



INDEPENDENT AUDITOR'S REPORT

To the Members of
Barota Finance Limited
Chandigarh

Report on the Financial Statements

1 Opinion

We have audited the accompanying financial statements of **Barota Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020 & Statement of Profit and Loss and Statement of Cash Flows for the period then ended and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2020, and Profit and Loss and its cash flows for the year ended on that date.

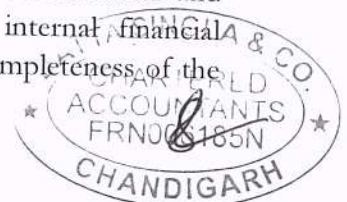
2 Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3 Management's Responsibility for the Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the



accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

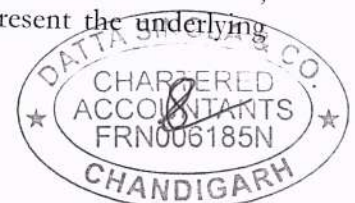
Those Board of Directors are also responsible for overseeing the company's financial reporting process

4 Auditors' Responsibility for the Audit of Financial Statements

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

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

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



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

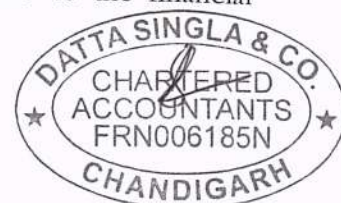
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

5. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

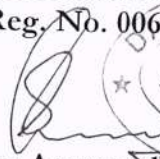
As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - 1) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.2.25 to the financial statements;

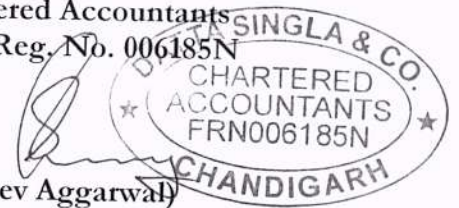


- 2) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- 3) No amount was required to be transferred to the Investor Education and Protection Fund by the Company.

For Datta Singla & Company
Chartered Accountants
Firm Reg. No. 006185N


(Sanjeev Aggarwal)

Partner
M.No. 503932



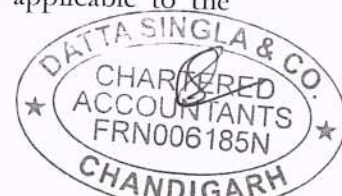
Place: Chandigarh
Date: 28.10.2020

UDIN: 20503932AAAFCT8099

ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 5 of our report to the members of Barota Finance Limited on the accounts for the period ended 31st March, 2020.

- (i) In respect of its fixed assets:
- (a)
- A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
- B. The Company has maintained proper records showing full particulars of Intangible Assets on the basis of available information.
- (b) The Property, Plant and Equipment was physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) 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 immovable property held in the name of the Company, hence this clause is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no revaluation of fixed assets took place during the financial year under audit, hence this clause is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder, hence this clause is not applicable to the Company.
- (ii) The Company is a non-banking finance company engaged in the business of providing loans and does not maintain any inventory. Therefore, the provisions of clause (ii) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, provisions of sub clause (a), (b) of clause (iii) of the Companies (Auditor Reports) Order 2016 are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The company has not accepted any deposits from the public. Therefore, the provisions of clause (v) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

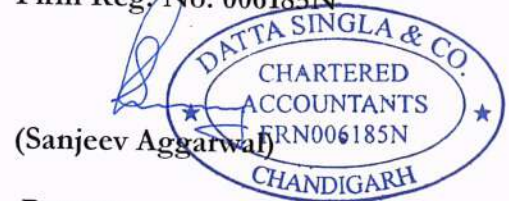


- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the Company.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed statutory dues including investor education and protection fund, Provident Fund, Employee's State Insurance, Income Tax, Sales tax, Service Tax, Wealth Tax, Customs Duty, Excise Duty, Value Added Tax, Cess, and other material statutory dues as applicable with the appropriate authorities in India. We are informed that there are no undisputed statutory dues as at the end outstanding for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and records of the Company examined by us, there are no dues of Income Tax, Service Tax, Wealth Tax, Sales Tax, Duty of Customs, and Duty of Excise/Cess, which are outstanding as at 31st March, 2020, and have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, bank or debenture holders;
- (ix) According to the information and explanations given to us, during the year the Company has not raised money by way of issue of initial public offer or further public offer. Further the term loans raised during the year have been applied for the purpose for which they were raised.
- (x) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, as the Company has not paid/provided for managerial remuneration, hence this clause is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. We have been informed by the management of the Company that the transactions with related parties have been made in the ordinary course of its business and on an arm's length basis, auditors have relied on the same.



- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made private placement of shares during the period.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors and other persons related to the company, Therefor the provisions of clause (xv) is not applicable to the company.
- (xvi) According to information and explanations given to us, the Company being a Non Banking Finance Company, is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and has obtained the said registration.

For Datta Singla & Company
Chartered Accountants
Firm Reg. No. 006185N



Partner
M.No. 503932

Place: Chandigarh
Date: 28-10-2020

UDIN: 20503932AAAACT8099

Annexure “B” to the Auditors’ Report

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

We have audited the internal financial controls over financial reporting of **BAROTA FINANCE LIMITED** (“the Company”) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the period ended on that date

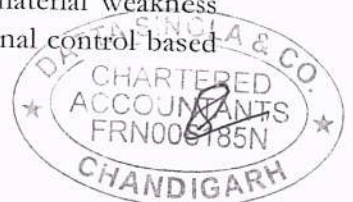
Management’s Responsibility for Internal Financial Controls

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

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.

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 auditors' 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.

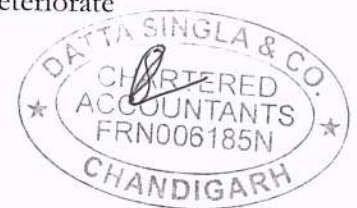
Meaning of Internal Financial Controls over Financial Reporting

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 authorisations of the Management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets, that could have a material effect on the financial statements.

Inherent Limitations Of Internal Financial Controls over Financial Reporting

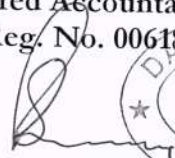
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

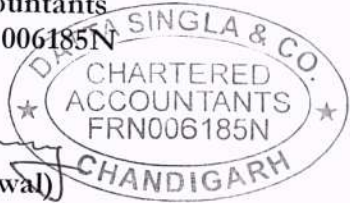


Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Datta Singla & Company
Chartered Accountants
Firm Reg. No. 006185N


(Sanjeev Aggarwal)



Partner
M.No. 503932

Place: Chandigarh
Date: 28-10-2020

UDIN: 20503932AAACT8099

BAROTA FINANCE LIMITED
CIN: U67200CH2016PLC041263

(Amount In Lakhs)

BALANCE SHEET AS AT 31ST MARCH 2020

PARTICULARS	NOTE NO.	AS AT 31.03.2020	AS AT 31.03.2019
A. EQUITY AND LIABILITIES			
1) Shareholders' Fund			
a) Share Capital	2.1	1,700.00	1,400.00
b) Reserves & Surplus	2.2	283.05	144.63
		1,983.05	1,544.63
2) Non Current Liabilities			
a) Long Term Borrowings	2.3	6,242.56	2,933.14
b) Other Non Current Liabilities	2.5	6.46	6.46
c) Long Term Provisions	2.6	107.03	40.24
		6,356.06	2,979.84
3) Current Liabilities			
a) Short Term Borrowings	2.7	-	2,045.30
b) Other Current Liabilities	2.8	1,152.15	659.91
c) Short Term Provisions	2.9	38.12	66.80
		1,190.27	2,772.02
Total Equity and Liabilities		9,529.38	7,296.48
B) ASSETS			
1) Non Current Assets			
a) Property, Plant and Equipment			
1) Tangible Assets	2.10	100.84	104.06
b) Deferred Tax Assets	2.4	23.49	6.13
c) Long Term Loans and Advances	2.11	5,618.08	4,030.84
d) Other Non Current Assets	2.12	5.88	9.15
		5,748.29	4,150.18
2) Current Assets			
a) Short Term Loans and Advances	2.13	2,732.59	3,084.22
b) Cash and Cash Equivalents	2.14	25.27	45.77
c) Other Current Assets	2.15	1,023.24	16.31
		3,781.10	3,146.31
Significant Accounting Policies	1		
Notes to Accounts	2		
		9,529.38	7,296.48


For Barota Finance Limited

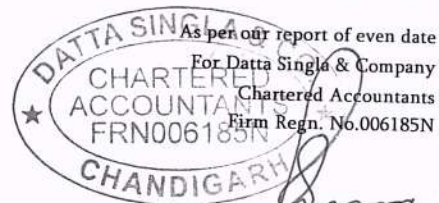

(R.S. Khadwalia)
Director
DIN:00062154


(Sat Prakash Mittal)
Director
DIN: 00686893


(Anubha)
Company Secretary
PAN : BRMPA2422G


(Pardeep Singh)
CFO
PAN : CKLPS3888R


(Surinder Kumar Sharma)
CEO/Principal Officer
PAN : AVSPS5265N



As per our report of even date
For Datta Singla & Company
Chartered Accountants
Firm Regn. No.006185N

(Sanjeev Aggarwal)
Partner

M. No. 503932

UDIN: 20503932AAAAC78099

Place : Chandigarh

Date : 28-10-2020

BAROTA FINANCE LIMITED

CIN: U67200CH2016PLC041263

(Amount In Lakhs)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Income			
1) Revenue from operations	2.16	1,581.68	1,182.71
2) Other Income	2.17	34.70	12.61
3) Total Revenue		1,616.37	1,195.32
4) Expenses			
Employee Benefit Expense	2.18	566.44	426.28
Finance Cost	2.19	603.10	368.74
Loan Provisions and write offs	2.20	72.71	30.71
Other Expenses	2.21	161.97	168.88
Depreciation & Amortisation Expenses	2.10 & 2.12	21.03	9.66
		1,425.25	1,004.27
5) Profit Before Extraordinary Items and Tax		191.12	191.05
6) Extraordinary Items		0.04	-
7) Profit / (Loss) Before Tax		191.08	191.05
8) Tax Expense			
Current Tax		64.32	59.80
Deffered Tax		(17.36)	(6.46)
Tax Related to Previous years		5.70	
9) Profit / (Loss) for the year		138.42	137.71


For Barota Finance Limited


(R.S. Khadwalia)
Director
DIN:00062154


(Sat Prakash Mittal)
Director
DIN: 00686893


(Anubha)
Company Secretary
PAN : BRMPA2422G


(Pardeep Singh)
CFO
PAN : CKLPS3888R


(Surinder Kumar Sharma)
CEO/Principal Officer
PAN : AVSPS5265N

As per our report of even date
For Datta Singla & Company
Chartered Accountants
Firm Regn. No.006185N



Place : Chandigarh
Date : 28-10-2020

BAROTA FINANCE LIMITED		
CIN: U67200CH2016PLC041263		
Cash Flow Statement For The Year Ended 31st March 2020		
(Amount in Lakhs)		
Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Cash flow from operating activities:		
Profit For The Year Before Tax and Prior Period Items	191.08	191.05
Adjustments for :		
Depreciation and Amortisation	21.03	9.66
Provision for Standard Assets	67.04	9.40
Provision for Employee Benefits	6.94	9.46
Provision for Non Performing Assets	5.67	21.31
Operating Profit Before Prior Period Items And Working Capital Changes	291.76	240.88
Operating Profit Before Working Capital Changes	291.76	240.88
Adjustments for:		
Other Current Assets	(1,006.93)	(7.33)
Other Current Liabilities	492.23	391.20
Operating Profit After Working Capital Changes	(222.94)	624.74
Cash Flow From Operating Activities:		
Increase Short Term Loans and Advance	351.63	(2,591.73)
Increase in Long Term Loans & Advances	(1,587.24)	(1,474.49)
Cash (Used)/Generated In Operating Activities	(1,458.55)	(3,441.48)
Income Tax Paid	(111.55)	(1.47)
Net Cash (Used)/Generated In Operating Activities	(1,570.09)	(3,442.95)
Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(14.54)	(102.95)
Net Cash (Used)/Generated In Investing Activities	(14.54)	(102.95)
Cash Flow From Financing Activities:		
Proceeds from Issuance of Equity Shares	-	600.00
Proceeds from Issuance of Convertible Preference Shares	300.00	-
Proceeds from Long Term Borrowings	3,309.43	2,031.27
Proceeds from Short Term Borrowings	(2,045.30)	1,075.12
Net Cash (Used)/Generated In Financing Activities	1,564.12	3,706.39
Net Increase/(Decrease) In Cash And Cash Equivalents (A)+(B)+(C)	(20.51)	36.00
Opening Cash And Cash Equivalents	45.77	9.77
Closing Cash And Cash Equivalents	25.27	45.77
Components of Cash and Cash Equivalents		
Cash in Hand	0.25	0.21
Balances with Banks in Current Accounts	25.02	17.96
Imprest A/c	-	27.60
Total	25.27	45.77

For Barota Finance Limited

(R.S. Khadwalia)

Director

DIN:00062154

(Anubha)

Company Secretary

PAN : BRMPA2422G

(Sat Prakash Mittal)

Director

DIN: 00686893

(Pardeep Singh)

CFO

PAN : CKLPS3888R

(Surinder Kumar Sharma)

CEO/Principal Officer

PAN : AVSPS5265N

As per our report of even date

For Datta Singla & Company

Chartered Accountants

Firm Regn. No.006185N



Place : Chandigarh

Date : 28-10-2020

1. SIGNIFICANT ACCOUNTING POLICIES :

1. Basis of Preparation

- i. The financial statements have been prepared under historical cost convention to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including applicable Accounting Standards notified by under the relevant provisions of the Companies Act, 2013; and the guidelines issued by the Reserve Bank of India as applicable to NBFC and as per the provisions of the Companies Act, 2013 and on the basis of going concern.
- ii. The company follows Accrual Method of Accounting.
- iii. All assets and liabilities have been classified as current and non – current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Act. Based on the nature of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/ non – current classification of assets and liabilities.
Further, the Company follows prudential norms for Income Recognition, assets classification and provisioning for Non-Performing assets as well as contingency provision for Standard assets as prescribed by The Reserve bank of India (RBI) for Non-Banking Financial Companies.

2. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statement are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

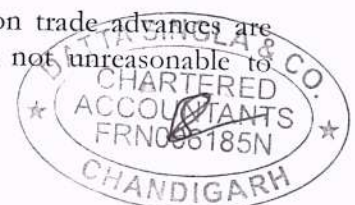
3. Revenue recognition

A. General :

Revenue is recognised as earned and accrued when it is reasonably certain that its ultimate collection will be made and the revenue is measurable.

B. Income From Loans :

- a. Interest Income from loan transactions is accounted for by applying the interest rate implicit in such contracts.
- b. Service charges, documentation charges and other fees on loan transactions are recognised at the commencement of the contract.
- c. Delayed payment charges, fee based income and Interest on trade advances are recognised when they become measurable and when it is not unreasonable to expect their ultimate collection.



- d. Income on business assets classified as Nonperforming Assets, is recognised strictly in accordance with the guidelines issued by The Reserve Bank of India for Non-Banking Financial Companies. Unrealized interest recognized as income in the previous period is reversed in the month in which the asset is classified as Non-performing.

C. Subvention Income :

Subvention Income received from manufacturers/dealers on vehicles financed is booked over the of the period of contract.

4. Tax Expenses

Tax Expense comprises of current and deferred tax (if any). Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and the reversal of timing differences of earlier years(if any).

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. If the company has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against such deferred tax asset can be realized.

5. Investments

Investments are classified into current and long term investments. LongTerm Investments are stated at cost and provision for diminution in value is made if decline is other than temporary in the opinion of the management. Current Investments are valued at cost and provision is made for decline in market value.

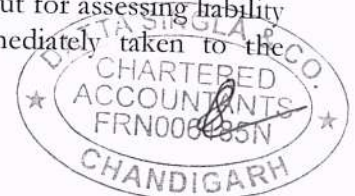
6. Employee Benefits

- i. Contribution to Provident Fund :

Company's contribution paid/payable during the year to Provident Fund is recognized in the Statement of Profit and Loss.

- ii. Gratuity :

Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under 'The Payment of Gratuity Act, 1972'. The Company accounts for liability of future gratuity benefits based on an external actuarial valuation on projected unit credit method carried out for assessing liability as at the reporting date. Actuarial gains/losses are immediately taken to the Statement of profit and loss and are not deferred.



iii. Leave Encashment :

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

7. Provisions and Contingent liabilities

Provisions are recognized when there is a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

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

8. Provisioning/ Write-off on Assets

The Provisioning/ Write-off on Assets on overdue assets is as per the management estimates subject to their minimum provision required as per Master Direction – Non-Banking Financial Company- Non-Systematically Important Non-Deposit taking Company (Reserve bank) Directions,2016.

9. Earnings per share

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

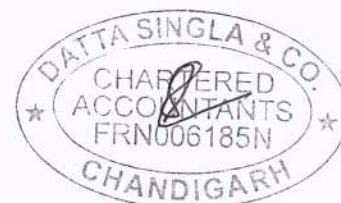
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

10. Fixed Assets and depreciation

- i) Fixed Assets have been stated at cost inclusive of attributable costs of bringing the assets to their working condition for their intended use, less depreciation and impairment loss, if any.
- ii) Depreciation is provided on SLM basis based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

11. Preliminary Expenses

Preliminary Expenses are written off over the period of 5 years.



BAROTA FINANCE LIMITED

(Amount In lakhs)

NOTE NO.	PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019
SHAREHOLDERS' FUND			
2.1	SHARE CAPITAL		
	Authorised Share Capital		
	1,40,00,000 Equity Shares Of Rs 10 Each (Previous Year - 2,00,00,000 Equity Shares Of Rs 10 Each)	1,400.00	2,000.00
	60,00,000 Preference Shares Of Rs 10 Each (Previous Year - Nil)	600.00	-
		2,000.00	2,000.00
	Issued, Subscribed & Paid up Share Capital		
	1,40,00,000 Equity Shares Of Rs 10 Each Fully Paid Up (Previous Year - 1,40,00,000 Equity Shares Of Rs 10 Each Fully Paid Up)	1,400.00	1,400.00
	30,00,000 1% Optionally Convertible Preference Shares of Rs 10 Each Fully Paid Up (Previous Year - Nil)	300.00	-
		1,700.00	1,400.00
2.2	RESERVES & SURPLUS		
	STATUTORY RESERVE		
	Opening Balance	36.13	1.70
	Additions during the year	34.61	34.43
	Closing Balance (A)	70.73	36.13
	PROFIT & LOSS BALANCE		
	Opening Balance	108.50	5.22
	Add: Transferred from Statement of Profit & loss	138.42	137.71
	Less: Transfer to Statutory Reserve Fund	34.61	34.43
	Closing Balance (B)	212.32	108.50
	TOTAL (A)+(B)	283.05	144.63



BAROTA FINANCE LIMITED

NON CURRENT LIABILITIES

(Amount In lakhs)

NOTE NO.	PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019
2.3	Long Term Borrowings		
	Secured		
	From Banks/ Financial Institutions :		
	Term Loan from Bank	5,289.83	376.38
	Vehicle Loans	15.97	21.25
	Unsecured		
	Inter Corporate Deposits:		
	From Holding Company	811.26	2,470.00
	Loan and Advances from Directors	125.50	65.50
		6,242.56	2,933.14



BAROTA FINANCE LIMITED

(Amount In lakhs)

NOTE NO.	PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019
NON CURRENT LIABILITIES			
2.4	DEFERRED TAX LIABILITIES		
A	Deferred Tax Liabilities Arising On Account Of Depreciation	10.21	7.32
		10.21	7.32
B	Deferred Tax Assets Arising On Account Of Provision for Non Performing Assets / Standard Assets	87.13	19.89
	Employee Benefit Expense	16.40	9.46
		103.53	29.35
	NET DEFERRED TAX ASSET(B-A)	93.32	22.02
	TAX IMPACT	23.49	6.13
2.5	Other Non Current Liabilities		
	Security Received	6.46	6.46
		6.46	6.46
2.6	Long Term Provisions		
	Contingent Provision on Standard Assets (Refer Note 2.23)	64.53	9.54
	Provision for Non Performing Assets	26.98	21.31
	Provision for Gratuity and Leave Encashment (Refer Note 2.32)	15.52	9.39
		107.03	40.24



BAROTA FINANCE LIMITED

CURRENT LIABILITIES

(Amount In lakhs)

Note No	PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019
2.7	Short Term Borrowings		
	From Bank	-	2,045.30
		-	2,045.30
2.8	Other Current Liabilities		
	Current Maturity on Long Term Debt	661.87	220.34
	EPF/ESI Payable	4.90	30.39
	Other Payable	453.32	409.18
	Cheques issued but not presented	32.06	-
		1,152.15	659.91
2.9	Short Term Provisions		
	Contingent Provision on Standard Assets	19.54	7.48
	Provision for Income Tax (Net of Advance Tax and TDS)	17.71	59.24
	Provision for Gratuity and Leave Encashment (Refer Note 2.32)	0.88	0.07
		38.12	66.80



BAROTA FINANCE LIMITED

(Amount In lakhs)

SCHEDULE OF PROPERTY, PLANT AND EQUIPEMNT AS AT 31ST MARCH 2020

NOTE No	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As At 01.04.2019	Additions during the Year	As At 31.03.2020	Upto 01.04.2019	During the Year	Upto 31.03.2020	As At 31.03.2019	As At 31.03.2020
2.10	Computer	25.34	11.30	36.64	4.70	9.04	13.74	20.64	22.90
	Furniture	13.93	0.85	14.78	0.12	1.43	1.56	13.80	13.22
	Vehicles	49.22	-	49.22	1.97	4.94	6.92	47.24	42.30
	Building	14.09	-	14.09	0.04	0.45	0.48	14.05	13.60
	Office Equipments	8.47	2.39	10.86	0.14	1.90	2.04	8.33	8.82
		111.04	14.54	125.58	6.98	17.76	24.74	104.06	100.84
	Previous Year Figures	8.09	102.95	111.04	0.59	6.39	6.98	7.50	104.06



BAROTA FINANCE LIMITED

NON CURRENT ASSETS

(Amount In lakhs)

Note No	PARTICULARS	AS AT 31.03.2019	AS AT 31.03.2019
2.11	Long Term Loans and Advances		
	Loans and Advances:		
	Hypothecation Loans - Secured and considered Good	5,348.30	3,817.76
	Hypothecation Loans - Secured and considered Doubtful	269.78	213.09
		5,618.08	4,030.84
2.12	Other Non Current Assets		
	Preliminary Expenses		
	Opening Balance	8.79	12.05
	Incurred during the Year	-	-
		8.79	12.05
	Expenses Written off	3.27	3.27
	Closing Balance	5.52	8.79
	Security for Rent	0.36	0.36
		5.88	9.15



BAROTA FINANCE LIMITED

CURRENT ASSETS

(Amount In lakhs)

Note No	PARTICULARS	AS AT 31.03.2020	AS AT 31.03.2019
2.13	Short Term Loans and Advances		
	Standard Assets :		
	Hypothecation Loans - Secured considered Good	2,148.13	2,992.67
	Others:		
	Trade Advances	584.46	91.55
		2,732.59	3,084.22
2.14	Cash and Cash Equivalents		
	Cash in hand	0.25	0.21
	Imprest A/c	-	27.60
	Balances with Banks - In Current Accounts	25.02	17.96
		25.27	45.77
2.15	Other Current Assets		
	Income Tax Refund Due A.Y. 2017-18	-	0.00
	Prepaid Expenses	37.69	0.01
	Trade Receivables	985.55	16.30
		1,023.24	16.31



BAROTA FINANCE LIMITED

INCOME

(Amount In lakhs)

Note No	PARTICULARS	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
2.16	Revenue From Operations		
	Interest Income :		
	Income from Loans	1,239.82	1,016.34
	Other Financial Services :		
	Processing fees on Loan Transactions	90.38	147.71
	Subvention Charges	251.48	18.66
		1,581.68	1,182.71
2.17	Other Income		
	Misc. Income	-	0.35
	Insurance Income	34.70	12.26
		34.70	12.61



BAROTA FINANCE LIMITED			
EXPENSES			
(Amount In lakhs)			
Note No	PARTICULARS	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
2.18	Employee Benefit Expense		
	Salary and Wages	475.43	384.39
	Contribution of EPF/ESI	28.34	20.21
	Staff Welfare Expenses	55.55	12.22
	Gratuity and Leave Encashment	7.13	9.46
		566.44	426.28
2.19	Finance Cost		
	Interest Expenses	587.79	359.52
	Bank Charges	15.32	9.22
		603.10	368.74
2.20	Loan Provisions And Write Offs		
	Contingent Provision for Standard Assets (Refer Note 2.23)	67.04	9.40
	Provision for Non Performing Assets	5.67	21.31
		72.71	30.71
2.21	Other Expenses		
	Administrative Expenses :		
	Auditor's Remuneration	2.18	2.18
	Advertisement Expenses	0.09	-
	Busines Promotion Expenses	4.17	2.10
	Commission Expenses	-	0.33
	Electricity Expenses	0.05	0.96
	Festival Expenses	0.23	0.10
	Postage & Courier	4.89	5.58
	Printing & Stationary	3.75	8.67
	Rate. Fee & Taxes	5.25	9.03
	Rent	4.83	23.34
	Repair and Maintenance :		
	Computers	0.66	1.33
	General	5.29	4.20
	Software Expenses	-	-
	Vehicle Running and Maintenance	0.78	12.24
	Telephone Expenses	0.95	2.63
	Travelling & Conveyance	65.95	76.94
	Legal & Professional Expenses	14.49	5.07
	Misc. Office Expenses	5.65	3.80
	Insurance Expenses	0.25	4.78
	Recordkeeping Charges	0.95	1.34
	Inspection Charges	-	0.75
	Tractor Repossession Expense	20.83	1.73
	Loss on sale of Repossessed assets	20.73	1.77
		161.97	168.88



2.22) (a) Detail of Shareholders holding more than 5% of Equity Share capital

Name of Shareholder	As At 31.03.2020		As At 31.03.2019	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Indo Farm Equipment Limited	1,40,00,000*	100.00*	1,40,00,000*	100.00*

*600 Shares are held by members of Barota Finance Limited under the nomination of Indo Farm Equipment Limited.

Reconciliation of the number of shares outstanding :

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Equity shares at the beginning of the period	1,40,00,000	80,00,000
Add: Shares issued during the period	-	60,00,000
Equity shares at the end of the period	1,40,00,000	1,40,00,000

(b) Detail of Shareholders holding more than 5% of Preference Share capital

Name of Shareholder	As At 31.03.2020		As At 31.03.2019	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Indo Farm Equipment Limited	30,00,000	100.00	-	-

Reconciliation of the number of shares outstanding :

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
Preference shares at the beginning of the period	-	-
Add: Shares issued during the period	30,00,000	-
Equity shares at the end of the period	30,00,000	-

2.23) a) Loan Provisions

The Company has made adequate provision for the Non - Performing Assets identified in accordance with the guidelines issued by The Reserve Bank of India. In accordance with the Master Direction , – Non Banking Financial Company- Non Systematically Important Non Deposit taking Company (Reserve bank) Directions ,2016 provision of Rs. 26.98 Lacs is made during the current year (As at 31st March,2019 provision was Rs. 21.31 Lacs).

The Company has made adequate provision for the Standard Assets identified in accordance with the guidelines issued by The Reserve Bank of India. In accordance with the Master Direction , – Non Banking Financial Company- Non Systematically Important Non Deposit taking Company (Reserve bank) Directions ,2016 provision of Rs.84.07 Lacs is made during the current year (As at 31st March,2019 provision was Rs17.02 Lacs).



b) Disclosure as required under RBI Notification No. RBI/2019-20/220 DOR No. BP.BC.63/21.04.048/2019-20 Dated 17 April 2020 on COVID-19 Regulatory Package – Asset Classification and Provisioning

S.No.	Particulars	Amount (in lakhs)
(i)	Respective amount where moratorium / deferment was extended	1344.54
(ii)	Provisions made during Q4 - FY2020*	67.22

*In respect of accounts in default but standard where moratorium up to 3 months is granted, the company has made general provisions of not less than 5 percent of the total outstanding of such accounts as applicable for the quarter ended 31 March 2020 within the provision requirement of 10% of the total outstanding to be spread equally over two quarters. Balance general provision of not less than 5% of the total outstanding of such accounts is to be made for the quarter ending 30 June 2020.

2.24) a) SECURED LOANS

- I. Term Loans from Canara Bank are secured by way of first and Exclusive Charge by hypothecation on the receivables (Standard Assets) of the Company and Execution of power of attorney to enable bank to recover money directly from the borrower of the company in the event of default and Personal guarantee of directors & corporate guarantee of Indo Farm Equipment Limited.
- II. Term loan from The Federal Bank Ltd. is secured by way of Equitable mortgage of residential property Owned by the directors of the company and Personal guarantee of directors & corporate guarantee of Indo Farm Equipment Limited.
- III. Car loan from The Federal Bank Ltd. is secured against the hypothecation of respective vehicles.

Maturity Profile

(Rs.In Lakhs)

Particulars	1 – 2 years	2 - 5 years	Beyond 5 years
From Banks:			
-Canara Bank Term Loan	600	2634.50	415.50
-Canara Bank Term Loan*	516.67	2750	500
-Federal Bank Term Loan	100.12	211.72	Nil
-Federal Bank Car Loan	5.75	10.22	Nil

*Maturity Profile is as per the Sanction amount – Rs.40 crores. Amount disbursed in FY 2019-20 is Rs. 20 crores.

b) UNSECURED LOANS

The Company has received Unsecured Loans from Directors and Holding Company



2.25) Commitments & Contingent Liabilities

I. Commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances is Nil.

II. Contingent Liabilities

a) Claims against the company not acknowledged as debts	-	NIL
b) Uncalled liabilities on Shares partly paid	-	NIL
c) Other money for which the Company is Contingently Liable	-	NIL

2.26) In the opinion of the management of the Company, there are no Micro, Small and Medium enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2020. The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of the information available with the Company and have been relied upon by the statutory auditors of the Company.

2.27) Current Assets, Loan & Advances

In the opinion of the Directors of the Company the current assets, loans and advances are approximately of the value as stated if realized in the ordinary course of business.

2.28) Income Tax

Current Tax

Provision for Income tax has been made as per Income-tax Act, 1961.

Deferred Tax

In compliance with Accounting Standard (AS-22) relating to "Accounting for Taxes on Income" issued under Companies (Accounting standards) Rule 2006, as amended upto date, the Company has provided Deferred Tax Asset accruing during the year aggregating to Rs 17.36 Lacs (previous year Deferred Tax Assets of Rs. 6.46 Lacs) and it has been recognized in the Statement of Profit & Loss. In accordance with clause 29 of Accounting Standard (AS 22) Deferred Tax Assets and Deferred Tax Liabilities have been set off.

2.29) Segment Reporting

The Company operates only in the business segment of "Financial Services", and in the opinion of the management the inherent nature of activities in which it is engaged are governed by the same set of risks and reward. As such the activities are identified as single segment in accordance with the Accounting Standard (AS-17) issued under Companies (Accounting Standards) Rule 2006, as amended upto date.



2.30) Payments to Auditors

SR. NO.	PARTICULARS	(Rs. In Lakhs)	
		2019-20	2018-19
I	Statutory Audit	2.00	2.00
II	IGST/Service Tax	0.36	0.36

2.31) Related Party Disclosure :

Related party disclosures as required under Accounting Standard (AS-18) on "Related Party Disclosures" issued under the Companies (Accounting Standard) Rule 2006, as amended up to date, are given below: -

a) Relationship

i) Holding Company*

Indo Farm Equipment Limited

* With whom the company had transactions during the period.

ii) Key Management Personnel (Managing Director/Whole-time directors) *

Ranbir Singh Khadwalia

Sunita Saini

Anshul Khadwalia

Shubham Khadwalia

Sat Prakash Mittal

Anubha

Pardeep Singh

Surinder Kumar Sharma

*With whom the company had transactions during the period.

b) The following transactions were carried out with related parties in the ordinary course of business.

i) Holding Company

SR. NO.	PARTICULARS	(Rs. In Lakhs)	
		FY 2019-20	FY 2018-19
I	Unsecured Inter Corporate Deposits(Closing Balance)	811.26	2470.00
II	Rent paid	1.20	20.67
III	Interest paid	130.84	137.31
IV	Subvention Income	250.70	-
V	Sale of Repo. Tractors	689.95	245.14

ii) Key Management Personnel and their relatives

SR. NO.	PARTICULARS	(Rs. In Lakhs)	
		FY 2019-20	FY 2018-19
I	Rent paid		0.80



II	Unsecured Loan (Accepted)	60.00	359.00
III	Unsecured Loan (Paid)	-	677.00
IV	Remuneration Paid	57.07	-

2.32) Earnings per share (EPS)

PARTICULARS	UNIT	(Rs. In Lakhs)	
		YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Profit After Tax	Rs.	138.42	137.71
No of Shares Outstanding	Nos.	1,40,00,000	1,40,00,000
No of Weighted Average equity shares	Nos.	1,40,00,000	1,11,56,164
Diluted	Nos.	1,45,58,904	1,11,56,164
Nominal value of equity shares	Rs.	10	10
Earnings per Share			
-Basic	Rs.	0.99	1.23
-Diluted	Rs.	0.95	1.23

2.33) Employee Retirement Benefits

Membership data at the date of valuation and statistics based thereon:
(Rs. In Lakhs)

Membership Data	
Number of employees	127
Total monthly salary	19.74
Total Monthly CTC for Availment	51.33
Average Age(Years)	33
Average Past Service(Years)	1.07
Average Future Service (year)	8.09
Average Accumulated leave per employee (in days)	11



Actuarial Assumptions	
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.
Attrition	10%
Disability	No Explicit allowance
Leave Availment factor	50%
Discount rate	6.25% p.a
Estimated rate of increase in Compensation Levels	4%

Classification of Liabilities as on 31st March, 2020

Classification	(Rs. In Lakhs)	
	Gratuity	Leave Encashment
Current	0.02	0.85
Non-Current	12.05	3.47
Total	12.08	4.32

Changes in Present Value of Obligations

Particulars	(Rs. In Lakhs)	
	Gratuity	Leave
Present Value of Obligations as on 01/04/2019	6.04	3.42
Interest Cost	0.38	0.21
Past Service Cost	-	-
Current Service Cost	8.06	3.63
Actuarial (gain)/loss on obligations	(2.40)	(2.94)
Present Value of Obligations as on 31/03/2020	12.08	4.32

2.34) Other Information

Sr. No.	Particulars	Amount (In Rs.)	
		YEAR ENDED 31.03.20	YEAR ENDED 31.03.19
(a)	Expenditure in Foreign Currency	Nil	Nil
(b)	Remittances in Foreign Currency	Nil	Nil



(c)	Earning in Foreign Currency	Nil	Nil
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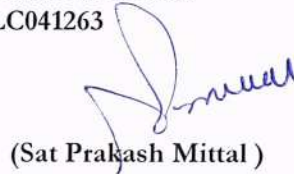
2.34) The figures in Balance Sheet and Statement of Profit & Loss have been reflected in nearest rupee. The Company has re-grouped previous year's figures to confirm to current year's classification.

As per our separate report of even date
FOR BAROTA FINANCE LIMITED
CIN U67200CH2016PLC041263


(R.S. Khadwalia)

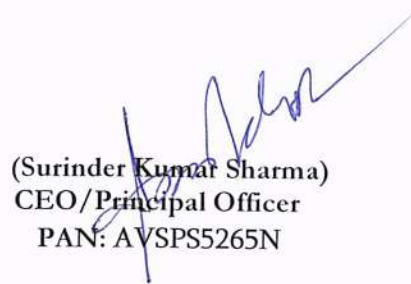
Director
DIN: 00062154


(Anubha)
Company Secretary
PAN : BRMPA2422G


(Sat Prakash Mittal)

Director
DIN: 00686893


(Pardeep Singh)
CFO
PAN: CKLPS3888R


(Surinder Kumar Sharma)
CEO/Principal Officer
PAN: AVSPS5265N

FOR DATTA SINGLA & COMPANY
CHARTERED ACCOUNTANTS
Firm Reg. No. 006185N


(Sanjeev Aggarwal)
Partner

Place: Chandigarh
Date: 28-10-2020

M.No. 503932
UDIN : 20503932AAAACT8099



DATTA SINGLA & CO.
Chartered Accountants

SCO 2935-36, Level 1, Sector 22-C,
Chandigarh - 160 022 (INDIA)
Tele : +91-172-2707065, 5086551 / 52
Fax : +91-172-5019550

To
The Board of Directors,

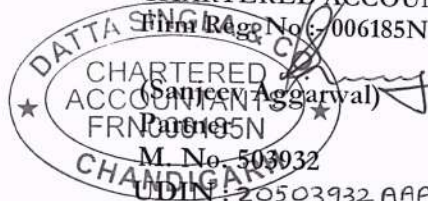
Barota Finance Limited
Chandigarh.

As regard the reporting required under Non-Banking Financial Companies Auditor's Report (ReserveBank) Directions, 2016, we state that:

- i) The Company has obtained the registration from the bank to engage in the business of non-banking financial institution vide registration number **B-06.00606** dated **12th April 2017**.
- ii) The company is entitled to continue to hold Certificate of Registration as on 31.03.2020 in terms of Principal Business Criteria.
- iii) Based on the criteria set forth by the bank in Master – Direction Non-Banking Financial Company – Non Systemically Important Non-deposit taking Company – Systemically important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016 the company is meeting the required criteria for net owed funds requirement to commence or carry on the business of non-banking financial institution.
- iv) The company has passed a board resolution for non-acceptance of public deposits.
- v) The company has not accepted any public deposits during the financial year 2019-20.
- vi) The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016; during the financial year 2017-18.
- vii) The company has been correctly classified as NBFC Investment and Credit Company as defined in the Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

FOR DATTA SINGLA & COMPANY
CHARTERED ACCOUNTANTS

Firm Regg. No: 006185N



Place: Chandigarh
Date: 28-10-2020