Current Tax**

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

**(B) Deferred Tax Assets (including MAT Credit Entitlement)**

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(C) Fair Value**

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**(D) Impairment of Trade Receivables**

The impairment for trade receivables are determined based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

**(E) Impairment of Non-financial assets (PPE/Intangible Assets)**

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

**(F) Defined benefit plans and Other long term benefits**

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**1.5 Fair Value Measurement**

The Company has applied the fair value measurement whenever neccessiated at each Balance Sheet date.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value



measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability.
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The Principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and the best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, Maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole :

- Level 1: Quoted (Unadjusted) Market prices in active market for identical assets or liabilities.
- Level 2: Valuation Techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3: Valuation Techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the fair value hierarchy by reassessing the classification (based on the lowest level input that is significant to the entire fair value measurement) at the end of each reporting period. Transfers into and out of fair value hierarchy levels are recognized at the end of the reporting period during which the change has occurred.

The Company has designed the respective team leads to determine the policies and procedures for both recurring and Non- recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria include market knowledge, reputation, Independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

## **1.6 Property, Plant and Equipment and Intangible Assets**

On transition to IND AS, the Company has elected to continue with the carrying value of all of its Property, Plant and Equipment recognized as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment.



## MUNOTH FINANCIAL SERVICES LIMITED

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any

The Company has provided the depreciation based on the estimated useful life of respective years and as the change in estimated useful life is considered as change in estimate, accordingly there is no impact of this roll back.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Depreciation is calculated on a Written Down Value basis over the estimated useful lives of the assets as follows; as prescribed under the Schedule II of the Companies Act, 2013

<b>Asset Class</b>	<b>Useful Life (No. of years)</b>
Building	60
Plant & Machinery	15
Motor Vehicles (Scooty)	10
Motor Vehicles (Car)	8
Office Equipments	5
Computer	3
Furniture & Fixtures	10

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period/year end, and adjusted prospectively, if appropriate, as they are change in estimates.

After impairment if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. No Depreciation is charged on the discarded assets.

### 1.7 Intangible Assets

1. Intangible assets acquired separately are measured on initial on recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.
2. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortization method for an intangible assets with a finite useful lives are reviewed at the end of each reporting period. Changes in the expected useful



life/ pattern of consumption of future economic benefit embodied in the assets are considered to modify the amortization period/method and treated as changes in accounting estimate. The amortization expenses are recognized in the statement of profit or loss unless such expenditure forms part of carrying value of another asset.

3. Software are amortized over a period of 3 to 5 years.

### **1.8 Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.



### **1.9 Borrowing costs**

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset until the asset is substantially ready for its intended use or sale. Where funds are borrowed specifically to finance a project, the amount capitalized represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds use to finance a project form part of general borrowings, the amount capitalized is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the period/year. Capitalization of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortized cost of a financial liability after considering all the contractual terms of the financial instrument.

### **1.10 Revenue Recognition**

The Company is in the business of providing Stock Broking, DP Operations, Portfolio Advisory Services, Merchant Banking .

In accordance with the Ind As 115 contract with customers revenue is recognized in the following manner.

#### **(a) Brokerage Fee income**

Brokerage fee income is recognised on the trade date of transaction upon confirmation of the transaction by the stock exchange. The services are point in time in nature.

#### **(b) Income from depository services and portfolio management services**

Income from depository services, penal charges and portfolio management services are recognised on the basis of agreements entered into with clients and when the right to receive the income is established. It is recognised at the point in time for transaction charges and others are recognised over the period of service as applicable.

#### **(c) Income from distribution of financial products**

Commission income from financial products distribution is recognised on the basis of agreements entered into with principals and when the right to receive the income is established. The date of the agreement is considered as point in time when the performance obligation is satisfied. In case of continuing services, the same is recognised over a period of time.

#### **(D) Interest income**

Interest income is recognised using the effective interest rate method. Interest income from margin funding business is recognised on loans given to clients on time proportion basis

#### **(E) Dividend income**

Dividend income is recognised in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured.



### **1.11 Income Taxes**

Taxes comprise current income tax and deferred tax.

#### **Current income tax**

The tax currently payable is based on taxable profit for the period/year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India, where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **Deferred tax**

Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are generally recognized for all taxable temporary differences, except:

- (i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets (including MAT credit) are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- (i)) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **1.12 Provisions , Contingent Liabilities and Contingent assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### **Contingent liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### **Contingent assets**

Contingent assets are disclosed in the notes to the financial statements when the inflow of economic benefits is probable, but not virtually certain.

### **1.13 Employee benefits**

#### **(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. No actuarial valuation is required. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### **(ii) Post-employment obligations**

The group operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity, pension, post-employment medical plans; and
- (b) Defined contribution plans such as provident fund.





### **Defined benefit plans**

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

### **Defined contribution plans**

The group pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## **1.14 Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

### **(A) Financial Assets**

#### **(i) Classification**

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.



### **Investment in Equity of Associates**

The Company records the investments in Associates at cost less impairment loss, if any, as per Ind AS 27 - Separate Financial Statements. The Company on the date of transition to Ind AS has adopted the previous GAAP carrying amount at that date as the Deemed Cost in accordance with the exemptions provided under Ind AS 101 First-time Adoption of Indian Accounting Standards

### **Financial Assets - Other than investment in associates**

Financial assets other than investment in associate comprise of investments in equity (including investments in equity oriented mutual funds) and, trade receivables, cash and cash equivalents and other financial assets

### **Initial recognition and Measurement**

At initial recognition, the company measures a financial asset at its fair value and in the case of a financial asset not recorded at fair value through profit or loss, fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss

### **Classification and subsequent measurement**

The company classifies its financial assets in the following measurement categories:

- Financial assets measured at amortised cost and  
Financial assets measured subsequently at fair value (either through other comprehensive income, or through
- profit or loss), and

The classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the Financial Assets

- **Financial assets measured at amortized cost**

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of profit and loss.

The Company while applying above criteria has classified the following at amortized cost

- (a) Trade receivable
- (b) Other financial assets

### **Financial assets measured at Fair value through other comprehensive income (FVTOCI)**

Financial assets that are held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial asset and the contractual terms of financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair value movements in financial assets at FVTOCI are recognized in other comprehensive income.



**Financial asset at Fair value through Profit or Loss (FVTPL)**

Financial assets are measured at fair value through Profit and loss if it does not meet the criteria for classification as measured at amortized cost or at fair value through other comprehensive income. All fair value changes are recognized in the Statement of Profit and loss.

**(vi) Investments in Equities and Equity mutual funds**

**Fair Value through Other Comprehensive Income (FVOCI)**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument -by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the management has elected to present fair value changes (gains and losses) on equity investments in other

comprehensive income, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Fair value changes for equity instruments through other comprehensive income'.

There is no subsequent reclassification / recycling of fair value gains and losses to Statement of Profit or Loss even on derecognition / sale of the Investments. However, the Company may transfer the cumulative gain or loss within equity

Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

**Fair value through profit or loss (FVTPL)**

Equity instruments held for trading are classified as FTVPL and are measured at fair value with all changes recognised in the Statement of Profit or Loss.

**(vii) De-recognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety (except for equity instruments designated as (FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss

**(viii) Impairment of financial assets**

Trade receivables under IND AS 109, investments in debt instruments that are carried at amortized cost,



**--> Trade Receivables**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or another financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company follows 'simplified approach' and measures the loss allowance at an amount equal to lifetime expected credit losses. This impairment allowance is computed based on historical credit loss experience and management assessment.

**--> Other financial assets**

Other financial assets are tested for impairment and expected credit losses are measured at an amount equal to 12 month expected credit loss. If the credit risk on the financial asset has increased significantly since initial recognition, then the expected credit losses are measured at an amount equal to life-time expected credit loss.

**B. Financial liabilities and equity instruments**

**(i) Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**(ii) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**(iii) Financial Liabilities - Initial recognition and measurement**

All financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of financial liability except financial liabilities at fair value through profit and loss which are initially measured at fair value.

**(iv) Subsequent measurement**

The financial liabilities are classified for subsequent measurement into following categories

- at amortized cost
- at fair value through profit and loss

**Amortised Cost - Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

This category generally applies to interest-bearing loans and borrowings.

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. The Company has not designated any financial liability as at fair value through profit and loss

**(v) De-recognition of financial liabilities**

A financial liability is derecognized when and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or have expired

An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognized and the consideration paid / payable is recognized in statement of profit and loss.

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

**1.15 Equity and Reserves**

Share Capital represents the nominal (par) value of shares that have been issued and fully paid-up. Retained earnings include all current and previous period retained profits. Other equity includes capital reserve, securities premium, FVTOCI reserve, and other statutory reserves as applicable. These are classified and presented as per Schedule III of the Companies Act, 2013 and relevant Ind AS.

**1.16 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**1.17 Cash flow statement**

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Using indirect method, the net profit is adjusted for the effects of



- (i) Transactions of non-cash nature.
- (ii) Any deferrals or accruals of past or future operating cash receipts or payments and
- (iii) Items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in cash flow statement.

#### **1.18 Earnings per Share**

Basic earnings per share are calculated by dividing the net profit for the year by the weighted average number of equity shares outstanding during the year. As at the reporting date, the Company has not issued any potential equity shares, and accordingly, the basic earnings per share and diluted earnings per share are the same.



**Note 2: Property, plant and equipment**  
**Changes in carrying value for the year ended 31st March 2025**

Rs. in '000

Particulars	Gross Block			Depreciation			Net Block	
	As on 01.04.2024	Addition/ Acquisition During The Year	Transfer/Sale/ Impairment/ Disposal During The Year	Total As on 31.03.2025	Up to year 31.03.2024	For the year 31.03.2025	Reversal/ Impairment loss 31.03.2025	As on 31.03.2025 As on 1.4.2024
(a) Land	38,456.00	-	-	38,456.00	-	-	-	38,456.00
(b) Buildings	3,579.52	-	-	3,579.52	2,585.42	47.73	-	946.37
(c) Furniture & Fittings	1,587.44	-	-	1,587.44	1,508.07	-	-	79.37
(d) Motor Vehicle	615.00	-	-	615.00	584.25	-	-	30.75
(e) Office Equipments	3,246.61	-	-	3,246.61	3,051.33	17.12	-	195.28
(f) Computers	1,535.19	5.59	-	1,540.78	1,400.74	42.95	-	134.45
<b>Total CY</b>	<b>49,019.76</b>	<b>5.59</b>	<b>-</b>	<b>49,025.35</b>	<b>9,129.81</b>	<b>107.80</b>	<b>-</b>	<b>39,889.95</b>
<b>Total PY</b>	<b>48,937.37</b>	<b>82.39</b>	<b>-</b>	<b>49,019.76</b>	<b>8,966.38</b>	<b>163.43</b>	<b>-</b>	<b>39,970.99</b>

**Note 3 Intangible Assets**  
**Changes in carrying value for the year ended 31st March 2025**

Rs. in '000

Particulars	Gross Block			Depreciation			Net Block	
	As on 01.04.2024	Addition/ Acquisition During The Year	Transfer/Sale/ Impairment/ Disposal During The Year	Total Up to 31.03.2025	For the year 31.03.2024	For the year 31.03.2025	Reversal/ Impairment loss 31.03.2025	As on 31.03.2025 As on 1.4.2024
(a) Softwares	2,176.40	-	-	2,176.40	2,171.23	1.29	-	3.88
<b>Total CY</b>	<b>2,176.40</b>	<b>-</b>	<b>-</b>	<b>2,176.40</b>	<b>2,171.23</b>	<b>1.29</b>	<b>-</b>	<b>3.88</b>
<b>Total PY</b>	<b>2,176.40</b>	<b>-</b>	<b>-</b>	<b>2,176.40</b>	<b>2,049.18</b>	<b>63.15</b>	<b>-</b>	<b>64.07</b>



**Note 2: Property, plant and equipment**  
**Changes in carrying value for the year ended 31st March 2024**

Particulars	Gross Block				Depreciation			Net Block	
	As on 01.04.2023	Addition/ Acquisition During The Year	Transfer /Sale/ Impairment/ Disposal During The Year	Total As on 31.03.2024	Up to year 31.03.2023	For the year	Reversal/ Impairment loss	As on 31.03.2024	As on 1.4.2023
(a) Land	38,456.00	-	-	38,456.00	-	-	-	38,456.00	38,456.00
(b) Buildings	3,579.52	-	-	3,579.52	2,533.84	51.57	-	994.11	1,045.68
(c) Furniture & Fittings	1,587.44	-	-	1,587.44	1,507.73	0.34	-	79.37	79.71
(d) Motor Vehicle	615.00	-	-	615.00	581.86	2.39	-	30.75	33.14
(e) Office Equipments	3,246.61	-	-	3,246.61	2,999.60	51.74	-	195.27	247.01
(f) Computers	1,452.80	82.39	-	1,535.19	1,343.35	57.39	-	134.46	109.45
<b>Total CY</b>	<b>48,937.37</b>	<b>82.39</b>	<b>-</b>	<b>49,019.76</b>	<b>8,966.38</b>	<b>163.43</b>	<b>-</b>	<b>9,129.81</b>	<b>39,970.99</b>
<b>Total PY</b>	<b>48,890.84</b>	<b>46.53</b>	<b>-</b>	<b>48,937.37</b>	<b>8,786.55</b>	<b>179.83</b>	<b>-</b>	<b>39,970.99</b>	<b>40,104.29</b>

**Note 3 Intangible Assets**  
**Changes in carrying value for the year ended 31st March 2024**

Particulars	Gross Block				Depreciation			Net Block	
	As on 01.04.2023	Addition/ Acquisition During The Year	Transfer /Sale/ Impairment/ Disposal During The Year	Total Up to 31.03.2024	Up to year 31.03.2023	For the year	Reversal/ Impairment loss	As on 31.03.2024	As on 1.4.2023
(a) Softwares	2,176.40	-	-	2,176.40	2,112.33	58.90	-	2,171.23	64.07
<b>Total CY</b>	<b>2,176.40</b>	<b>-</b>	<b>-</b>	<b>2,176.40</b>	<b>2,112.33</b>	<b>58.90</b>	<b>-</b>	<b>2,171.23</b>	<b>64.07</b>
<b>Total PY</b>	<b>2,176.40</b>	<b>-</b>	<b>-</b>	<b>2,176.40</b>	<b>2,049.18</b>	<b>63.15</b>	<b>-</b>	<b>2,112.33</b>	<b>127.22</b>





## MUNOTH FINANCIAL SERVICES LIMITED

### Notes forming part of Balance Sheet

#### NON CURRENT FINANCIAL ASSETS

Note No : 4

Rs. in '000

#### Investments

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
<b>A</b>	<b>Investments at Fair Value through Profit or Loss</b>		
(a)	Investments in Equity Instruments		
	Quoted Shares	10,039.41	10,256.35
	Unquoted Shares	-	-
(b)	Investments in preference shares	-	-
	Quoted Shares	-	-
	Unquoted Shares	-	-
(c)	Investments in Mutual Funds	17.95	16.78
<b>B</b>	<b>Investments at Fair Value through Other Comprehensive Income</b>		
(a)	Investments in Equity Instruments	-	-
	Quoted Shares	-	-
	Unquoted Shares	50,756.14	51,065.67
		<b>60,813.51</b>	<b>61,338.81</b>

Note : Investments made by the Company are in compliance with the Section 180 and 186 of the Companies Act 2013, with respect to layers of Investment permitted under the Companies Act 2013.

#### Quoted (Equity) Instruments (FVTPL) as at 31.03.2025

Scrip Name	Quantity	Rate as on 31.03.2025 in Rs.	Total Value Rs. In '000
<b><u>Shares in Demat Form</u></b>			
Antartika Ltd	1,000	1.01	1.01
ATV project	300	31.68	9.50
Biofil Chemicals	1,000	41.16	41.16
Celebrity Fashions	1,873	9.50	17.79
Dynavision	200	268.00	53.60
Hind. Lever Ltd.	1	2,258.85	2.26
Innovation Sec.-ISL Consulting Ltd	2,800	24.82	69.50
It people(Commex technolo)	3,636	0.25	0.91
Kirhsna Life-K Life style	1,000	0.28	0.28
Kirloskar Electricals	100	128.61	12.86
Manali Petrochemicals	1,200	56.13	67.36
MCC finance Ltd-Mercnatile Ventures	7,450	19.43	144.75
Munoth Communication Ltd.	8,04,582	11.44	9,204.42
MW Unitexx	105	1.79	0.19
		<b>c/f</b>	<b>9,625.59</b>



## MUNOTH FINANCIAL SERVICES LIMITED

Scrip Name	Quantity	Rate as on 31.03.2025 in Rs.	Total Value Rs. In '000
<b>b/f</b>			<b>9,625.59</b>
Network Ltd.	200	24.95	4.99
Nextagen animation	2	1.78	0.00
PBA infrastructure	128	8.20	1.05
Power grid corporation	138	290.35	40.07
Premier Ltd.	100	2.78	0.28
Reliance capital	2,400	12.35	29.64
Reliance communication	4,377	1.41	6.17
Reliance Home Finance	2,400	3.36	8.06
Reliance power	2,500	42.98	106.95
S Kumar online	1,000	0.90	0.90
SAL Steel	10,000	17.33	173.30
Sudati hoisery-Suditi industries	300	36.20	10.86
Super forgings	200	0.95	0.19
Vantel Tech	50	1.50	0.08
Vikas WSP	3,000	1.32	3.96
Vishal Exports	1,000	1.00	1.00
Wellwin	100	3.15	0.32
Oswal Agro	350	71.06	24.87
			<b>10,038.27</b>
<b>Shares in Physical Form</b>			
Bhirwani Denim	200	-	-
Blue Bend petro	350	-	-
Concert spices	100	-	-
Conoslidated Fibre	100	-	-
Deccan Granites	100	-	-
Essar Steel	114	10.00	1.14
Golden Textiles	1,300	-	-
Gujarat Cotex	300	-	-
Jaswal Granites	600	-	-
Jay flash	19,500	-	-
Kumar metallurgical	300	-	-
Modern Synthetics	1,150	-	-
Modi threads	200	-	-
Pan asia industires	100	-	-
Premier planations	100	-	-
Rathi alloy and steel	300	-	-
Siris Ltd.	200	-	-
Tirumalai Textiles	400	-	-
TN spongae	100	-	-
Veena textiles	200	-	-
Bafna Spinning	200	-	-
TNPL	100	-	-
Videocon VCR	100	-	-
<b>Total</b>			<b>1.14</b>

**MUNOTH FINANCIAL SERVICES LIMITED****Unquoted (Equity) Instruments (FVTOCI)**

<b>Scrip Name</b>	<b>Quantity</b>	<b>Rate as on 31.03.2025 in Rs.</b>	<b>Total Value Rs. In '000</b>
Arihant Fabrics	50	2.00	0.10
Benaras Bank #	87,490	1.00	87.49
Deve Sugar #	9,400	-	-
Parvathi Hi Tech #	10,000	10.00	100.00
Rayalaseema Paper Mills #	11,20,000	31.82	35,638.40
Rhino Tyres #	200	5.00	1.00
Madras Enterprises Ltd	2,85,000	1.57	446.59
India Mobile Network P Ltd	50,000	10.00	500.00
Sankeshwara Finance & Investments P Ltd	10,000	200.00	2,000.00
Misrimal Navajee Estates P Ltd	5,000	100.00	500.00
Munoth Industries Limited	76,000	145.00	11,020.00
Munoth Negwindfarm P Ltd	59,000	7.84	462.56
			<b>50,756.14</b>

# Shares not held in the name of the company

**Quoted Mutual Funds (FVTPL)**

<b>Scrip Name</b>	<b>Units</b>	<b>NAV as on 31.03.2025 in Rs.</b>	<b>Total Value Rs. In '000</b>
Nippon India Liquid Fund	11.736	1,529.58	17.95
			<b>17.95</b>

**Quoted (Equity) Instruments (FVTPL) as at 31.03.2024**

<b>Scrip Name</b>	<b>Quantity</b>	<b>Rate as on 31.03.2024 in Rs.</b>	<b>Total Value Rs. In '000</b>
<b>Shares in Demat Form</b>			
Antartika ltd	1,000	1.80	1.80
ATV project	300	15.71	4.71
Biofil Chemicals	1,000	60.60	60.60
Celebrity Fashions	1,873	17.25	32.31
Dynavision	200	278.00	55.60
Herayna petro	400	4.00	1.60
Hind. Lever ltd.	1	2,264.35	2.26
Innovation Sec.-ISL Consulting ltd	2,800	31.31	87.67
It people(Commex technolo)	3,636	0.25	0.91
Kirhsna Life-K Life style	1,000	0.35	0.35
Kirloskar Electricals	100	104.40	10.44
Manali Petrochemicals	1,200	56.20	67.44
MCC finance ltd-Mercnatile Ventures	7,450	20.55	153.10
Munoth Communication ltd.	8,04,582	11.63	9,357.29
MW Unitexx	105	1.79	0.19
Network ltd.	200	26.47	5.29



## MUNOTH FINANCIAL SERVICES LIMITED

Scrip Name	Quantity	Rate as on 31.03.2024 in Rs.	Total Value Rs. In '000
Nextagen animation	2	1.78	0.00
PBA infrastructure	128	10.41	1.33
Power grid corporation	104	367.40	38.21
Premier Ltd.	100	2.90	0.29
Reliance capital	2,400	12.35	29.64
Reliance communication	4,377	1.70	7.44
Reliance Home Finance	2,400	2.91	6.98
Reliance power	2,500	28.25	70.63
S Kumar online	1,000	0.90	0.90
SAL Steel	10,000	20.65	206.50
Silver Tech	6	2.19	0.01
Sudati hoisery-Suditi industries	300	15.70	4.71
Super forgings	200	0.95	0.19
Uniworth International	150	0.80	0.12
Vantel Tech	50	1.50	0.08
Vikas WSP	3,000	1.31	3.93
Vishal Exports	1,000	1.00	1.00
Wellwin	100	3.15	0.32
Oswal Agro	350	42.85	15.00
			<b>10,228.84</b>
<b>Shares in Physical Form</b>			
Bhirwani Denim	200	-	-
Blue Bend petro	350	-	-
Concert spices	100	-	-
Conosolidated Fibre	100	-	-
Deccan Granites	100	11.00	1.10
Essar Steel	114	10.00	1.14
Golden Textiles	1,300	-	-
Gujarat Cotex	300	2.10	0.63
Jaswal Granites	600	-	-
Jay flash	19,500	-	-
Kumar metallurgical	300	-	-
Modern Synthetics	1,150	-	-
Modi threads	200	-	-
Pan asia industires	100	-	-
Premier planations	100	-	-
Rathi alloy and steel	300	-	-
Siris Ltd.	200	-	-
Tirumalai Textiles	400	-	-
TN spongae	100	-	-
Veena textiles	200	-	-
Bafna Spinning	500	-	-
TNPL	100	246.40	24.64
Videocon VCR	100	-	-
			<b>27.51</b>



## MUNOTH FINANCIAL SERVICES LIMITED

### Unquoted (Equity) Instruments (FVTOCI) as at 31-03-2024

Scrip Name	Quantity	Rate as on 31.03.2024 in Rs.	Total Value Rs. In '000
Arihant Fabrics	50	2.00	0.10
Benaras Bank #	87,490	1.00	87.49
Deve Sugar #	9,400	150.00	1,410.00
Parvathi Hi Tech #	10,000	10.00	100.00
Rayalaseema Paper Mills #	11,20,000	30.73	34,417.93
Rhino Tyres #	200	5.00	1.00
Madras Enterprises Ltd	2,85,000	1.57	446.59
India Mobile Network P Ltd	50,000	10.00	500.00
South India Chemicals & Leasing P Ltd	7,500	320.00	2,400.00
Sankeshwara Finance & Investments P Ltd	10,000	200.00	2,000.00
Misrimal Navajee Estates P Ltd	5,000	100.00	500.00
Munoth Industries Limited	76,000	115.00	8,740.00
Munoth Negwindfarm P Ltd	59,000	7.84	462.56
			<u>51,065.67</u>

# Shares not held in the name of the company

### Quoted Mutual Funds (FVTPL)

Scrip Name	Units	NAV as on 31.03.2024 in Rs.	Total Value Rs. In '000
Nippon India Liquid Fund	10.967	1,530.04	16.78
			<u>16.78</u>
<b>Particulars</b>		<b>As at 31.03.2025</b>	<b>As at 31.03.2024</b>
1. Aggregate Amount of Unquoted Investments		50,756.14	51,066
Aggregate Amount of Quoted Investments		10,057.37	10,273.13
Market Value of Quoted Investments		10,057.37	10,273.13
Aggregate value of Impairment in value of Investments		1,410.00	-
2. Investments in Equity instruments carried at cost			
Investments in Equity instruments carried at Fair Value through OCI		50,756.14	50,756.14
Investments in Equity Instruments at Fair Value through Profit and Loss		<u>10,057.37</u>	<u>10,273.13</u>

**Note No : 5**

**Rs. in '000**

### Other Non Current Financial Assets

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Security Deposits (Ref Sub Note No: 1)	11,970.00	13,050.00
		<u>11,970.00</u>	<u>13,050.00</u>



## MUNOTH FINANCIAL SERVICES LIMITED

### Note No : 6

#### Deferred Tax Liability/(Assets)

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
<b>The movement on the deferred tax account is as follows:</b>			
	At the start of the year	(258.14)	(231.37)
	Charge to Statement of Profit and Loss	(107.43)	(26.77)
	Charge/ (Credit) to Other Comprehensive Income	672.43	-
	Total	<u>306.85</u>	<u>(258.14)</u>
	MAT Credit Entitlement		
	Opening Balance	422.54	422.54
	MAT Credit Entitlement written off during the year*	(422.54)	-
	Closing Balance	-	422.54
	At the end of the year	<u>306.85</u>	<u>(680.68)</u>

\* MAT credit entitlement has been written off during the financial year 2024–25 due to the option exercised under section 115BAC from assessment year 2024–25 onwards

Following are the major components of the Deferred Tax Liability/(Assets) for the year ended March 31, 2025

Particulars	Opening Balance	Recognized in profit & loss	Recognized in other comprehensive Income	Closing Balance
Deferred Tax Liability/ (Assets) relating to				
W.D.V on assets	(5.14)	47.16		42.02
Changes in fair value of FVOCI Equity Instruments			526.17	526.17
Provision for Gratuity	(251.96)	(147.04)	146.26	(252.74)
Provision for Bonus	(1.04)	(7.55)		(8.59)
<b>Net Deferred Tax Liability/(Assets)</b>	<b>(258.14)</b>	<b>(107.43)</b>	<b>672.43</b>	<b>306.85</b>

Following are the major components of the Deferred Tax Liability/(Assets) for the year ended March 31, 2024

Particulars	Opening Balance	Recognized in profit & loss	Recognized in other comprehensive Income	Closing Balance
Deferred Tax Liability/ (Assets) relating to				
W.D.V on assets	(14.68)	(9.54)	-	(5.14)
Provision for Gratuity	(213.57)	38.39	-	(251.96)
Provision for Bonus	(3.12)	(2.08)	-	(1.04)
<b>Net Deferred Tax Liability/(Assets)</b>	<b>(231.37)</b>	<b>26.77</b>	<b>-</b>	<b>(258.14)</b>



# MUNOTH FINANCIAL SERVICES LIMITED

## Notes forming part of Balance Sheet

### Note No : 7

#### Other Non Current Assets

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Prepaid Expenses	-	829.91
(b)	Income Tax Refund Receivables	261.26	816.43
		<b>261.26</b>	<b>1,646.34</b>

#### CURRENT FINANCIAL ASSETS

### Note No : 8

#### Trade Receivables

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Trade Receivables considered good - Secured	-	-
(b)	Trade Receivables considered good - Unsecured	9,185.24	21,115.24
(c)	Trade Receivables from related parties	-	-
(d)	Trade Receivables which have significant increase in Credit Risk	576.27	576.27
(e)	Trade Receivables - credit impaired	43.73	43.73
		<b>9,805.23</b>	<b>21,735.24</b>
	Less: Expected Credit Loss	72.54	43.73
		<b>9,732.69</b>	<b>21,691.51</b>

#### The Above Trade Receivables Includes:

- Secured, considered good;	-	-
- Unsecured, considered good	9,805.23	21,735.24
- Doubtful.	-	-

#### Trade receivables - Ageing FY 24-25

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Considered Good</b>						
(i) Undisputed Trade receivables	8,707.51	58.44	65.03	6.90	894.81	9,732.69
(ii) Disputed Trade receivables						
<b>Considered doubtful</b>						
(iii) Undisputed Trade receivables					72.54	72.54
(iv) Disputed Trade Receivables						

#### Trade receivables - Ageing FY 23-24

Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Considered Good</b>						
(i) Undisputed Trade receivables	20,703.63	50.47	13.79	64.59	859.03	21,691.51
(ii) Disputed Trade receivables						
Considered doubtful						
(iii) Undisputed Trade receivables					43.73	43.73
(iv) Disputed Trade Receivables						.



## MUNOTH FINANCIAL SERVICES LIMITED

### Note No : 9

#### Cash and Cash Equivalents

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Balances with Banks (In Current Account)	474.89	360.21
(b)	Cash on hand	227.15	129.60
		<u>702.04</u>	<u>489.81</u>

### Note No : 10

#### Other Current Financial Assets

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Interest accrued on Deposits	-	28.68
		<u>-</u>	<u>28.68</u>

### Note No : 11

#### Current Tax Assets (Net)

Rs. in '000

Particulars	As at 31.03.2025	As at 31.03.2024
Income Tax TDS FY 2024-25	17.44	37.76
Less: Provision for Income Tax	-	-
	<u>17.44</u>	<u>37.76</u>

### Note No : 12

#### Other Current Assets

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Salary Advances	225.30	240.50
(b)	Other Current Assets	8.73	198.01
(c)	Prepaid Expenses	955.17	699.24
		<u>1,189.19</u>	<u>1,137.75</u>

### Note No : 13

#### A. Share Capital

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Authorised Share Capital		
	8500 Equity Shares of Rs.10 each	85,000.00	85,000.00
	1500 6% Non Convertible, Non Cumulative and Redeemable Preference Shares of Rs.10 each	15,000.00	15,000.00
		1,00,000.00	1,00,000.00
(b)	Issued Share Capital	51,353.00	51,353.00
	5135.3 Equity Shares of Rs.10 each		
(c)	Subscribed and Fully Paid up share	51,353.00	51,353.00
	5135.3 Equity Shares of Rs.10 each		
(d)	Subscribed but not fully paid up	-	-
	<b>Total</b>	<u>51,353.00</u>	<u>51,353.00</u>

\* Of the above 51,35,300 Equity Shares 1,11,200 Were allotted as fully paid up pursuant to a contract for consideration Other Than Cash





## MUNOTH FINANCIAL SERVICES LIMITED

Note No : 13

### B. Share Details

Rs. in '000

SL.No	Particulars	Equity Shares	
		As at 31.03.2025	As at 31.03.2024
(a)	Shares outstanding at the beginning of the year	51,35,300	51,353.00
(b)	Shares Issued during the year	-	-
(c)	Shares bought back during the year	-	-
(d)	Shares outstanding at the end of the year	51,35,300	51,353.00

#### Terms and rights attached to the shares

The company has one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. No dividend has been recognised as distribution to equity shareholders for the Year ended 31.03.2025 (31.03.2024- Rs NIL) In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution to all preferential amounts. The distributions will be in proportion to the number of shares held by the share holder.

### C. Share Holding

Sl.No	Name of Shareholder	As at 31.03.2025		
		% Change during the year	No. of Shares held	% of Holding
(a)	Lal Chand Munoth	-	6,87,100.00	13.38%
(b)	Jaswant Munoth	-	8,36,100.00	16.28%
(c)	Bharat Munoth	-	7,17,900.00	13.98%
(d)	Vikas Munoth	-	10,14,500.00	19.76%
(e)	Munoth Communication Ltd	-	10,06,100.00	19.59%

Sl.No	Name of Shareholder	As at 31.03.2024		
		% Change during the year	No. of Shares held	% of Holding
(a)	Lal Chand Munoth	-	6,87,100.00	13.38%
(b)	Jaswant Munoth	-	8,36,100.00	16.28%
(c)	Bharat Munoth	-	7,17,900.00	13.98%
(d)	Vikas Munoth	-	10,14,500.00	19.76%
(e)	Munoth Communication Ltd	-	10,06,100.00	19.59%



## MUNOTH FINANCIAL SERVICES LIMITED

**D. Share holding of Promoter and Promoter Group as per Section 2(69) of the Companies Act, 2013 and Regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 respectively**

**As at 31 March 2025**

Sl.No	Name of the shareholders	“Promoter / Promoter Group”	No of shares held	% of Holding	% of change during the year
(a)	Jaswant Munoth	Promoter	8,36,100	16.28%	-
(b)	Lalchand Munoth	Promoter	6,87,100	13.38%	-
(c)	Bharat Munoth	Promoter	7,17,900	13.98%	-
(d)	Leeladevi Munoth	Promoter Group	1,55,000	3.02%	-
(e)	Vijayalakshmi Munoth	Promoter Group	15,200	0.30%	-
(f)	Vikas Munoth	Promoter Group	10,14,500	19.76%	-
(g)	South India Chemicals & Leasing Pvt Limited	Promoter Group	2,01,200	3.92%	-
(h)	Munoth Industries Limited	Promoter Group	9,700	0.19%	-
(i)	Maharana Finance & Investments (P) Limited	Promoter Group	13,600	0.26%	-
(j)	Munoth Bioscience Private Limited	Promoter Group	3,200	0.06%	-

**As at 31 March 2024**

Sl.No	Name of the shareholders	“Promoter / Promoter Group”	No of shares held	% of Holding	% of change during the year
(a)	Jaswant Munoth	Promoter	8,36,100	16.28%	-
(b)	Lalchand Munoth	Promoter	6,87,100	13.38%	-
(c)	Bharat Munoth	Promoter	7,17,900	13.98%	-
(d)	Leeladevi Munoth	Promoter Group	1,55,000	3.02%	-
(e)	Vijayalakshmi Munoth	Promoter Group	15,200	0.30%	-
(f)	Vikas Munoth	Promoter Group	10,14,500	19.76%	-
(g)	South India Chemicals & Leasing Pvt Limited	Promoter Group	2,01,200	3.92%	-
(h)	Munoth Industries Limited	Promoter Group	9,700	0.19%	-
(i)	Maharana Finance & Investments (P) Limited	Promoter Group	13,600	0.26%	-
(j)	Munoth Bioscience Private Limited	Promoter Group	3,200	0.06%	-



## MUNOTH FINANCIAL SERVICES LIMITED

Note No : 14

### Other Equity

Rs. in '000

SL.No	Particulars	As at 31.03.2023	As at 31.03.2022
(a)	Securities Premium	20,250.00	20,250.00
(b)	Revaluation Reserve	35,976.57	35,976.57
(c)	Capital Reserve	259.50	259.50
(d)	Other Comprehensive Income	33,657.67	31,658.56
(e)	Retained Earnings	(35,697.50)	(32,094.56)
		<b>54,446.25</b>	<b>56,050.07</b>
(a)	<b>Securities Premium</b>		
	Balance at the beginning of the year	20,250.00	20,250.00
	Add: Transferred during the year	-	-
	<b>Balance at the end of the year</b>	<b>20,250.00</b>	<b>20,250.00</b>
(b)	<b>Revaluation Reserve</b>		
	Balance at the beginning of the year	35,976.57	35,976.57
	Add: Transferred during the year	-	-
	<b>Balance at the end of the year</b>	<b>35,976.57</b>	<b>35,976.57</b>
(c)	<b>Capital Reserve</b>		
	Balance at the beginning of the year	259.50	259.50
	Add: Transferred during the year	-	-
	<b>Balance at the end of the year</b>	<b>259.50</b>	<b>259.50</b>
(d)	<b>Other Comprehensive Income</b>		
	Balance at the beginning of the year	31,658.56	30,418.78
	Net Profit for the Period	1,999.11	1,239.78
	Deductions/ Adjustments during the year		
	<b>Balance at the end of the year</b>	<b>33,657.67</b>	<b>31,658.56</b>
(e)	<b>Retained Earnings</b>		
	Balance at the beginning of the year	(32,094.56)	(33,985.30)
	Prior Period Adjustments	-	-
	Profit on Sale of Investment (Refer Note No 35)	-	-
	Add: Profit/ (Loss) for the year	(3,602.94)	1,890.74
	<b>Total surplus in the Statement of profit and loss</b>	<b>(35,697.50)</b>	<b>(32,094.56)</b>

### NON CURRENT LIABILITIES

Note No : 15

### Non Current Provisions

Rs. in '000

Sl.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Provision for Gratuity	499.20	882.62
		<b>499.20</b>	<b>882.62</b>

### CURRENT LIABILITIES

Note No : 16

### Trade Payables

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Total Outstanding dues of Micro & Small Enterprises		
(b)	Total Outstanding dues of Creditors other than Micro & Small Enterprises	10,225.85	23,235.13
		<b>10,225.85</b>	<b>23,235.13</b>



## MUNOTH FINANCIAL SERVICES LIMITED

Trade payable Ageing as at 31.03.2025

Payable amount	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME - undisputed	10,215.47	10.38	-	-	10,225.85
(ii) Others - undisputed					
<b>Total</b>					

Trade payable Ageing as at 31.03.2024

Payable amount	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME - undisputed	23,235.13				
(ii) Others - undisputed					
<b>Total</b>					

### Note No : 17

#### Short Term Borrowings

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Loans and Advances from Related Parties	4,806.02	6,031.86
		<b>4,806.02</b>	<b>6,031.86</b>

#### Terms of Loan

Unsecured loan from directors-Repayable on demand	4,806.02	6,031.86
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### Note No : 18

#### Other Financial Liabilities

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Margin Money from Clients	407.51	407.51
(b)	Expenses Payables	1,981.70	1,527.33
(c)	Other Payables	-	86.96
		<b>2,389.20</b>	<b>2,021.80</b>

### Note No : 19

#### Other Current Liabilities

#### Other Non-financial Liabilities

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	TDS Payable	34.01	23.92
(b)	Income Received in Advance	-	10.79
(c)	Inactive Client Fund Account	260.44	250.92
(d)	GST Payable	2.91	-
(e)	EPF and ESI Payable	15.37	33.90
(f)	Professional Tax Payable	23.66	
		<b>336.39</b>	<b>319.53</b>



## MUNOTH FINANCIAL SERVICES LIMITED

### Note No : 20

#### Current Provisions

Rs. in '000

SL.No	Particulars	As at 31.03.2025	As at 31.03.2024
(a)	Provision for Gratuity	85.00	86.45
(b)	Provision for Bonus	30.00	16.00
		<b>115.00</b>	<b>102.45</b>

### Notes forming part of Statement of Profit and Loss

### Note No : 21

#### Revenue from operations

Rs. in '000

SL.No	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
(a)	DP and AMC Transaction Charges	557.82	558.78
(b)	Merchant Banking & Portfolio Advisory Services	400.00	588.45
(c)	Brokerage & Turnover Charges	4,753.68	3,779.13
		<b>5,711.49</b>	<b>4,926.36</b>

### Note No : 21

#### Revenue from operations

Rs. in '000

SL.No	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
	<b>Sale of Services</b>		
(a)	DP and AMC Transaction Charges	557.82	558.78
(b)	Merchant Banking & Portfolio Advisory Services	400.00	588.45
(c)	Brokerage & Turnover Charges	4,753.68	3,779.13
		<b>5,711.49</b>	<b>4,926.36</b>

### Note No : 22

#### Other Income

Rs. in '000

SL.No	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
(a)	Dividend Income	20.77	4.89
(b)	Interest Income	-	-
	- Income Tax Refund	1.76	1.82
	- On Fixed Deposit	-	78.34
(c)	Gain on Fair Value of Investments	1.17	5,576.74
(d)	Trade Payables written back	92.57	-
(e)	Other non-operating income	-	1.50
		<b>116.26</b>	<b>5,663.30</b>

All dividends relate to equity instruments fair valued through OCI held at the end of the reporting period.

There was no dividend income relating to investments derecognised during the reporting period.



## MUNOTH FINANCIAL SERVICES LIMITED

### Note No : 23

#### Impairment on Financial Instruments

SL.No	Particulars	Rs. in '000	
		For the year ended 31.03.2025	For the year ended 31.03.2024
(a)	Impairment on financial instruments On Financial instruments measured at amortised cost	28.81	-
		<b>28.81</b>	<b>-</b>

### Note No : 24

#### Employee benefit expenses

SL.No	Particulars	Rs. in '000	
		For the year ended 31.03.2025	For the year ended 31.03.2024
(a)	Salaries, Wages and Bonus	3,296.21	3,017.74
(b)	Contribution to Provident and Other Funds	159.95	210.15
(c)	Exgratia	6.75	
(d)	Staff welfare Expenses	133.58	123.41
(e)	Gratuity	196.22	171.89
		<b>3,792.71</b>	<b>3,523.20</b>

### Note No : 25

#### Finance Cost

SL.No	Particulars	Rs. in '000	
		For the year ended 31.03.2025	For the year ended 31.03.2024
(a)	Interest	-	0.04
(b)	Bank Guarantee Charges	-	16.63
(c)	Bank Charges	0.66	13.58
		<b>0.66</b>	<b>30.25</b>

### Note No : 26

#### Other Expenses

SL.No	Particulars	Rs. in '000	
		For the year ended 31.03.2025	For the year ended 31.03.2024
(a)	Payments to auditor		
(i)	Statutory Auditor	130.00	130.00
(b)	Advertisement Expenses	43.26	41.20
(c)	Annual Subscription Charges	234.90	277.20
(d)	Business Promotion Expenses	13.59	62.67
(e)	Power & Fuel	609.19	506.91
(f)	Repairs & Maintenance	913.04	568.83
(g)	Travelling & Conveyance Expenses	151.43	168.11
(h)	Printing & Stationery	46.68	77.34



## MUNOTH FINANCIAL SERVICES LIMITED

(i)	Professional Charges	485.43	465.70
(j)	Rates and Taxes	112.30	129.50
(k)	Insurance Expenses	45.61	39.70
(l)	Fines & Penalties	153.38	139.65
(m)	Listing Charges	347.50	370.00
(n)	Postage and Courier Charges	27.86	22.01
(o)	NSDL Transaction Charges	150.50	148.71
(p)	NSE Transaction Charges- Equity and F&O	73.94	62.58
(q)	CSDL Expenses	13.85	13.85
(r)	Registration Fees	350.00	506.66
(s)	NSDL Expenses	89.25	62.54
(t)	Share Transfer Expenses	48.50	51.00
(u)	Sub- Brokerage	51.18	57.31
(v)	Telephone Charges	42.55	42.16
(w)	Other Expenses	254.58	215.28
(x)	Loss on Fair Value of Investments	216.94	-
(y)	Trade Receivable Written off	28.68	435.59
		<b>4,634.14</b>	<b>4,594.50</b>

### Note No : 27

#### Tax Expense for earlier years

SL.No	Particulars	For the year ended 31.03.2025	For the year ended 31.03.2024
	Tax Expense for earlier years		
(i)	Income Tax appeal refund due	-	355.41
(ii)	Income Tax refund receivables for the FY 2001-02*	273.26	
(iii)	Income Tax refund receivables for the FY 2002-03*	276.92	
	MAT Credit #	422.54	
	<b>Total</b>	<b>972.71</b>	<b>355.41</b>

\* The receivables were derecognized in accordance with the principles of Ind AS 37 - Provisions, Contingent Liabilities, and Contingent Assets, as the recoverability of these amounts is no longer considered probable.

# MAT credit was written off in accordance with the provisions of the Income-tax Act, 1961, as Section 115BAA was availed for the financial year 2024-25. In compliance with Ind AS 12 - Income Taxes, the MAT credit no longer expected to be utilized has been derecognized.

### Note No : 28

#### Balance due to Micro and Small Enterprises

The company does not owe any amount to Micro and small scale enterprises.



## MUNOTH FINANCIAL SERVICES LIMITED

**Note No : 29**

**Earnings per share:**

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

**Rs in thousands except share data and earnings per share**

Particulars	As at 31.03.2025	As at 31.03.2024
Face value of equity shares (Rs Per share)	Rs 10	Rs 10
Profit/(Loss) for the year attributable to Equity Shareholders	(3,602.94)	1,890.74
Weighted average number of equity shares for the purposes of computing basic and diluted earnings per share	51,35,300	51,35,300
<b>EPS</b>		
* Basic - in Rs	(0.70)	0.37
* Diluted - in Rs	(0.70)	0.37

**Note No : 30**

**Expenditure In Foreign Currency**

No foreign Currency transactions are made during the year by the company.

**Note No : 31**

**Related Party Disclosures**

**Name of the Related parties with whom transactions were carried out during the year and description of relationship :**

Sl.No	Name of related party	Nature of relationship
<b>A</b>	<b>Key Management personal and their relatives:-</b>	
1	Jaswant Munoth	Managing Director
2	VikasMunoth	Whole time Director
3	Bharat Munoth	Director & Chief Financial Officer
4	Lalchand Munoth	Director
5	Masagounder Sakthivelmurugan	Director
6	Lakshika Mehta	Director
7	A G Nandini	Company Secretary
<b>B</b>	<b>Enterprises owned or significantly influenced by Key Management personnel or their relatives (either individually or with others)</b>	
1	Munoth Industries Limited	Common Director/Investment
2	Munoth Communication Limited	Common Director/Investment
3	South India Chemicals & Leasing Private Ltd	Common Director/Investment
4	Sankeshwara Finance & Investments Private Ltd	Common Director/Investment
5	Misrimal Navajee Estates Private Ltd	Common Director/Investment
6	Munoth Negwindfarm Private Ltd	Common Director/Investment





## MUNOTH FINANCIAL SERVICES LIMITED

### Transaction during the year

Name of KMP, related party & Nature of Transaction	As at 31.03.2025	As at 31.03.2024
Sankeshwara Finance & Investments Private Ltd	2,400.00	-
Vikas Munoth (Loan Received)*	1,174.16	1,940.00
A.G Nandini (Salary)	602.50	602.50
Bharat Munoth (Sale of MIL Shares)	-	115.00

### Balances at the year end

Name of related party	As at 31.03.2025	As at 31.03.2024
Vikas Munoth (Borrowings)	7,139.16	5,965.00
Bharat Munoth (Borrowings)	66.86	66.86
Munoth Industries Limited (Investment)	11,020.00	8,740.00
Munoth Communication Ltd (Investment)	9,204.42	9,204.42
South India Chemicals & Leasing Private Limited (Investment)*	-	2,400.00
Sankeshwara Finance & Investments Private Limited (Investment)	2,000.00	2,000.00
Misrimal Navajee Estates P Ltd (Investment)	500.00	500.00
Munoth Negwindfarm P Ltd (Investment)	462.56	462.56

\* The company has sold the investment in South India Chemicals & Leasing Private Limited and repaid the loan taken from Mr. Vikas Munoth

### Note No : 32

#### Contingent Liabilities -

Particulars	As at 31.03.2025	As at 31.03.2024
<b>a) Guarantee issued by the company's banker</b>		
- Guarantee given by HDFC Bank to Stock Exchange	5,000.00	5,000.00

### Note No : 33

#### EMPLOYEE BENEFITS

##### A) Defined Contribution Plan:

The Company makes recognized provident fund contributions and employee state insurance Contributions to defined contribution plans for qualifying employees. Under the schemes the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The company contributed Rs. 163.40/- (Rs. 000) (Year ended 31 March 2025) (Previous year- Rs. 210.15 (Rs. 000)/-) to provident fund contributions and employees state insurance contributions in the Statement of profit and Loss. The Contributions payable to these plans by the company are at rates specified in the rules of the schemes.



## MUNOTH FINANCIAL SERVICES LIMITED

### B) Defined Benefit Plans: Gratuity Obligation

Name of related party	Gratuity (Unfunded)	
	As at 31.03.2025	As at 31.03.2024
Discounted rate (p.a)	6.83%	7.22%
Rate of increase in compensation Levels (p.a)	5.00%	5.00%
Rate return of plan assets (p.a)	NA	NA

### Reconciliation of Opening and Closing balances of present value of defined benefit obligations

Particulars	As at 31.03.2025	As at 31.03.2024
Obligations at the beginning of the year	969.069	821.411
Current Service Cost	51.342	110.206
Interest Cost	69.967	61.688
Benefits Payment from Employer	-	-
Actuarial (Gain)/loss	-581.094	-24.24
Benefits Paid	-	-
Obligations at the end of the year	509.28	969.07

### Reconciliation of Opening and Closing balances of fair value of plan assets.

Particulars	As at 31.03.2025	As at 31.03.2024
Plan assets at the beginning of the year, at fair value	NA	NA
Expected return on plan assets	NA	NA
Actuarial gain/(loss)	NA	NA
Contributions	NA	NA
Benefits Paid	NA	NA
Plan assets at the end of the year, at fair value	NA	NA

### Reconciliation of the present value of defined benefit obligation & Fair value of Plan assets

Particulars	As at 31.03.2025	As at 31.03.2024
Obligations at the end of the year	509.28	969.07
Plan assets at the end of the year, at fair value	0.00	0.00
Liability recognized in Balance sheet as on end of the year	509.28	969.07

### Gratuity Cost for the year

Particulars	As at 31.03.2025	As at 31.03.2024
Current Service Cost	51.34	110.21
Interest Cost	69.97	61.69
Expected return on plan assets	0.00	0.00
Net Actuarial (Gain)/loss	-581.09	-24.24
Net Gratuity cost as per actuarial valuation	-459.79	147.65
Gratuity cost on retired employees not covered in actuarial valuation	0.00	0.00
Net Gratuity Cost	-459.79	147.65

Note: The above disclosures are based on the information furnished by the independent Actuary and relied upon by the Auditor

**Note No : 34**

The Company has received a letter from RBI exempting it from registration as a Non-Banking Financial Company as it is already registered as stock broker with SEBI.

**Note No : 35****Profit on sale of Unquoted Investments.**

During the year the company has sold 7,500 Shares of South India Chemicals & Leasing Private Limited at a price Rs. 320 per Share, which were classified as Fair Value Through Other Comprehensive Income (FVOCI) as per Ind As 109 - Financial Instruments. This investment was sold for a total consideration of Rs. 2,400 (in Rs. 000), which was equal to its carrying amount at the date of sale. Accordingly, no gain or loss was recognised in the Other Comprehensive Income on this transaction.

**Note No : 36****Confirmation of Balances:-**

The management is of the confirmed opinion that all the debtors are realisable at their stated value and that all the creditors are payable at their stated value. ECL Provisioning is made wherever required.

**Note No : 37****Auditor's Remuneration:**

Sl.No	Particulars	2024-25	2023-24
1	Statutory Audit	130.00	130.00

**Note No : 38****Segment Information:**

Disclosure under Indian Accounting Standard 108 – 'Operating Segments' is not given as, in the opinion of the management, the entire business activity falls under one segment, viz., primarily the Company is operating in the Stock Broking, DP Operations, Portfolio Advisory Services, Merchant Banking. The entity's chief operating decision maker consider the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments.

The Company conducts its business only in one Geographical Segment, viz., India. Also there are no revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in the year ended 31 March 2025 or 31 March 2024.

**Note No : 39**

The Company is in the business of providing Stock Broking, DP Operations, Portfolio Advisory Services, Merchant Banking and does not have any physical inventories.

**Note No : 40**

There were no non-cash transactions entered into by the Company except Note 35. The Company has not entered into any arrangement as per section 192 of the Companies Act, 2013.

**Note No : 41****FINANCIAL INSTRUMENTS****41.1 Financial Risk Management**

The Company's business activities expose it to a variety of financial risks, namely market risk, credit risk and liquidity risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

**A. Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risk: interest rate risk, foreign currency risk and commodity risk.

The Company do not have any exposure to foreign exchange rate and equity price risk.

**(a) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations with floating interest rates.

The Company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day to-day operations

**(b) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities which is Nil. Since the company do not have any transaction in Foreign currency.

**Hedging and foreign currency sensitivity analysis**

There are no foreign currency exposures and hence hedging requirements and sensitivity analysis does not arise for the year 2024-2025 ( Nil for 2023-24)

**(c) Commodity Price Risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase or continuous supply of items dealt with by the Company. Therefore, the Company has policy of monitoring its purchases closely to optimise the price when the company purchases the commodity.

**B. Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss.

Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks.

The Investments mainly consists of Equity Investments in quoted Equity Shares listed in Bombay Stock Exchange / National Stock Exchange. The Company has investments for a long term and continuously monitoring the same. The outlook of Indian capital markets are positive and the company do not foresee any risk which can not be mitigated

Financial instruments that are subject to concentrations of credit risk principally consist of investments classified as trade receivables, loans and advances and cash and cash equivalents amounting to Rs.10434.73 thousands (Previous year Rs.22181.33 thousands). None of the other



financial instruments of the Company result in material concentration of credit risk.

Cash and cash equivalents with banks has high credit-rating assigned to them.

**Trade Receivables**

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed assessment and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

Financial assets that were written off during the reporting period and earlier periods are still subject to enforcement activity by the Management

**Expected Credit Loss****Credit Risk**

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

**Credit Risk Management**

Credit risk is managed on a group basis. For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a group basis for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

Rating	Nature
Group 1	High-quality assets, negligible credit risk
Group 2	Quality assets, low credit risk
Group 3	Standard assets, moderate credit risk
Group 4	Substandard assets, relatively high credit risk
Group 5	Low quality assets, very high credit risk
Group 6	Doubtful assets, credit-impaired

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- (i) Internal credit rating
- (ii) external credit rating (as far as available)
- (iii) actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.



## MUNOTH FINANCIAL SERVICES LIMITED

- (iv) actual or expected significant changes in the operating results of the borrower.
- (v) significant increase in credit risk on other financial instruments of the same borrower.
- (vi) significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements.
- (vii) Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

### Provision for expected credit losses

The group provides for expected credit loss based on the following:

Investments	Description	Basis for recognition of expected credit loss provision	
		Investments	Trade Receivables
Group 1	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	12-months expected credit losses	Life time expected credit losses (simplified approach)
Group 2	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.		
Group 3	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong.		
Group 4	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due.	Life-time expected credit losses	
Group 5	Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due.		
Group 6	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the group. The group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the	Asset is written off	



## MUNOTH FINANCIAL SERVICES LIMITED

(a) Expected credit loss for loans, security deposits and investments

The company has recorded Investments at fair value hence ECL provision is not required

Expected credit loss for trade receivables under simplified approach

Particulars	Group I	Group V	Group VI	Total
Gross Carrying Amount (as at 31-03-2025)	9185.24	576.27	43.73	9805.23
Expected loss rate	0.00%	5.00%	100.00%	5.00%
Expected credit lossess (loss allowance provision)	0.00	28.81	43.73	72.53
Carrying amount of Trade receivables (Net of Impairment)	<b>9,185.24</b>	<b>547.46</b>	<b>0.00</b>	<b>9,732.70</b>

### C. Liquidity Risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure.

A balance between continuity of funding and flexibility is maintained through continued support from lenders and trade creditors.

During the year, the Company has made repayment of principal and interest on borrowings on or before due dates. The Company did not have any defaults of principal and interest as on the reporting date.

The table below summarises the maturity profile of the Company's financial liability based on contractual undiscounted payment and financial assets based on contractual undiscounted receipts.

### Financial Liabilities

Rs. in '000s

Particulars	Carrying value	Contractual cash flows	Less than 1 year	1-3 Years	3-5 Years	Above 5 Years
As at 31 March 25						
Borrowings - Working Capital	-	-	-	-	-	-
Borrowings - Term Loan	-	-	-	-	-	-
Short term borrowings	4,806.02	4,806.02	4,806.02			
Trade Payables	10,225.85	10,225.85	10,225.85			
Other Financial liabilities	2,389.20	2,389.20	2,389.20			
As at 31 March 24						
Borrowings - Working Capital	-	-	-	-	-	-
Borrowings - Term Loan	-	-	-	-	-	-
Short term borrowings	6,031.86	6,031.86	6,031.86			
Trade Payables	23,235.13	23,235.13	23,235.13			
Other Financial liabilities	2,021.80	2,021.80	2,021.80			



## MUNOTH FINANCIAL SERVICES LIMITED

### Financial Assets

Rs. in '000s

Particulars	Carrying value	Contractual cash flows	Less than 1 year	1-3 Years	3-5 Years	Above 5 Years
<b>As at 31 March 25</b>						
Investments	60,813.51	60,813.51	-	-	-	60,813.51
Cash and cash equivalents	702.04	702.04	702.04	-	-	-
Trade Receivables	9,732.69	9,732.69	9,732.69			
Other Financial assets						
Non Current:	11,970.00	11,970.00	11,970.00			
Current:		-	-	-		
<b>As at 31 March 24</b>						
Investments	61,338.81	61,338.81				61,338.81
Cash and cash equivalents	489.81	489.81	489.81			
Trade Receivables	21,691.51	21,691.51	21,691.51			
Other Financial assets						
Non Current:	13,050.00	13,050.00		13,050.00		
Current:	28.68	28.68	28.68			

### 41.2 Financial Instruments

#### Financial Assets and Liabilities

##### (i) Fair Value Measurement

Rs. in '000s

Particulars	FVTOCI	FVTPL	Amortised cost	Total	Carrying amount
<b>As at 31st March, 2025</b>					
<b>A. Financial assets</b>					
(i) Non-Current investments	50,756.14	10,057.37	-	60,813.51	60,795.55
(ii) Trade receivables			9,732.69	9,732.69	9,732.69
(iii) Cash and cash equivalents			702.04	702.04	702.04
(iv) Other financial assets (Current and Non-current)			11,970.00	11,970.00	11,970.00
<b>Total</b>	<b>50,756.14</b>	<b>10,057.37</b>	<b>22,404.73</b>	<b>83,218.24</b>	<b>83,200.29</b>
<b>B. Financial Liabilities</b>					
(i) Borrowings			4,806.02	4,806.02	4,806.02
(iii) Trade payables			10,225.85	10,225.85	10,225.85
(iv) Other financial liabilities (Current and Non-current)			2,389.20	2,389.20	2,389.20
<b>Total</b>	<b>-</b>	<b>-</b>	<b>17,421.08</b>	<b>17,421.08</b>	<b>17,421.08</b>





# MUNOTH FINANCIAL SERVICES LIMITED

Rs. in '000s

Particulars	FVTOCI	FVTPL	Amortised cost	Total	Carrying amount
<b>As at 31st March, 2024</b>					
<b>A. Financial assets</b>					
(i) Non-Current investments	51,065.67	10,273.13	-	61,338.80	61,322.02
(ii) Trade receivables			21,691.51	21,691.51	21,691.51
(iii) Cash and cash equivalents			489.81	489.81	489.81
(iv) Other financial assets (Current and Non-current)			13,078.68	13,078.68	13,078.68
<b>Total</b>	<b>51,065.67</b>	<b>10,273.13</b>	<b>35,260.00</b>	<b>96,598.80</b>	<b>96,582.02</b>
<b>B. Financial Liabilities</b>					
(i) Borrowings			6,031.86	6,031.86	6,031.86
(ii) Lease Liabilities (Current and Non-current)					
(iii) Trade payables			23,235.13	23,235.13	23,235.13
(iv) Other financial liabilities (Current and Non-current)			2,021.80	2,021.80	2,021.80
<b>Total</b>			<b>31,288.79</b>	<b>31,288.79</b>	<b>31,288.79</b>

## (ii) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	As at March 31, 2025	As at March 31, 2024
	Non Current Investments	Non Current Investments
Level 1	10,057.37	10,273.13
Level 2	-	51,065.67
Level 3	-	-
Transferred from Level 2 to Level 3	50,756.14	-
<b>Total</b>	<b>60,813.51</b>	<b>61,338.80</b>

## Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note (a) above approximate their fair values.



## MUNOTH FINANCIAL SERVICES LIMITED

### (b) Reconciliation of fair value measurement of the investment categorized at Level 3

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	At FVTPL	At FVTOCI	At FVTPL	At FVTOCI
Opening Balance	-	-	-	-
Addition during the year*	-	51,065.67	-	-
Sale/Reduction during the year	-	-3,810.00	-	-
Total (Loss)/Gain	-	3,500.45	-	-
<b>Closing Balance</b>	-	<b>50,756.11</b>	-	-

#### \*Amount transferred into Level 3 of the fair value hierarchy

Line item in which gain/(loss) recognised

Other Comprehensive Income - Items that will not be reclassified to Profit or Loss

Other Comprehensive Income - Items that will not be reclassified to Profit or Loss

### (c) Interest income / (expenses), gain / (losses) recognized on financial assets and liabilities

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(a) Financial assets at amortized cost</b>		
Interest income on Bank Deposits	-	78.34
Interest income on other Financial Assets	-	-
Impairment of Trade Receivables	-	-
Provisions for Bad and doubtful debts	-	-
Bad Debts written off recovered	-	-
<b>(b) Financial asset at FVTOCI</b>		
Change in fair value of equity instruments designated irrevocably as FVTOCI	2,090.45	1,215.54
Dividend Income	20.77	4.89
<b>(c) Financial asset at FVTPL</b>		
Change in fair value of equity instruments designated irrevocably as FVTPL	1.17	5,576.74
<b>(d) Financial liabilities at amortized cost</b>		
Interest expenses on borrowings from banks, others and overdrafts	-	0.04
Sundry Creditors written back	92.57	-

### 41.3 Capital Management:

The Company's capital comprises Equity Share Capital, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximize shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Company does so by adjusting dividend paid to shareholders. The total Paid up Equity Share Capital as on March 31, 2025 is ₹ 51,353 thousands (Previous Year: ₹ 51,353 thousands).

The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of term borrowings to meet anticipated funding requirements.



## MUNOTH FINANCIAL SERVICES LIMITED

The Company is not subjected to any externally imposed capital requirements

The Company monitors capital on the basis of debt to equity ratio and its gearing ratio is as below:

<b>A. Borrowings</b>	<b>2024-25</b>	<b>2023-24</b>
Loans repayable on Demand from Related parties	4,806.02	6,031.86
Total Debt (A)	4,806.02	6,031.86
Debt as a % of Total Capital	0.04	0.05
<b>A. Total Equity</b>	<b>2024-25</b>	<b>2023-24</b>
Equity Share Capital	51,353.00	51,353.00
Other Equity	54,446.25	56,050.07
Total Equity (B)	1,05,799.25	1,07,403.07
Equity as a % of Total Capital	0.96	0.95
Total Capital (A+B)	1,10,605.27	1,13,434.93
Capital Gearing ratio	0.05	0.06

### 41.4 Reconciliation of effective tax rates

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:

<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Profit for the year from Continuing operations (a)	(3,602.94)	1,890.74
Income tax rate as applicable (b)	25.17%	25.17%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	-	475.86
Other Adjustments	(491.59)	(601.20)
Income tax expense recognised in profit or loss	-	-
Comprising:		
Current Tax	-	-
Deferred tax	(107.43)	(26.77)
Income tax recognised in other comprehensive income	672.43	-

### 41.5 Disclosure pursuant to SEBI (Listing Obligation and Disclosure Requirements) regulations 2015:

"There were no Loan amounts due from Subsidiaries/ Associates or Firms / Companies in which the Directors are interested"

#### Note : 42.

#### Additional Disclosures :-

- here are no transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company does not have any balance or transactions companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- The Provisions of Companies Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the Company for the year.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The company has not traded or invested in Crypto or virtual currency during the year(PY Nil).
- The Company does not holds any Benami property and there are no proceedings against the company under the benami transactions (prohibition) Act 1988 (as amended from time to time).
- The Company has not been declared as a wilful defaulter (as per RBI circular) by any bank or financial institution or any other lender at any time during the financial year or after the end of the reporting period.



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- h. To the best of our knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- i. To the best of our knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- j. There are no amounts due to be remitted to Investors Education and Protection Fund (PY Nil).
- k. The company does not have any subsidiary and hence the reporting requirement with respect to Number of layer of companies is not applicable.

### Note : 43

The previous year's figures of Balance Sheet have been regrouped, reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year. Figures are rounded off to the nearest thousand. Figures in bracket represent negative figures.

Ratios to be disclosed	Numerator	Denominator	Current period	Previous period	Variance %	Reasons for Variance
(a) Current Ratio	Current Asset	Current Liabilities	0.65	0.74	11.68%	Decrease in Current Liabilities
(b) Debt-Equity Ratio	Total Debt (includes non current and current borrowings)	Shareholder's equity (Equity share capital and Other Equity)	0.07	0.08	16.34%	Increase in Short term borrowing
(c) Debt Service Coverage Ratio	Earnings available for debt service (Profit or loss before exceptional items and tax + Interest on borrowings )	Debt service ( Interest on borrowings+ Re payment of borrowings "1")	-0.57	0.37	254.81%	Increase in Short term borrowing
(d) Return on Equity Ratio	Net profit after taxes less preference dividend	Average Shareholder's equity (Equity share capital and Other Equity)	-0.05	0.02	300.07%	Increase in Losses in the current Financial year.
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	-	-	-	This ratio is not applicale for Service Sector



## MUNOTH FINANCIAL SERVICES LIMITED

(f) Trade Receivables turnover ratio	Net Credit sales (includes Service Income)	Average accounts receivable	0.59	0.23	-158.39%	-
(g) Trade payables turnover ratio	Net credit purchases	Average Trade payables	-	-	-	This ratio is not applicable for Service Sector
(h) Net capital turnover ratio	Net Sales (includes Service Income)	Average Working capital "3"	-0.92	-0.59	-54.90%	Reduction in both Accounts Receivable and Accounts Payable in the current Financial Year
(i) Net profit ratio	Net profit after tax	Net Sales (includes Service Income)	-0.63	0.38	264.36%	Increase in Losses in the current Financial year.
(j) Return on Capital employed	Earnings before interest and taxes	Capital Employed (Fixed Assets + Working Capital "3")	-0.08	0.07	216.04%	Increase in Losses in the current Financial year.
k) Return on investment	Net Profit	Cost of Investment (Equity Share Capital)	-0.07	0.04	290.56%	Increase in Losses in the current Financial year.

1. Repayment of borrowings includes repayment of short-term borrowings
2. Profit after tax and before tax does not include other comprehensive income.
3. Working Capital is the difference between Current Asset and Current Liabilities
4. Other Equity does not include other comprehensive income.

### Approval of Financial Statements

The Financial Statements were approved for issue by the Board of Directors on May 30, 2025.

As per our report of even date attached

#### For Kumbhat & Co LLP

Chartered Accountants  
FRN NO: 001609S/S000162

#### For and on behalf of the Board of Directors

**-sd-**  
**[M.V. CHANDRAMOULEESWARAN]**  
Partner  
M.NO: 202629  
UDIN: 25202629BMIHRL4755

**-sd-**  
**A. G. NANDINI**  
Company Secretary

**-sd-**  
**LALCHAND MUNOTH**  
Chairman  
(DIN : 1693640)

**-sd-**  
**BHARAT MUNOTH**  
Director & CFO  
(DIN : 00769588)

**-sd-**  
**JASWANT MUNOTH**  
Managing Director & CEO  
(DIN : 00769545)

**-sd-**  
**VIKAS MUNOTH**  
Whole time Director  
(DIN : 00769366)

PLACE : CHENNAI  
DATE : 30-05-2025

To.

**MUNOTH FINANCIAL SERVICES LIMITED**

MUNOTH CENTRE,  
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