



To  
The Board of Directors,

**Barota Finance Limited**  
Chandigarh.

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

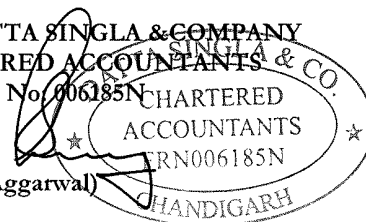
- i) The Company has obtained the registration from the bank to engage in the business of non-banking financial institution vide registration number **B-06.00606** dated **12<sup>th</sup> April 2017**.
- ii) The company is entitled to continue to hold Certificate of Registration as on 31.03.2021 in terms 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 2020-21.
- 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 & CO.  
Firm Reg. No. 006185N

(Sanjeev Aggarwal)  
Partner

M. No. 503932

UDIN:21503932AAAACD1563



Place: Chandigarh  
Date: 23.07.2021



## 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, 2021 & 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, 2021, and Profit and Loss and its cash flows for the year ended on that date.

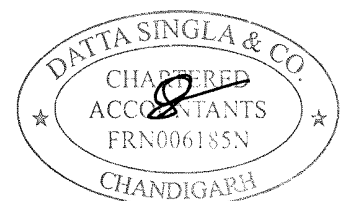
#### **2 Basis for Opinion**

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.

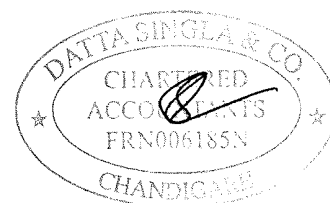
Those Board of Directors are also responsible for overseeing the company's financial reporting process

#### 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.

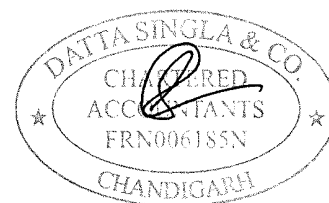
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## 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.

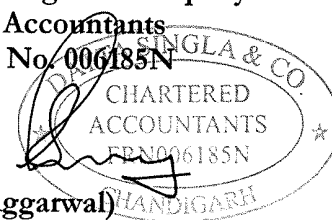
As required by Section 143 (3) of the Act, we report that:

- 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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.2.24 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**



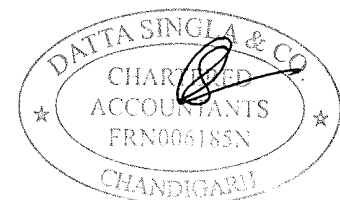
**(Sanjeev Aggarwal)**  
**Partner**  
**M.No. 503932**  
**UDIN: 21503932AAAACD1563**

**Place: Chandigarh**  
**Date: 23.07.2021**

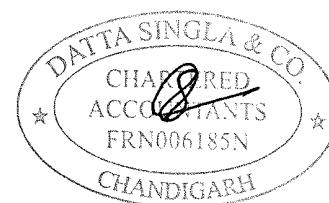
**ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT**

**Referred to in Paragraph 5 of our report to the members of Barota Finance Limited on the accounts for the year ending 31st March, 2021.**

- (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.



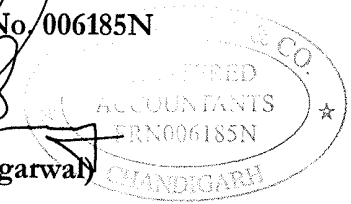
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the Company.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (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, 2021, 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**

  
**(Sanjeev Aggarwal)**



**Partner**  
**M.No. 503932**  
**UDIN:21503932AAAACD1563**

**Place: Chandigarh**  
**Date: 23.07.2021**



## 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 31<sup>st</sup> March, 2021 in conjunction with our audit of the financial statements of the Company for the period ended on that date

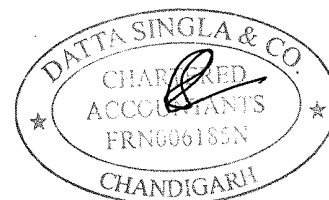
#### **Management’s Responsibility for Internal Financial Controls**

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.

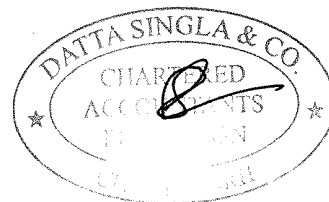
### **Meaning of Internal Financial Controls over Financial Reporting**

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**


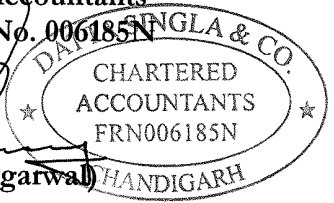
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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 2021, 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) CHANDIGARH

Partner  
M.No. 503932  
UDIN:21503932AAAACD1563

Place: Chandigarh  
Date: 23.07.2021

**BAROTA FINANCE LIMITED**  
CIN: U67200CH2016PLC041263

**BALANCE SHEET AS AT 31ST MARCH 2021**

(Amount In Rs.)

PARTICULARS	NOTE NO.	AS AT	AS AT
		31.03.2021	31.03.2020
<b>A. EQUITY AND LIABILITIES</b>			
1) <b>Shareholders' Fund</b>			
a) Share Capital	2.1	17,00,00,000	17,00,00,000
b) Reserves & Surplus	2.2	5,73,59,774	2,83,05,382
		22,73,59,774	19,83,05,382
2) <b>Non Current Liabilities</b>			
a) Long Term Borrowings	2.3	66,06,29,924	62,42,56,452
b) Other Non Current Liabilities	2.5	6,46,394	6,46,394
c) Long Term Provisions	2.6	1,00,17,943	1,07,02,927
		67,12,94,261	63,56,05,773
3) <b>Current Liabilities</b>			
a) Other Current Liabilities	2.7	29,59,42,302	11,59,49,426
c) Short Term Provisions	2.8	27,49,330	38,12,319
		29,86,91,632	11,97,61,744
<b>Total Equity and Liabilities</b>		<b>1,19,73,45,667</b>	<b>95,36,72,899</b>
<b>B) ASSETS</b>			
1) <b>Non Current Assets</b>			
a) Property, Plant and Equipments			
1) Tangible Assets	2.9	85,06,091	1,00,84,044
b) Deferred Tax Assets	2.4	25,35,337	23,48,555
b) Long Term Loans and Advances	2.10	75,93,74,611	56,18,08,341
c) Other Non Current Assets	2.11	2,61,000	5,87,821
		77,06,77,039	57,48,28,761
2) <b>Current Assets</b>			
a) Short Term Loans and Advances	2.12	40,89,73,870	27,32,58,684
b) Cash and Cash Equivalents	2.13	80,75,875	32,61,372
c) Other Current Assets	2.14	96,18,883	10,23,24,083
		42,66,68,628	37,88,44,139
<b>Significant Accounting Policies</b>	1		
<b>Notes to Accounts</b>	2		
		<b>1,19,73,45,667</b>	<b>95,36,72,899</b>

For Barota Finance Limited

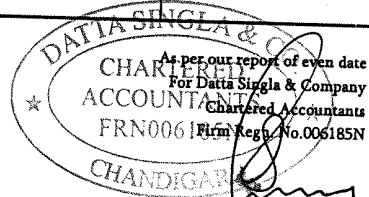
(R.S. Khadwalia)  
Director  
DIN:0062154

(Anshul Khadwalia)  
Director  
DIN: 05243344

(Aayushi)  
Company Secretary  
PAN : CLQPA0375M

(Gurvinder Singh Chadha)  
CFO  
PAN : AHEPC6779P

(Vishal Anand Dewliya)  
CEO/Principal Officer  
PAN : ALBPD6413A



(Sanjeev Aggarwal)  
Partner  
M. No. 503932

Place : Chandigarh  
Date : 23.07.2021  
UDIN : 21503932AAAACD1563

BAROTA FINANCE LIMITED  
CIN: U67200CH2016PLC041263

(Amount In Rs.)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
<b>Income</b>			
1) Revenue from operations	2.15	19,59,49,261	15,81,67,765
2) Other Income	2.16	27,84,950	34,69,649
<b>3) Total Revenue</b>		<b>19,87,34,211</b>	<b>16,16,37,414</b>
<b>4) Expenses</b>			
Employee Benefit Expense	2.17	5,99,89,068	5,66,43,683
Finance Cost	2.18	7,12,14,124	6,03,10,498
Loan Provisions and write offs	2.19	1,06,63,291	72,71,117
Other Expenses	2.20	1,70,71,798	1,61,96,913
Depreciation & Amortisation Expenses	2.9 & 2.11	19,63,613	21,02,920
		<b>16,09,01,893</b>	<b>14,25,25,131</b>
<b>5) Profit Before Extraordinary Items and Tax</b>		<b>3,78,32,317</b>	<b>1,91,12,283</b>
6) Extraordinary Items		-	4,462
<b>7) Profit / (Loss) Before Tax</b>		<b>3,78,32,317</b>	<b>1,91,07,821</b>
<b>8) Tax Expense</b>			
Current Tax		84,89,481	64,31,693
Deffered Tax		(1,86,782)	(17,35,864)
Tax Related to Previous years		4,75,226	5,69,519
<b>9) Profit / (Loss) for the year</b>		<b>2,90,54,392</b>	<b>1,38,42,473</b>

For Barota Finance Limited



(R.S. Khadwalia)  
Director  
DIN: 00062154



(Anshul Khadwalia)  
Director  
DIN:05243344



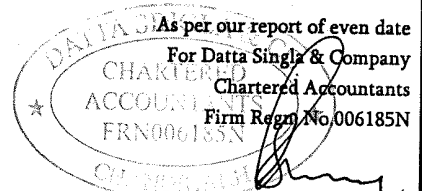
(Aayushi)  
Company Secretary  
PAN : CLQPA0375M



(Gurvinder Singh Chadha)  
CFO  
PAN : AHEPC6779P



(Vishal Anand Dewliya)  
CEO/Principal Officer  
PAN : ALDPD6413A



(Sanjeev Aggarwal)  
Partner  
M. No. 503932

Place : Chandigarh  
Date : 23.07.2021  
UDIN : 21503932AAAACD1563

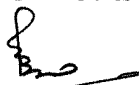
## BAROTA FINANCE LIMITED

CIN: U67200CH2016PLC041263

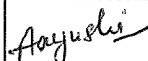
## Cash Flow Statement For The Year Ended 31st March 2021

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
<b>Cash flow from operating activities:</b>		
Profit For The Year Before Tax and Prior Period Items	3,78,32,317	1,91,07,821
Adjustments for :		
Depreciation and Amortisation	19,63,613	21,02,920
Provision for Standard Assets	(55,67,132)	67,04,188
Provision for Employee Benefits	6,16,245	6,93,840
Provision for Non Performing Assets	33,73,688	5,66,929
<b>Operating Profit Before Prior Period Items And Working Capital Changes</b>	<b>3,82,18,733</b>	<b>2,91,75,698</b>
Prior Period Adjustment	(4,75,226)	-
<b>Operating Profit Before Working Capital Changes</b>	<b>3,77,43,507</b>	<b>2,91,75,698</b>
Adjustments for:		
Other Current Assets	9,27,05,200	(10,06,93,117)
Other Current Liabilities	17,99,92,876	4,84,88,744
<b>Operating Profit After Working Capital Changes</b>	<b>31,04,41,583</b>	<b>(2,30,28,675)</b>
<b>Cash Flow From Operating Activities:</b>		
Increase Short Term Loans and Advance	(13,57,15,187)	3,51,63,497
Increase in Long Term Loans & Advances	(19,75,66,270)	(15,87,23,988)
<b>Cash (Used)/Generated In Operating Activities</b>	<b>(2,28,39,874)</b>	<b>(14,65,89,166)</b>
Income Tax Paid	(86,60,255)	(1,11,54,631)
<b>Net Cash (Used)/Generated In Operating Activities</b>	<b>(3,15,00,129)</b>	<b>(15,77,43,797)</b>
<b>Cash Flow From Investing Activities:</b>		
Purchase of Fixed Assets	(58,840)	(14,53,870)
<b>Net Cash (Used)/Generated In Investing Activities</b>	<b>(58,840)</b>	<b>(14,53,870)</b>
<b>Cash Flow From Financing Activities:</b>		
Proceeds from Issuance of Convertible Preference Shares	-	3,00,00,000
Proceeds from Long Term Borrowings	3,63,73,472	33,09,42,726
Proceeds from Short Term Borrowings	-	(20,45,30,244)
<b>Net Cash (Used)/Generated In Financing Activities</b>	<b>3,63,73,472</b>	<b>15,64,12,482</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A)+(B)+(C)</b>	<b>48,14,503</b>	<b>(20,50,592)</b>
Opening Cash And Cash Equivalents	32,61,372	45,77,371
Closing Cash And Cash Equivalents	80,75,875	32,61,372
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	23,700	24,650
Balances with Banks in Current Accounts	52,11,631	25,02,129
Imprest A/c	28,40,544	7,34,593
<b>Total</b>	<b>80,75,875</b>	<b>32,61,372</b>

For Barota Finance Limited



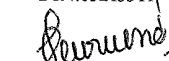
(R.S. Khadwalia)  
Director  
DIN: 00062154



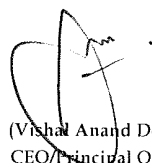
(Aayushi)  
Company Secretary  
PAN : CLQPA0375M



(Anshul Khadwalia)  
Director  
DIN:05243344

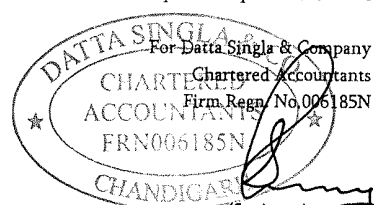


(Gurinder Singh Chadha)  
CFO  
PAN : AHEPC6779P



(Vishal Anand Dewliya)  
CEO/Principal Officer  
PAN : ALDPD6413A

As per our report of even date



(Sanjeev Aggarwal)  
Partner

M. No. 503932

Place : Chandigarh

Date: 23.07.2021

UDIN: 21503932AAAACD1563

## **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.

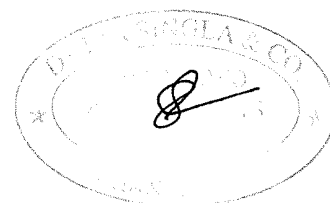
### **3. Revenue recognition**

#### **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 on Accrual basis.

**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. The Company has applied Section 115BAA of Income Tax Act,1961 during the year. 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).

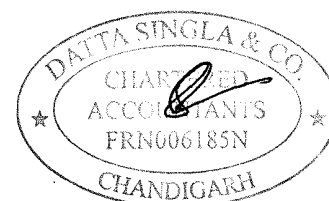
Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset 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.

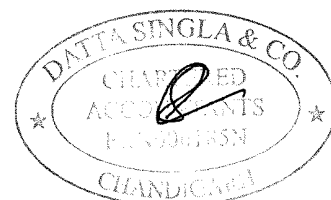
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 10. Fixed Assets and depreciation

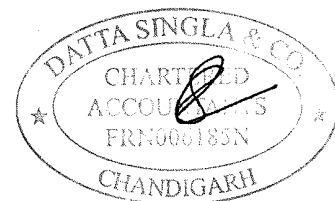
- i) Fixed Assets have been stated at cost inclusive of attributable costs of bringing the assets to their working condition for their intended use, less depreciation and impairment loss, if any.
- ii) Depreciation is provided on SLM basis based on useful life of the assets as prescribed in Schedule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

## 11. Preliminary Expenses

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



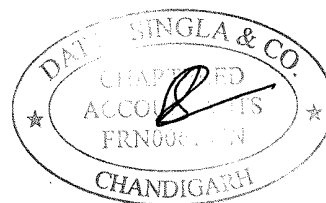
BAROTA FINANCE LIMITED			
(Amount In Rs.)			
NOTE NO.	PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
<b>SHAREHOLDERS' FUND</b>			
<b>2.1</b>	<b>Share Capital</b>		
	Authorised Share Capital 1,40,00,000 Equity Shares Of Rs 10 Each	14,00,00,000	14,00,00,000
	60,00,000 Preference Shares Of Rs 10 Each	6,00,00,000	6,00,00,000
		20,00,00,000	20,00,00,000
	Issued, Subscribed & Paid up Share Capital 1,40,00,000 Equity Shares Of Rs 10 Each Fully Paid Up	14,00,00,000	14,00,00,000
	30,00,000 1% Optionally Convertible Preference Shares of Rs 10 Each Fully Paid Up	3,00,00,000	3,00,00,000
		17,00,00,000	17,00,00,000
<b>2.2</b>	<b>RESERVES &amp; SURPLUS</b>		
	STATUTORY RESERVE		
	Opening Balance	70,73,278	36,12,660
	Additions during the year	72,63,598	34,60,618
	Closing Balance (A)	1,43,36,876	70,73,278
	PROFIT & LOSS BALANCE		
	Opening Balance	2,12,32,104	1,08,50,249
	Add: Transferred from Statement of Profit & loss	2,90,54,392	1,38,42,473
	Less: Transfer to Statutory Reserve Fund	72,63,598	34,60,618
	Closing Balance (B)	4,30,22,898	2,12,32,104
	TOTAL (A)+(B)	5,73,59,774	2,83,05,382



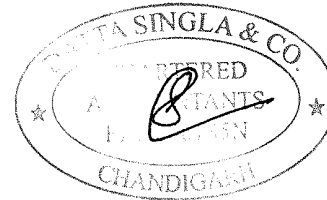
## BAROTA FINANCE LIMITED

## NON CURRENT LIABILITIES

		(Amount In Rs.)			
NOTE NO.	PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2021	AS AT 31.03.2020	AS AT 31.03.2020
2.3	Long Term Borrowings				
		Non Current Portion	Current Maturities	Non Current Portion	Current Maturities
	Secured				
	From Banks/ Financial Institutions :				
	Term Loan from Bank	60,96,31,719	13,50,94,866	52,89,82,924	6,44,72,560
	Vehicle Loans	10,22,082	5,75,325	15,97,405	5,27,852
	Unsecured				
	Inter Corporate Deposits:				
	From Banks/ Financial Institutions	-	-	-	11,86,457
	From Holding Company	4,99,76,123	-	8,11,26,123	-
	Loan and Advances from Directors	-	-	1,25,50,000	-
		66,06,29,924	13,56,70,191	62,42,56,452	6,61,86,869



BAROTA FINANCE LIMITED			
NON CURRENT LIABILITIES			
(Amount In Rs.)			
NOTE NO.	PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
2.5	<b>Other Non Current Liabilities</b>		
	Security Received	6,46,394	6,46,394
		6,46,394	6,46,394
2.6	<b>Long Term Provisions</b>		
	Contingent Provision on Standard Assets (Refer Note 2.22)	18,17,228	64,53,144
	Provision for Non Performing Assets	60,71,497	26,97,809
	Provision for Gratuity and Leave Encashment (Refer Note 2.32)	21,29,218	15,51,974
		1,00,17,943	1,07,02,927

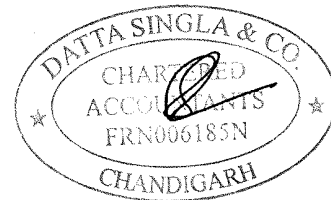


**BAROTA FINANCE LIMITED**

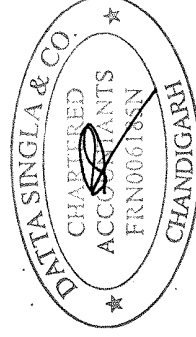
**CURRENT LIABILITIES**

(Amount In Rs.)

Note No	PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
<b>2.7</b>	<b>Other Current Liabilities</b>		
	Current Maturity on Long Term Debt	13,56,70,191	6,61,86,869
	Statutory Dues Payable	79,40,661	65,57,998
	Other Payable	15,21,97,490	3,99,98,786
	Cheques issued but not presented	1,33,960	32,05,772
		<b>29,59,42,302</b>	<b>11,59,49,426</b>
<b>2.8</b>	<b>Short Term Provisions</b>		
	Contingent Provision on Standard Assets	10,22,435	19,53,650
	Provsion for Non Performing Assets	-	-
	Provision for Income Tax ( Net of Advance Tax and TDS)	16,00,294	17,71,068
	Provision for Gratuity and Leave Encashment (Refer Note 2.32)	1,26,601	87,600
		<b>27,49,330</b>	<b>38,12,319</b>



BAROTA FINANCE LIMITED										
(Amount In Rs.)										
SCHEDULE OF PROPERTY, PLANT AND EQUIPEMNT AS AT 31ST MARCH 2021										
NOTE No	2.9	Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
			As At 01.04.2020	Additions during the Year	As At 31.03.2021	Upto 01.04.2020	During the Year	Upto 31.03.2021	As At 31.03.2020	As At 31.03.2021
		Computer	36,64,163	37,411	37,01,574	13,74,108	7,41,811	21,15,919	22,90,054	15,85,654
		Furniture	14,77,716	6,665	14,84,381	1,55,506	1,48,863	3,04,369	13,22,210	11,80,012
		Vehicles	49,21,623	-	49,21,623	6,91,683	4,94,367	11,86,050	42,29,940	37,35,573
		Building	14,08,580	-	14,08,580	48,393	44,605	92,998	13,60,187	13,15,582
		Office Equipments	10,86,001	14,764	11,00,765	2,04,348	2,07,146	4,11,494	8,81,653	6,89,271
			1,25,58,082	58,840	1,26,16,922	24,74,038	16,36,793	41,10,831	1,00,84,044	85,06,091
		Previous Year Figures	1,11,04,213	14,53,870	1,25,58,082	6,97,939	17,76,099	24,74,038	1,04,06,274	1,00,84,044

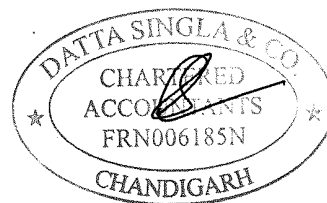


## BAROTA FINANCE LIMITED

## NON CURRENT ASSETS

(Amount In Rs.)

NOTE NO.	PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
2.4	<b>DEFERRED TAX ASSETS</b>		
A	Deferred Tax Liabilities Arising On Account Of Depreciation	10,93,326	10,21,458
		10,93,326	10,21,458
B	Deferred Tax Assets Arising On Account Of Provision for Non Performing Assets / Standard Assets	89,11,160	87,13,397
	Employee Benefit Expense	22,55,819	16,39,574
		1,11,66,979	1,03,52,971
	NET DEFERRED TAX ASSET(B-A)	1,00,73,653	93,31,513
	TAX IMPACT	25,35,337	23,48,555

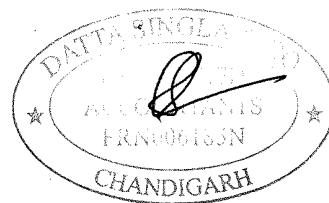


## BAROTA FINANCE LIMITED

## NON CURRENT ASSETS

(Amount In Rs.)

Note No	PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
2.10	Long Term Loans and Advances		
	Loans and Advances:		
	Hypothecation Loans - Secured and considered Good	72,68,91,232	53,48,30,254
	Hypothecation Loans - Secured and considered Doubtful	3,24,83,379	2,69,78,087
		75,93,74,611	56,18,08,341
2.11	Other Non Current Assets		
	Preliminary Expenses		
	Opening Balance	5,51,821	8,78,641
	Incurred during the Year	-	-
		5,51,821	8,78,641
	Expenses Written off	3,26,821	3,26,821
	Closing Balance	2,25,000	5,51,821
	Security for Rent	36,000	36,000
		2,61,000	5,87,821



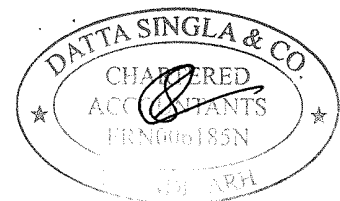


**BAROTA FINANCE LIMITED**

**CURRENT ASSETS**

(Amount In Rs.)

Note No	PARTICULARS	AS AT 31.03.2021	AS AT 31.03.2020
2.12	<b>Short Term Loans and Advances</b>		
	Standard Assets :		
	Hypothecation Loans - Secured considered Good	38,73,14,120	21,48,12,793
	Others:		
	Trade Advances	2,16,59,751	5,84,45,891
		40,89,73,870	27,32,58,684
2.13	<b>Cash and Cash Equivalentents</b>		
	Cash in hand	23,700	24,650
	Imprest A/c	28,40,544	7,34,593
	Balances with Banks		
	- In Current Accounts	51,83,254	25,02,129
	- In Deposits	28,377	-
		80,75,875	32,61,372
2.14	<b>Other Current Assets</b>		
	Prepaid Expenses	35,18,934	37,69,071
	Trade Receivables	60,47,916	9,85,55,012
	Other Receivables	52,033	-
		96,18,883	10,23,24,083

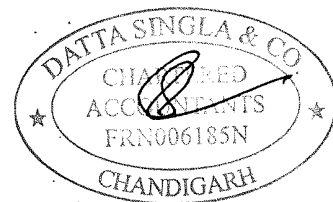


**BAROTA FINANCE LIMITED**

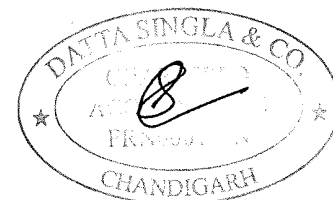
**INCOME**

(Amount In Rs.)

Note No	PARTICULARS	YEAR ENDED 31.03.2021	PERIOD ENDED 31.03.2020
2.15	<b>Revenue From Operations</b>		
	Interest Income :		
	Income from Loans	14,44,70,736	12,39,82,133
	Other Financial Services :		
	Processing fees on Loan Transactions	1,57,50,017	90,38,017
	Subvention Charges	3,57,28,508	2,51,47,615
		19,59,49,261	15,81,67,765
2.16	<b>Other Income</b>		
	Insurance Income	27,84,950	34,69,649
		27,84,950	34,69,649



BAROTA FINANCE LIMITED			
EXPENSES			
(Amount In Rs.)			
Note No	PARTICULARS	YEAR ENDED 31.03.2021	PERIOD ENDED 31.03.2020
2.17	<b>Employee Benefit Expense</b>		
	Salary and Wages	4,52,85,107	4,75,42,827
	Contribution of EPF/ESI	28,12,693	28,33,796
	Staff Welfare Expenses	75,24,499	55,54,528
	Gratuity and Leave Encashment	8,44,471	7,12,532
	Ex Gratia	35,22,298	-
		5,99,89,068	5,66,43,683
2.18	<b>Finance Cost</b>		
	Interest Expenses	6,97,93,353	5,87,78,952
	Bank Charges	14,20,771	15,31,546
		7,12,14,124	6,03,10,498
2.19	<b>Loan Provisions And Write Offs</b>		
	Contingent Provision for Standard Assets (Refer Note )	(55,67,132)	67,04,188
	Provision for Non Performing Assets	33,73,688	5,66,929
	Bad Debts Written Off	1,28,56,734	-
		1,06,63,291	72,71,117
2.20	<b>Other Expenses</b>		
	Administrative Expenses :		
	Auditor's Remuneration	4,36,000	2,18,000
	Advertisement Expenses	16,350	9,388
	Busines Promotion Expenses	4,04,369	4,17,372
	Electricity Expenses	1,243	4,674
	Festival Expenses	27,520	22,658
	Postage & Courier	6,32,529	4,89,327
	Printing & Stationary	6,39,692	3,75,139
	Rate. Fee & Taxes	13,16,731	5,24,900
	Rent	4,54,839	4,83,000
	Repair and Maintenance :		
	Buildings	18,290	-
	Computers	69,897	65,991
	General	8,22,581	5,28,764
	Telephone Expenses	66,679	94,593
	Travelling & Conveyance	49,37,623	66,72,676
	Legal & Professional Expenses	10,82,651	14,48,811
	Misc. Office Expenses	10,52,534	5,65,044
	Interest on Late payment	85,106	-
	Insurance Expenses	53,441	24,772
	Recordkeeping Charges	60,379	95,169
	Tractor Repossession Expense	14,29,503	20,83,427
	Loss on sale of Repossessed assets	34,63,842	20,73,209
		1,70,71,798	1,61,96,913



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

Name of Shareholder	As At 31.03.2021		As At 31.03.2020	
	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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Equity shares at the beginning of the period	1,40,00,000	1,40,00,000
Add: Shares issued during the period	-	-
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 31.03.2021		As At 31.03.2020	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Indo Farm Equipment Limited	30,00,000	100.00	30,00,000	100.00

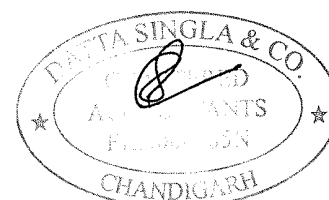
**Reconciliation of the number of shares outstanding :**

Particulars	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Preference shares at the beginning of the period	30,00,000	-
Add: Shares issued during the period	-	30,00,000
Preference shares at the end of the period	30,00,000	30,00,000

**2.22) 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. 60.71 Lacs is made during the current year (As at 31<sup>st</sup> March,2020 provision was Rs. 26.98 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.28.40 Lacs is made during the current year (As at 31<sup>st</sup> March,2020 provision was Rs84.07 Lacs).



## 2.23) 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	917.00	1756.63	Nil
-Canara Bank Term Loan	733.33	2462.96	Nil
-Federal Bank Term Loan	111.86	114.53	Nil
-Federal Bank Car Loan	6.26	3.97	Nil

## b) UNSECURED LOANS

The Company has received Unsecured Loans from Holding Company .

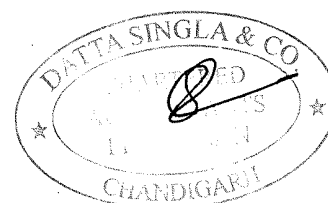
## 2.24) Commitments & Contingent Liabilities

### 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 |



2.25) 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, 2021. 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.

## 2.26) 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.

## 2.27) Income Tax

### Current Tax

Provision for Income tax has been made as per the relevant rates and provisions of the Income-tax Act, 1961. The Company has applied Section 115BAA of Income Tax Act, 1961 during the year.

### Deferred Tax

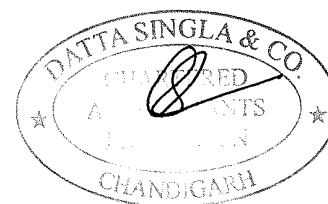
In compliance with Accounting Standard (AS-22) relating to “Accounting for Taxes on Income” issued under Companies (Accounting standards) Rule 2006, as amended upto date, the Company has provided Deferred Tax Assets accruing during the year aggregating to Rs. 1.87 Lacs (previous year Deferred Tax Assets of Rs. 17.36 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.

## 2.28) 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.

## 2.29) Payments to Auditors

(Rs. In Lakhs)			
SR. NO.	PARTICULARS	2020-21	2019-20
I	Statutory Audit	4.00	2.00
II	IGST/Service Tax	0.72	0.36



## 2.30) 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

Ranbir Singh Khadwalia

Sunita Saini

Anshul Khadwalia

Shubham Khadwalia

Brij Kishore Mahindroo

Anubha ( CS upto 28-06-2021)

Pardeep Singh ( CFO upto 12-06-2021)

Surinder Kumar Sharma ( CEO upto 16-06-2021)

Aayushi ( CS w.e.f. 01-07-2021)

Gurwinder Singh Chadha (CFO w.e.f. 16-06-2021)

Vishal Anand Dewliya (CEO w.e.f. 01-07-2021)

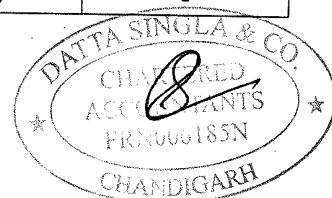
b) The following transactions were carried out with related parties in the ordinary course of business.

#### i) Holding Company

SR. NO.	PARTICULARS	(Rs. In Lakhs)	
		FY 2020-21	FY 2019-20
I	Unsecured Inter Corporate Deposits (Closing Balance)	499.76	811.26
II	Rent paid	1.20	1.20
III	Interest paid	-	130.84
IV	Subvention Income	356.99	250.70
V	Sale of Repo. Tractors	419.80	689.95

#### ii) Key Management Personnel and their relatives

SR. NO.	PARTICULARS	(Rs. In Lakhs)	
		FY 2020-21	FY 2019-20
I	Unsecured Loan (Accepted)	-	60.00
II	Unsecured Loan (Paid)	125.50	-
III	Remuneration Paid	52.11	57.07
IV	Sitting Fees	0.60	-



2.31) Earnings per share (EPS)

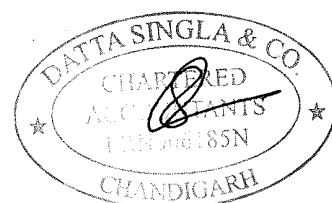
(Rs. In Lakhs)

PARTICULARS	UNIT	YEAR ENDED 31.03.2021	YEAR ENDED 31.03.2020
Profit After Tax	Rs.	290.54	138.42
No of Shares Outstanding	Nos.	1,40,00,000	1,40,00,000
<b>No of Weighted Average equity shares</b>	Nos.	1,40,00,000	1,40,00,000
Diluted	Nos.	1,70,00,000	1,45,58,904
<b>Nominal value of equity shares</b>	Rs.	10	10
<b>Earnings per Share</b>			
-Basic	Rs.	2.08	0.99
-Diluted	Rs.	1.71	0.95

2.32) Employee Retirement Benefits

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

Membership Data	
Number of employees	161
Total monthly salary	21.94
Total Monthly CTC for Availment	51.70
Average Age(Years)	34
Average Past Service(Years)	1.35
Average Future Service (year)	7.94
Average Accumulated leave per employee ( in days)	15





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 31<sup>st</sup> March, 2021

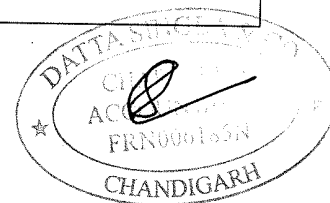
(Rs. In Lakhs)

Classification	Gratuity	Leave Encashment
Current	0.03	1.23
Non-Current	16.41	4.89
Total	16.44	6.12

Changes in Present Value of Obligations

(Rs. In Lakhs)

Particulars	Gratuity	Leave
Present Value of Obligations as on 01/04/2020	12.08	4.32
Interest Cost	0.75	0.27
Past Service Cost	-	-
Current Service Cost	8.21	3.57
Benefits Paid	0	(1.86)
Actuarial (gain)/loss on obligations	(4.6)	(0.18)
Present Value of Obligations as on 31/03/2021	16.44	6.12



2.33) Other Information

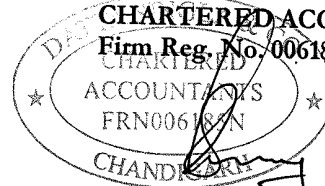
Sr. No.	Particulars	Amount (In Rs.)	
		YEAR ENDED 31.03.21	YEAR ENDED 31.03.20
(a)	Expenditure in Foreign Currency	Nil	Nil
(b)	Remittances in Foreign Currency	Nil	Nil
(c)	Earning in Foreign Currency	Nil	Nil

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

FOR DATTA SINGLA & COMPANY  
CHARTERED ACCOUNTANTS

Firm Reg. No. 006185N



(Sanjeev Aggarwal)  
Partner

M.No. 503932

UDIN:21503932AAAACD1563

(R.S. Khadwalia)  
Director  
DIN: 00062154

(Anshul Khadwalia)  
Director  
DIN: 05243344

(Vishal Anand Dewliya)  
CEO/Principal Officer  
PAN: ALDPD6413A

(Gurvinder Singh Chadha)  
CFO  
PAN: AHEPC6779P

(Aayushi)  
Company Secretary  
PAN: CLQPA0375M

Place: Chandigarh  
Date: 23.07.2021