

TELANGANA INDUSTRIAL HEALTH CLINIC LTD.



ANNUAL REPORT 2021-22





Telangana Industrial Health Clinic Ltd, an innovative institution was promoted by the Government of Telangana in the year 2017 to provide holistic help to the stressed Micro and Small enterprises in the Manufacturing space (MSEs) suffering from various problems, particularly in the areas of inadequate financial support, financial stress, and incipient sickness. Its long-term goal is to improve the ecosystem surrounding this segment of the industry so that the incidence of stress and sickness can be brought down over a period of time. The Company is registered as a Non-Banking Finance Company with RBI.

TIHCL is supported by an experienced team of Management, younger operational executives and experienced consultants and alliances committed to contributing to the purpose. TIHCL believes that timely handling of financial stress and preventing Industrial sickness is an integral part of the development process. The majority of micro and small manufacturing enterprises face issues because they are unorganized and are constrained by stricter regulatory, financial, and recovery norms along with a lack of awareness.

This institution engages and coordinates with lending institutions and stressed entrepreneurs to help find solutions acceptable to both of them. TIHCL strives to provide solutions for financial and non-financial stress faced by MSEs, in the State of Telangana within the gamut of industry ecosystem comprising Entrepreneurs, Banks, FIs /Industries Department, and other stakeholders.

Non-financial Services:

- Consultation services such as Diagnostic studies, financial viability reports, and Revival plans including dealing with Banks and FIs.
- Account Monitoring and Hand holding services of stressed and Restructured units
- Priority release of sanctioned subsidies/investments by the State Government
- Onboarding services to electronic Platforms like GeM / TReDS

Financial Services:

- Loans by way of Margin Money, Critical Account Funding for stressed entrepreneurs
- Bridge Loans against sanctioned Investment subsidy





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Shri K Taraka Rama Rao

Minister of IT, Municipal Administration & Urban Development, Industries & Commerce, Government of Telangana

MESSAGE

The Micro and Small manufacturing enterprises play an important role in providing employment to skilled and semi-skilled people in rural and urban areas. They help in sustaining and nurturing the traditional skill sets of the State. Their resources are meagre to modest and thereby the ability to withstand the dynamics of business environment is limited. Therefore, assistance by way of financial / non-financial help on a sustained basis and policy initiatives are key to their continuous survival.

In newly formed Telangana state, for the rapid industrial growth, the State has enacted various industrial policies which provide the wide range of benefits to the promotion of Industrial establishments. Among the various industrial policies TS-iPASS / THub / Incubation Centers are providing the immense encouragement to the entrepreneurs, to establish Units in the state. Further, the State is initiating all required steps, viz., establishment of Industrial Clusters / Food Processing Zones / Textile Parks, etc., to improve the industrial eco system in the state, thereby incentivizing the promoters to establish their units.

Global Linker - a unique digital networking platform with over 4 lakh plus MSMEs with Telangana members of 14,000 plus, was launched where they can find buyers and sellers globally. Similarly, Kiranalinker is launched during Covid-19 to digitize local Kirana stores.

Telangana Industrial Health Clinic Limited (TIHCL) was established as a 'Diagnostic' and 'Curative' industry initiative to revive and rehabilitate stressed and sick Micro and Small Manufacturing Enterprises (MSEs) in the state of Telangana. TIHCL was established to provide such assistance in a balanced way with continuous and meaningful engagement with the stake holders and help in revival of enterprises. Banks and other FIs that play a crucial role in financing MSEs will benefit by utilizing the services of TIHCL so that stressed enterprises can be revived, employment sustained, and economy improved.

It has been a progressive year so far despite challenges. COVID-19 Pandemic has further emphasized TIHCL's approach towards stressed MSEs considering the COVID-19 impact on industry ecosystem. The MSME sector, particularly Micro and Small enterprises in manufacturing sector, long known to be facing their own set of problems have suffered the worst during the COVID impact. At this juncture, I am happy to note that TIHCL focused more on these units and helped them, to come out of the stress / sickness and revive their normal manufacturing activities.

The progressive and innovative steps taken by the Telangana State over the years in various fronts including MSME have resulted in overall development of the State in terms of its economy and GDP. I wish all the best to TIHCL, in their future endeavors and wish them to grow horizontally across product offerings and vertically across market segments & geographies to improve its business volumes, multi-fold.

Taraka Rama Rao



Shri Jayesh Ranjan I.A.S

Principal Secretary of the Industries & Commerce (I&C) and Information Technology (IT) Departments of the Telangana Government

MESSAGE FROM CHAIRMAN

It is estimated that Telangana is home to about **2.6 million** MSMEs, out of which 56% are in rural areas and 44% in urban areas. During the Financial Year 2021-22, 33,158 Micro and 2,482 Small Manufacturing units have been registered in Udyam portal. For the said period a total of 1,61,437 units were registered under Micro & Small categories - both Manufacturing & Services. The Government is committed to generate employment by focusing on increasing the number of MSMEs and improving the scale of the existing enterprises in the state.

The disruption caused by the Covid-19 pandemic has brought enormous stress and even made many MSME units to close operations. To address such issues in Post Covid scenario, the State has taken various policy initiatives and also administrative measures to assist needy units to come out of the stress and to recommence their manufacturing activity. Further State has taken required measures to help other units also to ensure uninterrupted activity and to ensure employment generation. Further series of meetings have been conducted with all the stake holders and sought their involvement to provide required financial / technical help to needy units. The MSME Ministry has also been specifically requested to enhance the stimulus to help the industry to recover.

Duly recognizing the need for timely and moderately priced credit, along with other technical/marketing assistance required, the Government has constantly engaged with all the stake holders, including Banks/ FIs / Industry Associations. This has ensured timely flow of credit and other required services to the needy entrepreneurs.

Despite all the efforts put in by the State, due to the inherent reasons, many enterprises are getting into stress / sickness. As it may be difficult for the Banks / FIs to proactively deal with such a large level of stressed Units, Telangana Industrial Health Clinic Limited (TIHCL) had been established to provide such assistance in a balanced way with continuous and meaningful engagement with the stake holders and help revival of enterprises.

I am happy to note that, during the COVID / Post COVID scenarios, TIHCL has assisted in revival and rehabilitation of number of such needy Units. I wish them all the best in their future endeavors.

Shri Jayesh Ranjan I.A.S



Shri Suresh Kumar D. V.
Managing Director & CEO

MESSAGE FROM MD & CEO

The Year 2021-22 has been a year of restart from the impact of corona pandemic as well as expansion of activities. Focus has been towards engagement of clients by way of credit expansion and handling of priority release of sanctioned subsidy / incentives.

The client engagement process continued with vigor through meetings, formal and informal and through workshops with MSE entrepreneurs. The other stakeholders in the eco system, particularly Banks, continued to be engaged to provide help to the clients under financial stress.

The number of Bridge finance loans as well as turnover have increased compared to that of earlier years. The quality and efficiency in handling the priority release of sanctioned incentives have also witnessed improvement resulting in satisfaction of clients and other stake holders.

A study of the Telangana Scheduled Tribes Cooperative Finance Corporation Ltd. (TRICOR) beneficiaries under CM ST Entrepreneurship and Innovation Scheme who were under financial stress had been completed and solution recommended and the same was implemented to the satisfaction of 46 beneficiaries. An OTS scheme for a few cases of weavers of Sircilla Textile Park, who were under severe financial stress for a long time has been taken up for revival and rehabilitation.

Focus on improving the financials of the Institution has continued resulting in increased revenues, reduced expenditure and closed the year with a minor loss. I am sure that the systems and controls that have been put in place along with financial prudence in the activities of the Institution will certainly make TIHCL a profitable institution in the next year and years to come.

TIHCL will continue to strive to achieve the purpose for which it was established and continue to be prudent in its activities

Suresh Kumar DV

OUR DIRECTORS



Shri Jayesh Ranjan, I.A.S.

He is the Principal Secretary of the Industries & Commerce (I&C) and Information Technology (IT) Departments of the Telangana Government. His assignment involves developing policy frameworks, attracting new investments, identifying opportunities for utilizing IT in various government processes, and promoting digital empowerment of the citizens.



Shri D. Krishna Bhaskar, IAS

He is Director of Industries; a key assignment involving industrial development through effective implementation of policies and help improvement of industrial eco system in the State.



Shri E. Venkat Narsimha Reddy, IAS

He is the Vice Chairman & Managing Director, Telangana State Industrial Development Corporation (TSIDC), Hyderabad. He plays a key role in supporting the industrial development in the state.



Dr. Yerram Raju Behara

He is the Founder Director of TIHCL. A multi-faceted personality with experience and exposure in Banking, MSME and Academics. He is an Economist and Risk Management Expert, penned many books, publications, articles on Agriculture, MSME, Banking, Risk management and Governance. His work experience spans SBI, ASCI as Dean of Studies and Lal Bahadur Shastri National Academy of Administration. His work is known and acclaimed nationally and globally.



Shri Suresh Kumar D. V.

He had 34 years of experience in State Bank Group. He has extensive experience in the field of banking covering areas of retail and corporate banking including MSME lending. He has exposure in banking technology, risk management and treasury both forex and money markers including a stint in SBI Chicago as CEO. He retired as Chief General Manager, Internal Audit from State Bank of India in the year 2019 and took up the present assignment as CEO of TIHCL in June 2020.9



Dr. B. Kinnera Murthy

She is a Strategy Consultant, Director of Corporate Boards and Academic Governing Councils and a Founder Member of a Woman Support NGO, since her superannuation from The Administrative Staff College of India in 2012, where she held the posts of Dean and Professor, Strategic Management.



Dr. N. Krishna Mohan

He is a retired Chief General Manager from RBI with more than 30 years of experience and held various positions in the Central Bank before retiring as the Banking Ombudsman for the States of Andhra Pradesh and Telangana. He was the Regional Director of RBI offices at Trivandrum and Hyderabad.



Shri S. Srinivasa Rao

He retired as MD, APITCO, an organization involved in SME sector. A practical industrialist, he started his career as an entrepreneur starting an SSI unit in 1972. Later he joined APITCO as Consultant and rose to head the institution as Managing Director.



Dr. A.S. Ramasastry

He retired as director of IDRBT (established by Reserve Bank of India), he had actively led the development and growth in the areas of relevance to banking like Cyber Security, Analytics, Cloud Computing and Payment Systems. Earlier he was the Chief General Manager-in-Charge of Department of Information Technology at Reserve Bank of India and was the founder Chairman of IFTAS, a company promoted to provide technology services to banking and financial sectors.



Shri Srinivas Garimella

He has rich entrepreneurial experience involving marketing & operations strategy and has expertise in building frameworks for performance improvement. He is the Managing Director of Vega Conveyors & Automation Pvt Ltd., a 100% subsidiary of Daifuku Co Ltd, Japan

REPORT ON CORPORATE GOVERNANCE

TIHCL's Governance Philosophy

TIHCL defines Corporate Governance as a systemic process by which companies are directed and controlled to enhance their sustainability and profitability. TIHCL believes that the governance process should ensure that, company's resources are utilized in a manner that meets stakeholders' aspirations and societal expectations. This belief is reflected in the Company's deep commitment to contribute to the "triple bottom line", namely conservation and development of the state's economic, social and environmental capital.

TIHCL Corporate Governance structure, systems and processes are based on five core principles:

1. Protecting and enhancing the 'values' of the organization
2. Regulatory compliance oversight
3. Strategic direction
4. Preserving the independence, autonomy and transparency within the Board defined framework
5. Ensuring ethical practices in the Organization

The Governance Structure

TIHCL has adopted best corporate practices and is committed to conduct its business in accordance with the applicable laws, rules and regulations. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and proper constitution of committees of the Board. Company's Board of Directors comprise of professionals having vast experiences in relevant fields numbering 10 including five Independent Directors.

The company has been complying with all the requirements of

- A Non-Banking Financial Institution without accepting public deposits subject to the conditions of the Reserve Bank.
- All applicable corporate governance norms in relation to the constitution of the Board and Committees

The practice of Corporate Governance in TIHCL takes place at three interlinked levels:

A	Strategic Supervision	By Board of Directors
B	Strategic Management	By Managing Committee (MC)
C	Execution	By the Managing Director assisted by Chief Operating Officer

The three-tier governance structure ensures that:

A. Strategic supervision is free from involvement in the task of strategic management of the Company. The strategic supervision is conducted by the Board with objectivity, thereby sharpening accountability of management.

Composition of the Board as on 31st March 2022

Category	No. of directors	Names
Whole-time Directors	1	Shri Suresh Kumar D. V.
Official Directors	3	Shri Jayesh Ranjan Shri D. Krishna Bhaskar Shri E. Venkat Narsimha Reddy
Non-Executive Non-Independent	1	Dr. Yerram Raju Behara
Independent Directors	5	Dr. B. Kinnera Murthy Dr. N. Krishna Mohan Shri S. Srinivas Rao Dr. A.S. Ramasastry Shri Srinivas Garimella
Total	10	

Details of Board Meetings during the financial year

As against 4 meetings to be conducted, all the 4 have been conducted during the year as per details below:

Sl.	Date	Board Strength	No. of Directors Present
1	16.07.2021	10	10
2	18.09.2021	10	09
3	06.01.2022	10	09
4	27.04.2022	10	09

Attendance at Board Meetings and at Annual General Meeting (AGM) during the FY

Director	No. of Board Meetings attended	Attendance at AGM
Shri Suresh Kumar D. V.	04	01
Dr Yerram Raju Behara	03	01

Shri Jayesh Ranjan	04	01
Shri D. Krishna Bhaskar*	03	01
Shri Venkat Narsimha Reddy	02	01
Dr. B. Kinnera Murthy	04	-
Dr. N. Krishna Mohan	04	-
Shri S. Srinivas Rao	04	-
Dr. A.S Ramasatri	04	-
Shri Srinivas Garimella	04	-

* After Shri D. Krishna Bhaskar is nominated in the Board, only 3 Board Meetings are organized and was present for all meetings.

Leave of absence is granted to-	On the dates
Shri Venkat Narsimha Reddy	06-01-2022,27-04-2022
Dr Yerram Raju Behara	07.06.2022

B. Strategic management of the Company's business vested with Management Committee within Board approved direction and realization of Company goals. The primary role of the MC is to act as brains behind the business model to realize the objectives in accordance with Board approved plan. The MC also assesses the performance of the company, on an ongoing basis.

Composition of Management Committee

The committee was constituted on -19.03.2018

Category	No. of Directors	Names
Whole - time Directors	1	Shri Suresh Kumar D. V.
Non - Executive Non Independent Directors	1	Dr. Yerram Raju
Non - Executive Independent Directors	2	Dr. N. Krishna Mohan Shri S. Srinivas Rao
Total	4	

Details of Management Committee Meetings held during the financial year 2021-22

Sl. No	Date	MC Strength	No. of Directors Present
1	26.06.2021	4	4
2	28.12.2021	4	4
3	15.03.2022	4	4
4	06.04.2022	4	4

Director	No. of Meetings attended
Shri Suresh Kumar D. V.	4
Dr. Yerram Raju Behara	4
Dr. N. Krishna Mohan	4
Shri S. Srinivas Rao	4

C. There are well-established set of policies and procedures followed in lending processes in revival of the MSE units. The products offered in revival package and their features, terms and conditions, including those related to effective interest rates, processing fees and other charges, penalties for delays in repayment or for prepayment/pre-closure, are clearly mentioned in the loan agreement and/or sanction letter, as per RBI's Fair Practices Code for NBFCs. All the customer level and loan level information are being stored both electronic and as physical formats to ensure smooth functioning of the business.

WHISTLE BLOWER POLICY

TIHCL has incorporated Whistle Blower Policy in the 2nd Board Meeting of the year 2018-2019. The whistle Blower Policy of TIHCL would involve the following:

1. Keeping in view the substantial personal and professional risk involved in the process, TIHCL mandatorily keeps the confidentiality of the person and information revealed in the process, within the bounds of laws of the country.
2. The Independent Director would keep the Chairman of the Board informed through a strictly confidential note in a sealed cover the information so received.
3. The Independent Director would escalate the issue through the Chairman to the Serious Fraud Investigation Office of Government of India within 24 hours of completing the preliminary inquiry with such information as warranted.
4. Under no circumstances, such information shall be discussed in media or public glare.
5. It shall be the responsibility of the Managing Director & CEO to ensure that the architect of fraud would not qualify for any award through concealment or postponement of the act of punishment.

MSMEs IN INDIA

The Government of India has introduced **MSME or Micro, Small, and Medium Enterprises** in agreement with Micro, Small and Medium Enterprises Development (MSMED) Act of 2006. These enterprises primarily engaged in the production, manufacturing, processing, or preservation of goods and commodities.

MSMEs are an important sector for the Indian economy and have contributed immensely to the country's socio-economic development. It not only generates employment opportunities but also works hand-in-hand towards the development of the nation's backward and rural areas. According to the invest Telangana, The estimated number of MSMEs in India is a staggering 63.388 million (according to MSME Ministry annual report of 2021-22). One of the major driving factors of India's GDP growth is the MSME industry, which employs 40% of India's Workforce (110.98 M), contributing 45% of the output and 40% of the exports.

	Investment in plant and machinery (in INR Cr)	Turnover (in INR Cr)
Micro	Upto 1	Upto 5
Small	1 > 10	5 > 50
Medium	10 > 50	50 > 250

MSMEs Redefined : A proposal was made to redefine MSMEs by the Micro, Small and Medium Enterprises Development (Amendment) Bill, 2018, to classify them as manufacturing or service-providing enterprises, based on their annual turnover.

Classification of enterprises into micro, small and medium enterprises (in Rs)

Kind of enterprise	Act of 2006		Bill of 2018
	Manufacturing	Services	All enterprises
	Investment towards plant & machinery	Investment towards equipment	Annual Turnover
Micro	25 lacs	10 lacs	5 Cr
Small	25 lacs to 5 Cr	10 lacs to 2 Cr	5 Cr to 75 Cr
Medium	5 Cr to 10 Cr	2 Cr to 5 Cr	75 Cr to 250 Cr

Benefits of the above-proposed reclassification

According to the proposed reclassification or the new classification, there would be no need for frequent inspections to check the investment in plant and machinery. Also, the operations of MSMEs would be transparent, non-discriminatory, and objective in nature.

Importance of MSMEs for the Indian Economy

Across the globe, MSMEs are accepted as a means of economic growth and for promoting equitable development. They are known to generate the highest rate of growth in the economy. MSMEs have driven India to new heights through requirements of low investment, flexible operations, and the capacity to develop appropriate native technology.

1. MSMEs employ around 120 million persons, becoming the second-largest employment generating sector after agriculture.
2. With approximately 45 lac units throughout the country, it contributes about 6.11% of GDP from manufacturing and 24.63% of the GDP from service activities.
3. MSME ministry targets to increase its contribution towards GDP by up to 50% by 2025 as India moves ahead to become a \$5 trillion economy
4. Contributing around 40% of overall Indian exports
5. MSMEs promote all-inclusive growth by providing employment opportunities, especially to people belonging to weaker sections of the society in rural areas.
6. MSMEs in tier-2 and tier-3 cities help in creating opportunities for people to use banking services and products, which can amount to the final inclusion of the contribution of MSMEs for the economy.
7. MSMEs promote innovation by providing an opportunity to budding entrepreneurs to help them build creative products they and thereby boost competition in business and fuel the growth.

The Indian MSME sector provides silent support to the national economy and acts as a defense against global economic shock and adversities. Hence, we can say that India is propelling towards a robust global economy through a silent revolution powered by MSMEs.

TELANGANA

It is estimated that Telangana is home to about 2.6 million MSMEs, out of which 56% are in rural areas and 44% in urban areas. As many as 19,954 registered MSME units have commenced their operations since the formation of the state, with an investment of about Rs. 31,023 crores.

Category	No.Of Units	Investment Value (in INR Cr)	Employment Generated
Micro	13,546	5,099	1,35,547
Small	5,830	15,946	1,65,242
Medium	578	9,978	62,699
TOTAL	19,954	31,023	3,63,488

Infrastructure in Telangana for MSMEs

- There are 28 Industrial parks developed by TSIC which are available for MSMEs across 2500 acres of land. 6 new parks have been proposed and 12 are under upgradation.
- Green Industrial park for MSMEs in Yadadri - Industries Minister inaugurated Dandumalkapur TSIC-TIF-Micro Small and Medium Enterprises (MSMEs) Green Industrial Park in Nov 2019. MSME Park is expected to attract 1,553 crore investments, house more than 450 industries and generate about 35,000 jobs. This is the first model industrial park to be set up for the MSME sector after the formation of Telangana. The government provided the infrastructure and basic amenities in the park and also laid a road from the park to the national highway.
- Micro Industrial Park, Rairaoopeta, Bibinagar, Yadadri - A new Industrial park development started during 2020-21, for Micro enterprises in 40 acres of land for 171 units. The park will attract investments of Rs. 420 Crores and provide direct employment to 4200 people

Upcoming Clusters

- Plastic Cluster, Thummalur, Rangareddy
- Leather Cluster, Station Ghanpur, Warangal Urban
- Seed Processing Cluster, Bandamailaram, Siddipet
- National Investment and Manufacturing Zone (NIMZ), Zhaeerabad, Sangareddy
- Kakatiya Mega Textile Cluster, Warangal Rural
- Spice Cluster, Nizamabad

OTHER RECENT INITIATIVES

SIDBI: Government of Telangana entered into an MoU with Small Industries Development Bank of India (SIDBI) in Jan 2022 for a period of three years. Under the agreement, a project management unit (PMU) will be deployed by SIDBI to work with the Government. The PMU will design schemes in the areas of equity support, interest subvention, resolution of stressed MSMEs, learning events for entrepreneurs etc. The PMU will study existing frameworks of schemes, interventions, initiatives, projects currently available for the benefit of MSMEs in the State and will propose amendments, with the aim of improving efficiency and removing bottlenecks. The PMU will also prepare a process for handholding MSMEs in the state for onboarding digital platforms such as PSBLoansIn59Minutes, Stock Exchange listing, e-commerce platforms such as the government's e-Marketplace, etc. It will work closely with Telangana Industrial Health Clinic in supporting revival of sick MSEs and also provide policy advocacy support. SIDBI will also implement the Cluster Development Fund (SCDF) scheme in the State.

NSE: Government of Telangana and National Stock Exchange (NSE) signed an MoU in March 2022 to fuel growth of MSMEs in the State. As part of the understanding, NSE with the support of the Government of Telangana will conduct awareness drive through seminars, MSME camps, knowledge sessions, road shows, workshops to guide corporates across the state for fund raising on NSE Emerge platform and also handhold the companies in listing process. On its part, the Government of Telangana shall facilitate MSMEs to get listed on the NSE Emerge, by considering ways to reimburse percentage of expenses incurred on raising of funds, with a pre-defined upper limit to encourage the MSMEs to opt for raising of capital through SME Exchanges. Telangana Government will also explore the possibility of setting up a government sponsored equity participation fund to invest in the fast-growing SMEs in the State, on the Exchange platform.

JustDial: Government of Telangana signed an MoU with Just Dial in March 2022 to increase the ease of doing online business for MSMEs in Telangana. Just Dial will provide registered MSMEs of the State with free listing facilities and other services under the MoU for a period of 3 years.

BharatCall

Government of Telangana signed an MoU with BharatCall in December 2021 to create equal opportunity for all MSMEs in the State and remove digital barriers. The MoU benefits will largely cater to the segment of businesses which still do not have an online presence and even lack the basic internet services, and also to businesses which may have access to internet but lack the necessary digital resources. BharatCall technology will allow the content posted by the owner of a phone number directly on an inbound caller's screen during ordinary phone calls.

COMPANY OVERVIEW

Telangana Industrial Health Clinic has started its journey on 17.01.2018 as Non-Banking Finance Company promoted by Government of Telangana. The Company's objective is to provide a holistic support to the stressed Micro and Small enterprises in Manufacturing space (MSEs) suffering from incipient sickness and sickness as majority of micro and small manufacturing enterprises face innumerable problems, because they are unorganized and are strangled by stricter regulatory, financial and recovery norms. Its long-term goal is to improve the eco system surrounding this segment of the industry so that the incidence of sickness can be brought down over a period of time.

Founded on the principles of Empathy for MSEs, Improvement of eco system and Lean management institutional practices, with expert leadership at the helm of its affairs, TIHCL is supported by expert team of Management, younger operational executives and experienced consultants and alliances committed to contribute for the purpose. Our innovative institution has been set up to address the challenges of MSEs. TIHCL believes preventing Industrial sickness is an integral part of the development process.

This institution works in close coordination with the existing lending institutions and rebuild the trust between them and the stressed entrepreneurs. It supplements and works with the existing lending institutions. TIHCL strives to provide solution for financial and non-financial problems faced by MSEs, it has been established to be a preventive as well as curative clinic for stressed MSEs in the State of Telangana within the gamut of industry ecosystem comprising Entrepreneurs, Industries Department/ DICs, Ministry/Government, Banks, Financial Institutions, and other stakeholders

Vision

- To Build and Develop Sustainable entrepreneurial ecosystem dealing with challenges of Manufacturing MSEs in the State of Telangana.

Mission

- To Guide, Mentor and Support Manufacturing MSEs.

Values

- Dharma - Righteousness
- Loka Sangraha- Public Good
- Kaushalyam - Skill & Efficiency
- VaiVidhyatha- Innovation
- Jignasa – Learning

What we provide

1. Credit Facilitation

Providing the supplementary finance or part-equity required by new enterprises in cluster locations at the stage of business commencement. Our objective is to provide credit facilitation at concessional rate of interest and ensuring at the same time that the entrepreneur has adequate stake in the enterprise. Clusters have the advantage of forward and backward integration, thus having a higher benefit than units setup elsewhere.

2. Overdue Bill Purchase

TIHCL will provide finance to entrepreneur on bills which are overdue for payment after discounting with bank. The bill if not paid beyond 90 days after due date will lead to account being classified as NPA. TIHCL will provide finance to such bills by purchasing and help entrepreneur to distance from NPA trap. TIHCL will finance only bills drawn on PSU and government departments.

3. Critical Amount Funding (CAF)

TIHCL Provides loan facility for repayment of critical amount to stressed enterprises, which would prevent them slipping into NPA. In diagnostic study if the enterprise is viable for revival, a loan for the repayment of critical amount will be provided by TIHCL for onward payment to the bank to bail out unit from becoming NPA by taking Pari- Passu charge from the bank.

4. Stressed Asset Financing (SAF)

Based on the diagnostic study buttressed by TEV study where felt necessary, by TIHCL, if the applicant unit is found potentially viable, we would approach the unit's Bank to off-load the asset along with the collateral securities if any held by them towards that account.

5. Bridge Finance

TIHCL will provide finance against sanctioned investment subsidies / incentives (T-Idea). TIHCL will provide finance up to 75% of sanctioned investment subsidy / incentive generally and other subsidies on a case-to-case basis.

6. NARI (Nari Assistance Revival of Industry)

This product is devised for offering to Women Entrepreneurs at concessional rates. We identify the problems of the enterprise in diagnostic study and support them along with handholding

7. WE (Women Enterprise) Loans

TIHCL will provide financial assistance to existing manufacturing enterprises managed and owned by women entrepreneurs in providing Counselling and guidance to run and/or expand the business.

8.SWASHAKTI

TIHCL will provide financial assistance to new manufacturing enterprises managed and owned by women entrepreneurs in providing Pre-entry project assistance, counselling and helping hand and guidance in compliance to start and run a Manufacturing Industrial enterprise.

9.Priority Sanction

TIHCL studies and recommends early release of sanctioned investment subsidy (T-Idea). On enquiry received from Industries and commerce department, TIHCL will conduct a study on the Enterprise & provide recommendations to the I&C dept in its Study Report.

Operations of TIHCL

The company as on 31st March 2022 handled 412 clients providing them consultancy and advisory services thereby providing resolution to their problems. TIHCL has provided Diagnostic study reports for 300 units helping with priority release of incentives in the last 3 years. MOUs s have been entered with 4 organizations including State Bank of India and Federation of Telangana Chambers of Commerce.

Marketing Strategy

(a)TIHCL has continued their efforts to engage with Banks and MSMEs involving considerable time in awareness and identifying the potential enterprise, apart from this TIHCL also engaged with Industrial association and IALAs.

(b)TIHCL has spread its wings by conducting training session to IPOs and Additional Director of COI department to make them familiarized with Banking terminology and which in turn helps MSEs

(c)A new initiative of Doorstep engagement with the Micro and Small entrepreneurs who are facing stress at the industrial clusters has been started with a view to enhance our involvement so that adequate help can be provided. This engagement intends to resolve the issues, financial or non-financial, faced by the businesses at the ground level. Initially started with Patancheru and Pasa mailaram clusters.

(d) Additional New services have been introduced to help enterprises for onboarding into online portals such as TReDS (Trade Receivables Discounting System) , Udyam registration, and GEMs implementation

Growth strategy

Our growth strategy is to increase the productivity in terms of marketing by reaching to potential industrial parks and other areas, digital communications and close engagement providing non-financial and financial support.

Risk Management

The Company recognizes the importance of Risk Management in terms of identification, measurement, mitigation and monitoring. Our risks in the areas of Credit risk, operational risk and market Risk. Besides Credit, other risks, going forward, would be liquidity, interest rate and reputational risk. With the directives of RBI as regards applicability of NBFC norms even to Government Companies, the compliance risk is also significant. TIHCL is having required systems in line with the portfolio to address and take care of the risks. The Company has put in place certain basic measures to take care of the risks associated with its operations. New products as and when introduced are weighted in the light of comprehensive risks associated with Such products, mitigation thereof and priced suitably. While co-financing is explored first, before our banking upon sole financing products.

Way Forward

Structure driven traction with the help of existing institutional mechanism, i.e. banks, NBFCs local bodies etc., continues to prove challenging. While meeting this challenges the way forward in the space of revival will be

- ✓ Direct and continuous engagement with the enterprises
- ✓ Provision of services like consultancy, Advisory and co-ordination with the lending Institutions and funding for needy entrepreneur
- ✓ Efforts to improve the eco system

DIRECTORS' REPORT

Dear Members,
Telangana Industrial Health Clinic Limited

Your Directors have pleasure in presenting the 05th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts of your Company for the financial year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

The Company's financial performance, for the year ended 31st March, 2022 is summarized below:

Amount in Rs.)

Particulars	Year ended 31 st March, 2022.	Year ended 31 st March, 2021
Revenue from Operations	1,46,21,060	1,04,34,085
Other Income	13,58,679	19,56,453
Total Revenue	1,59,79,739	1,23,90,538
Expenses	1,51,17,716	1,76,81,414
Depreciation	16,64,250	18,30,140
Total Expenses	1,67,81,966	1,95,11,554
Profit / (loss) before exceptional and extraordinary items and Tax	(8,02,227)	(71,21,016)
Less: Prior Period Items	38680	0
Profit/ (loss) Before Taxation	(7,63,547)	(71,21,016)
Less: - Current Tax	-	-
- Income Tax (Earlier years)	-	-
- Deferred Tax	(1,10,775)	(49,279)
Profit / (loss) After Tax	(6,52,773)	(70,71,737)

STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the financial year ended 31st March, 2022, company has earned revenue of Rs.1,59,79,739/- and incurred expenses of Rs. 1,67,81,966/-. Company has incurred loss of Rs. 6,52,773/- due to the expenses more than Revenue. The company has reduced its loss from Rs. 70,71,737/- to Rs. 6,52,773/- after making adjustment for prior period Item of Rs. 38,680/- and deferred tax amount Rs. 1,10,775/-. However, it is expected to do better during the next financial year.

MATERIAL CHANGES AND COMMITMENT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

DIVIDEND

In view of the loss being suffered, no dividend is being recommended.

TRANSFER TO RESERVES

No amount was transferred to the reserves during the financial year ended 31st March, 2022.

DEPOSITS

The Company is a non-deposit taking NBFC, and thus has not accepted any public deposits during the financial Year 2021-22.

SHARE CAPITAL

The Authorized Share Capital of the Company is Rs.11,00,00,000/- divided into 11,00,000 equity shares of Rs. 100/- each.

The Paid-up capital of the company is Rs.10,02,60,000/-divided into 10,02,600 equity shares of Rs. 100/- each. There is no change in the capital during the F Y 2021-22.

MEETINGS OF THE BOARD OF DIRECTORS

For the financial year 31st March, 2022, 4 (Four) Meetings of the Board of Directors of the Company were convened and held on 16.07.2021, 18.09.2021, 06.01.2022, 27-04-2022.

LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the financial statements of the company.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or an Associate Company.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year ended 31st March, 2022 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

ANNUAL RETURN

As per Companies Amendment Act, 2017, wherein Section 92 (3) has been substituted with new provision which is as follows:

“Every Company shall place a copy of the Annual Return on the web-site of the Company, if any, and the web-link of such Annual Return shall be disclosed in the Board’s Report in place of extract of Annual Return”.

The copy of Annual Return in Form MGT-7 as on March 31, 2022 is available on the Company’s website and can be accessed at the given web-link <http://tihcl.telangana.gov.in/>

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. Conservation of Energy, Technology Absorption

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

B. Foreign Exchange Earnings and Outgo: NIL

RISK MANAGEMENT

The Company is in the process of developing and implementing a comprehensive risk management policy which identifies major risks which may threaten the existence of the Company. The same to be adopted by your Board will also be subject to its review from time to time. Risk mitigation process and measures are also being formulated and clearly spelled out in the said policy.

ADEQUACY OF INTERNAL 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

weaknesses in the design or operation were observed, nevertheless such systems are continuously and from time to time evaluated for their efficacy and improvements, if any, required are implemented.

VIGIL /WHISTLE BLOWER MECHANISM

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

There has been change in the constitution of Board during the year under review i.e. the structure of the Board is as follows:

S.No	Name of Director	Designation
1.	Sri Jayesh Ranjan	Director
2.	Sri Krishna Bhaskar Devarakonda	Director
3.	Sri Venkat Narsimha Reddy Ettireddy	Director
4.	Sri Behara Yerram Raju	Non-Executive Non-Independent
5.	Sri Sriramshetty Srinivasa Rao	Independent Director
6.	Dr. Krishna Mohan Nori	Independent Director
7.	Dr. Kinnera Murthy Bhagavatula	Independent Director
8.	Sri Allamraju Subramanya Ramasastrri	Independent Director
9.	Sri Srinivas Garimella	Independent Director
10.	Sri Suresh Kumar Devalam Venkata	MD & CEO
11.	Sri Venkateswarlu Sistla	Managing Director (w.e.f, 07.06.2022)

Mr. Venkateswarlu Sistla has been appointed as Managing Director of the company w.e.f 07.06.2022 in place of Mr. Suresh Kumar Devalam Venkata whose term of appointment expired on 31.05.2022.

Mr. Krishna Bhaskar Devarakonda has been appointed as Additional Director of the company w.e.f 05.11.2021 in place of Mr. K. Manica Raj.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Pursuant to MCA Notification dated 05th June 2015, the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to a Government company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, no case of sexual harassment was reported.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions w.r.t. CSR is not applicable to the Company. Therefore, the Company had not constituted CSR committee during the year 2021-22.

STATUTORY AUDITORS

M/s. R B Kabra & Co, Chartered Accountants, Hyderabad, were appointed as Statutory Auditors under section 139 of the Companies Act, 2013 by the Comptroller and Auditor General of India to audit the Accounts of the Company for the period from 01.04.2021 to 31.03.2022.

COMPTROLLER & AUDITOR GENERAL (C&AG):

The Comptroller & Auditor General (C&AG) has completed its audit and submitted the report which is annexed to the Annual Report. We are happy to inform you that there are no qualifications in C&AG Report.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, statutory auditors have not reported to the Board, under Section 143 (12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Director's report.

BOARD'S COMMENT ON THE AUDITORS' REPORT

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) in the preparation of the annual accounts for the year ended 31st March 2022, the Company has followed the applicable accounting standards and there are no material departures from the same.
- (b) the Directors have 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 as at 31st March 2022 and of the profit and loss of the Company for that period;
- (c) the Directors have 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 Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company;
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

SELECTION OF INDEPENDENT DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered, as an Independent Director on the Board. The Committee inter alia considers qualification, positive attributes, area of expertise and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's policy for selection of directors and determining directors' independence. The Board considers the Committee's recommendation and takes appropriate decision.

In the opinion of the Board the Independent Directors possess the integrity, expertise and experience (including the proficiency) of the independent directors.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The company has received necessary declarations from each Independent Director of the company under Section 149(7) of the Companies Act, 2013.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the period under review, there was no application made nor any proceeding initiated or pending under the Insolvency and Bankruptcy code, 2016.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

No loans were borrowed so far either from Banks or Financial Institutions.

GENERAL

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the company under any scheme save and except Employees' Stock Options Schemes referred to in this report.
- There has been no change in the nature of business of the company.

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep sense of appreciation for the committed contribution made by the employees at all levels, to the continued growth and prosperity of the Company. Your Directors also wish to place on record their sincere appreciation for the assistance and co-operation received from the business associates, Government authorities, customers, vendors, banks and other financial institutions and shareholders of the Company for their continued support.

**For and on behalf of the Board of Directors
Telangana Industrial Health Clinic Limited**

**Sd/-
Venkateswarlu Sistla
Managing Director
DIN: 09630397**

**Sd/-
Jayesh Ranjan
Chairman & Director
DIN: 00003692**



महालेखाकार का कार्यालय (लेखापरीक्षा) तेलंगाना, हैदराबाद

OFFICE OF THE ACCOUNTANT GENERAL (AUDIT) Telangana, Hyderabad

Lr.NO.AG (Audit)/TSC/TIHCL/2021-22/ 03

Date: 12.04.2023

To
The Managing Director & CEO,
Telangana Industrial Health Clinic
Limited, #5-9-58/B, Parishrama
Bhavanam, Fateh Maidan Basheerbagh,
Hyderabad – 500 004.

Sub: Comments of the Comptroller and Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013 on the financial statements of the Telangana Industrial Health Clinic Limited for the year ended 31 March 2022.

Sir,

1. I am to forward herewith B comments of the Comptroller and Auditor General of India under Section 143 (6) (b) of the Companies Act, 2013 on financial statements of your Company for the year ended 31 March 2022 for necessary action.
2. The date of placing of 'B' comments along with financial statements and Auditors' Report before the shareholders of the Company may please be intimated and a copy of the proceedings of the meeting furnished.
3. The date of forwarding the annual report for the year 2021-22 and financial statements of the Company together with the revised Auditors Report and 'B' comments of the Comptroller and Auditor General of India to the State Government for being placed before the Legislature may also be intimated.
4. Ten copies of the annual report for the year 2021-22 may be furnished in due course.
5. The receipt of this letter along with enclosures may please be acknowledged.

Yours faithfully,

Sr. Deputy Accountant General/AMG-II

Annexure-I

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of the financial statements of Telangana Industrial Health Clinic Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 07.02.2023 which supersedes their earlier Audit Report dated 07.06.2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of the Telangana Industrial Health Clinic Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company's personnel and a selective examination of some of the accounting records.

In view of the revisions made in the financial statements by the management, as indicated in Note No. 12 (m) of the financial statements, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the Statutory Auditors' report under section 143 (6) (b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

Place: Hyderabad
Date: 12-04-2023

Sd/-
Accountant General (Audit)

INDEPENDENT AUDITORS' REPORT

To

The Members of

TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED.

Report on the audit of the financial statements

We have audited the accompanying financial statements of **TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED** (“the Company”), which comprise the balance sheet as at March 31, 2022, the Statement of Profit and Loss, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

We have issued an Independent Audit Report dated 07/06/2022 on the financial statements as adopted by Board of Directors on even date. Pursuant to the observations of Comptroller and Auditor General of India, we are issuing Independent Auditor Report on the revised Financials. This report supersedes our earlier report dated 07/06/2022.

The company has revised Financial Statements for 2021-22, for complying with the observations issued by the C&AG for the year 2021-22. However, there is no impact on the financial statements of the company on account of these observations.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') 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, its profit and other comprehensive income, changes in equity and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013 along with Companies (Accounting Standards) Rules, 2021 notified under 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the

context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is a Private limited company.

Information other than the financial statements and auditors' report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's responsibility for the financial statements

The Company's management and board of directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2022. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(5) of the Act, we have considered the directions/sub directions issued by the comptroller and auditor general of India, action taken thereon and its impact on the financial statements of the company are given in Annexure B.

3. As required by section 143(3) and 143(5) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2022;

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

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

a) The Company does not have any pending litigations which would impact its financial position.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) According to the management there were no unpaid dividends, hence no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 4 of financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 14 of financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed 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) contain any material misstatement.

(C) With respect to the matter to be included in the Auditors’ 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 limits 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 R. B. KABRA &CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO.001650S**

**Sd/-
MEMBERSHIP NO.222831
UDIN: 23222P31BGWFE08509
PLACE: HYDERABAD
DATE: 07th, FEBUARAY, 2023**

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

With reference to the Annexure A referred to in the Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2022, we report the following:

3(i)	(a)	A. The Company has maintained proper records showing full particulars, including quantitative detail and situation of property, plant, and equipment.
		B. The Company has maintained proper records showing full particulars of intangible assets.
(i)	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(i)	(c)	The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
(i)	(d)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, or intangible assets or both during the year.
(i)	(e)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
(ii)	(a)	The Company is a Non-Banking Financial company, primarily helping Micro and Small enterprises in manufacturing sector by providing consultancy and financial services in the State of Telangana. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable

(viii)		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
(ix)	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans (Sircilla) in the payment of interest thereon to State Government/Central Government/RBI.
	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
	(c)	In our opinion and according to the information and explanations given to us the company has not obtained any term loans. Accordingly Clause 3(ix) (c) (d) (e) & (f) of the Order are not applicable.
(x)	(a)	The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, Clause 3(x) (a) of the Order is not applicable.
	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause 3(x)(b) of the Order is not applicable.
(xi)	(a)	Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company have been noticed or reported during the course of the audit.
	(b)	According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
	(c)	We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures
(xii)		According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Clause 3(xii) of the Order is not applicable.
(xiii)		In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been

		disclosed in the financial statements in Note - 19 (1.17) as required by the applicable accounting standards.
(xiv)	(a)	According to the information and explanations given to us, the Company does not satisfy the following : A. paid-up share capital of which does not exceed fifty crore rupees; and B. Revenue from Operations/ Turnover of which as per profit and loss account for the immediately preceding financial year does not exceed two hundred crore rupees. C. Outstanding loans or borrowings from banks or PFI exceeding rupees one hundred crore or more at any point of time. Hence as Internal Audit system is not applicable Accordingly Clause xiv(a) and (b) are not applicable.
(xv)		In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
(xvi)	(a)	The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.
	(b)	The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
	(c)	The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, Clause 3(xvi)(c) of the Order is not applicable
	(d)	According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.
(xvii)		The Company has not incurred cash losses in the current year but in the immediately preceding financial year there were cash loss of Rs.68,40,499.
(xviii)		There has been no resignation of the statutory auditors during the year. Accordingly, Clause 3(xviii) of the Order is not applicable
(xix)		According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. We, however, state that this is not an

		assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
xx	(a)	In our opinion and according to the information and explanations given to us, section 135 of the Act is not applicable to the Company. Accordingly, clauses 3(xx)(a) of the Order is not applicable.
	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company as there is no ongoing project, Hence Clause 3(xx) is not applicable to the Company.
xxi		As the Company does not have any subsidiary or associate, accordingly, Clause 3(xxi) of the Order is not applicable.

**FOR R. B. KABRA & CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO.001650S**

**Sd/-
MEMBERSHIP NO.222831
UDIN: 23222831BGWFE08509
PLACE: HYDERABAD
DATE: 07TH FEBRUARY, 2023**

ANNEXURE 'B' REFERRED TO IN PARAGRAPH 2 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT TO THE MEMBERS OF TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED OF EVEN DATE FOR THE YEAR ENDED 31ST MARCH, 2022.

	DIRECTIONS GIVEN BY COMPTROLLER AND AUDITOR GENERAL OF INDIA	REPLIES
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company is accounting all the transactions thru its Accounting Software viz., Tally ERP. During our Audit we have not come across any transactions outside IT system.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/ loans/interest etc. made by a lender to the company due to the company's inability to re- pay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company)	Not Applicable. There are no such cases of waiver / write off debts / loans / interest etc during the year under Audit except that reversal of NPA provision created in earlier year since the management is of the view that the said loans forming part of NPA of the company, if not recovered, are adjustable against loan given to the company by the Government of Telangana State.
3.	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	During the year no grants/subsidy received from central/state government.

**FOR R. B. KABRA & CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO.001650S**

**Sd/-
MEMBERSHIP NO.222831
UDIN: 23222831BGWFE08509
PLACE: HYDERABAD
DATE: 07TH FEBRUARY, 2023**

Annexure - C to the Independent Auditors' Report

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of **TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED** ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company as at and for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Managements and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

Auditors' 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Auditors' Responsibility (continued)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls

over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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.

**FOR R. B. KABRA &CO.
CHARTERED ACCOUNTANTS
FIRM REGN. NO.001650S**

Sd/-

**MEMBERSHIP NO.222831
UDIN: 23222831BGWFE08509
PLACE: HYDERABAD
DATE: 07TH FEBRUARY, 2023**

BALANCE SHEET AS AT 31ST MARCH 2022

TELANGANA INDUSTRIAL HEALTH CLINIC LTD. CIN No.U74999TG2017SGC117624 BALANCE SHEET AS AT 31ST MARCH, 2022			
(Amount in '00)			
Particulars	Not e	31.03.2022 Rs.	31.03.2021 Rs.
<u>I. EQUITY AND LIABILITIES</u>			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	1	1,002,600.00	1,002,600.00
(b) Reserves and Surplus	2	570,457.12	576,984.85
(c) Share Application Money			
<u>(2) Share Application money pending allotment</u>			
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings	3	89,079.99	161,765.24
(b) Deferred Tax Liabilities (Net)	4	317.89	1,425.65
(c) Other Long Term Liabilities			
(d) Long Term Provisions	5	68,868.92	562.56
<u>(4) Current Liabilities</u>			
(a) Short-Term Borrowings			
(b) Trade Payables			
(c) Other Current Liabilities	6	32,340.46	14,525.06
(d) Short-Term Provisions			
Total		1,763,664.38	1,757,863.36
<u>II.ASSETS</u>			
<u>(1) Non-Current Assets</u>			
<i>(a) Property, Plant and Equipment and Intangible Assets</i>			
(i) Property, Plant & Equipment	7	8,178.03	9,622.81
(ii) Intangible Assets		34,082.43	49,227.28
(b) Non-current investments			
(c) Deferred tax assets (net)			
(d) Long term loans and advances	8	354,467.50	272,953.63
(e) Other non-current assets			
<u>(2) Current Assets</u>			

(a) Current investments	9	1,101,262.21	1,125,777.44
(b) Inventories			
(c) Trade receivables	10	5,350.65	
(d) Cash and cash equivalents	11	259,048.44	288,790.60
(e) Short-term loans and advances	12	1,275.12	11,491.60
(f) Other current assets			
Total		1,763,664.38	1,757,863.36

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES
ON ACCOUNTS**

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Note forming an integral part of Balance Sheet.
Vide our report of even date attached.

**FOR R.B.KABRA & CO.,
CHARTERED ACCOUNTANTS
Firm Reg. No.: 001650S**

**For Telangana Industrial Health Clinic
Limited**

**Managing Director
DIN: 09630397**

**Director
DIN: 00003692**

**(CA. RUCHI AGARWAL)
PARTNER
Membership No. : 222831
PLACE : HYDERABAD
DATE: 7TH FEBRUARY, 2023**

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2022

TELANGANA INDUSTRIAL HEALTH CLINIC LTD. CIN No.U74999TG2017SGC117624 STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2022 (Amount in '00)				
Particulars	Note	31.03.2022 Rs.	31.03.2021 Rs.	
Income from operations	13	146,210.60	104,340.85	
Other Income	14	13,586.79	19,564.53	
Total Income		159,797.39	123,905.38	
<u>EXPENSES:</u>				
Employee Benefit Expenses	15	83,235.11	108,546.92	
Financial Costs	16	42.36	39.57	
Depreciation and Amortised Expenses	17	16,642.50	18,301.40	
Other Expenses	18	67,899.68	68,227.65	
Total Expenses		167,819.66	195,115.54	
Profit before exceptional and extraordinary items and tax		(8022.27)	(71210.16)	
Exceptional items		-	-	
Extraordinary items		-	-	
Prior Period Items		386.80	-	
Profit before Tax		(7635.47)	(71210.16)	
<u>Tax expense:</u>				
Current tax				
Deferred tax		(1107.75)	(492.79)	
Excess Provision written off				
		(1107.75)	(492.79)	
Profit/(loss) from Discontinuing operations (after tax)				
Profit after Tax		(6527.73)	(70717.37)	

Earning per equity share:			
(a) Basic		(0.74)	(8.14)
(b) Diluted EPS		(0.74)	(8.14)
<p>SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 19</p> <p>Note forming an integral part of Balance Sheet. Vide our report of even date attached.</p> <p>FOR R.B.KABRA & CO., CHARTERED ACCOUNTANTS FIRM REGN.NO.001650S</p> <p>For Telangana Industrial Health Clinic Limited</p> <p>Managing Director Director DIN: 09630397 DIN: 00003692</p> <p>(CA. RUCHI AGARWAL) Partner Membership No. : 222831. PLACE : HYDERABAD DATE: 7TH FEBRUARY, 2023</p>			

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

TELANGANA INDUSTRIAL HEALTH CLINIC LTD. CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022			(Amount in '00)
	PARTICULARS	YEAR ENDED 31.03.2022	YEAR ENDED 31.03.2021
A	Cash flow from Operating activities:		
	Net Profit before tax and extraordinary items	(7635.47)	(71210.16)
	Adjustments:		
	Depreciation	16642.50	18,301.40
	Profit from sale of Mutual funds	(51248.03)	(39054.37)
	Provision for NPA	8814.65	
	Interest Received/Non Operating income	(10010.90)	(3377.57)
	Operating Profit before Working Capital Charges	(43437.25)	(95340.71)
	Adjustments for:		
	Decrease/Increase in Trade and other receivables	(5350.65)	1,044.88
	Increase/Decrease in Long term Provision	68306.36	(16038.63)
	Increase/Decrease in Trade Payables & Current Liabilities	17815.40	(4013.77)
	Cash Generated from Operations	37333.86	(114348.23)
	Tax paid		
	Net Cash from Operating Activities(A)	37333.86	(114348.23)
B	Cash flow from investing Activities:		
	Purchase of Fixed Assets (including changes in Capital WIP)	(52.87)	
	Long Term Loans and advances	(81513.88)	9,913.69
	Short Term Loans and advances and current assets	10216.48	6,841.06
	Increase/Decrease in Investment	24515.23	(747777.44)
	Profit from Sale of Mutual Funds	51248.03	39,054.37
	Interest Received/Non Operating income	10010.90	3,377.57
	Net Cash used in Investing Activities:(B)	14423.89	(688590.75)
C	Cash from Financing Activities:		
	PROCEEDS FROM/(Repayment) of Borrowings :		
	Share Capital and Share Application Money		1,000,000.00
	Capital Reserve		
	Secured Loans		
	long term loans	(72685.25)	

Unsecured Loans			
Interest Paid		(8814.65)	
Net cash used in Financial Activities (C)		(81499.90)	1,000,000.00
Net Increase in Cash and Cash Equivalents (A+B+C)		(29742.15)	197,061.01
Cash & Cash equivalents at the beginning of the year (Op.Bal.)		288790.60	91,729.59
Cash & Cash equivalents at the end of the year (Cl. Balance)		259048.45	288,790.60
Net Increase in Cash and Cash Equivalents		(29742.15)	197,061.01

FOR R.B.KABRA & CO.,
CHARTERED ACCOUNTANTS
 Firm Reg. No.: 001650S

**For Telangana Industrial Health
 Clinic Limited**

(CA. RUCHI AGARWAL)
PARTNER

Managing Director

Director

Membership No. : 222831

DIN: 09630397

DIN:

PLACE : HYDERABAD

00003692

DATE: 7TH FEBRUARY, 2023

Notes Forming Integral Part of the Balance Sheet as at 31st March, 202

<i>Note : 1 Share Capital</i>	(Amount in '00)	
	Amount in Rs.	
Particulars	As at 31st March 2022	As at 31st March 2021
<u>AUTHORIZED CAPITAL</u>		
11,00,000 Equity Shares of Rs. 100/- each with Voting rights	1,100,000.00	1,100,000.00
	1,100,000.00	1,100,000.00
<u>ISSUED , SUBSCRIBED & FULLY PAID UP CAPITAL</u>		
1002600 (P.Y. 1002600) Equity Shares of Rs. 100/- each with Voting Rights	1,002,600.00	1,002,600.00
Total	1,002,600.00	1,002,600.00

Equity Shares

The Company has only one class of equity shares having a par value of Rs. 100 per share. Each Shareholder is eligible for one vote per share. The dividend proposed if any by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

a. Reconciliation of Equity Shares outstanding at the beginning and at the end of the year

(Amount in '00)

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
At the Beginning of the year	1,002,600	1,002,600.00	1,002,600	1,002,600.00
Issued during the year (Equity Shares each Rs.100/-)	-	-	-	-
Outstanding at the end of the year	1,002,600	1,002,600.00	1,002,600	1,002,600.00

b. Details of Share Holders holding More than 5% of Equity Shares in the Company

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	%age of Holding	No. of Shares	%age of Holding
H.E.Hon'ble Governor - Telangana state (together with nominees)	1,000,000	99.7407%	1,000,000	99.7407%

Shares held by promoters at the end of the year				% Change during the year
S.No	Promoters Name	No. of Shares	% of total Shares	0
1	H.E.Hon'ble Governor - Telangana state (together with nominees)	1,000,000	99.74%	

Note : 2 Reserves & Surplus	Amount in Rs.	
Particulars	As at 31st March 2022	As at 31st March 2021
Capital Reserve		
Special Reserve	1,000,000.00	1,000,000.00
	1,000,000.00	1,000,000.00
Surplus / (Deficit) in Statement of Profit and Loss		
Balance at the beginning of the year / period	(423,015.15)	(352,297.78)
Add: Profit / (Loss) for the year / period	(6,527.73)	(70,717.37)
	(429,542.88)	(423,015.15)
Total	570,457.12	576,984.85

Note : 3 Long Term Borrowings	Amount in Rs.	
Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured Loans	89,079.99	161,765.24
Total	89,079.99	161,765.24

Note : 4 Deferred Tax Liabilities	Amount in Rs.	
Particulars	As at 31st March 2022	As at 31st March 2021
Deferred Tax Liabilities	317.89	1,425.65
Total	317.89	1,425.65

Note : 5 Long Term Provisions	Amount in Rs.	
Particulars	As at 31st March 2022	As at 31st March 2021
Provision for Contingency for Standard Assets	369.69	274.83
Provision for Non-Performing Assets	9,007.52	287.73
Provision for NPA- (Sircilla)	59,491.71	-
Total	68,868.92	562.56

Note : 6 Other Current Liabilities	Amount in Rs.	
Particulars	As at 31st March 2022	As at 31st March 2021
Statutory Liabilities	2,095.28	2,238.33
Outstanding Expenses	6,594.58	2,786.73
Sundry Advances	23,650.60	9,500.00
Total	32,340.46	14,525.06

Disclosure : The company has used the borrowings from State Government / financial institutions for the specific purpose for which it was borrowe

Note 7**Property, Plant and Equipment**

S.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION					Net Block	
		As At 1st April 2021	Additions	Deletions / Adjustments	As at 31st March, 2022	As At 1st April 2021	For the Year		Deletions / Adjustments	As at 31st March, 2022	As At Mar 2022	As At Mar 2021
							On opening balances	On Additions				
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
(i) Property, Plant and Equipment												
1	Computers	5,590.36	-	-	5,590.36	5,269.04	41.80	-	-	5,310.84	279.52	321.32
2	Furniture & Fixtures	4,460.70	-	-	4,460.70	1,421.06	423.77	-	-	1,844.83	2,615.87	3,039.64
3	Printers	2,179.22	-	-	2,179.22	452.94	159.25	-	-	612.19	1,567.03	1,726.28
4	Office Equipment	2,123.59	-	-	2,123.59	1,086.76	403.48	-	-	1,490.24	633.35	1,036.83
5	Air Conditioners	4,870.12	-	-	4,870.12	1,462.87	462.66	-	-	1,925.53	2,944.59	3,407.25
6	UPS - Hitachi	1,829.70	-	-	1,829.70	1,738.21	-	-	-	1,738.21	91.49	91.49
7	Paper Shredder	-	52.87	-	52.87	-	-	6.69	-	6.69	46.18	-
	Total	21,053.69	52.87	-	21,106.56	11,430.88	1,490.96	6.69	-	12,928.53	8,178.03	9,622.81
(ii) Intangible Assets												
1	Tally software	182.20	-	-	182.20	162.74	10.35	-	-	173.09	9.11	19.46
2	I-Health Software	75,672.52	-	-	75,672.52	26,464.71	15,134.50	-	-	41,599.21	34,073.31	49,207.81
	Total	75,854.72	-	-	75,854.72	26,627.44	15,144.85	-	-	41,772.29	34,082.43	49,227.28
Grand Total		96,908.41	52.87	-	96,961.28	38,058.32	16,635.81	6.69	-	54,700.82	42,260.46	58,850.09
Previous years figures		96,908.41	-	-	96,908.41	19,756.92	18,301.40	-	-	38,058.32	77,151.48	58,850.09
Capital work in progress(CWIP): The Company does not have any Capital work in Progress Revaluation of plant, property and equipment for both Tangible and Intangible Assets No revaluation of plant, property and equipment for both tangible and Intangible assets have been undertaken by the company during the year.												

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2022

<i>Note : 8 Long Term Loans and Advances (Secured Considered Good)</i>	Amount in Rs.	
	As At 31st March, 2022	As At 31st March, 2021
Particulars		
(a) Capital Advances		
(c) Loans and Advances to related Parties		
(d) Other Loans and Advances	354,467.50	272,953.63
Total	354,467.50	272,953.63

Note:

1. The company has given the loans to Siricilla Weavers and Other Units under advice from State Government. These loans are repayable in 60 equal installments in the case of Siricilla Weavers with a moratorium of 6 months. In the case of other industries the repayment is in Equal Instalments and Bullet Repayments on a case to case basis.
2. These loans are secured by Hypothecation of Plant & Machinery in the case of Siricilla Weavers and in the case of there various Assets of those companies
3. Includes Non-Performing Assets of Rs.2,06,85,897/-

(Amount in '00)

<i>Note : 9 Current investments</i>	Amount in Rs.	
	As At 31st March, 2022	As At 31st March, 2021
Particulars		
ICICI All seasons Bonds	135,000.00	
Investment in Franklin Templeton Mutual Funds	1,262.21	25,777.44
Investment in HDFC Money Market Fund	100,000.00	100,000.00
Investment in ICICI Prudential Corporate Bond Fund		100,000.00
Investment in ICICI Prudential Short Term Fund	130,000.00	100,000.00
Investment in Kotak Bond Short Term Fund	-	100,000.00
Investment in Nippon India Corporate Bond Fund	130,000.00	100,000.00

Investment in Nippon Bond Short Term Fund	135,000.00	
Investment in Nippon India Money Market Fund	100,000.00	100,000.00
Investment in SBI Corporate Bond Fund		200,000.00
Investment in SBI Savings Fund	200,000.00	100,000.00
Investment in SBI Short Term Debt Fund	170,000.00	200,000.00
Total	1,101,262.21	1,125,777.44

Note : 10 Trade Receivables	Amount in Rs.	
Particulars	As At 31st March, 2022	As At 31st March, 2021
Processing fees receivables	5,350.65	-
Total	5,350.65	-

Refer Notes to Accounts for Ageing Analysis point (j)

The Company has complied with the layers prescribed under clause 87 of section 2 of the Act read with Companies (restriction on number of layers), Rules 2017

Note : 11 Cash & Cash Equivalent	Amount in Rs.	
Particulars	As At 31st March, 2022	As At 31st March, 2021
Cash on Hand	194.83	82.09
<u>Balances with Banks</u>		
-In Current Accounts with Banks	173,853.61	4,300.02
	174,048.44	4,382.11
<u>Other Bank Balances</u>		

In Deposit account with Banks	85,000.00	284,408.49
	85,000.00	284,408.49
Total	259,048.44	288,790.60
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements	259,048.44	288,790.60

<i>Note : 12 Short Terms Loans and Advances (Unsecured Considered Good)</i>	Amount in Rs.	
	As At 31st March, 2022	As At 31st March, 2021
Balance with Revenue authorities	376.36	9,913.06
Prepaid expenses	898.76	888.48
Accrued interest	-	690.06
Total	1,275.12	11,491.60

Transactions with struck off companies: There are no transaction with Struck off Companies during the year.

DETAILS OF BENAMI PROPERTY IF ANY :

No Proceedings Have been Initiated Or Pending Against The Company For Holding Any Benamai Property Under The Benami Transaction (Prohibitions Act,1988) And The Rules Made There Under

Notes Forming Integral Part of the Statement of Profit & Loss for the year ended 31st March, 2022

<i>Note : 13 Income from operations</i>	Amount in Rs.	
	For Year Ended 31st March, 2022	For Year Ended 31st March, 2021
Particulars		
Interest from Loans	6,920.86	17,576.28
Processing fee	85,612.61	44,493.00
Handholding Charges	137.50	2,741.53
Loan Documentation Charges	2,291.60	475.67
Profit From Sale of Mutual Funds	51,248.03	39,054.37
Total	146,210.60	104,340.85

<i>Note : 14 Other Income</i>	Amount in Rs.	
	For Year Ended 31st March, 2022	For Year Ended 31st March, 2021
Particulars		
Interest on IT Refund	23.20	62.94
Interest on Bank Deposits	9,987.70	3,314.63
Reversal of NPA Provision no longer required		16,186.95
Reimbursement of Training- NIMSME	3,003.67	-
Others	572.22	
Total	13,586.79	19,564.53

No foreign exchange earnings have been made by the company during the year.

Note : 15 Employee Benefit Expenses	Amount in Rs.	
	Particulars	For Year Ended 31st March, 2022
Salaries and Allowances (including contract employees)	62,396.75	69,708.33
Remuneration to Managing Director & Advisor	20,838.36	38,838.59
Total	83,235.11	108,546.92

Note :16 Finance Costs	Amount in Rs.	
	Particulars	For Year Ended 31st March, 2022
Bank & Finance Charges	42.36	39.57
Total	42.36	39.57

Note :17 Depreciation and Amortization	Amount in Rs.	
	Particulars	For Year Ended 31st March, 2022
Depreciation	16,642.50	18,301.40
Total	16,642.50	18,301.40

Note : 18 Other Expenses	Amount in Rs.
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Particulars	For Year Ended 31st March, 2022	For Year Ended 31st March, 2021
Books & Periodicals	117.35	182.00
Postage & Telegram	55.44	93.75
Advertisement & Business promotion expenses	580.28	-
Communication expenses	791.49	1,228.90
Certification Expenses	100.00	351.12
Printing & stationery	684.95	1,254.99
Consultancy Expenses	7,593.65	4,943.00
Auditors fees	750.00	750.00
Professional & Legal fee	7,971.73	8,101.37
Travelling & Conveyance expenses	7,609.82	5,934.36
Registration & filing fee	66.00	248.76
Directors Sitting Fee	2,040.00	1,962.00
Subscription expenses	165.34	316.64
Electricity charges	1,297.14	1,409.52
Office Maintenance	4,350.80	3,460.64
Rent, Rates & Taxes	17,516.10	16,131.16
Repairs & Maintenance	2,169.72	15,742.86
Cloud storage cost	2,219.47	
Web Maintenance Charges	543.60	588.60
Provision for Standard Assets	94.86	(24.81)
Provision for Non Performing Assets	8,719.79	173.13
General Expenses	2,462.14	1,645.29
Sponsorship Expenses	-	545.00
Training Expenses	-	3,189.37
Total	67,899.68	68,227.65

Undisclosed income

The Company has no unrecorded income or related assets which requires disclouser as such.

No investments done by the Company in crypto or virtual currency.

Note 19**a. Corporate Information**

Telangana Industrial Health Clinic Limited ('the company') was incorporated on 7th June 2017 as public limited company under the Companies Act 2013. The company is primarily engaged in the business of Non-Banking Finance Company and to help Micro and Small enterprises in manufacturing sector by providing consultancy and financial services in the State of Telangana. For that purpose the company lends /advances money to entrepreneurs, promoters, industrial and other business concerns on such terms and conditions and with or without security as may be considered appropriate and also to act as a Financial Company.

b. SIGNIFICANT ACCOUNTING POLICIES**1 Basis of Accounting :**

The Financial Statements have been prepared under the historical cost convention method on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles in India (GAAP) and comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act, 2013 read with applicable Companies (Accounts) Rules, 2014.

2 Use of Estimates

"The preparation of the financial statements in conformity with the Indian GAAP, requires the management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

Management believes that the estimates used in the presentation of financial statements are prudent and reasonable. Actual result could differ from these estimates."

3 Revenue Recognition: Revenue is recognized on accrual basis.

4 Property, Plant and Equipment and Intangible Assets

Tangible Assets are stated at actual cost, less accumulated depreciation and net of impairment. Cost includes all expenses incurred to bring the assets to its present location and condition. Subsequent expenses on tangible assets after their purchase is capitalized only if such expenses results in an increase in the future benefits from such assets beyond the previous announced standards of performances.

The cost and the accumulated depreciation for tangible assets sold, retired or otherwise disposed-off are removed from the stated values and the resulting gains and losses are included in the Statement of Profit and Loss.

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

5 Depreciation

Depreciation on tangible assets is provided on a straight-line method over their estimated useful lives after considering 5 % as residual value at the rates as prescribed under Schedule II of the Companies Act, 2013. Depreciation is charged on pro-rata basis from the date of capitalization. Losses arising from retirement, gains or losses arising from disposal of tangible assets which are carried at cost are recognized in the statement of Profit and Loss.

6 Earnings Per Share

The company reports basic Earnings per share (EPS) in accordance with Accounting Standard 20 on "Earnings per share". Basic EPS is computed by dividing the net Profit or Loss for the year attributable to equity share holders by the weighted average number of equity shares outstanding during the year. Dilutive Potential Equity shares are deemed to have been converted as of the beginning of the year, unless they have been issued at a later date. The number of shares used in computing Diluted EPS comprises of weighted average shares considered for deriving Basic EPS, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares where applicable.

7 Retirement and other Employee benefits:

Employee benefits include provident fund and gratuity fund, if any. Contributions in respect of Employees Provident Fund which is as defined contribution schemes, are made to a fund administered and managed by the Government of India and are charged as incurred on accrual basis to the Statement of Profit and Loss.

8 Cash and Cash Equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

9 Segment Reporting :

The Company is primarily engaged in the business of Rendering Financial Services to SME's. The primary segment of the company is Rendering Financial Services which in the context of Accounting Standard 17 on “Segment Reporting” constitutes reportable segment.

10 Taxes on Income

Tax expenses comprises both current and deferred taxes. Provision for current tax is made based on the applicable tax rates and tax laws with respect to that year. Deferred tax assets and liabilities are recognised for the future tax consequences attributable to differences between financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards. 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. The effect of deferred tax assets and liabilities of a change in tax rates is recognised in the profit and loss account in the year of change. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

11 Contingent Liabilities & Provisions

A Provision is recognised when an enterprise has a present obligation as a result of past event i.e. it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

12 Government Grants

Government grants are recognised when there is reasonable assurance that (i) the enterprise will comply with the conditions attached to them, and (ii) the grants will be received.

Government grants related to specific fixed assets are presented in the balance sheet by showing the grant as a deduction from the gross value of the assets concerned in arriving at their book value.

Government grants related to revenue are recognised on a systematic basis in the profit and loss statement over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are either shown separately under 'other income' or deducted in reporting the related expense.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

Government grants in the form of non-monetary assets, given at a concessional rate, are accounted for on the basis of their acquisition cost. In case a non-monetary asset is given free of cost, it is recorded at a nominal value.

Government grants that are receivable as compensation for expenses or losses incurred in a previous accounting period or for the purpose of giving immediate financial support to the enterprise with no further related costs, are recognised and disclosed in the profit and loss statement of the period in which they are receivable, as an extraordinary item if appropriate.

Government grants that become refundable are accounted for as an extraordinary item.

Government grants in the nature of promoters' contribution that become refundable are reduced from the capital reserve.

c. The company is recognised as a Non-Banking Financial Company (NBFC) with Reserve Bank of India(RBI). The company can carry on the business of Non-Banking Financial institution without accepting Public Deposits.

d. No.4017/Tex.2/2015-5 referred to in the GO RT 109 dated 20-06-2019 the loan given by the Government of Telangana State is repayable as and when the loans given to the Siricilla Weavers are recovered by the company. The said loans forming part of NPA of the company, if not recovered, are adjustable against loan given to the company by the Government of Telangana State. In view of this position the company has made provision for NPA by reducing the loan amount given by the government.

e. The company is in the process of reconciling the input credit of GST as per books of accounts with the GST portal and will adjust the differences if any along with the interest in the coming financial year.

f. The business segments have been identified based on the nature of business carried out and services provided by the Company to its clients. The Company is primarily in the business of Rendering Financial Services to SME's.

g. Disclosure of Related Party Transactions as required by Accounting Standard - 18 "Related Party Disclosures".

(1) Other related parties commonly controlled or influenced by major shareholders / directors of the company- - Telangana State Industrial Development Corporation Limited (TSIDC)

(2) Key Managerial Personnel

Sri. Jayesh Ranjan, IAS - Chairman

Sri. Venkat Narsimha Reddy Ettireddy - Independent Director

Dr. Behara Yerram Raju - Non Independent Non Executve Director

Dr. Krishna Mohan Nori - Independent Director

Sri. Sriramshetty Srinivasa Rao - Independent Director

Dr. Kinnera Murthy Bhagavatula - Independent Director

Dr. Allamraju Subramanya Ramasastry - Independent Director

Sri. Krishna Bhaskar Devarakonda, IAS - Independent Director

Sri. Srinivas Garimella - Independent Director

Sri. Suresh Kumar Devalam Venkata - Managing Director & C E O

Transactions with Related parties during the year

Particulars	Nature of Transaction	31.03.2022	31.03.2021
TSIDC	Rent	16,431.80	14,903.88
Independent directors	Sitting Fees	2,040.00	1,500.00
Key Managerial Personnel - Sh M.Sanjaya	Remuneration	-	3,333.32
Key Managerial Personnel - Sh D.V. Suresh Kumar	Remuneration	18,000.00	16,611.08
Key Managerial Personnel - Sh.B.Yerram Raju	Remuneration	-	15,600.00

h. Other than in the normal and ordinary course of business there are no funds that 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 persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

i. The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act 2006) claiming their status as micro, small or medium enterprises. Consequently, the amount paid/payable to these parties is considered to be NIL.

(j) Trade Receivables Ageing Analysis

Particulars	O/s for following period periods from due date of Payment					
	Less Than 6 months	6 months - One year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivable	5356.05					5356.05

(k) ANALYTICAL RATIOS :

Sn o	Ratios	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	% Variance
A	Current ratio	Current assets	Current liabilities	42.1	98.2	-57.12
B	Debt-equity ratio	Debt (borrowings + lease liabilities)	Shareholders' equity	0.08	0.11	-30.84
C	Debt service coverage ratio	Earnings for Debt Service (Profit after Tax+Depreciation+finance cost+Profit on sale of property, plant and equipment)	Debt Service (Interest and lease payments + Principal repayments)	NIL	NIL	NIL

D	Return on equity ratio	Net Profit after Tax	Shareholders equity	NIL	NIL	NIL
E	Inventory turnover ratio	Net Sales -Income from Operations	Average Inventory	NIL	NIL	NIL
F	Trade receivables turnover ratio	Net Sales -Income from Operations	Average trade receivables	NIL	NIL	NIL
G	Trade payables turnover ratio	Purchases	Average trade Payables	NIL	NIL	NIL
H	Net capital turnover ratio	Net Sales -Income from Operations	Net Working Capital (current assets - current liabilities)	0.07	0.06	0.15
I	Return on capital employed	Profit before tax and Interest	Capital Employed: Share Capital + Reserves & Surplus+Long term Debt	-1.05	-0.57	-0.93
J	Net profit ratio	Net Profit after Tax	Revenue from operations	-2.86	-0.05	-0.89
K	Return on investment	Income from Investments	Investment	0.05	0.03	34.10

Current Ratio: The decrease in Current Ratio is mainly because of the decrease in Current Investments and Cash and Cash Equivalents and more than 100% increase in Current Liabilities.

Debt- Equity Ratio: The variation in the Debt Equity Ratio is mainly due to the partial reduction of Short-Term Borrowings raised from the Government of Telangana.

Return on Investment: The variation in Return on Investment is due to maintenance of higher level of investments for the entire year during 2021-22 compared to that of the previous Financial Year.

(l) Payments to Auditors

Particulars	(Amount in '00)	
	2021-22	2020-21
Statutory Audit Fee (Net of GST)	750.00	750.00
Certification Fee (Net of GST)	150.00	100.00
Total	900.00	850.00

m. The company has accepted the audit observations issued by the office of Accountant General (Audit)/ Telangana on the financial statements of the company. Consequently, the financial statements have been revised taking into consideration the audit observations. However, the revision of financials is not having any impact either on the Statement of Profit & Loss or Assets & Liabilities of the Company.

n. Previous Year Figures have been re-grouped, wherever necessary to confirm with figures of the current year.

Vide our report even date Attached.

FOR R.B.KABRA & CO.,
Clinic Ltd
CHARTERED ACCOUNTANTS,
FIRM REGN.NO.001650S

For Telangana Industrial Health

Sd/-

(CA. RUCHI AGARWAL)
PARTNER
00003692
Membership No.: 222831
PLACE: HYDERABAD
DATE: 7TH FEBRUARY 2023
UDIN: 23222831BGWFE08509

Sd/-

Managing Director
DIN:09630397

Sd/-

Director
DIN:



Le Gazole Plus Eco Solutions Private Limited is a company based in the state of Telangana that manufactures a unique fossil fuel conditioner under the brand name "Decarb Plus." They operate a Research, Development, and Deployment (RD&D) manufacturing unit in the Auto Nagar TSIC Industrial Estate, which is registered as an MSME SSI unit. Their aim is to assist the Indian industry in achieving an environmental benchmark by reducing carbon footprint. The promoter of Le Gazole Plus Eco Solutions Private Limited approached TIHCL for marketing support, and with the assistance of TIHCL, they were introduced to several companies. As a result, they entered into memorandums of understanding (MOUs) with a few of these companies. Currently, Le Gazole Plus Eco Solutions Private Limited has confirmed monthly orders worth Rs. 22 lakh.





MICRO AND SMALL MANUFACTURING ENTREPRENEURS

TIHCL (Telangana Industrial Health Clinic Ltd) has been established as a company and NBFC with the sole purpose of helping Micro and Small entrepreneurs whenever they face any stress situations. We are just not in the business of financing but are interested in the revival and rehabilitation of stressed enterprises. To discuss your concerns, please call or email

సూక్ష్మ మరియు చిన్న పరిశ్రమయజమానులకు,

TIHCL (తెలంగాణ ఇండస్ట్రియల్ హెల్త్ క్లినిక్ లిమిటెడ్) సూక్ష్మ మరియు చిన్న వ్యాపారవేత్తలు ఏదైనా ఒత్తిడి పరిస్థితులను ఎదుర్కొన్నప్పుడు వారికి సహాయం చేయాలనే ఏకైక ఉద్దేశ్యంతో ఒక కంపెనీ మరియు NBFC వలె స్థాపించబడింది. మేము కేవలం ఫైనాన్సింగ్ వ్యాపారంలో లేము కానీ ఒత్తిడికి గురైన సంస్థల పునరుద్ధరణ మరియు పునరావాసంపై ఆసక్తి కలిగి ఉన్నాము. మీ ఆందోళనలను చర్చించడానికి, దయచేసి కాల్ చేయండి లేదా ఇమెయిల్ చేయండి

PHONE / ఫోన్: 040-2323 5396, 040-2329 8799, 040-2323 6399

EMAIL / ఇ మెయిల్: CONTACT@TIHCL.ORG

