



# Munoth Communication Limited

**38<sup>th</sup> Annual Report 2021-22**



## MUNOTH COMMUNICATION LIMITED

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**BOARD OF  
DIRECTORS**

Mr. Lalchand Munoth, Chairman, DIN No: 01693640  
Mr. Jaswant Munoth, Managing Director, DIN No: 00769545  
Mr. Bharat Munoth, Director, DIN No: 00769588  
Mr. C.R. Sasi, Director, DIN No: 06752354  
Mr. Vikas Munoth, Director, DIN No: 00769366  
Ms. Lakshika Mehta, Director DIN No: 07183815

**COMPANY SECRETARY**

Jinal Jain

**AUDITORS**

**Mardia & Associates**  
Chartered Accountants  
Chennai

**SECRETARIAL AUDITOR**

N Selvam  
Practicing Company Secretary  
Mr. V. Ramasubramanian  
Peer reviewed PCS (secretarial audit report 2021-22)

**BANKERS**

Indian Bank  
Bank of Baroda  
The Federal Bank Ltd.

**LEGAL  
ADVISORS**

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

**REGISTRARS AND SHARE  
TRANSFER AGENT**

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

**REGISTERED OFFICE**

Munoth Centre, Suite No. 48  
3rd Floor, 343, Triplicane High Road,  
Chennai - 600 005.

**CIN**

L65991TN1984PLC010816



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## MUNOTH COMMUNICATION LIMITED

**MUNOTH COMMUNICATION LIMITED  
REGD. OFFICE: MUNOTH CENTRE  
3RD FLOOR, 343 TRIPLICANE HIGH ROAD  
CHENNAI - 600 005  
CIN NO: L65991TN1984PLC010816**

### **NOTICE TO THE SHAREHOLDERS**

NOTICE is hereby given that the THIRTY EIGHTH Annual General Meeting of the Company will be held at 11 AM (IST) on 17th August, 2022 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 along with the consolidated financial statements of the Company for the financial year ended March 31, 2022 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 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.
4. Appointment of Auditors

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, M/s. Kumbhat & Co, Chartered Accountants (Firm's Registration No.001609S) be and are hereby appointed as the statutory auditor of the company in place of the retiring Auditor M/s. Mardia & Associates to hold office from the conclusion of this Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company to be held in year 2027 to examine and audit the accounts of the Company at such remuneration, as mentioned in explanatory statement plus applicable taxes, out-of-pocket expenses etc, as may be mutually agreed between the Board of Directors and the Auditors."

**For MUNOTH COMMUNICATION LIMITED**

Place: Chennai  
Date: 27-05-2022

**Mr. Lalchand Munoth**  
CHAIRMAN



**NOTES:**

**EXPLANATORY STATEMENT:**

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

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

In view of the continuing Covid-19 pandemic, maintenance of social distance norms, the Government of India, the Ministry of Corporate Affairs ("MCA") has vide its circular no.20/2020 dated May 5, 2020 and 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 (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 (collectively referred to as "SEBI Circulars") permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

**APPOINTMENT OF 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.

Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send at least 48 hours before prior to start of voting, a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [cs@munothcommunication.com](mailto:cs@munothcommunication.com) with a copy marked to [evoting@cDSL.co.in](mailto:evoting@cDSL.co.in).

**CLOSURE OF REGISTER OF MEMBERS:**

Pursuant to section 91 of the Companies Act 2013 read with Companies (Management & Administration) Rules 2014 and Regulation 42 of the SEBI (LODR) Regulations 2015 the Register of Members and the Share Transfer Books of the Company will remain closed from August 11, 2022 to August 17, 2022 (Both days inclusive).

**CHANGE OF PARTICULARS & 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 to intimate such details to Cameo Corporate Services Ltd, "through web module <https://investors.cameoindia.com/>", wherein the shareholders can log in and register the Email ID and mobile number against the folio number in which they hold shares.

**NOTICE OF AGM & ANNUAL REPORT**

The Annual Report for the year 2021-22 containing the Notice for 38th AGM, is being sent only in electronic form, to all the shareholders whose names appear on the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as at the close of business hours on July 15, 2022 and who have registered their 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.



#### **DEMATERIALIZATION 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 2021-22 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 2021-22 will also be available on the Company's website [www.munothcommunication.com](http://www.munothcommunication.com), websites of the Stock Exchange- BSE Limited at [www.bseindia.com](http://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.

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@munothcommunication.com](mailto:cs@munothcommunication.com) or intimate such details to Cameo Corporate Services Ltd, " through web module [https:// investors.cameoindia.com/](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.

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.

#### **PROCEDURE TO ATTEND MEETING**

##### **a. Login procedure**

- (i) Members may attend the Meeting through VC/OAVM viz. Zoom App. with the following link. <https://us02web.zoom.us/j/88452803895?pwd=T0VsVytwTXRqZzJ6RWRCSHZnTkErdz09>  
Meeting ID: 884 5280 3895  
Passcode: 919890  
through smart phone or "laptop, connected through broadband.
- (ii) Participants Connecting from Mobile Devices or Tablets or through Laptop via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (iii) 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.munothcommunication.com](http://www.munothcommunication.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com)
- (vi) In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, 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.

**b. INSTRUCTIONS FOR REMOTE EVOTING: 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. 10/08/2022.

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 August 14, 2022 at 9 A.M. and ends on August 16, 2022 at 5 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 10, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would be entitled to attend the meeting.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders'/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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



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Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is 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.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on</li> </ol>



	<p>the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWebIdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWebIdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ 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, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>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 &amp; voting during the meeting.</p>



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**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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- (1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (2) Click on "Shareholders" module.
- (3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

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

(ix) After entering these details appropriately, click on "SUBMIT" tab.



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- (x) 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@munothcommunication.com](mailto:cs@munothcommunication.com) respectively 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 attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.*

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

**Particulars of Directors seeking appointment/ re- appointment/resignation as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The particulars in respect of Directors seeking appointment/reappointment in the forthcoming Annual General Meeting as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , are available in the Directors Report under section “Directors and KMP” in the Annual Report.

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.munothcommunication.com](http://www.munothcommunication.com) and on the website of CDSL within a period not exceeding two working days of passing of the resolution at the AGM of the Company. The results will also be communicated to the stock exchanges where the shares of the Company are listed.

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

The following statements sets out all material facts relating to the relevant Business mentioned in the accompanying notice.

**ITEM NO. 4 :Appointment of Statutory Auditors**

The members of the Company at the 33rd Annual General Meeting held on August 30 , 2017 had approved the appointment of M/s. Mardia & Associates, as the Statutory Auditors of the Company, to hold the office of the Statutory auditor from the conclusion of the 33rd Annual General Meeting till the conclusion of 38<sup>th</sup> Annual Meeting.

In accordance with the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 (‘the Act’) read with the Companies (Audit and Auditors) Rules, 2014, the Company can appoint or reappoint an audit firm as Statutory Auditors for not more than two terms of five consecutive years. The Board of Directors, at its meeting held on May 27, 2022, based on the recommendation of the Audit Committee, approved the re-appointment of M/s. Kumbhat & Co, Chartered Accountants for the first term of five years to hold office from the conclusion of the 38<sup>th</sup> AGM till the conclusion of the



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43<sup>rd</sup> AGM to be held in the year 2027, at a remuneration up to 1.30 lakhs per annum plus applicable taxes and reimbursement of out-of-pocket expenses for the financial year ended March 31, 2023 and propose the same for approval of the members. Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the statutory auditors under various regulations on a fee mutually agreed between auditors and Board of Directors with the approval of audit committee.

The Board of Directors and the Audit Committee shall approve the revision in the remuneration of the statutory auditors, for the balance part of the tenure, based on the performance review and any additional efforts on account of changes in regulations or management processes or other considerations.

In regards to appointment of Statutory Auditors referred to in item no. 4 of the Notice, the brief profile of the Auditors is as under:

M/s. Kumbhat & Co (FRN: 001609S) is a partnership firm with 10 partners and is supported by experts and consultants in various areas with a staff strength of about 80. The firm operates in four major cities headquartered in Chennai and branches at Coimbatore, Bengaluru and Mumbai and Pan India network with most modern and state of the art infrastructure. It offers professional services in the field of Income Tax, GST, Customs, Accounting, Auditing, Advisory and Management Consultancy. representing clientele before Tax and Statutory authorities for compliance, appeals and refunds to over 3000 clientele across India.

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice of the 38th Annual General Meeting. The Directors recommend the resolution for approval by the members.

By Order of the Board  
For **MUNOTH COMMUNICATION LIMITED**

Place : Chennai  
Date : 27-05-2022

LALCHAND MUNOTH  
CHAIRMAN



## MUNOTH COMMUNICATION LIMITED

### DIRECTORS' REPORT

#### To The Members

Your Directors have pleasure in presenting their Thirty Eighth Annual Report together with the Audited Accounts (Standalone and Consolidated) for the year ended March 31, 2022: (In '000s)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2021-22 Rs.	2020-21 Rs.	2021-22 Rs.	2020-21 Rs.
Total Revenue	315.084	1735.993	315.084	1735.993
Total Expenses	4881.920	5902.186	4881.920	5902.186
Profit/(Loss) before exceptional and extra ordinary items and tax	(4566.836)	(4166.193)	(4566.836)	(4166.193)
Less: Exceptional items	0	0	0	0
Less: Extraordinary items	0	0	0	0
Profit/(Loss) before tax	(4566.836)	(4166.193)	(4566.836)	(4166.193)
Less: Current and Deferred Tax	0	0	0	0
Add: Share of Profit from Associates –CFORE Telecom Limited	-	-	(39.341)	(17.355)
Profit/(Loss) after tax	(4566.836)	(4166.193)	(4606.176)	(4183.548)
Other Comprehensive Income: Items that will not be reclassified to profit or loss- Changes in fair value of FVOCI equity instruments.	(588.958)	7646.184	(588.958)	7646.184
Total Comprehensive income for the year	(5155.794)	3479.991	(5195.135)	3462.636
Earnings per share: Basic & Diluted	(0.47)	(0.43)	(0.48)	(0.43)

#### REVIEW OF BUSINESS OPERATIONS:

Your Company has made sales of Rs. 3,11,850 for the year ending 31<sup>st</sup> March 2022 as against Rs. 17,32,250 sales for the year ending 31<sup>st</sup> March 2021.

Further the Company has made loss of Rs. 45,66,836 for the year ending 31<sup>st</sup> March 2022 as against Rs. 41,66,193 for the year ending 31<sup>st</sup> March 2021.

#### FUTURE PROSPECTS:

The Company is proposing to set up an assembly unit to assemble power bank and battery pack given conducive environment and attractive fiscal incentives by Government of India and State Government. The proposed plan is delayed due to COVID-19 virus breakout in our Country.

#### DIVIDEND:

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



## MUNOTH COMMUNICATION LIMITED

### **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 31<sup>st</sup> MARCH 2022 (THE END OF THE FINANCIAL YEAR) and 2<sup>nd</sup> JULY 2022 (THE DATE OF REPORT)**

There were no material changes and commitments affecting the financial position of the company between 31<sup>st</sup> March 2022 (the end of the financial year) and 2<sup>nd</sup> July 2022 (the date of the report).

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

The details of conservation of energy, technology absorption etc as required to be given under section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 are not applicable to the Company, as our Company has not carried out any manufacturing activities.

The foreign exchange earnings on account of the operation of the Company during the year were Rs. NIL.

### **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.

### **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 2021-22.

### **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.

### **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.

### **EXTRACT OF ANNUAL RETURN**

The Extract of Annual return as on March 31, 2022 as provided under section 92 of Companies Act, 2013 is available on the website of the Company- [www.munothcommunication.com](http://www.munothcommunication.com)

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is presented in separate section forming part of the Annual Report as Annexure 2.



## MUNOTH COMMUNICATION LIMITED

### ***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 31<sup>st</sup> March 2022 and of Profit and loss of the Company for the year ended 31<sup>st</sup> March 2022.
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting 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.

As per SEBI Listing Regulations 2015, Audit Committee has reviewed the Director's Responsibility Statement.

### ***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 & KMP:***

Mr. Bharat Munoth, Mr. Vikas Munoth retires by rotation at the forth coming Annual General Meeting and being eligible offers themselves for re-appointment.

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, the following are the details of the directors seeking appointment/re-appointment:

#### ***1. 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 for reappointment. Mr. Bharat Munoth, aged 52 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 Financial Services Limited, Munoth Bio Science 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, 2022 his shareholding in the Company is 115150 shares and has no shares held by/for other persons on a beneficial basis. He has attended all the 4 board meetings held by the company. 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.



**2. 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 45 years (DOB: 26/03/1977) is a graduate in Commerce and has Masters Degree in Business Administration. He is CFA with specialization in Finance and Marketing and has a extensive knowledge in the field of mobile phones and accessories for the last 15 years. He is also director of Munoth Financial Services Limited and Munoth Industries Limited. As on March 31, 2022, his shareholding in the Company is 64673 shares and has no shares held by/for other persons on a beneficial basis. Disclosure of relationships between directors inter-se: Mr. Lalchand Munoth is the father of Mr. Vikas Munoth and Mr. Jaswant Munoth & Mr. Bharat Munoth are brothers of Mr. Vikas 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 was observed.

**STATUTORY AUDITORS:**

The appointment of M/s. Kumbhat & Co., as Statutory auditors in place of retiring auditor M/s. Mardia and Associates for a period of 5 years from the conclusion of 38th AGM upto 43<sup>rd</sup> AGM to be held in 2027 is placed under item 4 for the approval of shareholders in the accompanying notice.

**SECRETARIAL AUDIT REPORT:**

The Board of Directors in their meeting held on July 2, 2022 has

1. Noted the resignation of Mr. N Selvam, the secretarial auditor of the Company as he is not entitled to certify the secretarial audit report for financial year 2021-2022, due to peer review guidelines issued for Practicing Company Secretaries.
2. Appointed Mr. V Ramasubramanian ( cop : 11325 and Peer Review Certificate No: 1579 / 2021) as Secretarial auditor of the Company to do the secretarial audit for the financial year 2021-22

A Secretarial Audit was conducted in accordance with provisions of section 204 of the Companies Act, 2013 and the Secretarial Audit Report dated 02/07/2022 given by Mr. V Ramasubramanian 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 2021-22.

**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 COMMUNICATION LIMITED

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### **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. During the year under review, the Company has one associate Company -CFORE Telecom Limited. The 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 SEBI Regulations, the Company has formulated a policy on Related Party transactions which is also available on Company's website at [www.munothcommunication.com](http://www.munothcommunication.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 disclosure for financial year 2021-22 in Form No. AOC.2 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.

In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, which is available for inspection by the members at the registered office of the company during business hours on working days of the company. If any member is interested in inspecting the same, such member may write to the Company in advance and the same will be furnished. The full annual report is also available on the Company's website [www.munothcommunication.com](http://www.munothcommunication.com).

### **VIGIL MECHANISM:**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, 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.munothcommunication.com](http://www.munothcommunication.com).

### **CORPORATE GOVERNANCE:**

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 2021-22 Since the Net Worth is below 25 Crores and the Paid up Capital of the Company is less than 10 Crores.

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

The Company has conducted 4 Board meetings during the financial year under review. They were held on 28<sup>th</sup> May 2021, 10<sup>th</sup> August 2021, 12<sup>th</sup> November 2021 and 8<sup>th</sup> February 2022.



**AUDIT COMMITTEE:**

The Audit Committee comprises of Directors namely Mr. C R Sasi, Ms. Lakshika Mehta (Chairman) and Mr. Jaswant Munoth (executive director) as members. All the recommendations made by the Audit Committee were accepted by the Board.

**NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee comprises of 3 Directors namely Mr. CR Sasi (Chairman), Ms. Lakshika Mehta and Mr. Jaswant Munoth (executive director) as members. The Nomination and Remuneration Policy is mentioned in Annexure1 of the Annual Report.

**STAKEHOLDER'S RELATIONSHIP COMMITTEE:**

The Board of Directors has constituted the Shareholders' and Investors' Grievance Committee in 2000. This 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 looks into matters that can facilitate better investor services and relations.

The committee consists of the following Directors:

1. Ms. Lakshika Mehta, Chairman
2. Mr. C R Sasi
3. Mr. Jaswant Munoth

**STOCK EXCHANGES**

The Company's shares are listed on The Stock Exchange, Mumbai.

**PREVENTION OF INSIDER TRADING:**

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

**GENERAL:**

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the company and ESOS under any scheme.
3. The company does not have any subsidiaries and hence the disclosure stating that the Managing Director/ whole Time Director of the Company not receiving any remuneration or commission for subsidiary are 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.



## MUNOTH COMMUNICATION LIMITED

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### **ACKNOWLEDGEMENTS:**

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

By Order of the Board  
for **MUNOTHCOMMUNICATION LIMITED**

Place : Chennai  
Date : 27-05-2022\*\*

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

**Bharat Munoth**  
Director (DIN : 00769588)

(\*\* This report was modified and taken for board approval on 2<sup>nd</sup> July 2022)



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**ANNEXURE 1**

**Nomination and Remuneration Policy**

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

**1. OBJECTIVE**

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

The key objectives of the Committee are:

To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

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.

To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and too assist the Board in fulfilling its responsibilities.

**2. DEFINITIONS**

**Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

**Board** means Board of Directors of the Company.

**Directors** mean Directors of the Company.

**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.

**Senior Management** means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

**3. OBJECTS OF COMMITTEE**

**3.1 The objects 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.
- 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 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.
- e. **Remuneration to Managing / Whole-time Director, KMP and Senior Management Personnel**
- f. **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



## MUNOTH COMMUNICATION LIMITED

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.

- h. **Minimum Remuneration:** If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- i. **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 in the Articles of Association of 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 within the monetary limit approved by shareholders, 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. ROLE OF NOMINATION COMMITTEE :**

The role 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 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.

**5. ROLE OF REMUNERATION COMMITTEE**

The role of remuneration Committee includes:

- 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 all elements of the remuneration of the members of the Board.
- b. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c. to delegate any of its powers to one or more of its 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. MEMBERS** The Committee shall consist of a minimum 3 non-executive directors, majority of them 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 of votes 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 in the 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.

By Order of the Board  
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai  
Date : 27-05-2022

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

**Bharat Munoth**  
Director (DIN : 00769588)



ANNEXURE 2

MANAGEMENT DISCUSSION AND ANALYSIS REPORT  
REPORT

**1. Industry Structure and Development:**

The global mobile phone accessories market size was valued at \$224.69 billion in 2018, and is projected to reach at \$284.06 billion by 2026, growing at a CAGR of 3.1% from 2019 to 2026. Mobile phone plays an important and vital role in modern day to day life. Increase in the adoption of smart phones, as they offer effective connectivity to the digital world majorly drives the mobile phone accessories market. Rise in demand for wireless accessories also boosts the market growth. This increase in demand is due to the change in customer preferences to listen to music on portable devices, such as smart phones and tablets.

Rise in demand for wireless accessories drives the mobile phone accessories market growth. This increase in demand is due to the change in customer preferences to listen to music on portable devices, such as smart phones and tablets. Music is easily accessible through music streaming platforms, which include YouTube and SoundCloud. The demand for mobile phone accessories has increased due to an upsurge in disposable income and rise in the popularity of social networking sites in urban areas. In addition, increase in internet penetration also boosts the online retailing platform. However, excessive use of headphones affects the hearing ability of the users, which restricts the market growth. Rapid technological advancements, including implementation of noise canceling technology, Bluetooth/NFC speakers, and built-in fan and light in selfie sticks, are expected to offer lucrative growth opportunities in the near future. However, the imposition of tariffs on imports and exports among leading manufacturing countries result in significant changes in the global technological landscape. The future market uncertainty restricts the companies to invest and reduce the pace of development.

Mobile phone accessories packaging market will reach an estimated valuation of USD 132.93 billion by 2027, while registering this growth at a rate of 6.60% for the forecast period of 2020 to 2027.

**2. Segment Wise Performance:**

The company is currently operating in a single segment i.e selling and distribution of mobile phones and accessories.

**3. Future Plans and Outlook:**

The Company is proposing to set up an assembly unit to assemble power bank and battery pack given conducive environment and attractive fiscal incentives by Government of India and State Government. The proposed plan is delay due to COVID-19 virus breakout in our Country.

**4. Business operations**

Your Company has made sales of Rs. 3,11,850 for the year ending 31<sup>st</sup> March 2022 as against Rs. 17,32, 250 sales for the year ending 31<sup>st</sup> March 2021.

Further the Company has made loss of Rs. 45,66,836 for the year ending 31<sup>st</sup> March 2022 as against Rs. 41,66, 193 for the year ending 31<sup>st</sup> March 2021.

**5. Strength and Weakness**

The demand for handset market is huge and the government support to domestic manufacturing industry will strengthen the industry. Mobile device adoption amongst youth population in the country and continual decline of prices of mobile phones, smart phones and tablets are impetus to the growth of mobile accessory market in India. Online retailing also plays a big part. It offers the convenience of cash on delivery payment option and cheaper offers for various products as compared to physical stores.

The mobile handset industry is facing problems relating to high service cost, expensive infrastructure and government regulations. There is a huge disparity in the mobile accessory market with several players competing for market share owing to Chinese manufacturing infrastructure.



**6. Opportunities and Threats:**

Mobile accessories are also considered a style statement today and brands are focusing on making them trendy and attractive and there is no single brand available in India which manufactures all mobile phone accessories.

Low cost manufacturing and parallel imports have led to the advent of a huge unorganized market, the size of which is estimated at about 60 percent.

**7. Outlook, Risks and Concern:**

Rise in disposable income has revolutionized customers buying and spending trend, especially in the urban areas. Mobile device adoption amongst youth population in the country and their spending patterns provide strong stimulus for growth in adoption. The following are the Key trends shaping up the outlook of the global mobile phone accessories market:

Key Trends in India's Mobile Phone Accessories Market

- Irregular electricity & power distribution infrastructure in India serves as a catalyst for consumption of power banks. In some cases, mobile phone users in India lack proximity to suitable power source, which further necessitates use of accessories such as power banks. Buying power banks that could charge multiple devices in a go, is trending in mobile phone accessories market in India. In the span of next ten years, sales of power banks in India will account for over \$350 million in terms of revenues.
- Demand for modular smart phones and mobile phones are likely to increase in India, providing an opportune scope for mobile phone accessories that are limited to compatibility with specific device connectors. Furthermore, various products sold as mobile phone accessories in India have been able to attain compatibility with computers and laptops and vice-a-versa, broadening scope of end-use among consumers.
- Technological advancements are openhandedly welcomed by Indian consumers, triggering an opportunity for sales of other mobile phone accessories such as keyboard attachments, cameras, dongles, selfie sticks, thermal imaging cameras, VR headsets, protective screens and wireless ear buds, among others. With surge in sales of other related products, the mobile phone accessories market in India is likely to generate over \$150 million revenues.
- Multi-brand stores are trending as the most-preferred distribution channel for buying mobile phone accessories in India. States in North India will continue to dominate by accounting for over 30% of the market revenues, while states in South and West India will collectively account for half of India's mobile phone accessories revenues in the span of next ten years.

**8. Human Resources/Industrial Relations:**

Your Company considers its Human Resources as its most valuable asset among all their assets of the Company. It has been the policy of the company to promote the talent by providing opportunities to develop themselves within the organisation. The Company continued to maintain a cordial and harmonious relation with its employees.

**9. Internal Control System and Adequacy:**

Your Company lays emphasis on integrated control systems and accountability and has been maintaining adequate system in place commensurate with its size and nature of business.

**10. 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 may differ from those either expressed or implied.

By Order of the Board  
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai  
Date : 27-05-2022

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

**Bharat Munoth**  
Director (DIN : 00769588)



## MUNOTH COMMUNICATION LIMITED

### **ANNEXURE 3**

### **Form No. MR-3**

### **SECRETARIAL AUDIT REPORT**

### **FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

[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 Communication Limited

I have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to Good Corporate Practices by **M/s Munoth Communication Limited** (CIN: L65991TN1984PLC010816) (hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate Conducts / Statutory Compliances and expressing my opinion thereon.

Based on my verification of the Company's 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 hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March 2022 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 have examined the Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March 2022 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:
4. Foreign Exchange Management Act (FEMA), 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB).
5. 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; as applicable



## MUNOTH COMMUNICATION LIMITED

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

- (i) Secretarial Standards (SS) SS-1 for Board Meetings and SS-2 for General Meetings issued by The Institute of Company Secretaries of India in terms of sub-section 10 of Section 118 of the Companies Act, 2013, for the Financial Year under review.
- (ii) The Listing Agreements/ Listing Regulations entered into by the Company with BSE.

I 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.

I have not examined the compliance by the Company with the applicable Financial Laws, viz. Direct and Indirect Tax Acts, since the same have been subject to review by the Statutory Auditors and other designated Professionals.

**I further report that:**

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. During the year, there were no changes in the composition of the Board of Directors of the Company.
- ii) Constituted the Audit Committee of the Board of Directors in terms of the provisions Section 177 of the Companies Act, 2013;
- iii) Constituted Nomination and Remuneration Committee of the Board of Directors and has formulated "Nomination and Remuneration Policy" in terms of the provisions of Section 178 of the Companies Act, 2013 and the Rules made thereunder;
- iv) Considered and approved the "Code of Business Conduct and Ethics" of the Company framed in terms of the provisions of Section 149 read with Schedule IV of the Companies Act, 2013.
- v) Adequate notice was given to all the Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent 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.
- vi) Majority decision is carried through while the dissenting Members' views are captured and recorded as part of the Minutes.

**I 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 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 Collaboration Agreement.

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:02.07.2022

V Ramasubramanian  
Practising Company Secretary  
ACS No: 5890  
COP No: 11325  
Peer Review Certificate No: 1579/2021  
UDIN:A005890D000557408



## MUNOTH COMMUNICATION 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:

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



## MUNOTH COMMUNICATION 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

Name of associates/Joint Ventures	CFORE TELECOM LIMITED
1. Latest audited Balance Sheet Date	31/03/2022
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	4,07,400
Amount of Investment in Associates /Joint Venture	Rs. 40,74,000
Extend of Holding%	40.74%
3. Description of how there is significant influence	Controls more than 20% of the total share capital
4. Reason why the associate/joint venture is not consolidated	Consolidated
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. (46,87,678.71)
6. Profit/Loss for the year	
i. Considered in Consolidation	Rs. (39,341)
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

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

As per our report of even date

**For MARDIA & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number : 007888S

For and on behalf of the board of directors of  
Munoth Communication Ltd

MANISH MARDIA  
Partner  
Membership Number : 205307  
UDIN: 22205307AMUXCS6313

Lalchand Munoth  
[DIN:01693640]  
[Chairman]

Jaswant Munoth  
[DIN:00769545]  
[Managing Director]

Bharat Munoth  
[DIN:00769588]  
[Director]

Place : Chennai  
Date : 27-05-2022

S Anantha Padmanabhan  
CFO

Jinal Jain  
Company Secretary



## MUNOTH COMMUNICATION 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.

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)	Date of approval by the Board	
f)	Amount paid as advances, if any	

By Order of the Board  
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai  
Date : 27-05-2022

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

**Bharat Munoth**  
Director (DIN : 00769588)



## MUNOTH COMMUNICATION 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. Jaswant Munoth- NA Mr. Bharat Munoth NA Mr. Vikas Munoth NA Mr C R Sasi – NA Mr.Lalchand Munoth- NA Ms.Lakshika Mehta - NA Ms.Jinal Jain-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. Jaswant Munoth: NA Mr. Bharat Munoth: NA Mr. Vikas Munoth: NA Mr C R Sasi NA Mr. S AnanthaPadmanabhan(CFO) - NA Ms.Lakshika Mehta - NA Ms.Jinal Jain-No increase
(iii)	the percentage increase in the median remuneration of employees in the financial year	0.00%
(iv)	the number of permanent employees on the rolls of company	4
(v)	the explanation on the relationship between average increase in remuneration and company performance	There is no increase in remuneration except for increase paid to employees due to additional responsibilities/promotion
(vi)	comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Remuneration of Key Managerial Personnel: CFO NIL Company Secretary - Rs. 3.65 Lakhs Net loss of the Company for the year Rs.45.66 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 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	The market capitalisation as on 30/03/2022 (LTP) was Rs. 357.99 Lacs ( last year as on 30/03/2021 was Rs. 243.16 Lacs ) NA  The Company had come out with the Initial Public Offer (IPO) in May 1995 at Rs. 10/- in per share with a cash premium of Rs.20/- per share & rights issue in April 1995 of Rs. 10/- each at a premium of Rs. 5/- per share. As on 30/03/2022, the market price per share is Rs. 3.71/- per share.



## MUNOTH COMMUNICATION 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 Managerial Remuneration.
(ix)	comparison of the each remuneration of the Key Managerial Personnel against the Performance of the company	Mr. Anantha Padmanabhan (CFO) - NIL Ms.Jinal Jain (Company Secretary)- Rs.3.625 Lakhs per annum. Net loss of the Company for the year Rs.45.66 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	NA
(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.

By Order of the Board  
for **MUNOTH COMMUNICATION LIMITED**

Place : Chennai  
Date : 27-05-2022

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

**Bharat Munoth**  
Director (DIN : 00769588)



**CEO AND CFO CERTIFICATION**

The Board of Directors,  
Munoth Communication 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, 2022 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.

Place: Chennai  
Date: 27-05-2022

**S AnanthaPadmanabhan**  
CFO

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



## MUNOTH COMMUNICATION LIMITED

### INDEPENDENT AUDITOR'S REPORT

The Members of  
**MUNOTH COMMUNICATION LIMITED**  
Chennai

#### Opinion

We have audited the Standalone Ind AS financial statements of **MUNOTH COMMUNICATION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss, statement of changes in equity and Cash Flow Statement for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes



our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 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.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - c. There are no branch offices of the Company.
  - d. The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of accounts.
  - e. In our opinion, the aforesaid standalone Ind AS financial statements comply with Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.



## MUNOTH COMMUNICATION LIMITED

- f. On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- g. 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".

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

- i) The Company does not have any pending litigation which would impact its financial position.
- ii) The Company does not have any long-term contracts requiring a provision for material foreseeable losses.
- iii) The Company does not have any amounts required to be transferred to the Investor Education and Protection Fund.
- iv)
  - (a) The Management has represented that, to the best of its knowledge and belief, 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been 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 Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) No dividend has been declared or paid during the year by the Company.
- vi) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For Mardia & Associates**  
*Chartered Accountants*  
Firm's registration number: 007888S

(Manish Mardia)  
Proprietor

Place: Chennai  
Date: 27-05-2022

Membership number: 205307  
UDIN: 22205307AMUXCS6313



## MUNOTH COMMUNICATION LIMITED

**Annexure A referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date**

**TO THE MEMBERS OF MUNOTH COMMUNICATION LIMITED :**

(i)	(a)	A.	On the basis of our examination of the Books of accounts the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
		B.	According to the information and explanations given by the management, the Company does not have any intangible assets and hence provisions of clause 3(i)(a)(B) of the Order are not applicable to the Company and hence not commented upon.
	(b)		According to the information and explanations given by the management, fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
	(c)		According to the information and explanations given by the management, the Company has title deeds of immovable properties held in the name of the company.
	(d)		The company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the year.
	(e)		No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
(ii)			The inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were notice on such physical verification.
(iii)	(a)	A.	On the basis of our examination of the Books of accounts, the Company has not given loans or advances or guarantees or security to subsidiaries, joint ventures and associates.
		B.	On the basis of our examination of the Books of accounts, the aggregate amount of loans or advances given to parties other than subsidiaries, joint ventures and associates is Nil and the balance outstanding as at the balance sheet date is Nil. The company has not given guarantees or security to parties other than subsidiaries, joint ventures and associate.
	(b)		The terms and conditions of the grant of loans and advances in the nature of loans are not prejudicial to the company's interest.
	(c)		No schedule of repayment of principal and payment of interest has been stipulated in respect of loans and advances.
	(d)		No amount is overdue in respect of loans and advances.
	(e)		No loans or advance in the nature of loan granted has fallen due during the year.
	(f)		On the basis of our examination of the Books of accounts, the company has not granted any loan repayable on demand to related parties as specified in clause (76) of section 2 of the Companies Act, 2013.
(iv)			In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.



## MUNOTH COMMUNICATION LIMITED

(v)			The Company has not accepted any deposits from the public and no amounts are deemed to be deposits hence provisions of clause 3(v) of the Order are not applicable to the Company and hence not commented upon.
(vi)			As informed to us by the management, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of activities carried on by the Company.
(vii)	(a)		The company has generally been regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India.
	(b)		According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
(viii)			According to the information and explanations given to us, no income has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
(ix)	(a)		The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
	(b)		The company has not been declared a wilful defaulter by any bank or financial institution.
	(c)		On the basis of our examination of the Books of accounts, the term loans were applied for the purpose for which the loans were obtained.
	(d)		No funds were raised on short term basis.
	(e)		The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
	(f)		Company has not raised any loans during the year by pledging securities held in their subsidiaries, joint ventures or associate companies. Hence provisions of clause 3(ix)(f) of the Order are not applicable to the Company and hence not commented upon.
(x)	(a)		No moneys were raised by way of initial public offer or further public offer (including debt instruments) during the year.
	(b)		The company has not made any private placement or issued rights share during the year. Hence provisions of clause 3(x)(b) of the Order are not applicable to the Company and hence not commented upon.
(xi)	(a)		No fraud by the company or any fraud on the company has been noticed or reported during the year.
	(b)		No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4.
	(c)		No whistle blower complaints were received during the year by the company.
(xii)			The Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.



## MUNOTH COMMUNICATION LIMITED

(xiii)			In our opinion, and according to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone Ind AS financial statements, as required by the applicable accounting standards.
(xiv)			In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
(xv)			The Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
(xvi)			The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company. Therefore, the provisions of clause 3(xvi) of the order are not applicable to the Company and hence not commented upon.
(xvii)			The company has incurred cash loss of Rs.45.67 Lakhs during the year.
(xviii)			There has been no resignation of the statutory auditors during the year.
(xix)			<p>On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are the opinion that no material uncertainty exists as on the date of the audit report so as to indicate that the 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.</p> <p>We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.</p>
(xx)			The provisions of Section 135 of the act are not applicable. Therefore, the provisions of clause 3(xx) of the order are not applicable to the Company and hence not commented upon.
(xxi)			Since this audit report is on the standalone financial statements, the provisions of clause 3(xxi) of the order are not applicable to the Company and hence not commented upon.

**For Mardia & Associates**  
*Chartered Accountants*  
Firm's registration number: 007888S

(Manish Mardia)  
Proprietor

Place: Chennai  
Date: 27-05-2022

Membership number: 205307  
UDIN: 22205307AMUXCS6313



## MUNOTH COMMUNICATION LIMITED

### **ANNEXURE B REFERRED TO IN PARAGRAPH 2 (g) OF THE SECTION ON “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE**

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

We have audited the internal financial controls over financial reporting of **MUNOTH COMMUNICATION LIMITED** as of March 31, 2022 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.



**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

*For Mardia & Associates*  
*Chartered Accountants*  
Firm's registration number: 007888S

(Manish Mardia)  
Proprietor  
Membership number: 205307  
UDIN: 22205307AMUXCS6313

Place: Chennai  
Date: 27-05-2022



## MUNOTH COMMUNICATION LIMITED

BALANCESHEET		As at	(Amount in 000's)
Particulars	Notes	31st March 2022	As at 31st March 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	28,719	29,051
Financial Assets			
i. Investments	3	42,689	43,278
ii. Loans	4	500	606
Other Non-Current Assets	5	16,318	17,012
Total Non-Current Assets		88,226	89,948
Current Assets			
Inventories	6	5,485	5,485
Financial Assets			
i. Trade Receivables	7	133	80
ii. Cash and Cash Equivalents	8	344	344
iii. Bank Balances other than (ii) above		-	-
iv. Loans	4	-	-
Other Current Assets	5	443	2,326
Total Current Assets		6,405	8,235
Total Assets		94,631	98,183
EQUITY & LIABILITIES			
EQUITY			
Equity Share Capital	9	99,513	99,513
Other Equity	10	-28,122	-22,966
Total Equity		71,391	76,547
LIABILITIES			
Non Current Liabilities			
Employee Benefit Obligations	11	1,520	1,520
Total Non-Current Liabilities		1,520	1,520
Current Liabilities			
Financial Liabilities			
i. Borrowings	12	16,260	11,996
ii. Trade Payables			
(A) total outstanding dues of MSME		-	-
(B) total outstanding dues of creditors other than MSME	13	-	204
Other Current Liabilities	14	5,461	7,916
Total Current Liabilities		21,720	20,116
Total Liabilities		23,240	21,636
Total Equity and Liabilities		94,631	98,183

The above Balance sheet should be read in conjunction with the accompanying notes

As per our report of even date

**For MARDIA & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number : 007888S

For and on behalf of the board of directors of  
Munoth Communication Ltd

MANISH MARDIA  
Partner  
Membership Number : 205307  
UDIN: 22205307AMUXGS6313

Lalchand Munoth  
[DIN:01693640]  
[Chairman]

Jaswant Munoth  
[DIN:00769545]  
[Managing Director]

Bharat Munoth  
[DIN:00769588]  
[Director]

Place : Chennai  
Date : 27-05-2022

S Anantha Padmanabhan  
CFO

Jinal Jain  
Company Secretary



## MUNOTH COMMUNICATION LIMITED

### STATEMENT OF PROFIT AND LOSS

(Amount in 000's)

Particulars	Notes	Year ended 31st March 2022	Year ended 31st March 2021
<b>Continuing Operations</b>			
Revenue from Operations	15	312	1,732
Other Income	16	3	4
<b>Total Income</b>		<b>315</b>	<b>1,736</b>
<b>Expenses</b>			
Purchase of Stock-In-Trade	17	297	1,654
Increase/decrease in Inventories of Traded Goods	18	-	-
Employee Benefit Expenses	19	783	634
Depreciation and Amortisation Expenses	20	332	401
Other Expenses	21	1,610	1,268
Finance Costs	22	1,860	1,946
<b>Total Expenses</b>		<b>4,882</b>	<b>5,902</b>
<b>Profit before Exceptional Items and Tax</b>		<b>-4,567</b>	<b>(4,166)</b>
Profit before Exceptional Items and Tax		<b>(4,567)</b>	<b>(4,166)</b>
Exceptional Items		-	-
<b>Profit before Tax from Continuing Operations</b>		<b>(4,567)</b>	<b>(4,166)</b>
<b>Income Tax Expenses</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>Total Tax Expense</b>		<b>-</b>	<b>-</b>
Profit from Continuing Operations		(4,567)	(4,166)
Profit from Discontinued Operations		-	-
<b>Profit/Loss for the year</b>		<b>(4,567)</b>	<b>(4,166)</b>
<b>Other Comprehensive Income</b>			
Items that may be reclassified to profit or loss			
Changes in fair value of FVOCI debt instruments		-	-
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(589)	7,646
<b>Other Comprehensive Income/Loss for the year, net of tax</b>		<b>(589)</b>	<b>7,646</b>
<b>Total Comprehensive Income/Loss for the year</b>		<b>(5,156)</b>	<b>3,480</b>
<b>Earnings per Equity Share</b>	23		
<b>Basic Earnings per share</b>		<b>(0.47)</b>	<b>(0.43)</b>
<b>Diluted Earnings per share</b>		<b>(0.47)</b>	<b>(0.43)</b>

The above Statement of Profit & Loss should be read in conjunction with the accompanying notes

As per our report of even date

**For MARDIA & ASSOCIATES**  
Chartered Accountants  
**Firm Registration Number : 007888S**

For and on behalf of the board of directors of  
Munoth Communication Ltd

MANISH MARDIA  
Partner  
Membership Number : 205307  
UDIN: 22205307AMUXCS6313

Lalchand Munoth  
[DIN:01693640]  
[Chairman]

Jaswant Munoth  
[DIN:00769545]  
[Managing Director]

Bharat Munoth  
[DIN:00769588]  
[Director]

Place : Chennai  
Date : 27-05-2022

S Anantha Padmanabhan  
CFO

Jinal Jain  
Company Secretary



## MUNOTH COMMUNICATION LIMITED

### Cash Flow Statement for the year ended 31 March 2022

(Amount in 000's)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	(4,567)	(4,166)
<b>Adjustments for :</b>		
Depreciation/amortisation	332	401
Interest expense	1,860	1,946
Dividend Income	(3)	(1)
<b>Operating profit before working capital changes</b>	<b><u>(2,378)</u></b>	<b><u>(1,821)</u></b>
<b>Movements in working capital :</b>		
Increase/(decrease) in Trade payables	(204)	-
Increase/(decrease) in Other current liabilities	(2,455)	5,531
Decrease/(Increase) in Financial Assets	106	-6
(Decrease)/Increase in Financial Liabilities	-	-
Decrease/(Increase) in Trade receivables	(53)	-
Decrease/(Increase) in Inventories	-	-
Decrease/(Increase) in Current loans and advances	-	6
Decrease/(Increase) in Short Term Loans and advances	-	-
Decrease/(Increase) in Other current assets	1,883	-84
Decrease/(Increase) in Other Non- current assets	694	-
<b>Cash generated from/(used in) operations</b>	<b><u>(2,407)</u></b>	<b><u>3,626</u></b>
Direct taxes paid ( Net of refunds)	-	-
<b>Net cash flow from/(used in) operating activities (A)</b>	<b><u>(2,407)</u></b>	<b><u>3,626</u></b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets,including intangible assets,	-	-
Dividend Received	3	1
<b>Net cash flow from/(used in) Investing Activity (B)</b>	<b><u>3</u></b>	<b><u>1</u></b>



## MUNOTH COMMUNICATION LIMITED

	(Amount in 000's)	
	Year ended 31 March 2022	Year ended 31 March 2021
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from short term borrowings	4,264	(1,586)
Interest paid	(1,860)	(1,946)
<b>Net cash flow from/(used in) Financing Activity (C)</b>	<b>2,404</b>	<b>-3,531</b>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	<b>0</b>	<b>96</b>
Cash and cash equivalents at the beginning of the year	344	249
<b>Cash and cash equivalents at the end of the year</b>	<b>344</b>	<b>344</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
Cash on hand	288	272
Cheques/drafts on hand		
With banks-on current account		
- Current Account	56	72
- on deposit account (margin money)		
Total cash and cash equivalents	<b>344</b>	<b>344</b>

As per our report of even date

**For MARDIA & ASSOCIATES**  
Chartered Accountants  
**Firm Registration Number : 007888S**

For and on behalf of the board of directors of  
Munoth Communication Ltd

MANISH MARDIA  
Partner  
Membership Number : 205307  
UDIN: 22205307AMUXCS6313

Lalchand Munoth  
[DIN:01693640]  
[Chairman]

Jaswant Munoth  
[DIN:00769545]  
[Managing Director]

Bharat Munoth  
[DIN:00769588]  
[Director]

Place : Chennai  
Date : 27-05-2022

S Anantha Padmanabhan  
CFO

Jinal Jain  
Company Secretary



## MUNOTH COMMUNICATION LIMITED

### **Statement of Changes in Equity for the year ended March 31, 2022**

#### **A Equity share capital**

(Amount in 000's)

	Notes	Amount
As at 1 April 2020		99,513
Changes in equity share capital	10	-
As at 31 March 2021		99,513
Changes in equity share capital	10	-
<b>As at 31 March 2022</b>		<b>99,513</b>

#### **B. Other equity**

(Amount in 000's)

	RESERVES & SURPLUS				OTHER RESERVES	TOTAL RESERVES
	Notes	Securities Premium Reserve	Revaluation Reserve	Retained Earnings	Changes in FVOCI Equity Investments	
<b>Balance at 31 March 2020</b>		<b>56,104</b>	<b>27,483</b>	<b>(1,08,161)</b>	<b>(1,872)</b>	<b>(26,446)</b>
Loss for the year		-	-	(4,166)		
Other comprehensive income for the year		-	-	-	7,646	
<b>Balance at 31 March 2021</b>		<b>56,104</b>	<b>27,483</b>	<b>(1,12,327)</b>	<b>5,774</b>	<b>(22,966)</b>
Loss for the year		-	-	(4,567)		
Other comprehensive income for the year		-	-	-	(589)	
<b>Balance at 31 March 2022</b>		<b>56,104</b>	<b>27,483</b>	<b>(1,16,894)</b>	<b>5,185</b>	<b>(28,122)</b>

#### **Nature and purpose of reserves**

##### (A) 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.

##### (B) Revaluation reserve

This reserve represents the cumulative gains and losses arising on the revaluation of Property, Plant & Equipments measured at market value certified by valuer, net of amounts reclassified to retained earnings / profit and loss when those assets have been disposed off.

##### (C) Retained Earnings

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



**Note 1: Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

*(i) Compliance with Ind AS*

The financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

*(ii) Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for the Equity Investments held not for sale. The same have been accounted using Fair Value concept.

**(b) Principles of consolidation and equity accounting**

*(i) Associates*

Associates are all entities over which the company has significant influence but not control or joint control. This is generally the case where the company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note below), after initially being recognised at cost.

**Note : Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses of the investee in profit and loss, and the company's share of other comprehensive income of the investee in other comprehensive income.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the company and its associates and the extent of the company's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the company.

**(c) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.



**(d) Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or companies of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(e) Accounting for Taxes on Income**

Current Income Tax expenses comprise taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax expenses or benefit is recognized on timing differences being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, MAT and deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize such assets.

In other situations, MAT and deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

**(f) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**(g) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(h) Investments and other financial assets**

*(i) Classification*

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

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

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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) *Measurement*

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, 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.

*Equity instruments*

The company subsequently measures all equity investments at fair value. Where the management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) *Impairment of financial assets*

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(i) **Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.



## MUNOTH COMMUNICATION LIMITED

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

### *Depreciation methods, estimated useful lives and residual value*

Depreciation is calculated using the Written down value method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

◆ Freehold buildings	30 years
◆ Machinery	15 years
◆ Furniture, fittings and equipment	10 years
◆ Vehicles	8 years
◆ Computers	3 years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

### **(j) Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### **(k) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs, as per the requirement of Schedule III, unless otherwise stated.



# MUNOTH COMMUNICATION LIMITED

(Amount in 000's)

## Note 2: Property, plant and equipment Year ended 31 March 2022

Particulars	Gross Block			Depreciation			Net Block	
	As on 1.4.2021	Addition	Deletion	As on 31.03.2022	For the year	Withdrawal	As on 31.03.2022	As on 1.4.2021
Land	26,700	-	-	26,700	-	-	26,700	26,700
Building	6,672	-	-	6,672	220	-	1,241	1,461
Plant & Equipment	2,913	-	-	2,913	60	-	360	420
Furniture & Fittings	4,716	-	-	4,716	-	-	4,589	127
Vehicles	4,410	-	-	4,410	52	-	4,243	219
Computers & Softwares	2,647	-	-	2,647	-	-	2,523	124
	<b>48,058</b>	<b>-</b>	<b>-</b>	<b>48,058</b>	<b>332</b>	<b>-</b>	<b>19,338</b>	<b>29,051</b>

## Year ended 31 March 2021

Particulars	Gross Block			Depreciation			Net Block	
	As on 1.4.2020	Addition	Deletion	As on 31.03.2021	For the year	Withdrawal	As on 31.03.2021	As on 1.4.2020
Land	26,700	-	-	26,700	-	-	26,700	26,700
Building	6,672	-	-	6,672	259	-	1,461	1,720
Plant & Equipment	2,913	-	-	2,913	73	-	420	493
Furniture & Fittings	4,716	-	-	4,716	-	-	4,589	127
Vehicles	4,410	-	-	4,410	69	-	4,191	288
Computers & Softwares	2,647	-	-	2,647	-	-	2,523	124
	<b>48,058</b>	<b>-</b>	<b>-</b>	<b>48,058</b>	<b>401</b>	<b>-</b>	<b>19,007</b>	<b>29,452</b>



## MUNOTH COMMUNICATION LIMITED

Note 3: Non-Current Investments		(Amount in 000's)
Particulars	31 March 2022	31 March 2021
Investment in equity instruments (fully paid-up)		
Quoted		
# 97800 Shares of Beneras State Bank Ltd (31 March 2021 : 97800)	4,890	4,890
# 50000 Shares of Beneras State Bank Ltd (31 March 2021 : 50000)	500	500
# 100 Shares of Colgate Palmolive (31 March 2021 : 100)	154	156
# 50 Shares of Deepak Fertilisers & Chem Ltd (31 March 2021 : 50)	28	11
# 700 Shares of Elforge Ltd (31 March 2021 : 700)	3	3
# 20 Shares of Kirloskar brothers Ltd (31 March 2021 : 20)	6	5
1015800 Shares of Munoth Financial Services Ltd (31 March 2021 : 1006100)	7,254	18,110
# 135300 Shares of Rajnarayan Financial Services Ltd (31 March 2021 : 135300)	135	135
# 100 Shares of Rane brake linings Ltd (31 March 2021 : 100)	61	79
1500 Shares of Reliance Communication Limited (31 March 2021 : 1500)	4	3
2250 Shares of Reliance Power Limited (31 March 2021 : 2250)	30	10
# 347500 Shares of Sofcom System limited (31 March 2021 : 347500)	11,120	4,900
# 50 Shares of Tata Elexi Ltd (31 March 2021 : 50)	442	135
# 620000 Shares of Tatia Global Ventures Ltd (31 March 2021 : 620000)	2,083	446
# 800000 Shares of Vertex Securities (31 March 2021 : 800000)	2,616	672
12820 EPSOM Properties Ltd (31 March 2021 : 12820)	61	52
11000 ISL Consulting Ltd (31 March 2021 : 11000)	167	130



## MUNOTH COMMUNICATION LIMITED

### Note 3: Non-Current Investments

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
9500 Laser Diamonds Limited (31 March 2021 : 9500)	4	3
13650 Mercantile Ventures Ltd (31 March 2021 : 13650)	244	196
5000 Stanpacks India Ltd (31 March 2021 : 5000)	30	13
433 UTI Mastershare Unit (31 March 2021 : 433)	18	10
200 Prime Securities Limited (31 March 2021 : 200)	18	-
<b>Total Quoted Investments</b>	<b>29,869</b>	<b>30,458</b>

### Investment in equity instruments (fully paid-up)

#### Un-Quoted

407400 Shares of Cfore Telecom Limited (formerly known as Munoth gfive telecom ltd) (31 March 2021 : 407400)	30	30
59000 Shares of Munoth Neg Wind Farm Ltd (31 March 2021 : 59000)	463	463
380800 Shares of Munoth Industries Ltd (31 March 2021 : 448988)	3,808	3,808
230000 Shares of Perfect stones ltd. (31 March 2021 : 230000)	8,519	8,519
<b>Total Un-Quoted Investments</b>	<b>12,820</b>	<b>12,820</b>
<b>Total (equity instruments)</b>	<b>42,689</b>	<b>43,278</b>

### Note 4: Loans

(Amount in 000's)

Particulars	Non- current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Loans Receivables considered good - Unsecured	500	600	-	-
Staff Loan	-	6	-	-
<b>Total</b>	<b>500</b>	<b>606</b>	<b>-</b>	<b>-</b>

### Note 5: Other non-current assets

(Amount in 000's)

Particulars	Non- current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Balance with Govtment authorities ^	6,149	6,843	-	-
Advance Paid for Purchase of Power Bank	-	-	-	2,000
GST Input Credit	-	-	443	326
Jain International Trade Organisation	600	600	-	-
Priyam Oxygen Pvt Ltd	3	3	-	-
Tatia Global Ventures Ltd	2,347	2,347	-	-
Others #	7,219	7,219	-	-
<b>Total</b>	<b>16,318</b>	<b>17,012</b>	<b>443</b>	<b>2,326</b>



## MUNOTH COMMUNICATION LIMITED

**^ SubSchedules to above** (Amount in 000's)

<b>Govertment authorities</b>	<b>31 March 2022</b>	<b>31 March 2022</b>
FBT refund due- AY 2009-10	-	10
IT Refund due -Previous Years	2,281	2,281
IT Refund due:-		
- from AY 2000-01 to 2011-12	3,859	3,859
TDS FY 14-15	9	9
Sales Tax Deposits	-	76
Income tax deposit (Appeal)	-	608
<b>Total</b>	<b>6,149</b>	<b>6,843</b>

<b># Others</b>		(Amount in 000's)
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Munoth Centre Owners Association	60	60
Telephone Deposit	147	147
Kingtech Electronics(India) Private Limited	7,012	7,012
<b>Total</b>	<b>7,219</b>	<b>7,219</b>

<b>Note 6: Inventories</b>		(Amount in 000's)
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Raw Materials	2,111	2,111
Traded Goods	3,374	3,374
<b>Total</b>	<b>5,485</b>	<b>5,485</b>

<b>Note 7: Trade Receivables</b>		(Amount in 000's)
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Outstanding for a period exceeding 3 years (from the due date)		
i) Undisputed Trade receivables – unsecured, considered good	133	80
<b>Total Trade Receivables</b>	<b>133</b>	<b>80</b>

<b>Note 8: Cash and Cash Equivalent</b>		(Amount in 000's)
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Cash on hand	288	272
Balances with banks:		
On current accounts	56	72
<b>Total</b>	<b>344</b>	<b>344</b>



## MUNOTH COMMUNICATION LIMITED

### Note 9: Equity share capital

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>Authorised Share Capital</b>		
1,20,00,000 number of Equity shares of Rs.10 each (31.03.2018 : 1,20,00,000 , 31.03.2016 : 1,20,00,000)	120,000	120,000
<b>Issued, Subscribed and Fully Paid up Share Capital:</b>		
96,49,400 number of Equity shares of Rs.10 each (31.03.2018 : 96,49,400 , 31.03.2016 : 96,49,400)	96,494	96,494
<b>Total</b>	<b>96,494</b>	<b>96,494</b>

#### a. Reconciliation of share outstanding at the beginning and at the end of the reporting periods

Equity shares (Amount in 000's)

Particulars	31 March 2022		31 March 2021	
	No of shares	Rs.	No of shares	Rs.
At the beginning of the period	9,649.4	96,494	9,649.4	96,494
Issued during the year	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>9,649.4</b>	<b>96,494</b>	<b>9,649.4</b>	<b>96,494</b>

#### b. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31 March 2022		31 March 2021	
	No of shares	% of holding	No of shares	% of holding
South India Chemicals & Leasing Pvt Ltd	701	7%	701	7%
Chip K Lim	1,000	10%	1,000	10%
Feng Pat Se	1,000	10%	1,000	10%
Lee Foo San	1,000	10%	1,000	10%
Victor Raj	1,000	10%	1,000	10%
Munoth Financial Services Ltd	805	8%	805	8%

#### c. Details of Forfeiture

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
No of shares Forfeited	351	351
Amount originally paid up(Rs.)	3,019	3,019

#### d. Rights, preferences and restrictions attached to on Equity Shares

The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preferences shareholders. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the even of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders



## MUNOTH COMMUNICATION LIMITED

<b>Note 10(a): Reserves and surplus</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Securities premium	56,104	56,104	
<b>Revaluation reserve</b>	27,483	27,483	
<b>Retained earnings</b>	(1,16,894)	(1,12,327)	
<b>Total Reserve and Surplus</b>	<b>(33,307)</b>	<b>(28,740)</b>	
<b>(i) Securities premium</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Opening balance	56,104	56,104	
Increase/Decrease during the year	-	-	
<b>Closing balance</b>	<b>56,104</b>	<b>56,104</b>	
<b>(ii) Revaluation Reserve</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Opening balance	27,483	27,483	
Increase/Decrease during the year	-	-	
<b>Closing balance</b>	<b>27,483</b>	<b>27,483</b>	
<b>(iii) Retained earnings</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Opening balance	(1,12,327)	(108,161)	
Net profit/Loss for the period	(4,567)	(4,166)	
<b>Closing balance</b>	<b>(1,16,894)</b>	<b>(112,327)</b>	
<b>Note 10(b): Other Reserves</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Opening Balance	5,774	(1,872)	
Add/Less : Change in fair value of FVOCI equity instruments	(589)	7,646	
<b>Closing Balance</b>	<b>5,185</b>	<b>5,774</b>	
<b>Note 11: Non Current Employee benefit obligations</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Provision for Gratuity	1,520	1,520	
<b>Total Non Current employee benefit obligations</b>	<b>1,520</b>	<b>1,520</b>	

**MUNOTH COMMUNICATION LIMITED****Note 12: Current Borrowings****(Amount in 000's)**

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Loans Repayable on Demands</b>		
a) Banks		
Indian Bank Overdraft (Repayable on demand at the interest rate of 11.75% secured against Current assets)	14,046	11,996
Indian Bank GECLS Covid 19 (at the interest rate of 7.5%)	2,214	-
<b>Total Current borrowings</b>	<b>16,260</b>	<b>11,996</b>

**Note 13 : Trade Payables****(Amount in 000's)**

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>Outstanding for a period exceeding 3 years (from the due date)</b>		
i) MSME	-	-
i) Others	-	204
<b>Total</b>	<b>-</b>	<b>204</b>

**Note 14 : Other current liabilities****(Amount in 000's)**

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
i) Statutory dues	10	8
ii) Outstanding Expenses	15	5
iii) Audit Fees Payable	90	93
iv) Jaswant Munoth	-	466
v) Vikas Munoth	5,345	5,345
vi) Advance Received for Sale of Shares	-	2,000
<b>Total other current liabilities</b>	<b>5,461</b>	<b>7,916</b>



## MUNOTH COMMUNICATION LIMITED

### Note 15: Revenue from operations

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
Sale of Goods	312	1,732
<b>Total revenue from continuing operations</b>	<b>312</b>	<b>1,732</b>

### Note 16: Other income and other gains/(losses)

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>(a) Other income</b>		
Dividend income from equity investments designated at fair value through other comprehensive income (i)	3	1
Liabilities Written Back	-	2
<b>Total other income</b>	<b>3</b>	<b>3</b>

- (i) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period. There was no dividend income relating to investments derecognised during the reporting period.

### Note 17: Cost of materials consumed

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
Opening Stock of Materials	2,111	2,111
Purchase during the year	297	1,654
Less: Closing Stock of Materials	2,111	2,111
<b>Total</b>	<b>297</b>	<b>1,654</b>

### Note 18: Changes in inventories of Stock-in-trade

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>Inventories at the end of the year</b>		
Traded goods		
Stock-Mobiles	-	-
Stock-Mobiles Accessories	3,374	3,374
<b>Inventories at the beginning of the year</b>	<b>3,374</b>	<b>3,374</b>
Traded goods		
Stock-Mobiles	-	-
Stock-Mobile Accessories	3,374	3,374
	<b>3,374</b>	<b>3,374</b>
<b>Total changes in inventories of Stock-in-trade</b>	<b>-</b>	<b>-</b>



## MUNOTH COMMUNICATION LIMITED

### Note 19: Employee benefit expense

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
Salaries, wages and bonus	740	596
Contribution to provident and super annuation fund	34	32
Staff welfare expenses	1	1
Ex- Gratia	9	5
<b>Total Employee benefit expense</b>	<b>783</b>	<b>634</b>

### Note 20: Depreciation and amortisation expense

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
Depreciation of property, plant and equipment	332	401
<b>Total depreciation and amortisation expense</b>	<b>332</b>	<b>401</b>

### Note 21: Other expenses

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
Advertising and Sales Promotion	51	37
Audit Fees	100	100
Communication Expenses	12	19
General Expenses	7	15
Insurance 118	119	
NSDL Annual Listing Fees	345	252
Share Transfer Expenses	57	49
Sundries Written Off	543	0
Office Maintenance	22	22
Postage & Telegram	21	1
Power and Fuel	72	81
Printing and Stationery	16	21
Professional & Consultancy Fees	90	99
Rates and Taxes	30	72
Repairs and Maintenance	0	0
Vehicles	106	358
Others	21	24
<b>Total Other Expenses</b>	<b>1,610</b>	<b>1,268</b>

### Note 21(a): Details of payments to Auditors

#### As auditor:

Audit fee	100	100
<b>Total</b>	<b>100</b>	<b>100</b>



## MUNOTH COMMUNICATION LIMITED

### Note 22: Finance costs

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
Interest on Borrowings	1,795	1,881
Bank charges	65	65
<b>Total</b>	<b>1,860</b>	<b>1,946</b>

### Note 23: a) Earnings per share (EPS)

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>Loss for the year/ period - in Rs.</b>	<b>-4,567</b>	<b>-4,166</b>
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	9,649	9,649
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	9,649	9,649
<b>Face value per share - in Rs.</b>	<b>10</b>	<b>10</b>
Earnings per share (Basic) - in Rs.		
Basic - in Rs.	(0.47)	(0.43)
Diluted - in Rs.	(0.47)	(0.43)

### b) Ratio:

Particulars	Year Ending 31.03.2022
Networth (Share Capital + Other Equity) (in'000)	71391
a) Debt Equity Ratio (In times)	0.33
b) Current Ratio (In times)	0.29
c) Total Debts to Total Assets (In times)	0.25
d) Current Liability Ratio (In times)	0.93
e) Interest Coverage Ratio	(1.46)
f) Debt Service Coverage Ratio	(0.21)



## MUNOTH COMMUNICATION LIMITED

### Note 24: Related party transactions

#### A. Related Party

##### Names of related parties and related party relationship

Associates	C FORE TELECOM LIMITED
Key management personnel	Mr. Jaswant Munoth Mr. Vikas Munoth Mr. Srinivasan Ananthapadmanabhan Ms. Jinal Jain
Companies having common directors	1. M/s. Munoth Financial Services Ltd 2. M/s. Munoth Neg Windfarm Private Limited 3. M/s. Munoth Industries Limited

#### B. Related party transactions for the year ending 31st March 2022 (Amount in 000's)

PARTICULARS	Nature of Transaction	31 March 2022	31 March 2021
Jaswant Munoth	Reimbursement of Expenses	466	316
Vikas Munoth	Loan Received	-	5,300
Munoth Industries Limited	Loan Received	-	500
Munoth Industries Limited	Loan Repayment	-	500
Munoth Industries Limited	Advance Repayment - Sale of Shares	2,000	-
Munoth Industries Limited	Advance Returned - Purchase of Power Bank	2,000	-

#### C. Related party balances outstanding as at 31st March 2022 (Amount in 000's)

PARTICULARS	Nature of Transaction	31 March 2022	31 March 2021
Jaswant Munoth	Reimbursement of Expenses	-	466
Vikas Munoth	Reimbursement of Expenses	45	45
Vikas Munoth	Loan Received	5,300	5,300
Munoth Industries Limited	Advance Received for Sale of Shares	-	2,000
Munoth Industries Limited	Advance Paid for Purchase of Power Bank	-	2,000

As per our report of even date

**For MARDIA & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number : 007888S

For and on behalf of the board of directors of  
Munoth Communication Ltd

MANISH MARDIA  
Partner  
Membership Number : 205307  
UDIN: 22205307AMUXCS6313

Lalchand Munoth  
[DIN:01693640]  
[Chairman]

Jaswant Munoth  
[DIN:00769545]  
[Managing Director]

Bharat Munoth  
[DIN:00769588]  
[Director]

Place : Chennai  
Date : 27-05-2022

S Anantha Padmanabhan  
CFO

Jinal Jain  
Company Secretary



MUNOTH COMMUNICATION LIMITED

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**CONSOLIDATED  
FINANCIAL STATEMENTS  
2021-22**

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of

**MUNOTH COMMUNICATION LIMITED**

Chennai

**Report on the Audit of the Consolidated Ind AS Financial Statements**

**Opinion**

We have audited the accompanying Consolidated financial statements of **MUNOTH COMMUNICATION LIMITED** which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss, statement of changes in equity and Cash Flow Statement for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the group as at March 31, 2022, and its loss, 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The group's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group'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 group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the group so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - c. There are no branch offices of the group.
  - d. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and Consolidated Statement of changes in Equity dealt with by this Report are in agreement with the books of accounts.



## MUNOTH COMMUNICATION LIMITED

- e. In our opinion, the aforesaid Consolidated financial statements comply with Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.
- f. On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

- i) The group does not have any pending litigation which would impact its financial position.
- ii) The group does not have any long-term contracts requiring a provision for material foreseeable losses.
- iii) The group does not have any amounts required to be transferred to the Investor Education and Protection Fund.
- iv)
  - (a) The Management has represented that, to the best of its knowledge and belief, 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 group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group 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;
  - (c) Based on the audit procedures that have been 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 Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) No dividend has been declared or paid during the year by the group.
- vi) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the group to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For Mardia & Associates**  
*Chartered Accountants*  
Firm's registration number: 007888S

(Manish Mardia)  
Proprietor

Place: Chennai  
Date: 27-05-2022

Membership number: 205307  
UDIN: 22205307AMUXPP8518



## MUNOTH COMMUNICATION LIMITED

### **ANNEXURE A REFERRED TO IN PARAGRAPH 2 (g) OF THE SECTION ON “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE**

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

We have audited the internal financial controls over financial reporting of **MUNOTH COMMUNICATION LIMITED** as of March 31, 2022 in conjunction with our audit of the Consolidated Ind AS financial statements of the group for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A group’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A group’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the group are being made only in accordance with authorizations of management and directors of the group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the group’s assets that could have a material effect on the financial statements.



## MUNOTH COMMUNICATION LIMITED

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### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Mardia & Associates**

*Chartered Accountants*

Firm's registration number: 007888S

(Manish Mardia)

Proprietor

Place: Chennai

Date: 27-05-2022

Membership number: 205307

UDIN: 22205307AMUXPP8518



## MUNOTH COMMUNICATION LIMITED

### CONSOLIDATED BALANCESHEET

		(Amount in 000's)	
Particulars	Notes	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	28,719	29,051
Intangible Assets under Development*		-	-
Biological Assets other than Bearer Plants*		-	-
Investments Accounted for using the Equity Method	3	843	882
Financial Assets			
i. Investments	4	42,659	43,248
ii. Loans	5	500	606
Other Non-Current Assets	6	16,318	17,012
<b>Total Non-Current Assets</b>		<b>89,039</b>	<b>90,799</b>
<b>Current Assets</b>			
Inventories	7	5,485	5,485
Financial Assets			
i. Trade Receivables	8	133	80
ii. Cash and Cash Equivalents	9	344	344
iii. Bank Balances other than (ii) above*		-	-
iv. Loans	5	-	-
Other Current Assets	6	443	2,326
<b>Total Current assets</b>		<b>6,405</b>	<b>8,235</b>
<b>Total Assets</b>		<b>95,444</b>	<b>99,035</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	10	99,513	99,513
Other Equity	11	-27,309	-22,114
<b>Total Equity</b>		<b>72,204</b>	<b>77,399</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
Employee Benefit Obligations	12	1,520	1,520
Other Non-Current Liabilities*		-	-
<b>Total Non-Current Liabilities</b>		<b>1,520</b>	<b>1,520</b>
<b>Current Liabilities</b>			
Financial Liabilities			
i. Borrowings	13	16,260	11,996
ii. Trade Payables			
(A) total outstanding dues of MSME		-	-
(B) total outstanding dues of creditors other than MSME	14	-	204
Current Tax Liabilities		-	-
Other Current Liabilities	15	5,461	7,916
<b>Total Current Liabilities</b>		<b>21,720</b>	<b>20,116</b>
<b>Total Liabilities</b>		<b>23,240</b>	<b>21,636</b>
<b>Total Equity and Liabilities</b>		<b>95,444</b>	<b>99,035</b>

The above Consolidated Balance sheet should be read in conjunction with the accompanying notes

As per our report of even date

**For MARDIA & ASSOCIATES**  
Chartered Accountants  
Firm Registration Number : 007888S

For and on behalf of the board of directors of  
Munoth Communication Ltd

MANISH MARDIA  
Partner  
Membership Number : 205307  
UDIN: 22205307AMUXPP8518

Lalchand Munoth  
[DIN:01693640]  
[Chairman]

Jaswant Munoth  
[DIN:00769545]  
[Managing Director]

Bharat Munoth  
[DIN:00769588]  
[Director]

Place : Chennai  
Date : 27-05-2022

S Anantha Padmanabhan  
CFO

Jinal Jain  
Company Secretary



## MUNOTH COMMUNICATION LIMITED

### STATEMENT OF CONSOLIDATED PROFIT AND LOSS

(Amount in 000's)

Particulars	Notes	Year ended 31st March 2022	Year ended 31st March 2021
<b>Continuing Operations</b>			
Revenue from Operations	16	312	1,732
Other Income	17	3	4
<b>Total Income</b>		<b>315</b>	<b>1,736</b>
<b>Expenses</b>			
Purchase of Stock-In-Trade	18	297	1,654
Increase/decrease in Inventories of Traded Goods	19	-	-
Employee Benefit Expenses	20	783	634
Depreciation and Amortisation Expenses	21	332	401
Impairment of Goodwill and Other Non-Current Assets*		-	-
Other Expenses	22	1,610	1,268
Finance Costs	23	1,860	1,946
<b>Total Expenses</b>		<b>4,882</b>	<b>5,902</b>
<b>Profit before Exceptional Items, Share of Net Profits of Investments accounted for using Equity Method and Tax</b>		<b>(4,567)</b>	<b>(4,166)</b>
<b>Share of Net Profit/loss of Associates accounted for using the Equity Method</b>		<b>(39)</b>	<b>(17)</b>
Profit before Exceptional Items and Tax		<b>(4,606)</b>	<b>(4,184)</b>
Exceptional items*		-	-
<b>Profit before Tax from Continuing Operations</b>		<b>(4,606)</b>	<b>(4,184)</b>
<b>Income Tax Expenses</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>Total Tax Expense</b>		-	-
Profit from Continuing Operations		(4,606)	(4,184)
Profit from Discontinued Operations		-	-
<b>Profit/Loss for the year</b>		<b>(4,606)</b>	<b>(4,184)</b>
<b>Other Comprehensive Income</b>			
Items that may be reclassified to profit or loss			
Changes in fair value of FVOCI debt instruments*		-	-
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(589)	7,646
<b>Other Comprehensive Income/Loss for the year, net of tax</b>		<b>(589)</b>	<b>7,646</b>
<b>Total Comprehensive Income/Loss for the year</b>		<b>(5,195)</b>	<b>3,463</b>
<b>Earnings per Equity Share</b>	24		
<b>Basic Earnings per share</b>		<b>(0.48)</b>	<b>(0.43)</b>
<b>Diluted Earnings per share</b>		<b>(0.48)</b>	<b>(0.43)</b>

The above Statement of Consolidated Profit & Loss should be read in conjunction with the accompanying notes

As per our report of even date

**For MARDIA & ASSOCIATES**

Chartered Accountants

**Firm Registration Number : 007888S**

For and on behalf of the board of directors of  
Munoth Communication Ltd

MANISH MARDIA  
Partner  
Membership Number : 205307  
UDIN: 22205307AMUXPP8518

Lalchand Munoth  
[DIN:01693640]  
[Chairman]

Jaswant Munoth  
[DIN:00769545]  
[Managing Director]

Bharat Munoth  
[DIN:00769588]  
[Director]

Place : Chennai  
Date : 27-05-2022

S Anantha Padmanabhan  
CFO

Jinal Jain  
Company Secretary



# MUNOTH COMMUNICATION LIMITED

## Consolidated Cash Flow Statement for the year ended 31 March 2022

(Amount in 000's)

	Year ended 31 March 2022	Year ended 31 March 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	(4,606)	(4,184)
<b>Adjustments for :</b>		
Depreciation/amortisation	332	401
Interest expense	1,860	1,946
Dividend Income	(3)	(1)
<b>Operating profit before working capital changes</b>	<b>(2,418)</b>	<b>(1,839)</b>
<b>Movements in working capital :</b>		
Increase/(decrease) in Trade payables	204	-
Increase/(decrease) in Other current liabilities	(2,455)	5,531
Decrease/(Increase) in Financial Assets	106	(6)
(Decrease)/Increase in Financial Liabilities	-	-
Decrease/(Increase) in Trade receivables	-53	-
Decrease/(Increase) in Inventories	-	-
Decrease/(Increase) in Current loans and advances	-	6
Decrease/(Increase) in Short Term Loans and advances	-	-
Decrease/(Increase) in Other current assets	1,883	(84)
Decrease/(Increase) in Other Non- current assets	694	-
<b>Cash generated from/(used in) operations</b>	<b>(2,447)</b>	<b>3,608</b>
Direct taxes paid ( Net of refunds)	-	-
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>(2,447)</b>	<b>3,608</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets,including intangible assets,		
Non current investments	39	17
Dividend Received	3	1
<b>Net cash flow from/(used in) Investing Activity (B)</b>	<b>43</b>	<b>19</b>

**MUNOTH COMMUNICATION LIMITED**

	(Amount in 000's)	
	Year ended 31 March 2022	Year ended 31 March 2021
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from short term borrowings	4,264	(1,586)
Interest paid	(1,860)	(1,946)
<b>Net cash flow from/(used in) Financing Activity (C)</b>	<b>2,404</b>	<b>(3,531)</b>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	<b>(0)</b>	<b>96</b>
Cash and cash equivalents at the beginning of the year	344	249
<b>Cash and cash equivalents at the end of the year</b>	<b>344</b>	<b>344</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
Cash on hand	288	272
Cheques/drafts on hand		
With banks-on current account		
- Current Account	56	72
- on deposit account (margin money)		
<b>Total cash and cash equivalents</b>	<b>344</b>	<b>344</b>

As per our report of even date

**For MARDIA & ASSOCIATES**

Chartered Accountants

Firm Registration Number : 007888S

For and on behalf of the board of directors of  
Munoth Communication Ltd

MANISH MARDIA  
Partner  
Membership Number : 205307  
UDIN: 22205307AMUXPP8518

Lalchand Munoth  
[DIN:01693640]  
[Chairman]

Jaswant Munoth  
[DIN:00769545]  
[Managing Director]

Bharat Munoth  
[DIN:00769588]  
[Director]

Place : Chennai  
Date : 27-05-2022

S Anantha Padmanabhan  
CFO

Jinal Jain  
Company Secretary



## MUNOTH COMMUNICATION LIMITED

### **Statement of Changes in Equity for the year ended March 31, 2022**

#### **A Equity share capital**

(Amount in 000's)

	Notes	Amount
As at 1 April 2020		99,513
Changes in equity share capital	10	-
As at 31 March 2021		99,513
Changes in equity share capital	10	-
<b>As at 31 March 2022</b>		<b>99,513</b>

#### **B. Other equity**

(Amount in 000's)

	RESERVES & SURPLUS				OTHER RESERVES	TOTAL RESERVES
	Notes	Securities Premium Reserve	Revaluation Reserve	Retained Earnings	Changes in FVOCI Equity Investments	
<b>Balance at 31 March 2020</b>		<b>56,104</b>	<b>27,483</b>	<b>(1,07,291)</b>	<b>(1,872)</b>	<b>(25,577)</b>
Loss for the year		-	-	(4,184)		
Other comprehensive income for the year		-	-	-	7,646	
<b>Balance at 31 March 2021</b>		<b>56,104</b>	<b>27,483</b>	<b>(1,11,475)</b>	<b>5,774</b>	<b>(22,114)</b>
Loss for the year		-	-	(4,606)		
Other comprehensive income for the year		-	-	-	(589)	
<b>Balance at 31 March 2022</b>		<b>56,104</b>	<b>27,483</b>	<b>(1,16,081)</b>	<b>5,185</b>	<b>(27,309)</b>

#### **Nature and purpose of reserves**

##### (A) 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.

##### (B) Revaluation reserve

This reserve represents the cumulative gains and losses arising on the revaluation of Property, Plant & Equipments measured at market value certified by valuer, net of amounts reclassified to retained earnings / profit and loss when those assets have been disposed off.

##### (C) Retained Earnings

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



**Note 1: Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of MCL and its associate Cfore Telecom Limited (formerly known as Munoth gfive telecom ltd), herein after termed as 'the group'.

**(a) Basis of preparation**

*(i) Compliance with Ind AS :*

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2021 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

*(ii) Historical cost convention:*

The financial statements have been prepared on a historical cost basis, except for the Equity Investments held not for sale. The same have been accounted using Fair Value concept.

**(b) Principles of consolidation and equity accounting**

*(i) Associates :*

Associates are all entities over which the group has significant influence but not control or joint control.

This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see note below), after initially being recognised at cost.

**Note : Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

**(c) Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.



The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

**(d) Impairment of assets**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(e) Accounting for Taxes on Income**

Current Income Tax expenses comprise taxes on income from operations in India. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax expenses or benefit is recognized on timing differences being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, MAT and deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize such assets.

In other situations, MAT and deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

**(f) Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**(g) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(h) Investments and other financial assets**

**(i) Classification**

The group 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.



The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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 group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) *Measurement*

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, 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.

*Equity instruments*

The group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(iii) *Impairment of financial assets*

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.



**(i) Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

**Transition to Ind AS**

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

***Depreciation methods, estimated useful lives and residual value***

Depreciation is calculated using the Written down value method to allocate their cost, net of their residual values, over their estimated useful lives or, in the case of certain leased furniture, fittings and equipment, the shorter lease term as follows:

◆ Freehold buildings	30 years
◆ Machinery	15 years
◆ Furniture, fittings and equipment	10 years
◆ Vehicles	8 years
◆ Computers	3 years

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

**(j) Trade and other payables**

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**(k) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands, as per the requirement of Schedule III, unless otherwise stated.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands, as per the requirement of Schedule III, unless otherwise stated.



# MUNOTH COMMUNICATION LIMITED

**Note 2: Property, plant and equipment**  
**Year ended 31 March 2022**  
 (Amount in 000's)

Particulars	Gross Block			Depreciation			Net Block	
	As on 1.4.2021	Addition	Deletion	As on 31.03.2022	For the year	Withdrawal	As on 31.03.2022	As on 1.4.2021
Land	26,700	-	-	26,700	-	-	26,700	26,700
Building	6,672	-	-	6,672	220	-	1,241	1,461
Plant & Equipment	2,913	-	-	2,913	60	-	360	420
Furniture & Fittings	4,716	-	-	4,716	-	-	127	127
Vehicles	4,410	-	-	4,410	52	-	167	219
Computers & Softwares	2,647	-	-	2,647	-	-	124	124
<b>TOTAL</b>	<b>48,058</b>	<b>-</b>	<b>-</b>	<b>48,058</b>	<b>332</b>	<b>-</b>	<b>28,719</b>	<b>29,051</b>

**Year ended 31 March 2021**

Particulars	Gross Block			Depreciation			Net Block	
	As on 1.4.2020	Addition	Deletion	As on 31.03.2021	For the year	Withdrawal	As on 31.03.2021	As on 1.4.2020
Land	26,700	-	-	26,700	-	-	26,700	26,700
Building	6,672	-	-	6,672	259	-	1,461	1,720
Plant & Equipment	2,913	-	-	2,913	73	-	420	483
Furniture & Fittings	4,716	-	-	4,716	-	-	127	127
Vehicles	4,410	-	-	4,410	69	-	219	288
Computers & Softwares	2,647	-	-	2,647	-	-	124	124
<b>TOTAL</b>	<b>48,058</b>	<b>-</b>	<b>-</b>	<b>48,058</b>	<b>401</b>	<b>-</b>	<b>29,051</b>	<b>29,452</b>



**Note 3: Investments accounted for using the Equity Method**

(Amount in 000's)

Name of entity	% of Ownership	Relationship	Carrying Amount	
			31.03.2022	31.03.2021
Cfore Telecom Limited (formerly known as Munoth gfive telecom ltd)	40.74%	Associate	4,617	4,656
Less : Accumulated Permanent Impairment accounted			3,774	3,774
Carrying Value in Books			<b>843</b>	<b>882</b>

**Note 4: Non-Current Investments**

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>Investment in equity instruments (fully paid-up)</b>		
<b>Quoted</b>		
97800 Shares of Beneras State Bank Ltd (31 March 2021 : 97800)	4,890	4,890
50000 Shares of Beneras State Bank Ltd (31 March 2021 : 50000)	500	500
100 Shares of Colgate Palmolive (31 March 2021 : 100)	154	156
50 Shares of Deepak Fertilisers & Chem Ltd (31 March 2021 : 50)	28	11
700 Shares of Elforge Ltd (31 March 2021 : 700)	3	3
20 Shares of Kirloskar brothers Ltd (31 March 2021 : 20)	6	5
1015800 Shares of Munoth Financial Services Ltd (31 March 2021 : 1006100)	7,254	18,110
135300 Shares of Rajnarayan Financial Services Ltd (31 March 2021 : 135300)	135	135
100 Shares of Rane brake linings Ltd (31 March 2021 : 100)	61	79
1500 Shares of Reliance Communication Limited (31 March 2021 : 1500)	4	3
2250 Shares of Reliance Power Limited (31 March 2021 : 2250)	30	10
347500 Shares of Sofcom System limited (31 March 2021 : 347500)	11,120	4,900
50 Shares of Tata Elexi Ltd (31 March 2021 : 50)	442	135
620000 Shares of Tatia Global Ventures Ltd (31 March 2021 : 620000)	2,083	446
800000 Shares of Vertex Securities (31 March 2021 : 800000)	2,616	672
12820 EPSOM Properties Ltd (31 March 2021 : 12820)	61	52
11000 ISL Consulting Ltd (31 March 2021 : 11000)	167	130



## MUNOTH COMMUNICATION LIMITED

### Investment in equity instruments (fully paid-up) (Amount in 000's)

Particulars	31 March 2022	31 March 2021
9500 Laser Diamonds Limited (31 March 2021 : 9500)	4	3
13650 Mercantile Ventures Ltd (31 March 2021 : 13650)	244	196
5000 Stanpacks India Ltd (31 March 2021 : 5000)	30	13
433 UTI Mastershare Unit (31 March 2021 : 433)	18	10
200 Prime Securities Limited (31 March 2021 : 200)	18	-
<b>Total Quoted Investments</b>	<b>29,869</b>	<b>30,458</b>

### Investment in equity instruments (fully paid-up)

#### Un-Quoted

59000 Shares of Munoth Neg Wind Farm Ltd (31 March 2021 : 59000)	463	463
380800 Shares of Munoth Industries Ltd (31 March 2021 : 448988)	3,808	3,808
230000 Shares of Perfect stones Ltd. (31 March 2021 : 230000)	8,519	8,519
<b>Total Un-Quoted Investments</b>	<b>12,790</b>	<b>12,790</b>
<b>Total (equity instruments)</b>	<b>42,659</b>	<b>43,248</b>

### Note 5: Loans (Amount in 000's)

Particulars	Non- current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Loans Receivables considered good - Unsecured	500	600	-	-
Staff Loan	-	6	-	-
<b>Total</b>	<b>500</b>	<b>606</b>	<b>-</b>	<b>-</b>

### Note 6: Other non-current assets (Amount in 000's)

Particulars	Non- current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Balance with Govtment authorities ^	6,149	6,843		
Advance Paid for Purchase of Power Bank	-	-	-	2,000
GST Input Credit	-	-	443	326
Jain International Trade Organisation	600	600		
Priyam Oxygen Pvt Ltd	3	3		
Tatia Global Ventures Ltd	2,347	2,347		
Others #	7,219	7,219		
<b>Total</b>	<b>16,318</b>	<b>17,012</b>	<b>443</b>	<b>2,326</b>



## MUNOTH COMMUNICATION LIMITED

**^ SubSchedules to above** (Amount in 000's)

<b>Govertment authorities</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
FBT refund due- AY 2009-10	-	10
IT Refund due -Previous Years	2,281	2,281
IT Refund due:-		
- from AY 2000-01 to 2011-12	3,859	3,859
TDS FY 14-15	9	9
Sales Tax Deposits	-	76
Income tax deposit (Appeal)	-	608
<b>Total</b>	<b>6,149</b>	<b>6,843</b>

**# Others** (Amount in 000's)

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Munoth Centre Owners Association	60	60
Telephone Deposit	147	147
Kingtech Electronics(India) Private Limited	7,012	7,012
<b>Total</b>	<b>7,219</b>	<b>7,219</b>

**Note 7: Inventories** (Amount in 000's)

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Raw Materials	2,111	2,111
Traded Goods	3,374	3,374
<b>Total</b>	<b>5,485</b>	<b>5,485</b>

**Note 8: Trade Receivables** (Amount in 000's)

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Outstanding for a period exceeding 3 years (from the due date)		
i) Undisputed Trade receivables – unsecured, considered good	133	80
<b>Total Trade Receivables</b>	<b>133</b>	<b>80</b>

**Note 9: Cash and Cash Equivalent** (Amount in 000's)

<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Cash on hand	288	272
Balances with banks:		
On current accounts	56	72
<b>Total</b>	<b>344</b>	<b>344</b>



## MUNOTH COMMUNICATION LIMITED

### Note 10: Equity share capital

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>Authorised Share Capital</b>		
1,20,00,000 number of Equity shares of Rs.10 each (31.03.2018 : 1,20,00,000 , 31.03.2016 : 1,20,00,000)	120,000	120,000
<b>Issued, Subscribed and Fully Paid up Share Capital:</b>		
96,49,400 number of Equity shares of Rs.10 each (31.03.2018 : 96,49,400 , 31.03.2016 : 96,49,400)	96,494	96,494
<b>Total</b>	<b>96,494</b>	<b>96,494</b>

#### a. Reconciliation of share outstanding at the beginning and at the end of the reporting periods

Equity shares (Amount in 000's)

Particulars	31 March 2022		31 March 2021	
	No of shares	Rs.	No of shares	Rs.
At the beginning of the period	9,649.4	96,494	9,649.4	96,494
Issued during the year	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>9,649.4</b>	<b>96,494</b>	<b>9,649.4</b>	<b>96,494</b>

#### b. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31 March 2022		31 March 2021	
	No of shares	% of holding	No of shares	% of holding
South India Chemicals & Leasing Pvt Ltd	701	7%	701	7%
Chip K Lim	1,000	10%	1,000	10%
Feng Pat Se	1,000	10%	1,000	10%
Lee Foo San	1,000	10%	1,000	10%
Victor Raj	1,000	10%	1,000	10%
Munoth Financial Services Ltd	805	8%	805	8%

#### c. Details of Forfeiture

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
No of shares Forfeited	351	351
Amount originally paid up(Rs.)	3,019	3,019

#### d. Rights, preferences and restrictions attached to on Equity Shares

The Company has a single class of equity shares. Accordingly all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preferences shareholders. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

In the even of liquidation of the Company the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders



## MUNOTH COMMUNICATION LIMITED

<b>Note 11(a): Reserves and surplus</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Securities premium	56,104	56,104	
<b>Revaluation reserve</b>	27,483	27,483	
<b>Retained earnings</b>	(1,16,081)	(1,11,475)	
<b>Total Reserve and Surplus</b>	<b>(32,494)</b>	<b>(27,889)</b>	
<b>(i) Securities premium</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Opening balance	56,104	56,104	
Increase/Decrease during the year	-	-	
<b>Closing balance</b>	<b>56,104</b>	<b>56,104</b>	
<b>(ii) Revaluation Reserve</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Opening balance	27,483	27,483	
Increase/Decrease during the year	-	-	
<b>Closing balance</b>	<b>27,483</b>	<b>27,483</b>	
<b>(iii) Retained earnings</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Opening balance	(1,11,475)	(1,07,292)	
Net profit/Loss for the period	(4,606)	(4,184)	
<b>Closing balance</b>	<b>(1,16,081)</b>	<b>(1,11,475)</b>	
<b>Note 11(b): Other Reserves</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Opening Balance	5,774	(1,872)	
Add/Less : Change in fair value of FVOCI equity instruments	(589)	7,646	
<b>Closing Balance</b>	<b>5,185</b>	<b>5,774</b>	
<b>Note 12 : Non Current Employee benefit obligations</b>		<b>(Amount in 000's)</b>	
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>	
Provision for Gratuity	1,520	1,520	
<b>Total Non Current employee benefit obligations</b>	<b>1,520</b>	<b>1,520</b>	



## MUNOTH COMMUNICATION LIMITED

### Note 13: Current Borrowings

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>Loans Repayable on Demands</b>		
a) Banks		
Indian Bank Overdraft (Repayable on demand at the interest rate of 11.75% secured against Current assets)	14,046	11,996
Indian Bank GECLS Covid 19 (at the interest rate of 7.5%)	2,214	-
<b>Total Current borrowings</b>	<b>16,260</b>	<b>11,996</b>

### Note 14 : Trade Payables

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>Outstanding for a period exceeding 3 years (from the due date)</b>		
i) MSME	-	-
ii) Others	-	204
<b>Total</b>	<b>-</b>	<b>204</b>

### Note 15 : Other current liabilities

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
i) Statutory dues	10	8
ii) Outstanding Expenses	15	5
iii) Audit Fees Payable	90	93
iv) Jaswant Munoth	-	465
v) Vikas Munoth	5,345	5,345
vi) Advance Received for Sale of Shares	-	2,000
<b>Total other current liabilities</b>	<b>5,461</b>	<b>7,916</b>



## MUNOTH COMMUNICATION LIMITED

### Note 16: Revenue from operations

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
Sale of Goods	312	1,732
<b>Total revenue from continuing operations</b>	<b>312</b>	<b>1,732</b>

### Note 17: Other income and other gains/(losses)

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>(a) Other income</b>		
Dividend income from equity investments designated at fair value through other comprehensive income (i)	3	1
Liabilities Written Back	-	3
<b>Total other income</b>	<b>3</b>	<b>4</b>

- (i) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period. There was no dividend income relating to investments derecognised during the reporting period.

### Note 18: Cost of materials consumed

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
Opening Stock of Materials	2,111	2,111
Purchase during the year	297	1,654
Less: Closing Stock of Materials	2,111	2,111
<b>Total</b>	<b>297</b>	<b>1,654</b>

### Note 19: Changes in inventories of Stock-in-trade

(Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>Inventories at the end of the year</b>		
Traded goods		
Stock-Mobiles	-	-
Stock-Mobiles Accessories	3,374	3,374
<b>Inventories at the beginning of the year</b>	<b>3,374</b>	<b>3,374</b>
Traded goods		
Stock-Mobiles	-	-
Stock-Mobile Accessories	3,374	3,374
	<b>3,374</b>	<b>3,374</b>
<b>Total changes in inventories of Stock-in-trade</b>	<b>-</b>	<b>-</b>



## MUNOTH COMMUNICATION LIMITED

<b>Note 20: Employee benefit expense</b>		(Amount in 000's)
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Salaries, wages and bonus	740	596
Contribution to provident and super annuation fund	34	32
Staff welfare expenses	1	1
Ex- Gratia	9	5
<b>Total Employee benefit expense</b>	<b>783</b>	<b>634</b>

<b>Note 21: Depreciation and amortisation expense</b>		(Amount in 000's)
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Depreciation of property, plant and equipment	332	401
<b>Total depreciation and amortisation expense</b>	<b>332</b>	<b>401</b>

<b>Note 22: Other expenses</b>		(Amount in 000's)
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
Advertising and Sales Promotion	51	37
Audit Fees	100	100
Communication Expenses	12	19
General Expenses	7	15
Insurance	118	119
NSDL Annual Listing Fees	345	252
Share Transfer Expenses	57	49
Sundries Written Off	543	-
Office Maintenance	22	22
Postage & Telegram	21	1
Power and Fuel	72	81
Printing and Stationery	16	21
Professional & Consultancy Fees	90	99
Rates and Taxes	30	72
Repairs and Maintenance	-	-
Vehicles	106	358
Others	21	24
<b>Total Other Expenses</b>	<b>1,610</b>	<b>1,268</b>

<b>Note 22(a): Details of payments to Auditors</b>		(Amount in 000's)
<b>Particulars</b>	<b>31 March 2022</b>	<b>31 March 2021</b>
<b>As auditor:</b>		
Audit fee	100	100
<b>Total</b>	<b>100</b>	<b>100</b>



## MUNOTH COMMUNICATION LIMITED

### Note 23: Finance costs (Amount in 000's)

Particulars	31 March 2022	31 March 2021
Interest on Borrowings	1,795	1,881
Bank charges	65	65
<b>Total</b>	<b>1,860</b>	<b>1,946</b>

### Note 24: Earnings per share (EPS) (Amount in 000's)

Particulars	31 March 2022	31 March 2021
<b>Loss for the year/ period - in Rs.</b>	<b>-4,606</b>	<b>-4,184</b>
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	9,649	9,649
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	9,649	9,649
<b>Face value per share - in Rs.</b>	<b>10</b>	<b>10</b>
Earnings per share (Basic) - in Rs.		
Basic - in Rs.	(0.48)	(0.43)
Diluted - in Rs.	(0.48)	(0.43)

### Note 24: a) Earnings per share (EPS) (Amount in 000's)

Particulars	31 March 2022	31 March 2021
Loss for the year/ period - in Rs.	(4,606)	(4,184)
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	9,649	9,649
Weighted average number of equity shares outstanding during the year for calculation of diluted EPS	9,649	9,649
Face value per share - in Rs.	10	10
Earnings per share (Basic) - in Rs.		
Basic - in Rs.	(0.48)	(0.43)
Diluted - in Rs.	(0.48)	(0.43)

### b) Ratio:

Particulars	Year Ending 31.03.2022
Networth (Share Capital + Other Equity) (in'000)	72,204.00
a) Debt Equity Ratio (In times)	0.33
b) Current Ratio (In times)	0.29
c) Total Debts to Total Assets (In times)	0.29
d) Current Liability Ratio (In times)	0.93
e) Interest Coverage Ratio	(1.46)
f) Debt Service Coverage Ratio	(0.21)



## MUNOTH COMMUNICATION LIMITED

### Note 25: Related party transactions

#### Related Party

#### A. Names of related parties and related party relationship

Associates	C FORE TELECOM LIMITED
Key management personnel	Mr. Jaswant Munoth Mr. Vikas Munoth Mr. Srinivasan Ananthapadmanabhan Ms. Jinal Jain
Companies having common directors	1. M/s. Munoth Financial Services Ltd 2. M/s. Munoth Neg Windfarm Private Limited 3. M/s. Munoth Industries Limited

#### B. Related party transactions for the year ending 31st March 2022 (Amount in 000's)

PARTICULARS	Nature of Transaction	31 March 2022	31 March 2021
Jaswant Munoth	Reimbursement of Expenses	466	316
Vikas Munoth	Loan Received	-	5,300
Munoth Industries Limited	Loan Received	-	500
Munoth Industries Limited	Loan Repayment	-	500
Munoth Industries Limited	Advance Repayment - Sale of Shares	2,000	-
Munoth Industries Limited	Advance Returned - Purchase of Power Bank	2,000	-

#### C. Related party balances outstanding as at 31st March 2022 (Amount in 000's)

PARTICULARS	Nature of Transaction	31 March 2022	31 March 2021
Jaswant Munoth	Reimbursement of Expenses	-	466
Vikas Munoth	Reimbursement of Expenses	45	45
Vikas Munoth	Loan Received	5,300	5,300
Munoth Industries Limited	Advance Received for Sale of Shares	-	2,000
Munoth Industries Limited	Advance Paid for Purchase of Power Bank	-	2,000

As per our report of even date

**For MARDIA & ASSOCIATES**  
Chartered Accountants  
**Firm Registration Number : 007888S**

For and on behalf of the board of directors of  
Munoth Communication Ltd

MANISH MARDIA  
Partner  
Membership Number : 205307  
UDIN: 22205307AMUXPP8518

Lalchand Munoth  
[DIN:01693640]  
[Chairman]

Jaswant Munoth  
[DIN:00769545]  
[Managing Director]

Bharat Munoth  
[DIN:00769588]  
[Director]

Place : Chennai  
Date : 27-05-2022

S Anantha Padmanabhan  
CFO

Jinal Jain  
Company Secretary

To,

**MUNOTH COMMUNICATION LIMITED**

MUNOTH CENTRE,  
Suite No. 48, IIrd Floor,  
343, Triplicane High Road,  
Chennai - 600 005.