

Munoth Financial Services Ltd

September 2, 2024

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 33rd Annual General Meeting along with Annual Report for F.Y. 2023-24, 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 33rd Annual General Meeting (“AGM”) is scheduled to be held on Friday, September 27, 2024 at 11:00 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. August 23, 2024.
3. The remote e-voting will commence at (9:00 A.M. IST) on September 24, 2024 and ends at (5:00 P.M. IST) on September 26 , 2024, 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

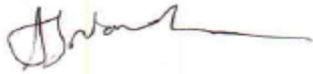
5. Register of Members and Share Transfer Books of the Company shall remain closed from September 21, 2024 to September 27, 2024 (both days inclusive) for the purpose of AGM. Copy of Notice of AGM dated August 13, 2024 along with Annual Report for the Financial Year 2023-24 of the Company is enclosed and the same is also made available on the website 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
CIN : L65991TN1990LC019836



Munoth Financial Services Limited

33rd Annual Report 2023-24



MUNOTH FINANCIAL SERVICES LIMITED

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)

SECRETARY

A G Nandini

AUDITORS

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

SECRETARIAL AUDITOR

Mr. 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

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 Third (33rd) Annual General Meeting of the members of Munoth Financial Services Limited will be held on Friday, September 27, 2024 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, 2024 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. Bharat Munoth (DIN No.00769588) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

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

Place: Chennai
Date: 13-08-2024

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LALCHAND MUNOTH
CHAIRMAN
DIN : 01693640



MUNOTH FINANCIAL SERVICES LIMITED

NOTES:

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(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 presenceof the Members at a common venue. The deemed venue for the AGM shall be the Registered Officeof 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 Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

CORPORATE MEMBERS ATTENDING THROUGH THEIR AUTHORISED REPRESENTATIVES:

Corporate members 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

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

CLOSURE OF REGISTER OF MEMBERS:

The Register of Members and the Share Transfer Books of the Company will remain closed from September 21, 2024 to September 27, 2024(both days inclusive).

CHANGE OF PARTICULARS AND UPDATION OF EMAIL ADDRESS :

Members 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). Members who are holding shares in physical form are requested tointimate 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 2023-24 containing the Notice for 33rdAGM , is being sent only inelectronic form, to all the shareholders whose names appear on the Register of Members / list ofBeneficial Owners as received from National Securities Depository Limited (NSDL) / Central DepositoryServices (India) Limited (CDSL) as at the close of business hours on August 23, 2024 and who have registered their



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email id with the Company/ Depositories. Any member, 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. Members 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 MEMBERS:

In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the year 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website www.munothfinancial.com, websites of the Stock Exchange- BSE Limited at www.bseindia.com.

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

Members 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 members. To support this green initiative of the Government in full measure Members 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. Members 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 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) Members may attend the Meeting through VC/OAVM viz. Zoom App. with the following Link
Join Zoom Meeting
<https://us02web.zoom.us/j/89535791881?pwd=aqBwmQH25XPJoMvs6NKw6dPYPkopWY.1>
Meeting ID: 895 3579 1881
Passcode: 119997

and/or by using Meeting ID: and Passcode: through smart phone or "laptop, connected through broadband.



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- (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) Members 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 Members 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. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at 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.
- (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 members 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 members/ beneficial owners as on the record date fixed for this purpose i.e. 20/09/2024.

It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member 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 24, 2024 at 9.00 A.M. and ends on September 26, 2024 at 5.00 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 20, 2024 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



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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 one-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 demataccounts in order to access e-Voting facility.

Step 1 :Login method for e-Votingfor Individual shareholders holding securities in Demat mode, if applicableis given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none">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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.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 & voting during the meeting. Additionally, there is 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.3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration



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	<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 www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<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: https://eservices.nsd.com 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 & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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/Member’ 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,</p>



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	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 & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	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.

Important note: Members 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 CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in 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.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID



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- 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 and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) 6) If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">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.
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none">If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (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.



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- (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
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
 - 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 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 (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 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



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Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to 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 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.

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

Place : Chennai
Date : 13-08-2024

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LALCHAND MUNOTH
CHAIRMAN
DIN : 01693640



MUNOTH FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT

To The Members

Your Directors have pleasure in presenting their Thirty third Annual Report together with the Audited Accounts for the year ended March 31, 2024.

FINANCIAL RESULTS:

Particulars	2023-2024 Rs.in '000	2022-2023 Rs. in '000
Revenue from operations	4,926.37	4,395.56
Other Income	5,663.29	676.56
Total Expenses	8,725.69	7,358.49
Profit or(Loss) before exceptional items and tax	1,863.97	(2,286.37)
Less: Exceptional items	0	0
Profit or (Loss)after Exceptional items and before tax Expenses	1,863.97	(2,286.37)
Less: Tax Expenses(Current & Deferred)	(26.77)	25.92
Profit/(Loss) for the year	1,890.74	(2312.29)
Other Comprehensive Income		
Change in fair value of equity instruments	1,215.54	2,695.00
Re-measurement of Post Employment defined benefit plan	24.24	184.74
Total Comprehensive Income for the year	3,130.52	567.45
Earnings Per Share		
- Basic Earning per Share	0.37	(0.45)
- Diluted Earning per Share	0.37	(0.45)

REVIEW OF BUSINESS OPERATIONS:

During the financial year 2023-24, the Company's total revenue has increased to INR105.89 lakhs from INR 50.72 lakhs in the previous financial year.

The Company has made a profit of INR 18.90 Lakhs in the current financial year as against a loss of INR 23.12 Lakhs in the last financial year.

Stock Broking:

Income from stock broking operations has increased to INR 37.79 Lakhs from INR 30.10 Lakhs in the previous financial year.

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



MUNOTH FINANCIAL SERVICES LIMITED

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 increased to INR 5.59 Lakhs from INR 5.35 Lakhs in the previous financial year.

Merchant Banking & Portfolio Management Services:

The Company continues to provide PMS services under both discretionary and non – discretionary basis.

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 5.88 Lakhs as against INR 8.50 Lakhs in the previous year.

FUTURE PROSPECTS

The company will continue to focus on Investment Banking, Portfolio Advisory services 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 2024(THE END OF THE FINANCIAL YEAR AND MAY 29, 2024 (THE DATE OF REPORT)

There were no material changes and commitments affecting the financial position of the company between 31st March 2024 (the end of the financial year) and May 29, 2024 (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:

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



MUNOTH FINANCIAL SERVICES LIMITED

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 2023-24.

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 30, 2023, August 14, 2023, November 14, 2023 and February 14, 2024.

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 DIRECTORS 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 member 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.



MUNOTH FINANCIAL SERVICES LIMITED

EXTRACT OF ANNUAL RETURN:

The Extract of Annual return as on March 31, 2024 as per the amendment through MCA Circular dated 24/08/2020 is available in the weblink 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 2024 and of the Profit/Loss of the company for the year ended 31st March 2024
- 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

Re appointment of Directors retiring by rotation

Pursuant to Section 152 of the Companies Act, 2013, Mr. Vikas Munoth and Mr. Bharat 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 for reappointment

Mr. Vikas Munoth, aged 47 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 Director of Munoth Communication Limited and Munoth Industries Limited.



MUNOTH FINANCIAL SERVICES LIMITED

As on March 31, 2024, 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 30, 2023, August 14, 2023, November 14, 2023 and February 14, 2024. He is the director of Munoth Communication Limited and Munoth Industries Limited

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. Bharat Munoth and nature of his expertise in specific areas.

Mr. Bharat Munoth is retiring by rotation at this Annual General Meeting and being eligible offers himself of reappointment. Mr. Bharat Munoth, aged 54 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, 2023, 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 30, 2023, August 14, 2023, November 14, 2023 and February 14, 2024

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 :

Members 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 31st AGM upto 36th 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 29/05/2024 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 2023-24.

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.



MUNOTH FINANCIAL SERVICES LIMITED

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. 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.

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 2022-23 since the Net Worth 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.



MUNOTH FINANCIAL SERVICES LIMITED

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 Work place (Prevention, Prohibition and Redressal) Act, 2013.

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
Date : 29-05-2024

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

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



MUNOTH FINANCIAL SERVICES LIMITED

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 there to

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 members 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 members 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



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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



MUNOTH FINANCIAL SERVICES LIMITED

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 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 members 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 members 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 members 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.



MUNOTH FINANCIAL SERVICES LIMITED

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 members of the Board and such other factors as the Committee shall deem appropriate allelements of the remuneration of the members of the Board.
- b. to approve the remuneration of the Senior Management including key managerial personnel ofthe Company maintaining a balance between fixed and incentive pay reflecting short and longterm performance objectives appropriate to the working of the Company.
- c. to delegate any of its powers to one or more of its members 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. MEMBERSHIP The Committee shall consist of a minimum 32 directors, majority ofthem being independent. Minimum two members shall constitute a quorum for the Committee meeting. Membership 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 member of the Committee but shall not be a Chairman of the Committee. In the absence of the Chairperson, the members 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 member 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 ofvotes of Members 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 : 29-05-2024

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

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



ANNEXURE 2

MANAGEMENT DISCUSSION AND ANALYSIS (MD &A)

Industry Structure and developments:

The BSE benchmark Sensex and National Stock Exchange's Nifty 50 have given stellar returns to investors in the financial year 2023-24. The Nifty 50 index surged by 26.8% during FY24 against a decline of 8.2% during FY23. Additionally, 30-share Sensex has soared around 25% in FY24. The exemplary performance of the Indian stock market compared to the world and emerging markets over the years can be primarily attributed to India's resilience to global geo-political and economic shocks, its solid and stable domestic macroeconomic outlook, and the strength of the domestic investor base.

Opportunities & Threats

Technological advancements and regulatory measures have fuelled a remarkable surge in retail investor participation in the capital market. Further, significant interest from domestic and global investors in the Indian stock market as an attractive investment destination and sustained IPO (initial public offering) activity placed the Indian market fifth in the world by market capitalisation in FY24..The company seeks opportunities in capital market and the volatility in the stock indices in the financial year under review represents both an opportunity as well as challenge to the company and the business is also affected by the sentiments prevailed in the stock markets and the company is empanelled with banks and insurance companies to cater to institutional broking business.

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 FII's, 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

Markets' smaller size, lesser liquidity and lack of established legal, political, business and social frame works to support securities markets are the risks associated with capital market

The Indian stock market's outlook for current financial year seems promising, with a bullish market expected, growth in emerging sectors, a boost in infrastructure development, an increase in IPOs, and greater foreign investments.

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



MUNOTH FINANCIAL SERVICES LIMITED

Financial Performance:

REVIEW OF BUSINESS OPERATIONS:

During the financial year 2023-24, the Company's total revenue has increased to INR 105.89 lakhs from INR 50.72 lakhs in the previous financial year.

The Company has made a profit of INR 18.90 Lakhs in the current financial year as against a loss of INR 23.12 Lakhs in the last financial year.

Stock Broking:

Income from stock broking operations has increased to INR 37.79 Lakhs from INR 30.10 Lakhs in the previous financial year.

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Depository participant:

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Merchant Banking & Portfolio Management Services:

The Company continues to provide PMS services under both discretionary and non – discretionary basis.

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 5.88 Lakhs as against INR 8.50 Lakhs in the previous year.

FUTURE PROSPECTS

The company will continue to focus on Investment Banking, Portfolio Advisory services 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
Date : 29-05-2024

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

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



MUNOTH FINANCIAL SERVICES LIMITED

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

*[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 Members,
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, 2024 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, 2024 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;
 - (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;



MUNOTH FINANCIAL SERVICES LIMITED

I/we have also examined compliance with the applicable clauses of the following:

- (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. Mr. Jaswant Munoth is reappointed as Managing Director of the Company for a period of two years effective from 20th June 2023 to 19th June 2025 on the terms and conditions as may be agreed up on between the Board of Directors and Mr. Jaswant Munoth.

Majority decision is carried through while the dissenting members' 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 members in pursuance to section 180 of the Companies Act, 2013
(iv) Merger / amalgamation / reconstruction, etc.
(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: 29-05-2024

N Selvam
Company Secretary
FCS No: 4318
CP No: 4858
UDIN F004318F000478099



MUNOTH FINANCIAL SERVICES LIMITED

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



MUNOTH FINANCIAL SERVICES LIMITED

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			

1. Names of associates or joint ventures which are yet to commence operations. - NIL

2. Names of associates or joint ventures which have been liquidated or sold during the year. – NIL

For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

-sd-
LALCHAND MUNOTH Chairman
(DIN : 01693640)

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

-sd-
[M.V. CHANDRAMOULEESWARAN]
Partner
M.NO: 202629
UDIN:24202629BKAHQE2344

-sd-
A. G. NANDINI
Company Secretary

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

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

PLACE : CHENNAI
DATE : 29-05-2024



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	1940

The duration of the transaction is FY- 2023-24

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 NA; Loan form Director: 14/08/2023

Amount paid as advances, if any : Nil

For and on behalf of the Board of Directors

Place : Chennai
Date : 29-05-2024

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

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



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 18.90 lakhs
(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 and 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 31/03/2024 (Last traded date) was Rs. 2872.68 Lacs (last year as on Last traded date was Rs. 4467.71 Lakhs) NA The Company had come out with the Initial Public Offer (IPO) in June 1996 is at Rs. 10/- per share, As on 31/03/2024, the market price per share is Rs. 55.94/-



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 18.90 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

Place : Chennai
Date : 29-05-2024

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

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



MUNOTH FINANCIAL SERVICES LIMITED

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, 2024 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
5. 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 Members 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 : 29-05-2024

-sd-
Jaswant Munoth
Managing Director & CEO

-sd-
Bharat Munoth
Director & CFO



MUNOTH FINANCIAL SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Munoth Financial Services Limited

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of Munoth Financial Services Limited ("the Company"), which comprise the Balance sheet as at 31st March 2024, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and 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 "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") 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, 2024 and its profit, 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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. These reports are expected to be made available to us after the date of this Auditors' Report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the 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.



MUNOTH FINANCIAL SERVICES LIMITED

Responsibility 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 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



MUNOTH FINANCIAL SERVICES LIMITED

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 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 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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 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.
 - 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:



MUNOTH FINANCIAL SERVICES LIMITED

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 softwares for maintaining its books of account for the financial year ended March 31, 2024 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 softwares. 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
Chartered Accountants
FRN: 001609S

-sd-
[M.V. Chandramouleeswaran]
Partner
M NO: 202629
UDIN: 24202629BKAHQE2344

Place: Chennai.
Date: 29-05-2024



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF MUNOTH FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2024

(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) (A) In our opinion and according to the information and explanation given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment of the Company were physically verified by the management during the year no material discrepancies were noticed on such verification.
 - (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements being land and buildings which are freehold, are held in the name of the Company
 - (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 or intangible assets 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.
 - (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) The Company is in the business of providing Stock Broking, DP Operations, Portfolio Advisory Services, Merchant Banking and does not have any physical inventories. Hence reporting under the clause 3 (ii) 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) In our opinion and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments during the year to which the provision of section 185 and 186 of the Companies Act, 2013. Hence reporting under the clause 3(iv) of the order is not applicable.
- (v) In our opinion and according to information and explanation given to us, the Company has not accepted any deposits or amount which are deemed to be deposits during the year. Hence reporting under clause 3 (v) of the Order is not applicable.
- (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 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



MUNOTH FINANCIAL SERVICES LIMITED

- 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, 2024 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 (vii) 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 willful defaulter by any bank or financial institution or other lender.
- (c) The Company does not have any term loan against any bank or any financial institutions. Hence reporting under the 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 does not have any subsidiaries, associates or joint ventures. Hence reporting under the clause 3 (ix) (e) & (f) of the order 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 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.
- (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 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,



MUNOTH FINANCIAL SERVICES LIMITED

- 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 not incurred any losses during the current financial year, whereas it has incurred a cash loss of Rs. 2312.19 (in thousands) 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. 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 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
Chartered Accountants
FRN: 001609S

-sd-
[M.V. Chandramouleeswaran]
Partner
M NO: 202629
UDIN: 24202629BKAHQE2344

Place: Chennai.
Date: 29-05-2024



MUNOTH FINANCIAL SERVICES LIMITED

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF MUNOTH FINANCIAL SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Report on the Internal Financial Controls with reference to 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 Financial Statements of Munoth Financial Services Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the 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 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 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 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 Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to 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 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 Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements.

A Company’s internal financial controls with reference to 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 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



MUNOTH FINANCIAL SERVICES LIMITED

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 Financial Statements.

Because of the inherent limitations of internal financial controls with reference to 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 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 Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2024, based on the criteria for internal control with reference to 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
Chartered Accountants
FRN: 001609S

-sd-
[M.V. Chandramouleeswaran]
Partner
M NO: 202629
UDIN: 24202629BKAHQE2344

Place: Chennai.
Date: 29-05-2024



MUNOTH FINANCIAL SERVICES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note	As at March 31, 2024 (Rs. in 000's)	As at March 31, 2023 (Rs. in 000's)
Income			
(1) Revenue from operations	21	4,926.37	4,395.56
(2) Other Income	22	5,663.29	676.56
Total Revenue (1)+(2)		10,589.66	5,072.12
(3) Expenses			
(i) Employee benefit expenses	23	3,523.20	2,784.09
(ii) Finance Cost	24	30.24	57.66
(iii) Depreciation & Amortisation	2 & 3	222.33	242.98
(iv) Other expenses	25	4,949.92	4,273.76
Total Expenses		8,725.69	7,358.49
(4) Profit/(Loss) before exceptional and tax (1)+(2)-(3)		1,863.97	(2,286.37)
(5) Exceptional Items		-	-
(6) Profit/(Loss) before exceptions and tax (4)-(5)		1,863.97	(2,286.37)
(7) Less: Tax expense:			
(a) Current tax		-	-
(b) Deferred tax		(26.77)	25.92
(8) Profit (Loss) for the period from continuing operations		1,890.74	(2,312.29)
(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 (IX+XII)		1,890.74	(2,312.29)
(13) Other Comprehensive Income			
(i) (a) Items that will not be reclassified to Profit or Loss			
Changes in fair value of FVOCI Equity Instruments		1,215.54	2,695.00
Re-measurement of Post Employment Defined Benefit Plan		24.24	184.74
(b) Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
(ii) (a) Items that will be reclassified to Profit or Loss		-	-
(b) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
(14) Total Comprehensive Income for the period		3,130.52	567.45
Earnings per equity share in Rs.			
(i) Basic		0.37	(0.45)
(ii) Diluted		0.37	(0.45)

The Notes 1 to 41 forms integral part of this Statement of Profit and Loss.

As per our report of even date attached

For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

-sd-
LALCHAND MUNOTH
Chairman
(DIN : 01693640)

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

-sd-
[M.V. CHANDRAMOULEESWARAN]
Partner
M.NO: 202629
UDIN:24202629BKAHQE2344

-sd-
A. G. NANDINI
Company Secretary

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

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

PLACE : CHENNAI
DATE : 29-05-2024



MUNOTH FINANCIAL SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

	March 31, 2024 (Rs. In 000's)	March 31, 2023 (Rs. In 000's)
I Cash flow from operating activities		
Profit from Continuing Operations	1,890.74	(2,312.29)
Adjustments for:		
Other Comprehensive Income		
Depreciation	222.33	242.98
Deferred Tax Liability	-	-
Dividend Income	(4.89)	(6.12)
Loss/ (Gain) on fair value of Investments	(5,576.74)	(523.30)
Interest Income	(80.16)	(145.27)
Provision for gratuity	171.89	130.79
Trade Receivables Written off	435.59	131.73
Provision for Bonus	4.00	4.00
Income Tax Refund Written off	355.41	200.00
Operating profit before working capital changes	(2,581.81)	(2,277.46)
Changes in Operating assets/ liabilities: -		
Adjustments for (increase)/ decrease in operating assets		
Decrease/(increase) in Trade Receivables	(20,651.29)	73.80
Decrease/(increase) in Other Financial Assets	(84.78)	(929.04)
Decrease/(increase) in Other Current Assets	1,516.89	3,589.53
Decrease/(increase) in Other Non Current Assets	(705.37)	340.83
Adjustments for Increase/ (Decrease) in operating liabilities		
(Decrease)/increase in other current liabilities	88.54	(58.49)
(Decrease)/increase in Trade Payables	15,706.13	(2,931.04)
(Decrease)/increase in Other Financial Liabilities	758.26	(313.66)
(Decrease)/increase in deferred tax liability	(26.77)	25.92
Cash generated from operations	(5,980.20)	(2,479.61)
Less: Taxes Paid (Net of Refund Received)		
Net cash from operating activities (A)	(5,980.20)	(2,479.61)
II Cash flow from investing activities		
Interest Received	80.16	145.27
Purchase of Fixed Assets	(82.39)	(46.53)
Dividend Receipts	4.89	6.12
Proceed from Sale of Unquoted Shares	-	115.00



MUNOTH FINANCIAL SERVICES LIMITED

	March 31, 2024 (Rs. In 000's)	March 31, 2023 (Rs. In 000's)
Net cash used in investing activities (B)	2.65	219.85
III Cash flow from financing activities		
Loan Taken/(repaid)	1,940.00	1,390.00
Net cash (used)/generated in financing activities (C)	1,940.00	1,390.00
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	(4,037.55)	(869.76)
Cash and Cash Equivalents at the beginning of the year	4,527.36	5,397.12
Less: Decrease in Cash and Cash Equivalents which are existed from more than 3 Months	-	-
Cash and Cash Equivalents at the end of the year	489.81	4,527.36
IV Reconciliation of Cash and Cash Equivalents with the Balance Sheet		
Cash and Cash Equivalents as per the Balance Sheet	489.81	4,527.36
Less: Bank Balance not considered as Cash & Cash Equivalents	-	-
Net Cash and Cash Equivalents	489.81	4,527.36
Components of Cash and Cash Equivalents		
Cash in Hand	129.60	141.90
Balances with Scheduled Banks		
- Current Account	360.21	4,385.46
Closing Cash and Cash Equivalents	489.81	4,527.36

As per our report of even date attached

For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

-sd-
LALCHAND MUNOTH Chairman
(DIN : 01693640)

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

-sd-
[M.V. CHANDRAMOULEESWARAN]
Partner
M.NO: 202629
UDIN:24202629BKAHQE2344

-sd-
A. G. NANDINI
Company Secretary

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

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

PLACE : CHENNAI
DATE : 29-05-2024



MUNOTH FINANCIAL SERVICES LIMITED

Statement of Changes in Equity for the Year ended March 31, 2024

A : Equity Share Capital

Rs. in '000

Current Reporting Period

Balance at the beginning of the current reporting period	Changes in Equity Shares capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share capital during the current year	Balance at the end of the current reporting period
51,353.00	-	-	-	51,353.00

Previous Reporting Period

Balance at the beginning of the current reporting period	Changes in Equity Shares capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share capital during the current year	Balance at the end of the current reporting period
51,353.00	-	-	-	51,353.00

B : Other Equity

Rs. in '000

Current Reporting Period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	(Share Forfeiture Amount)	Securities Premium	Revaluation Reserve	Other Comprehensive Income		Other comprehensive Income (Total)	Retained Earnings	Total Other Equity
						Equity Instruments through Other Comprehensive Income	Re-measurement of Post Employment Defined Benefit Plan			
Balance as at 01-04-2023	-	-	259.50	20,250.00	35,976.57	29,253.98	1,164.80	30,418.78	(33,985.30)	52,919.55
Changes in accounting policy/ principles or period errors restated balance at the end of the reporting period								-	-	-
Profit on sale of Investments								-	-	-
Total Comprehensive Income for the year			-	-	-	1,215.54	24.24	1,239.78	1,890.74	3,130.52
Dividends										-
Transfer to retained earnings										-
Balance at 31.03.2024			259.50	20,250.00	35,976.57	30,469.52	1,189.04	31,658.55	(32,094.56)	56,050.06



MUNOTH FINANCIAL SERVICES LIMITED

B : Other Equity

Rs. in '000

Pervious Reporting Period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	(Share Forfeiture Amount)	Securities Premium	Revaluation Reserve	Other Comprehensive Income		Other comprehensive Income (Total)	Retained Earnings	Total Other Equity
						Equity Instruments through Other Comprehensive Income	Re-measurement of Post Employment Defined Benefit Plan			
Balance as at 01-04-2022	-	-	259.50	20,250.00	35,976.57	26,558.98	980.06	27,539.04	(31,673.01)	52,352.10
Changes in accounting policy/ principles or period errors restated balance at the end of the reporting period								-	-	-
Profit on sale of Investments								-	-	-
Total Comprehensive Income for the year			-	-	-	2,695.00	184.74	2,879.74	(2,312.28)	567.46
Dividends								-		-
Transfer to retained earnings								-		-
Balance at 31.03.2023			259.50	20,250.00	35,976.57	29,253.98	1,164.80	30,418.78	(33,985.29)	52,919.55

CAPITAL RESERVE

Closing Balance of Capital Reserve of Rs. 2,59,500 contains the Profit on Forfeiture of Shares (Number of Shares - 90,700 & Amount of Forfeiture Rs. 2,59,500) which has been transferred from share capital.

REVALUATION RESERVE

This reserve has arisen due to revaluation of Land in the year ended 31.03.2013.

SECURITIES PREMIUM

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

RETAINED EARNINGS

Retained Earnings represent the amount of accumulated earnings/Losses of the Company.



MUNOTH FINANCIAL SERVICES LIMITED

Notes forming part of Financial Statements for the year ended 31 March, 2024

Corporate Information

Munoth Financial Services Limited is a public limited company domiciled in India and 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.

1. MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2024

1.1 Basis of preparation

Statement of compliance

These financial statements are 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.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) 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.

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

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:



MUNOTH FINANCIAL SERVICES LIMITED

- (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.

All other liabilities shall be classified as non-current.

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 done 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.



1.5 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 high sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

1.6 Fair Value Measurement

The Company has applied the fair value measurement whenever necessiated 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 particulars 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 use 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 hierarchy by re-assessing categorization(based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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



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value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

1.7 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.

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

Asset Class	Useful Life(No. of years)
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.

1.9 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 asstes 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.

1.10 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 valueless 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.

1.11 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 such time that the assets are substantially ready for their intended use. 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.

1.12 Revenue Recognition

The Company is engaged in 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.



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(a) Brokerage Fee income

Brokerage fee income Brokerage 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 continuous 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.

1.13 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 the countries 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



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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.

1.15 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 Financial Statements by way of notes to accounts when an inflow of economic benefits is probable



1.16 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. 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.

Gratuity obligations

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.

1.17 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



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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.

(ii) 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

(iii) 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

(iv) 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

(v) 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



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- **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



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(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, investments in debt instruments that are carried at FVTOCI are tested for impairment based on the expected credit losses for their respective financial asset

--> Trade Receivable

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.



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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

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.

1.18 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

1.19 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.

1.20 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."

1.21 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:
Tangible Assets

Rs. in '000

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 31.03.2023	For the year	Reversal/ Impairment loss	As on 31.03.2024	As on 31.03.2024	As on 1.4.2023
(a) Land	38,456.00	-	-	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	-	2,585.41	994.11	1,045.68
(c) Furniture & Fittings	1,587.44	-	-	1,587.44	1,507.73	0.34	-	1,508.07	79.37	79.71
(d) Motor Vehicle	615.00	-	-	615.00	581.86	2.39	-	584.25	30.75	33.14
(e) Office Equipments	3,246.61	-	-	3,246.61	2,999.60	51.74	-	3,051.34	195.27	247.01
(f) Computers	1,452.80	82.39	-	1,535.19	1,343.35	57.39	-	1,400.74	134.46	109.45
Total CY	48,937.37	82.39	-	49,019.76	8,966.38	163.43	-	9,129.81	39,889.95	39,970.99
Total PY	48,890.84	46.53	-	48,937.37	8,786.55	179.83	-	8,966.38	39,970.99	40,104.29

Note 3
Intangible Assets

Rs. in '000

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 31.03.2023	For the year	Reversal/ Impairment loss	As on 31.03.2024	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	5.17	64.0
Total CY	2,176.40	-	-	2,176.40	2,112.33	58.90	-	2,171.23	5.17	64.07
Total PY	2,176.40	-	-	2,176.40	2,049.18	63.15	-	2,112.33	64.07	127.22



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Notes forming part of Balance Sheet

NON CURRENT FINANCIAL ASSETS

Note No : 4

Rs. in '000

Investments

SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
A Investments at Fair Value through Profit or Loss			
(a)	Investments in Equity Instruments		
	Quoted Shares	10,256.35	4,679.62
	Unquoted Shares	-	-
(b)	Investments in Mutual Funds (Quoted)	16.78	15.64
B Investments at Fair Value through Other Comprehensive Income			
(a)	Investments in Equity Instruments		-
	Quoted Shares	-	-
	Unquoted Shares	51,065.67	49,850.12
		<u>61,338.80</u>	<u>54,545.39</u>

Quoted (Equity) Instruments (FVTPL) as on 31/03/2023

Scrip Name	Quantity in Rs.	Total Value Rs. In '000
(a) Shares in Demat Form		
Antartika ltd	1,000	0.55
ATV project	300	2.10
Biofil Chemicals	1,000	41.40
BTW Industries	100	1.00
Cable Corporations	1,000	18.70
Celebrity Fashions	1,873	24.26
Computer Power	1,84,000	211.60
CT cotton Yarn	300	3.00
Dynavision	200	26.01
European software	600	6.00
Herayna petro	400	1.60
Hind. Lever Ltd.	1	2.56
Information Tech Ltd.	5,425	27.13
Innovtion Sec.-ISL Consulting ltd	2,800	85.40
It people(Commex technolo)	3,636	0.91
Kirhsna Life-K Life style	1,000	0.21
Kirloskar Electricals	100	6.82
L M L	450	-
Manali Petrochemicals	1,200	72.36
MCC finance ltd-Mercnatile Ventures	7,450	122.18
Midland plastics	200	0.74
Munoth Communication ltd.	8,04,582	3,612.57
MW Unitexx	105	0.19
Natural Stones	900	9.00



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Scrip Name	Quantity in Rs.	Total Value Rs. In '000
NEPC India	200	2.00
Network Ltd.	200	2.58
Nextagen animation	2	0.00
Omnitech solutions ltd	2,000	-
Origin Agrostar	170	-
Padmini technology	700	7.00
PBA infrastructure	128	1.01
Power grid corporation	104	23.47
Premier Ltd.	100	0.20
Rajratan synthetics	600	-
Reliance capital	2,400	19.20
Reliance communication	4,377	5.47
Reliance Home Finance	2,400	6.00
Reliance power	2,500	24.88
Rishab financial services	18,000	54.72
S Kumar online	1,000	0.90
SAL Steel	10,000	137.00
Sanghi ploy	300	3.00
Silver Tech	6	0.01
Sudati hoisery-Suditi industries	300	5.42
Super forgings	200	0.19
Uniworth International	150	0.12
Vantel Tech	50	0.08
Vikas WSP	3,000	3.06
Vishal Exports	1,000	1.00
Wellwin	100	0.32
Arihant cotsyn	100	-
Oswal Agro	350	9.00
		<u>4,582.89</u>
<u>(b) Shares in Physical Form</u>		
Bhirwani Denim	200	-
Blue Bend petro	350	-
Concert spices	100	-
Conoslidated Fibre	100	-
Coromandel finance	900	-
Deccan Granites	100	1.10
DSQ Biotech	170	-
Essar Steel	114	1.14
Golden Textiles	1,300	-
Gujarat Cotex	300	0.63
Gujrat ambuja cotspin	400	-
Induj infotech	105	-
Jaswal Granites	600	-
Jay flash	19,500	58.50
Kumar metallurgical	300	-
Modern Synthetics	1,150	-
Modi threads	200	-
Pan asia industires	100	-
Premier planations	100	-
Rathi alloy and steel	300	-

**MUNOTH FINANCIAL SERVICES LIMITED**

Scrip Name	Quantity in Rs.	Total Value Rs. In '000
Sarala Gems	200	-
Siris Ltd.	200	16.85
Tirumalai Textiles	400	-
TN spongae	100	-
Veena textiles	200	-
Bafna Spinning	500	-
Bonanza Pharma	100	-
Fabworth-Uniowrth textiles	100	-
TNPL	100	18.51
Videocon VCR	100	-
		96.73
Quoted Equity Instruments (a+b)		4,679.62

Unquoted (Equity) Instruments (FVTOCI) as on 31/03/2023

Scrip Name	Quantity in Rs.	Total Value Rs. In '000
Arihant Fabrics	50	0.10
Benaras Bank #	87,490	1,112.00
Deve Sugar #	9,400	1,410.00
Parvathi Hi Tech #	10,000	100.00
Rayalaseema Paper Mills #	11,20,000	32,480.00
Rhino Tyres #	200	1.00
Madras Enterprises Ltd	2,85,000	446.59
India Mobile Network P Ltd	50,000	500.00
South India Chemicals & Leasing P Ltd	7,500	2,400.00
Sankeshwara Finance & Investments P Ltd	10,000	2,000.00
Misrimal Navajee Estates P Ltd	5,000	500.00
Munoth Industries Limited	76,000	8,740.00
Munoth Negwindfarm P Ltd	59,000	160.48
Total		49,850.17

Shares not held in the name of the company

Quoted Mutual Funds (FVTPL) as on 31/03/2023

Scrip Name	Units 31.03.2023 in Rs.	Total Value Rs. In '000
NIPPON INDIA LIQUID FUND	10.230	15.64
Total		15.64



MUNOTH FINANCIAL SERVICES LIMITED

Quoted (Equity) Instruments (FVTPL) as on 31/03/2024

Scrip Name	Quantity in Rs.	Total Value Rs. In '000
(a) Shares in Demat Form		
Antartika ltd	1,000	1.80
ATV project	300	4.71
Biofil Chemicals	1,000	60.60
BTW Industries	100	-
Cable Corporations	1,000	-
Celebrity Fashions	1,873	32.31
Computer Power	1,84,000	-
CT cotton Yarn	300	-
Dynavision	200	55.60
European software	600	-
Herayna petro	400	1.60
Hind. Lever Ltd.	1	2.26
Information Tech Ltd.	5,425	-
Innovtion Sec.-ISL Consulting ltd	2,800	87.67
It people(Commex technolo)	3,636	0.91
Kirhsna Life-K Life style	1,000	0.35
Kirloskar Electricals	100	10.44
L M L	450	-
Manali Petrochemicals	1,200	67.44
MCC finance Ltd-Mercnatile Ventures	7,450	153.10
Midland plastics	200	-
Munoth Communication Ltd.	8,04,582	9,357.29
MW Unitexx	105	0.19
Natural Stones	900	-
NEPC India	200	-
Network Ltd.	200	5.29
Nextagen animation	2	0.00
Omnitech solutions ltd	2,000	-
Origin Agrostar	170	-
Padmini technology	700	-
PBA infrastructure	128	1.33
Power grid corporation	138	38.21
Premier Ltd.	100	0.29
Rajratan synthetics	600	-
Reliance capital	2,400	29.64
Reliance communication	4,377	7.44
Reliance Home Finance	2,400	6.98
Reliance power	2,500	70.63
Rishab financial services	18,000	-
S Kumar online	1,000	0.90
SAL Steel	10,000	206.50
Sanghi ploy	300	-
Silver Tech	6	0.01



MUNOTH FINANCIAL SERVICES LIMITED

Scrip Name	Quantity in Rs.	Rate as on 31.03.2022 in Rs.	Total Value Rs. In '000
Sudati hoisery-Suditi industries		300	4.71
Super forgings		200	0.19
Uniworth International		150	0.12
Vantel Tech		50	0.08
Vikas WSP		3,000	3.93
Vishal Exports		1,000	1.00
Wellwin		100	0.32
Arihant cotsyn		100	-
Oswal Agro		350	15.00
			10,228.84
<u>(b) Shares in Physical Form</u>			
Bhirwani Denim		200	-
Blue Bend petro		350	-
Concert spices		100	-
Conoslidated Fibre		100	-
Coromandel finance		900	-
Deccan Granites		100	1.10
DSQ Biotech		170	-
Essar Steel		114	1.14
Golden Textiles		1,300	-
Gujarat Cotex		300	0.63
Gujrat ambuja cotspin		400	-
Induj infotech		105	-
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	-
Sarala Gems		200	-
Siris Ltd.		200	-
Tirumalai Textiles		400	-
TN spongae		100	-
Veena textiles		200	-
Bafna Spinning		500	-
Bonanza Pharma		100	-
Fabworth-Uniowrth textiles		100	-
TNPL		100	24.64
Videocon VCR		100	-
			27.51
Quoted Equity Instruments (a+b)			10,256.35



MUNOTH FINANCIAL SERVICES LIMITED

Unquoted (Equity) Instruments (FVTOCI) as on 31/03/2024

Scrip Name	Quantity	Total Value Rs. In '000
Arihant Fabrics	50	0.10
Benaras Bank #	87,490	87.49
Deve Sugar #	9,400	1,410.00
Parvathi Hi Tech #	10,000	100.00
Rayalaseema Paper Mills #	1,120,000	34,417.93
Rhino Tyres #	200	1.00
Madras Enterprises Ltd	285,000	446.59
India Mobile Network P Ltd	50,000	500.00
South India Chemicals & Leasing P Ltd	7,500	2,400.00
Sankeshwara Finance & Investments P Ltd	10,000	2,000.00
Misrimal Navajee Estates P Ltd	5,000	500.00
Munoth Industries Limited	76,000	8,740.00
Munoth Negwindfarm P Ltd	59,000	462.56
		51,065.67

Shares not held in the name of the company

Quoted Mutual Funds (FVTPL) as on 31/03/2024

Scrip Name	Quantity	Total Value Rs. In '000
Nippon India Liquid Fund	10.967	16.78
		16.78
1. Aggregate Amount of Unquoted Investments	51,065.67	49,850.17
Aggregate Amount of Quoted Investments	10,273.13	4,695.25
Market Value of Quoted Investments	10,273.13	4,695.25
Aggregate value of Impairment in value of Investments		
2. Investments in Equity instruments carried at cost	-	-
Investments in Equity instruments carried at Fair Value through OCI	51,065.67	49,850.17
Investments in Equity Instruments at Fair Value through Profit and Loss (P&L)	10,273.13	4,695.25

3. 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

Note No : 5

Rs. in '000

Other Non Current Financial Assets

SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
	Secured, Considered Good		
(a)	Security Deposits	13,050.00	10,470.00
(b)	HDFC Fixed Deposit towards Bank Guarantee	-	2,500.00
		<u>13,050.00</u>	<u>12,970.00</u>

Note No : 6

Deferred tax assets (Net)

SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	MAT Credit Entitlement		
	Opening Balance	422.54	422.54
	MAT Credit Entitlement for Current year	-	-
	Closing Balance	<u>422.54</u>	<u>422.54</u>



MUNOTH FINANCIAL SERVICES LIMITED

(b) Deferred Tax			
Opening Balance	231.37		257.29
Provision during the year	26.77		(25.92)
Closing Balance	258.14		231.37
	680.68		653.91
Component of Deferred Tax Asset/ Liabilities			
Property, Plant & Equipment and Intangible Assets	5.14		14.69
Provision for Gratuity	251.96		213.57
Provision for Bonus	1.04		3.12
	258.14		231.38

Note No : 7

Other Non Current Assets			Rs. in '000
SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
Secured, Considered Good			
((a)	Prepaid Expenses	829.91	124.53
(b)	Income Tax Refund Receivables	816.43	1,171.84
		1,646.34	1,296.37

CURRENT FINANCIAL ASSETS

Note No : 8

Trade Receivables			Rs. in '000
SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Trade Receivables considered good - Unsecured	21,115.24	899.53
(b)	Trade Receivables which have significant increase in Credit Risk	576.27	576.27
(c)	Trade Receivables - credit impaired	43.73	43.73
		21,735.24	1,519.53
	Less: Provision for Bad and Doubtful Debts	43.73	43.73
		21,691.51	1,475.80

Trade receivables - Ageing FY 23-24

Receivable amount	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
Undisputed Trade receivables - considered good					
Trade Receivables - Broking and DP	20,703.63	50.47	13.79	64.59	859.03
Undisputed Trade receivables - considered doubtful					
Trade receivables - Credit impaired					43.73
Total	20,703.63	50.47	13.79	64.59	902.76

Trade receivables - Ageing FY 22-23

Receivable amount	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
Undisputed Trade receivables - considered good					
Trade Receivables - Broking and DP	87.24	26.55	78.23	84.06	1,199.72
Undisputed Trade receivables - considered doubtful					
Trade receivables - Credit impaired					43.73
Total	87.24	26.55	78.23	84.06	1,243.45



MUNOTH FINANCIAL SERVICES LIMITED

Notes forming part of Balance Sheet

Note No : 9

Cash and Cash Equivalents		Rs. in '000	
SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Balances with Banks	360.21	4,385.46
(b)	Cash on hand	129.60	141.90
		<u>489.81</u>	<u>4,527.36</u>

Note No : 10

Other Current Financial Assets		Rs. in '000	
SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Interest accrued on Deposits	28.68	25.04
		<u>28.68</u>	<u>25.04</u>

Note No : 11

Current Tax Assets (Net)		Rs. in '000	
SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
	Income Tax TDS FY 2021-22	37.76	45.94
	Less: Provision for Income Tax	-	-
		<u>37.76</u>	<u>45.94</u>

Note No : 12

Other Current Assets		Rs. in '000	
SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Salary Advances	240.50	198.50
(b)	Other Current Assets	198.01	1,944.13
(c)	Prepaid Expenses	699.24	503.83
		<u>1,137.75</u>	<u>2,646.46</u>

Note No : 13

All amounts in INR thousands including for share data or otherwise stated

A. Share Capital

A. Share Capital		Rs. in '000	
SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(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
		<u>100,000.00</u>	<u>100,000.00</u>
(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	-	-
	Total	<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

Notes forming part of Balance Sheet

B. Share Details

Rs. in '000

All amounts in INR thousands except for share data or otherwise stated

SL.No	Particulars	Equity Shares	
		Number	Amount
(a)	Shares outstanding at the beginning of the year	5,135.30	5,135.30
(b)	Shares Issued during the year	-	-
(c)	Shares bought back during the year	-	-
(d)	Shares outstanding at the end of the year	5,135.30	5,135.30

Rights, preferences and restrictions attaching to the shares including restrictions on distribution of dividend and repayment of capital

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 31.03.2024 (31.03.2023- 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 more than 5 % and Share Holding of Promoters

SL.No	Name of Shareholder	As at 31.03.2024	
		No. of Shares held in '000	% of Holding
(a)	Lalchand Munoth	687.10	13.38%
(b)	Jaswant Munoth	836.10	16.28%
(c)	Bharat Munoth	717.90	13.98%
(d)	Vikas Munoth	1,014.50	19.76%
(e)	Munoth Communication Ltd	1,006.10	19.59%

SL.No	Name of Shareholder	As at 31.03.2023	
		No. of Shares held in '000	% of Holding
(a)	Lalchand Munoth	687.10	13.38%
(b)	Jaswant Munoth	836.10	16.28%
(c)	Bharat Munoth	717.90	13.98%
(d)	Vikas Munoth	1,014.50	19.76%
(e)	Munoth Communication Ltd	1,006.10	19.59%

D. Share Holding of Promoters

SL.No	Name of Shareholder	As at 31.03.2024	
		No. of Shares held in '000	% of Holding
(a)	Lalchand Munoth	687.10	13.38%
(b)	Jaswant Munoth	836.10	16.28%
(c)	Bharat Munoth	717.90	13.98%
(d)	Vikas Munoth	1,014.50	19.76%



MUNOTH FINANCIAL SERVICES LIMITED

Notes forming part of Balance Sheet

Rs. in '000

		As at 31.03.2023	
SL.No	Name of Shareholder	No. of Shares held in '000	% of Holding
(a)	Lalchand Munoth	687.10	13.38%
(b)	Jaswant Munoth	836.10	16.28%
(c)	Bharat Munoth	717.90	13.98%
(d)	Vikas Munoth	1,014.50	19.76%

E.

- (i) No Shares were issued during the period of five years immediately preceding the reporting date
(ii) No shares were allotted as fully paid up pursuant to contract without payment being received in cash during the period of five years immediately preceding the reporting date.
(iii) No shares were bought back during the five years immediately preceding the reporting date.

Note No : 14

Other Equity

Rs. in '000

SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Securities Premium	20,250	20,250
(b)	Revaluation Reserve	35,976.57	35,976.57
(c)	Capital Reserve	259.50	259.50
(d)	Other Comprehensive Income	31,658.55	30,418.78
(e)	Retained Earnings	(32,094.56)	(33,985.30)
		<u>56,050.06</u>	<u>52,919.55</u>

SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Securities Premium		
	Balance as per last financial statements	20,250.00	20,250.00
	Add: Transferred during the year	-	-
	Closing Balance	<u>20,250.00</u>	<u>20,250.00</u>
(b)	Revaluation Reserve		
	Balance as per last financial statements	35,976.57	35,976.57
	Add: Transferred during the year	-	-
	Closing Balance	<u>35,976.57</u>	<u>35,976.57</u>
(c)	Capital Reserve		
	Balance as per last financial statements	259.50	259.50
	Add: Transferred during the year	-	-
	Closing Balance	<u>259.50</u>	<u>259.50</u>
(d)	Other Comprehensive Income		
	Balance as per last financial statements	30,418.78	27,539.04
	Net Profit for the Period	1,239.78	2,879.74
	Deductions/ Adjustments during the year	-	-
	Closing Balance	<u>31,658.55</u>	<u>30,418.78</u>
(e)	Retained Earnings		
	Balance as per last financial statements	(33,985.30)	(31,673.01)
	Add: Profit/ (Loss) for the year	1,890.74	(2,312.29)
	Total surplus in the Statement of profit and loss	<u>(32,094.56)</u>	<u>(33,985.30)</u>



MUNOTH FINANCIAL SERVICES LIMITED

Notes forming part of Balance Sheet

NON CURRENT LIABILITIES

Note No : 15

Non Current Provisions

SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Provision for Gratuity	882.62	738.19
		<u>882.62</u>	<u>738.19</u>

CURRENT LIABILITIES

Note No : 16

Trade Payables

SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Total Outstanding dues of Micro & Small Enterprises		
(b)	Total Outstanding dues of Creditors other than Micro & Small Enterprises	23,235.13	7,529.00
		<u>23,235.13</u>	<u>7,529.00</u>

Trade payables - Ageing FY 23-24

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Trade Payable	23,235.13	0.00	0.00	0.00
Total	23,235.13	0.00	0.00	0.00

#There is no unbilled dues

Trade payables - Ageing FY 22-23

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Trade Payable	7,485.93	22.99	4.13	15.95
Total	7,485.93	22.99	4.13	15.95

#There is no unbilled dues

Note No : 17

Short Term Borrowings

SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Loan repayable on demand - Unsecured Loans and Advances from Related Parties	6,031.86	4,091.86
		<u>6,031.86</u>	<u>4,091.86</u>

Terms of Loan

Unsecured loan from directors- Repayable on demand



MUNOTH FINANCIAL SERVICES LIMITED

Note No : 18

Other Financial Liabilities		Rs. in '000	
SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Margin Money from Clients	407.51	470.75
(b)	Expenses Payables	1,527.33	705.82
(c)	Other Payables	86.96	86.96
		<u>2,021.80</u>	<u>1,263.53</u>

Note No : 19

Other Current Liabilities		Rs. in '000	
SL.No	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	TDS Payable	23.92	30.49
(b)	Income Received in Advance	10.79	15.59
(c)	Inactive Client Fund Account	250.92	159.56
(d)	EPF and ESI Payable	33.90	25.35
		<u>319.53</u>	<u>230.99</u>

Note No : 20

Current Provisions		Rs. in '000	
	Particulars	As at 31.03.2024	As at 31.03.2023
(a)	Provision for Gratuity	86.45	83.22
(b)	Provision for Bonus	16.00	12.00
		<u>102.45</u>	<u>95.22</u>

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 31.03.2024	For the year ended 31.03.2023
Sale of Services			
(a)	DP and AMC Transaction Charges	558.78	534.98
(b)	Merchant Banking & Portfolio Advisory Services	588.45	850.46
(c)	Brokerage & Turnover Charges	3,779.13	3,010.12
		<u>4,926.37</u>	<u>4,395.56</u>

Note No : 22

Other Income		Rs. in '000	
SL.No	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
(a)	Dividend Income	4.89	6.12
(b)	Interest Income		
	- Income Tax Refund	1.82	4.69
	- On Fixed Deposit	78.34	140.58
(c)	Gain on Fair Value of Investments (Changes in the Fair Value of Investments)	5,576.74	523.30
(e)	Other non-operating income	1.50	1.87
		<u>5,663.29</u>	<u>676.56</u>



MUNOTH FINANCIAL SERVICES LIMITED

Note No : 23

Employee benefit expenses

SL.No	Particulars	For the year ended 31.03.2024	Rs. in '000 For the year ended 31.03.2023
(a)	Salaries, Wages and Bonus	3,017.74	2,315.73
(b)	Contribution to Provident and Other Funds	210.15	206.68
(c)	Gratuity	171.89	130.79
(d)	Staff welfare Expenses	123.41	130.89
		<u>3,523.20</u>	<u>2,784.09</u>

Note No : 24

Finance Cost

SL.No	Particulars	For the year ended 31.03.2024	Rs. in '000 For the year ended 31.03.2023
(a)	Interest	0.04	0.27
(b)	Bank Guarantee Charges	16.63	56.48
(c)	Bank Charges	13.58	0.92
		<u>30.24</u>	<u>57.66</u>

Note No : 25

Other Expenses

SL.No	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
(a)	Payments to auditor		
(i)	Statutory Auditor	130.00	105.00
(b)	Loss on Fair Value of Investments	-	-
(c)	Advertisement Expenses	41.20	41.20
(d)	Annual Subscription Charges	277.20	188.00
(e)	Business Promotion Expenses	62.67	56.99
(f)	Power & Fuel	506.91	382.12
(g)	Repairs & Maintenance	568.83	532.90
(h)	Travelling & Conveyance Expenses	168.11	57.03
(i)	Printing & Stationery	77.34	71.30
(j)	Professional Charges	465.70	308.49
(k)	Rates and Taxes	129.50	124.15
(l)	Insurance Expenses	39.70	34.73
(m)	Fines & Penalties	139.65	555.00
(n)	Listing Charges	370.00	345.00
(o)	Postage and Courier Charges	22.01	22.74
(p)	NSDL Transaction Charges	148.71	107.39
(q)	NSE Transaction Charges- Equity and F&O	62.58	48.92
(r)	CSDL Expenses	13.85	13.85
(s)	Registration Fees	506.66	506.67
(t)	NSDL Expenses	62.54	110.56
(u)	Share Transfer Expenses	51.00	56.50
(v)	Stamp Charges	-	-
(w)	Sub- Brokerage	57.31	14.32
(x)	Telephone Charges	42.16	52.48
(y)	Other Expenses	215.28	206.70
(z)	Provision for Bad and doubtful debts	-	-
(aa)	Trade Receivable Written off	435.59	131.73
(ab)	Income Tax Refund Written off	355.41	200.00
		<u>4,949.92</u>	<u>4,273.76</u>



MUNOTH FINANCIAL SERVICES LIMITED

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024

26 Balance due to Micro and Small Enterprises

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

27 Earnings per share:

Particulars	31.03.2024	31.03.2023
Net Profit / (Loss)	1,890.74	(2,312.29)
Number of Equity shares	5,135.30	5,135.30
Earnings per share – basic & diluted	0.37	(0.45)

28 Expenditure In Foreign Currency

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

29 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
A Key Management personal and their relatives:-		
1	Jaswant Munoth	Managing Director
2	Lalchand Munoth	Director
3	Bharat Munoth	Director & Chief Financial Officer
4	Vikas Munoth	Whole time Director
5	A G Nandini	Company Secretary
B Enterprises owned or significantly influenced by Key Management personnel or their relatives (either individually or with others)		
1	Munoth Industries Limited	Common Director/Investments
2	Munoth Communication Limited	Common Director/Investments
3	South India Chemicals & Leasing P Ltd	Common Director/Investments
4	Sankeshwara Finance & Investments P Ltd	Common Director/Investments
5	Misrimal Navajee Estates P Ltd	Common Director/Investments
6	Munoth Negwindfarm P Ltd	Common Director/Investments

Rs. in '000

Transaction during the year

Name of related party	Nature of Transaction	As on 31.03.2024	As on 31.03.2023
Vikas Munoth	Sale of MIL Shares	-	240.00
Vikas Munoth	Loan Received	1,940.00	1,505.00
A.G Nandini	Salary	602.50	602.50
Bharat Munoth	Sale of MIL Shares	115.00	-



MUNOTH FINANCIAL SERVICES LIMITED

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024

Rs. in '000

Balances at the year end

Name of related party	Nature of Transaction	As on 31.03.2024	As on 31.03.2023
Vikas Munoth	Borrowings	5,965.00	4,025.00
Bharat Munoth	Borrowings	66.86	66.86
Munoth Industries Limited	Investment	8,740.00	8,740.00
Munoth Communication Ltd	Investment	9,357.29	3,612.57
South India Chemicals & Leasing Private Limited	Investment	2,400.00	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	160.48

30 Contingent Liabilities -

Rs. in '000

	Particulars	As on 31.03.2024	As on 31.03.2023
a)	Guarantee issued by the company's banker - Guarantee given by HDFC Bank to Stock Exchange	Nil	5,000.00

31 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./- 210.15 ('000) (Year ended 31 March 2023 - Rs. 206.68 ('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.

B) Defined Benefit Plans: Gratuity Funded Obligation

Particulars	Gratuity (Un Funded)	
	31.03.2024	31.03.2023
Discounted rate (p.a)	7.22%	7.51%
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

Rs. in '000

Particulars	31.03.2024	31.03.2023
Obligations at the beginning of the year	821.41	875.36
Current Service Cost	110.20	66.80
Interest Cost	61.69	63.98
Benefits Payment from Employer	-	-
Actuarial (Gain)/loss	-24.24	-184.73
Benefits Paid	0.00	0.00
Obligations at the end of the year	969.06	821.41



MUNOTH FINANCIAL SERVICES LIMITED

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024

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

Particulars	31.03.2024	31.03.2023
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 Rs. in '000

Particulars	31.3.2024	31.3.2023
Obligations at the end of the year	969.06	821.41
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	969.06	821.41

Gratuity Cost for the year Rs. in '000

Particulars	31.3.2024	31.3.2023
Current Service Cost	110.20	66.80
Interest Cost	61.69	63.98
Expected return on plan assets	0.00	0.00
Net Actuarial (Gain)/loss	-24.24	-184.73
Net Gratuity cost as per actuarial valuation	147.65	-53.95
Gratuity cost on retired employees not covered in actuarial valuation	0.00	0.00
Net Gratuity Cost	147.65	-53.95

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

32 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.

33 **Profit on sale of Unquoted Investments(Refer 14 (d) and Note No . 29**

During the year the company has sold 1000 Shares of Munoth Industries Limited at a price Rs. 115 per Share. The company has revalued the remaining shares of Munoth Industries Limited at the last sale price i.e Rs.115 / share.

34 **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 and hence there is no diminishment or gain in this regard which require provisioning.

35 **Auditor's Remuneration:** Rs. in '000

SI.No	Particulars	2023-24	2022-23
1	Statutory Audit	130.00	105.00



MUNOTH FINANCIAL SERVICES LIMITED

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2024

36 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.

Disaggregated Revenue Information

Particulars	31.3.2024	31.3.2023
Types of goods and services		
Sale of services		
DP and AMC Transaction Charges	558.78	534.98
Merchant Banking & Portfolio Advisory Services	588.45	850.46
Brokerage & Turnover Charges	3,779.13	3,010.12
Total Revenue from contract with customer	4,926.36	4,395.56

Timing of Revenue Recognition

At a point in time:

Particulars	31.3.2024	31.3.2023
DP and AMC Transaction Charges	558.78	534.98
Merchant Banking & Portfolio Advisory Services	588.45	850.46
Brokerage & Turnover Charges	3,779.13	3,010.12
	4,926.36	4,395.56

Expected credit loss for trade receivables under simplified approach

Gross Carrying Amount (as at 31-03-2024)	21,115.24	576.27	43.73	21,735.24
Expected credit losses (loss allowance provision)	-		43.73	43.73
Carrying amount of Trade receivables (Net of Impairment)	21,115.24	576.27	-	21,691.51

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

38 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.

39 Additional Disclosures :-

- There 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 with 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.



MUNOTH FINANCIAL SERVICES LIMITED

- e. The company has not traded or invested in Crypto or virtual currency during the year(PY Nil).
- f. 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).
- g. The Company has not been declared as a willful 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.
- 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 form 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 has carried out impairment exercise as required by AS- 28 and such exercise did not result in any adjustment in the books of accounts towards impairment loss as at the year end.
- l. The company does not have any subsidiary and hence the reporting requirement with respect to Number of layerof companies is not applicable.
- m. During the Financial Year Company has not revalued any of its Property Plant and Equipment and its intangible assets.
- n. The Company does not have any investment properties as at March 31,2024 & March 31,2023 as defined in Ind AS 40
- o. The Company has not granted any loans (or) advances in the nature of Loans to Promoters,Directors , Key Managerial Personnels(KMP) , and the related Parties, either severally or jointly with any other person.
- p. The title deeds of Immovable property are held in the name of the Company.

40. Ratios

Ratios to be disclosed	Numerator	Denominator	Current period	Previous period	Variance %	Reasons for Variance
(a) Current Ratio	Current Asset	Current Liabilities	0.74	0.66	-11.72%	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)	0.08	0.06	-43.73%	Increase in Short term borrowing



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Ratios to be disclosed	Numerator	Denominator	Current period	Previous period	Variance %	Reasons for Variance
(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")	0.31	(0.56)	155.30%	Increase in Profit during the year
(d) Return on Equity Ratio	Net profit after taxes less preference dividend "2"	Average Shareholder's equity (Equity share capital and Other Equity)	0.02	(0.03)	179.73%	Increase in Profit during the year
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	-	-	0.00%	This ratio is not applicale for Service Sector
(f) Trade Receivables turnover ratio	Net Credit sales (includes Service Income)	Average accounts receivable	0.23	2.98	92.37%	-
(g) Trade payables turnover ratio	Net credit purchases	Average Trade payables	-	-	0.00%	This ratio is not applicale for Service Sector
(h) Net capital turnover ratio	Net Sales (includes Service Income)	Average Working capital "3"	(0.59)	(0.98)	39.55%	Increase in Net sales
(i) Net profit ratio	Net profit after tax	Net Sales (includes Service Income)	0.38	(0.53)	172.96%	Increase in Profit in the current Financial year.
(j) Return on Capital employed	Earnings before interest and taxes	Capital Employed (Fixed Assets + Working Capital "3")	0.06	(0.06)	200.00%	Increase in Profit in the current Financial year.
(k) Return on investment	Net Profit	Cost of Investment (Equity Share Capital)	0.04	(0.05)	181.77%	Increase in Profit in the current Financial year.

1. Repayment of borrowings includes repayment of short-term borrowings
2. Net 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.

As per our report of even date attached

For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

-sd-
LALCHAND MUNOTH
Chairman
(DIN : 01693640)

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

-sd-
[M.V. CHANDRAMOULEESWARAN]
Partner
M.NO: 202629
UDIN:24202629BKAHQE2344

-sd-
A. G. NANDINI
Company Secretary

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

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

PLACE : CHENNAI
DATE : 29-05-2024



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

(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.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the Company's profit would be impacted by Rs. 67.12 thousands in FY 2023-24 (Rs. 40.93 thousand in FY 2022-23)

(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 2023-2024 (Nil for 2022-23)

(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.



MUNOTH FINANCIAL SERVICES LIMITED

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.22181.33 thousands (Previous year Rs.6003.16 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.

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 '000

Particulars	Carrying value	Contractual cash flows	Less than 1 year	1-3 years	3-5 years	Above 5 Years
As at 31 March 24						
Borrowings - Working Capital	-	-	-	-	0	0
Borrowings - Term Loan	-	-	-	-	0	0
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			
As at 31 March 23						
Borrowings - Working Capital	-	-	-	-	0	0
Borrowings - Term Loan	-	-	-	-	0	0
Short term borrowings	4,091.86	4,091.86	4,091.86			
Trade Payables	7,529.00	7,529.00	7,529.00			
Other Financial liabilities	1,263.53	1,263.53	1,263.53			



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Financial Assets

Rs. in '000

Particulars	Carrying value	Contractual cash flows	Less than 1 year	1-3 years	3-5 years	Above 5 Years
As at 31 March 24						
Investments	61,338.80	61,338.80	-	-	-	61,338.80
Cash and cash equivalents	489.81	489.81	489.81	-	-	-
Trade Receivables	21,735.24	21,735.24	21,735.24			
Other Financial assets						
Non Current:	13,050.00	13,050.00		13,050.00		
Current:	28.68	28.68	28.68			
As at 31 March 23						
Investments	54,545.39	54,545.39			54,545.39	
Cash and cash equivalents	4,527.36	4,527.36	4,527.36			
Trade Receivables	1,519.53	1,519.53	1,519.53			
Other Financial assets						
Non Current:	12,970.00	12,970.00		12,970.00		
Current:	25.04	25.04	25.04			

41.2. Financial Instruments

Financial Assets and Liabilities

(i) Fair Value Measurement

Rs. in '000

Particulars	FVTOCI	FVTPL	Amortised cost	Total	Carrying amount
As at 31st March, 2024					
A. Financial assets					
(i) Non-Current investments	51,065.67	10,273.13	-	61,338.80	61,338.80
(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
Total	51,065.67	10,273.13	35,260.00	96,598.80	96,598.80
B. Financial Liabilities					
(i) Borrowings			6,031.86	6,031.86	6,031.86
(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
Total	-	-	31,288.79	31,288.79	31,288.79



MUNOTH FINANCIAL SERVICES LIMITED

Rs. in '000

Particulars	FVTOCI	FVTPL	Amortised cost	Total	Carrying amount
As at 31st March, 2023					
A. Financial assets					
(i) Non-Current investments	49,850.12	4,695.27	-	54,545.38	54,545.39
(ii) Trade receivables			1,475.80	1,475.80	1,475.80
(iii) Cash and cash equivalents			4,527.36	4,527.36	4,527.36
(iv) Other financial assets (Current and Non-current)			12,995.04	12,995.04	12,995.04
Total	49,850.12	4,695.27	18,998.20	73,543.58	73,543.59
B. Financial Liabilities					
(i) Borrowings			4,091.86	4,091.86	4,091.86
(ii) Lease Liabilities (Current and Non-current)					
(iii) Trade payables			7,529.00	7,529.00	7,529.00
(iv) Other financial liabilities (Current and Non-current)			1,263.53	1,263.53	1,263.53
Total			12,884.40	12,884.40	12,884.40

(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.

(a) Fair value of the Company's financial assets that are measured at fair value on a recurring basis

Rs. in '000

Particulars	Level 1	Level 2	Level 3	Total
As at March 31, 2024				
A. Financial Assets				
(i) Non-Current Investments	10,273.13	51,065.67		61,338.79
As at March 31, 2023				
A. Financial Assets				
(i) Non-Current Investments	4,695.26	49,850.17		54,545.43

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.



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

A. Borrowings	2023-24	2022-23
(a) Financial assets at amortized cost		
Interest income on Bank Deposits	78.34	140.58
Interest income on other Financial Assets	-	-
Impairment of Trade Receivables	-	-
Provisions for Bad and doubtful debts	-	-
Bad Debts written off recovered	-	-
(b) Financial asset at FVTOCI		
Change in fair value of equity instruments designated irrevocably as FVTOCI	1,215.54	2,695.00
Dividend Income	4.89	6.12
(c) Financial asset at FVTPL		
Change in fair value of equity instruments designated irrevocably as FVTPL	5,576.74	523.30
(d) Financial liabilities at amortized cost		
Interest expenses on borrowings from banks, others and overdrafts	0.04	0.27
Sundry Creditors written back	-	-

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, 2024 is Rs. 51,353 thousands (Previous Year: Rs. 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.

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:

A. Borrowings	2023-24	2022-23
Loans repayable on Demand from Related parties	6,031.86	4,091.86
Total Debt (A)	6,031.86	4,091.86
Debt as a % of Total Capital	0.05	0.04

A. Total Equity	2023-24	2022-23
Equity Share Capital	51,353.00	51,353.00
Other Equity	56,050.06	52,919.55
Total Equity (B)	1,07,403.06	1,04,272.55
Equity as a % of Total Capital	0.95	0.96
Total Capital (A+B)	1,13,434.92	1,08,364.41
Capital Gearing ratio	0.06	0.04



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41.4 Reconciliation of effective tax rates

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

Particulars	March 31, 2024	March 31, 2023
Profit for the year from Continuing operations	1,890.74	(2,312.29)
Income tax rate as applicable (b)	0.26	0.26
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	491.59	(601.20)
Other Adjustments	(491.59)	(601.20)
Income tax expense recognised in profit or loss (relating to continuing operations and Human Pharma operations)	-	-
Comprising:		
Current Tax	-	-
Deferred tax	(26.77)	25.92
Income tax recognised in other comprehensive income	-	-

Approval of Financial Statements

The Financial Statements were approved for issue by the Board of Directors on May 29, 2024.

As per our report of even date attached

For Kumbhat & Co
Chartered Accountants
FRN NO: 001609S

For and on behalf of the Board of Directors

-sd-
LALCHAND MUNOTH Chairman
(DIN : 01693640)

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

-sd-
[M.V. CHANDRAMOULEESWARAN]
Partner
M.NO: 202629
UDIN:24202629BKAHQE2344

-sd-
A. G. NANDINI
Company Secretary

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

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

PLACE : CHENNAI
DATE : 29-05-2024

To,

MUNOTH FINANCIAL SERVICES LIMITED

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