



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 12th April 2017.
- ii) The company is entitled to continue to hold Certificate of Registration as on 31.03.2022 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 2021-22.
- 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 Reg. No: 006185N


(Yogesh Monga)
Partner
M. No. 099813

Place: Chandigarh

UDIN: 22099813AVCU7RU652

Date: 03.09.2022



INDEPENDENT AUDITOR'S REPORT

To the Members of
Barota Finance Limited
Chandigarh
CIN NO : U22219WB2018PTC235056

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Barota Finance Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2022;
- (b) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date, and
- (c) In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.



Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit / loss and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

- A. 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.
- B. As required by Section 143(3) of the Act, based on our audit we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) The Balance Sheet, the Statement of Profit and Loss Statement and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. - Refer Note – 2.25 to the financial statements
 - ii. 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.
 - iii. No amount was required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. No dividend was declared during the year by the company.

C. With respect to the matter to be included in the Auditors' Report under section 197(16):

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

For DATTA SINGLA & CO
CHARTERED ACCOUNTANTS

Firm Regn. No. 006185N



(Nagesh Monga)

Partner

M. No. 099813

UDIN: 22099813AFCUTR4652

Place: Chandigarh

Date: 03.09.2022

ANNEXURE "A" TO THE AUDITORS' REPORT

REFERRED TO IN OUR REPORT TO THE MEMBERS OF BAROTA FINANCE LIMITED ON THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2022;

- i. (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

B. The company has maintained proper records showing full particulars of Intangible assets.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, on the basis of our examination of the records of the Company, there is no immovable properties held by company so reporting under clause 3(i)(c) is not required.

(d) According to the information and explanations given to us, on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.



(e) According to the information and explanation given to us, and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company as at March 31, 2022 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The Company is in the business of providing loans and does not have any physical inventories. Accordingly, the provision of clause 3(ii)(a) of the Order is not applicable to it.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company and external reports, there is no working capital limit sanctioned to the company. Hence, reporting under clause 3(iii)(b) is not applicable.

(iii) (a) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable to it

b) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934. In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest.

c) The Company, being a Non-Banking Financial Company ('NBFC'), registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.

d) The Company, being a NBFC, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and



Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting.

- e) Since the Company's principal business is to give loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable to it.
 - f) Based on our audit procedures, according to the information and explanation made available to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- (iv) According to the information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company being a non-banking financial company registered with the Reserve Bank of India, the provisions of sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for the business activities carried out by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts



payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us. There Are no statutory dues payable as at March 31, 2022 which have not been deposited on account of a dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender as at the balance sheet date.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, requirement to report on clause 3(x)(a) of the Order is not applicable.



- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, requirement to report on clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given by the management, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) There are no whistle blower complaints received during the period.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a),(b) and (c) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable.



- (xvi) (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) As represented by the management, the Group does not any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanation given to us and on the basis of the financial ratios disclosed in Note 2.27 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For DATTA SINGLA & CO.

Chartered Accountants

Firm Regn. No.- 006185N



PLACE: CHANDIGARH

DATE: 03.09.2022

M.NO.-099813

UDIN : 22099813AVCUTR4652

BAROTA FINANCE LIMITED			
CIN: U67200CH2016PLC041263			
(Amount Rs. In Lacs)			
BALANCE SHEET AS AT 31ST MARCH 2022			
PARTICULARS	NOTE NO.	AS AT 31.03.2022	AS AT 31.03.2021
A. EQUITY AND LIABILITIES			
1) Shareholders' Fund			
a) Share Capital	2.1	1,700.00	1,700.00
b) Reserves & Surplus	2.2	1,002.23	573.60
		2,702.23	2,273.60
2) Non Current Liabilities			
a) Long Term Borrowings	2.3	8,160.85	6,606.30
b) Other Non Current Liabilities	2.5	-	6.46
c) Long Term Provisions	2.6	93.59	100.18
		8,254.45	6,712.94
3) Current Liabilities			
a) Short Term Borrowings	2.7	2,317.19	1,356.70
b) Other Current Liabilities	2.8	1,787.21	1,602.72
c) Short Term Provisions	2.9	90.41	27.49
		4,194.82	2,986.92
Total Equity and Liabilities		15,151.50	11,973.46
B) ASSETS			
1) Non Current Assets			
a) Property, Plant and Equipments	2.10		
1) Tangible Assets		54.12	85.06
b) Deferred Tax Assets	2.4	23.94	25.35
b) Long Term Loans and Advances	2.11	9,090.98	7,593.75
c) Other Non Current Assets	2.12	0.36	2.61
		9,169.40	7,706.77
2) Current Assets			
a) Short Term Loans and Advances	2.13	5,707.80	4,089.74
b) Cash and Cash Equivalents	2.14	137.89	80.76
c) Other Current Assets	2.15	136.41	96.19
		5,982.10	4,266.69
		15,151.50	11,973.46
Significant Accounting Policies	1		
Notes to Accounts	2		

For Barota Finance Limited

(R.S. Khadwalia)
Director
DIN:0062154

(Anshul Khadwalia)
Director
DIN: 05243344

(Vishal Anand Dewliya)
CEO/Principal Officer
PAN : ALDDP6413A

(Gurvinder Singh Chadha)
CFO
PAN : AHEPC6779P

(Sukinder Mohan Singla)
Group CFO
PAN: ACOPS9998K

(Aayushi)
Company Secretary
PAN : CLQPA0375M

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

(Yogesh Monga)
Partner
M. No. 099813
UDIN: 22099813AVCUTR4652

Place : Chandigarh
Date : 03/09/2022

BAROTA FINANCE LIMITED

CIN: U67200CH2016PLC041263

(Amount Rs. In Lacs)

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

PARTICULARS		NOTE NO.	YEAR ENDED 31.03.2022	YEAR ENDED 31.03.2021
Income				
1)	Revenue from operations	2.16	2,567.21	1,959.49
2)	Other Income	2.17	28.54	27.85
3)	Total Revenue		2,595.75	1,987.34
4) Expenses				
	Employee Benefit Expense	2.18	714.31	599.89
	Finance Cost	2.19	936.86	712.14
	Loan Provisions and write offs	2.20	151.79	106.63
	Other Expenses	2.21	210.49	170.72
	Depreciation & Amortisation Expenses	2.10 & 2.12	11.75	19.64
			2,025.20	1,609.02
5)	Profit Before Extraordinary Items and Tax		570.55	378.32
6)	Extraordinary Items		-	-
7)	Profit / (Loss) Before Tax		570.55	378.32
8) Tax Expense				
	Current Tax		135.03	84.89
	Deffered Tax		1.41	(1.87)
	Tax Related to Previous years		5.46	4.75
9)	Profit / (Loss) for the year		428.64	290.54

For Barota Finance Limited

As per our report of even date


For Datta Singla & Company


Chartered Accountants


Firm Regn. No.006185N



(R.S. Khadwalia)
Director
DIN: 00062154



(Anshul Khadwalia)
Director
DIN:05243344


(Gegesh Monga)
Partner
M. No. 099813
UDIN: 22099813ANCUTR4652


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


(Gurvinder Singh Chadha)
CFO
PAN : AHEPC6779P


(Surinder Mohan Singla)
Group CFO
PAN: ACOPS9998K


(Aayushi)
Company Secretary
PAN : CLQPA0375M

Place : Chandigarh

Date : 03/09/2022

BAROTA FINANCE LIMITED

CIN: U67200CH2016PLC041263

Cash Flow Statement For The Year Ended 31st March 2022

(Amount Rs. In Lacs)

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
Cash flow from operating activities:		
Profit For The Year Before Tax and Prior Period Items	570.55	378.32
Adjustments for :		
Depreciation and Amortisation	11.75	19.64
Provision for Standard Assets	7.51	(55.67)
Provision for Employee Benefits	(1.57)	6.16
Provision for Non Performing Assets	(8.71)	33.74
Profit on sale of Fixed Assets	(3.03)	
Operating Profit Before Prior Period Items And Working Capital Changes	576.49	382.19
Prior Period Adjustment	(5.46)	(4.75)
Operating Profit Before Working Capital Changes	571.02	377.44
Adjustments for:		
Other Current Assets	(40.22)	927.05
Other Current Liabilities	184.49	1,799.93
Other Non Current Liabilities	(6.46)	-
Operating Profit After Working Capital Changes	708.83	3,104.42
Cash Flow From Operating Activities:		
Increase Short Term Loans and Advance	(1,618.06)	(1,357.15)
Increase in Long Term Loans & Advances	(1,497.23)	(1,975.66)
	-	-
Cash (Used)/Generated In Operating Activities	(2,406.46)	(228.40)
Income Tax Paid	(75.93)	(86.60)
Net Cash (Used)/Generated In Operating Activities	(2,482.39)	(315.00)
Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(3.32)	(0.59)
Sale of Fixed Assets	27.79	-
Net Cash (Used)/Generated In Investing Activities	24.47	(0.59)
Proceeds from Long Term Borrowings	2,515.05	363.73
Net Cash (Used)/Generated In Financing Activities	2,515.05	363.73
Net Increase/(Decrease) In Cash And Cash Equivalents (A)+(B)+(C)	57.13	48.15
Opening Cash And Cash Equivalents	80.76	32.61
Closing Cash And Cash Equivalents	137.89	80.76
Components of Cash and Cash Equivalents		
Cash on Hand	0.23	0.24
Balances with Banks in Current Accounts	54.07	52.12
Imprest A/c	83.58	28.41
Total	137.89	80.76

For Barota Finance Limited

As per our report of even date

(R.S. Khadwalia)
Director
DIN: 00062154

(Anshul Khadwalia)
Director
DIN:05243344

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



(Yogesh Monga)
Partner
M. No. 099813

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

(Gurvinder Singh Chadha)
CFO
PAN : AHEPC6779P

UDIN: 22099813AVCUTR4852

(Sunder Mohan Singla)
Group CFO
PAN: ACOPS9998K

(Aayushi)
Company Secretary
PAN : CLQPA0375M

Place : Chandigarh

Date: 03/09/2022

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

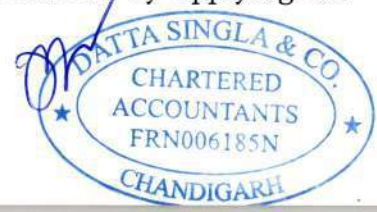
A. General :

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. Income and expenditure are accounted on accrual basis, except otherwise stated.

b. Interest Income from loan transactions is accounted for by applying the interest rate implicit in such contracts.



- c. Service charges, documentation charges and other fees on loan transactions are recognised at the commencement of the contract.
- d. 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.
- e. Interest Income on business assets classified as Nonperforming Assets, is recognised upon realisation and is strictly in accordance with the guidelines issued by The Reserve Bank of India for Non-Banking Financial Companies. Recoveries in NPA accounts (irrespective of the mode / status / stage of recovery actions) shall be appropriated in the following order of priority :-
 - a. Principal irregularities i.e. NPA outstanding in the account.
 - b. Thereafter towards the unrealized /accrued interest

C. Subvention Income :

Subvention Income received from manufacturers/dealers on vehicles financed is booked on Accrual basis.

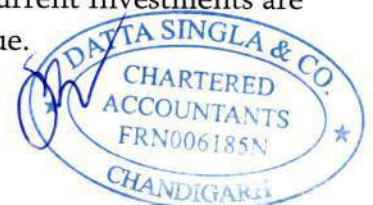
4. Tax Expenses

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. Long Term 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. Loans/Advances and Provisioning/ Write-off thereon

Advances are classified as performing and non-performing assets. The Non-Performing Assets are further classified as Sub-Standard, Doubtful and Loss 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.

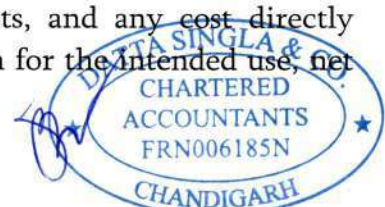
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

10. Property Plant & Equipment and Depreciation

- (i) Property, Plant & Equipment are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Property, Plant & Equipment comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- (ii) Self fabricated fixed assets include material cost and appropriate share of attributable expenses.
- (iii) Assets retired from active use and held for disposal are stated at their estimated net realizable values or net book values, whichever is lower.
- (iv) Depreciation is provided on SLM basis based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. And in case of various Plant & Machinery the life is taken as per technical advice by competent valuer.

11. Intangible Fixed Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net



charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

12. IMPAIRMENT OF ASSETS

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

13. Preliminary Expenses

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



BAROTA FINANCE LIMITED			
(Amount Rs. In Lacs)			
NOTE NO.	PARTICULARS	AS AT 31.03.2022	AS AT 31.03.2021
SHAREHOLDERS' FUND			
2.1	Share Capital		
	Authorised Share Capital		
	1,70,00,000 Equity Shares Of Rs 10 Each (Previous Year 1,40,00,000 Equity Shares Of Rs 10 Each)	1,700.00	1,400.00
	30,00,000 Preference Shares Of Rs 10 Each (Previous Year 60,00,000 Equity Shares Of Rs 10 Each)	300.00	600.00
		2,000.00	2,000.00
	Issued, Subscribed & Paid up Share Capital		
	1,70,00,000 Equity Shares Of Rs 10 Each Fully Paid Up (Previous Year 1,40,00,000 Equity Shares Of Rs 10 Each Fully Paid Up)	1,700.00	1,400.00
	30,00,000 1% Optionally Convertible Preference Shares of Rs 10 Each Fully Paid Up	-	300.00
		1,700.00	1,700.00
2.2	RESERVES & SURPLUS		
	STATUTORY RESERVE		
	Opening Balance	143.37	70.73
	Additions during the year	110.00	72.64
	Closing Balance (A)	253.37	143.37
	PROFIT & LOSS BALANCE		
	Opening Balance	430.23	212.32
	Add: Transferred from Statement of Profit & loss	428.64	290.54
	Less: Transfer to Statutory Reserve Fund	110.00	72.64
	Closing Balance (B)	748.86	430.23
	TOTAL (A)+(B)	1,002.23	573.60



BAROTA FINANCE LIMITED

NON CURRENT LIABILITIES

(Amount Rs. In Lacs)

NOTE NO.	PARTICULARS	AS AT 31.03.2022	AS AT 31.03.2022	AS AT 31.03.2021	AS AT 31.03.2021
2.3	Long Term Borrowings				
		Non Current Portion	Current Maturities	Non Current Portion	Current Maturities
	Secured				
	From Banks/ Financial Institutions :				
	Term Loan from Bank	7,661.09	2,317.19	6,096.32	1,350.95
	Vehicle Loans	-	-	10.22	5.75
	Unsecured				
	Inter Corporate Deposits:				
	From Holding Company	499.76	-	499.76	-
		8,160.85	2,317.19	6,606.30	1,356.70



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BAROTA FINANCE LIMITED

NON CURRENT ASSETS

(Amount Rs. In Lacs)

NOTE NO.	PARTICULARS	AS AT 31.03.2022	AS AT 31.03.2021
2.4	DEFERRED TAX ASSETS		
A	Deferred Tax Liabilities Arising On Account Of Depreciation	13.78	10.93
		13.78	10.93
B	Deferred Tax Assets Arising On Account Of Provision for Non Performing Assets / Standard Assets	87.91	89.11
	Employee Benefit Expense	20.99	22.56
		108.89	111.67
	NET DEFERRED TAX ASSET(B-A)	95.12	100.74
	TAX IMPACT	23.94	25.35



BAROTA FINANCE LIMITED

NON CURRENT LIABILITIES

(Amount Rs. In Lacs)

NOTE NO.	PARTICULARS	AS AT 31.03.2022	AS AT 31.03.2021
2.5	Other Non Current Liabilities		
	Security Received	-	6.46
		-	6.46
2.6	Long Term Provisions		
	Contingent Provision on Standard Assets (Refer Note 2.23)	21.63	18.17
	Provision for Non Performing Assets	52.00	60.71
	Provision for Gratuity and Leave Encashment (Refer Note 2.35)	19.96	21.29
		93.59	100.18



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BAROTA FINANCE LIMITED

CURRENT LIABILITIES

(Amount Rs. In Lacs)

Note No	PARTICULARS	AS AT 31.03.2022	AS AT 31.03.2021
2.7	Short Term Borrowings		
	Current Maturity on Long Term Debt	2,317.19	1,356.70
		2,317.19	1,356.70
2.8	Other Current Liabilities		
	Statutory Dues Payable	92.59	79.41
	Other Payable	608.99	587.92
	Cheques issued but not presented	10.67	1.34
	Advances From Holding Compnay	1,074.96	934.05
		1,787.21	1,602.72
2.9	Short Term Provisions		
	Contingent Provision on Standard Assets	14.27	10.22
	Provision for Income Tax (Net of Advance Tax and TDS)	75.11	16.00
	Provision for Gratuity and Leave Encashment (Refer Note 2.35)	1.03	1.27
		90.41	27.49



BAROTA FINANCE LIMITED

(Amount Rs. In Lacs)

SCHEDULE OF PROPERTY, PLANT AND EQUIPEMNT AS AT 31ST MARCH 2022

NOTE No	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 01.04.2021	Additions during the Year	Sales	As At 31.03.2022	Upto 01.04.2021	During the Year	Adjustment	Upto 31.03.2022	As At 31.03.2021	As At 31.03.2022
2.10	Computer	37.02	2.67	-	39.69	21.16	2.94		24.09	15.86	15.59
	Furniture	14.84	-	-	14.84	3.04	1.49		4.54	11.80	10.31
	Vehicles	49.22	-	34.68	14.53	11.86	2.48	9.92	4.42	37.36	10.12
	Building	14.09	-	-	14.09	0.93	0.45		1.38	13.16	12.71
	Office Equipments	11.01	0.65	-	11.66	4.11	2.15		6.26	6.89	5.40
		126.17	3.32	34.68	94.81	41.11	9.50	9.92	40.68	85.06	54.12
	Previous Year Figures	125.58	0.59	-	126.17	24.74	16.37	-	41.11	100.84	85.06



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BAROTA FINANCE LIMITED

NON CURRENT ASSETS

(Amount Rs. In Lacs)

Note No	PARTICULARS	AS AT 31.03.2022	AS AT 31.03.2021
2.11	Long Term Loans and Advances		
	Loans and Advances:		
	Hypothecation Loans - Secured and considered Good	8,653.11	7,268.91
	Hypothecation Loans - Secured and considered Doubtful	437.87	324.83
		9,090.98	7,593.75
2.12	Other Non Current Assets		
	Preliminary Expenses		
	Opening Balance	2.25	5.52
	Incurred during the Year	-	-
	Expenses Written off	2.25	5.52
	Closing Balance	-	2.25
	Security for Rent	0.36	0.36
		0.36	2.61



BAROTA FINANCE LIMITED

CURRENT ASSETS

(Amount Rs. In Lacs)

Note No	PARTICULARS	AS AT 31.03.2022	AS AT 31.03.2021
2.13	Short Term Loans and Advances		
	Standard Assets :		
	Hypothecation Loans - Secured considered Good	5,553.66	3,873.14
	Others:		
	Trade Advances	154.14	216.60
		5,707.80	4,089.74
2.14	Cash and Cash Equivalentents		
	Cash in hand	0.23	0.24
	Imprest A/c	83.58	28.41
	Balances with Banks		
	- In Current Accounts	53.27	51.83
	- In Deposits	0.80	0.28
		137.89	80.76
2.15	Other Current Assets		
	Prepaid Expenses	84.33	35.19
	Trade Receivables	1.93	60.48
	Other Receivables	50.15	0.52
		136.41	96.19



BAROTA FINANCE LIMITED			
INCOME			
(Amount Rs. In Lacs)			
Note No	PARTICULARS	YEAR ENDED 31.03.2022	PERIOD ENDED 31.03.2021
2.16	Revenue From Operations		
	Interest Income :		
	Income from Loans	1,958.78	1,444.71
	Other Financial Services :		
	Processing fees on Loan Transactions	162.93	157.50
	Subvention Charges	445.50	357.29
		2,567.21	1,959.49
2.17	Other Income		
	Insurance Income	24.53	27.85
	Profit on Sale of Fixed Assets	3.03	-
	Actuarial Gain	0.94	-
	Interest Received	0.03	-
		28.54	27.85

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BAROTA FINANCE LIMITED			
EXPENSES			
(Amount Rs. In Lacs)			
Note No	PARTICULARS	YEAR ENDED 31.03.2022	PERIOD ENDED 31.03.2021
2.18	Employee Benefit Expense		
	Salary and Wages	663.97	526.80
	Contribution of EPF/ESI	32.18	28.13
	Staff Welfare Expenses	1.17	1.30
	Gratuity and Leave Encashment	0.06	8.44
	Bonus and Ex Gratia	16.93	35.22
		714.31	599.89
2.19	Finance Cost		
	Interest Expenses	912.21	697.93
	Bank Charges	24.65	14.21
		936.86	712.14
2.20	Loan Provisions And Write Offs		
	Contingent Provision for Standard Assets (Refer Note	7.51	(55.67)
	Provision for Non Performing Assets	(8.71)	33.74
	Bad Debts Written Off	153.00	128.57
		151.79	106.63
2.21	Other Expenses		
	Administrative Expenses :		
	Auditor's Remuneration	5.00	4.36
	Advertisement Expenses	-	0.16
	Busines Promotion Expenses	0.78	4.04
	Commission Expenses	0.47	-
	Electricity Expenses	0.03	0.01
	Festival Expenses	0.31	0.28
	Postage & Courier	7.34	6.33
	Printing & Stationary	6.97	6.40
	Rate. Fee & Taxes	23.10	13.17
	Rent	11.19	4.55
	Repair and Maintenance :		
	Buildings	0.01	0.18
	Computers	1.58	0.70
	General	2.22	8.23
	Telephone Expenses	0.64	0.67
	Travelling & Conveyance	59.75	49.38
	Legal & Professional Expenses	14.16	10.83
	Misc. Office Expenses	7.19	10.53
	Interest on Late payment	0.02	0.85
	Insurance Expenses	1.62	0.53
	Recordkeeping Charges	1.63	0.60
	Tractor Repossession Expense	17.63	14.30
	Loss on sale of Repossessed assets	48.84	34.64
		210.49	170.72



2.22 Share Capital

- (a) The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts.
- (b) The company is a wholly owned subsidiary of Indo Farm Equipment Limited.
- (c) Detail of Shareholders holding more than 5% of Equity Share capital

Name of Shareholder	As At 31.03.2022		As At 31.03.2021	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Indo Farm Equipment Limited	1,70,00,000*	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 equity shares outstanding:

Particulars	As at 31.03.2022	As at 31.03.2021
Equity shares at the beginning of the period	1,40,00,000	1,40,00,000
Add: Preference Shares converted into Equity Shares	30,00,000	-
Equity shares at the end of the period	1,70,00,000	1,40,00,000

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

Name of Shareholder	As At 31.03.2022		As At 31.03.2021	
	No. of Shares	% of Shares	No. of Shares	% of Shares
Indo Farm Equipment Limited	-	-	30,00,000	100.00



Reconciliation of the number of preference shares outstanding:

Particulars	As at 31.03.2022	As at 31.03.2021
Preference shares at the beginning of the period	30,00,000	30,00,000
Add: Shares issued during the period	-	-
Less: Preference shares converted into equity shares	30,00,000	-
Preference shares at the end of the period	-	30,00,000

(e) Shareholding of Promoters

Shares held by promoters at the end of the year			%age Change during the year
Promoter Name	No. of Shares	%age of Total Shares	
Indo Farm Equipment Limited	1,70,00,000	100	-

2.23 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. 52.00 Lacs is made during the current year (As at 31st March,2021 provision was Rs. 60.71 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.35.90 Lacs is made during the current year (As at 31st March,2021 provision was Rs.28.40 Lacs).



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2.24 (a) SECURED LOANS

- 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. and further collaterally secured by way of 1st Pari-Passu Charge on all the fixed assets of the Holding Company excluding following assets:
 - vehicles,
 - land building situated at Mumbai,
 - land situated at Bhopal mortgaged to Federal Bank and
 - specific machinery which is hypothecated to Siemens Ltd
- 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.

Maturity Profile

(Rs.in Lakhs)

Particulars	1 – 2 years	2 - 5 years	Beyond 5 years
From Banks:			
-Canara Bank Term Loan	1,002.00	754.63	Nil
-Canara Bank Term Loan	933.33	1,529.63	Nil
-Canara Bank Term Loan	856	2,470.97	Nil
-Federal Bank Term Loan	114.53	Nil	Nil

(b) UNSECURED LOANS

The Company has received Unsecured Loans amounting to Rs.499.76 Lakhs from Holding Company for which no repayment schedule had been defined.



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 Liabile - NIL

2.26 Trade receivables/Loans and Advances ageing schedule

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – Considered good	5200.14	19.34	336.38	82.16	-	5638.01
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	--
Disputed Trade Receivables – Considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-



2.27 Analytical Ratios

Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	Variance
Current Ratio (in times)	Current Assets	Current Liabilities	1.43	1.43	-0.17%
Debt-Equity Ratio (in times)	Total Debt	Shareholder's equity	3.88	3.50	10.71%
Debt Service Coverage Ratio (in times)	Not applicable				
Return on Equity (ROE) (in %age) ⁽¹⁾	Net Profits after taxes	Average Shareholder's Equity	4.31%	3.41%	26.21%
Inventory turnover ratio (in times)	Not applicable				
Trade receivables turnover ratio (in times)					
Trade payable turnover ratio (in times)					
Net capital turnover ratio (in times)					
Net profit ratio (in %age)	Net Profit	Revenue	16.70%	14.83%	12.61%
Return on capital employed (ROCE) (in %age) ⁽²⁾	Earnings before interest and taxes	Capital Employed	12.66%	9.19%	37.77%
Return on Investments (ROI)	Not Applicable				

Being an NBFC certain ratios are not applicable

Comments on Variations above 25%

- 1.) The return on equity ratio had improved due to increase in Net profit on account of increased asset base.
- 2.) The return on Capital Employed ratio had improved on account of increased in Earnings before interest and taxes due to increase in asset base.



2.28 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, 2022. 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.

2.29 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.

2.30 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 Liabilities accruing during the year aggregating to Rs. 1.41 Lacs (previous year Deferred Tax Assets of Rs. 1.87 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.

2.31 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.



2.32 Payments to Auditors

SR. NO.	PARTICULARS	(Rs. In Lakhs)	
		2021-22	2020-21
I	Statutory Audit	5.00	4.00
II	IGST/Service Tax	0.90	0.72

2.33 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) Disclosure of related parties and relationship between the parties

Nature of relationship	Name of related party
Holding Company	Indo Farm Equipment Limited
Key management personnel (KMP)	Mr. R.S. Khadwalia
	Mrs. Sunita Saini
	Mr. Anshul Khadwalia
	Mr. Sat Prakash Mittal
	Mr. Brij Kishore Mahindroo
	Mr. Charan Singh Saini (Director upto 17-08-2021)
	Mr. Pardeep Singh (CFO upto 12-06-2021)
	Mr. Surinder Kumar Sharma (CEO upto 16-06-2021)
	Ms. Aayushi (CS w.e.f. 01-07-2021)
	Mr. Gurvinder Singh Chadha (CFO w.e.f. 16-06-2021)
	Ms. Anubha (CS upto 28-06-2021)
	Mr. Vishal Anand Dewliya (CEO w.e.f. 01-07-2021)

[Handwritten signature]



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 2021-22	FY 2020-21
I	Unsecured Inter Corporate Deposits (Closing Balance)	499.76	499.76
II	Rent paid	1.20	1.20
III	Subvention Income	445.45	356.99
IV	Sale of Repo. Tractors	785.28	419.80
V	Loans & Advances Taken	1074.96	934.05
VI	Loans & Advances Paid Back	934.05	-
VII	Loans & Advances (Closing Balance)	1074.96	934.05
VIII	Equity/Preference Share Capital (Year End Balance)	1700.00	1700.00

ii) Key Management Personnel and their relatives

SR. NO.	PARTICULARS	(Rs. In Lakhs)	
		FY 2021-22	FY 2020-21
I	Unsecured Loan (Accepted)	-	-
II	Unsecured Loan (Paid)	-	125.50
III	Remuneration Paid	36.66	52.11
IV	Sitting Fees	0.40	0.60
V	Rent	6.00	-

2.34 Earnings per share (EPS)

a) Basic Earnings Per Share

(Rs. in Lacs)

Particulars	As on	As on
	March 31, 2022	March 31, 2021
Profit/(Loss) as per statement of profit and loss	428.64	290.54
Weighted average number of equities shares outstanding	170.00	140.00
Basic EPS (In Rs)	2.52	2.08



b) Diluted Earnings Per Share

(Rs. in Lacs)

Particulars	As on	As on
	March 31, 2022	March 31, 2021
Profit attributable to equity shareholders (diluted)	428.64	290.54
Weighted average number of equity shares (diluted)	170.00	170.00
Weighted average number of equity shares (basic)	170.00	140.00
Effect of exercise of share option	-	-
Weighted average number of equity shares (diluted) for the year	170.00	170.00
Diluted earnings per share	2.52	1.71

2.35 Employee Retirement Benefits

Membership data at the date of valuation and statistics based thereon:

(Rs. In Lakhs)

Membership Data	
Number of employees	200
Total monthly salary	22.01
Total Monthly CTC for Availment	54.58
Average Age(Years)	34
Average Past Service(Years)	1.36
Average Future Service (year)	7.99
Average Accumulated leave per employee (in days)	14



Actuarial Assumptions	
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.
Attrition	10%
Disability	No Explicit allowance
Leave Availment factor	50%
Discount rate	7.15% p.a
Estimated rate of increase in Compensation Levels	6%

Classification of Liabilities as on 31st March, 2022

Classification	(Rs. In Lakhs)	
	Gratuity	Leave Encashment
Current	0.02	1.01
Non-Current	15.47	4.48
Total	15.49	5.49

Changes in Present Value of Obligations

Particulars	(Rs. In Lakhs)	
	Gratuity	Leave
Present Value of Obligations as on 01/04/2021	16.44	6.12
Interest Cost	1.18	0.44
Past Service Cost	-	-
Current Service Cost	8.31	2.95
Benefits Paid	0	(0.68)
Actuarial (gain)/loss on obligations	(10.43)	(3.33)
Present Value of Obligations as on 31/03/2022	15.50	5.49



2.36 Other Information

Sr. No.	Particulars	Amount (In Rs.)	
		YEAR ENDED 31.03.22	YEAR ENDED 31.03.21
(a)	Expenditure in Foreign Currency	Nil	Nil
(b)	Remittances in Foreign Currency	Nil	Nil
(c)	Earning in Foreign Currency	Nil	Nil

2.37 In the opinion of the Board, the current assets, loans & advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

There were no litigation pending against the company which could be materially impact its financial position as at the end of the year.

2.38 The Company is not required to report on the following disclosure requirements as notified by MCA pursuant to amended Schedule III, owing to no amount/transaction occurred during the year under consideration:

- a) Intangible assets under development aging schedule
No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:
- Crypto Currency or Virtual Currency
 - Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
 - Registration of charges or satisfaction with Registrar of Companies
 - Compliance with number of layers of companies
 - Relating to borrowed funds:
 - Wilful defaulter
 - Utilization of borrowed funds & share premium
 - Discrepancy in utilization of borrowings
 - Title deeds of immovable properties not held in name of company.
 - Relationship with Struck off Companies



- h. Compliance with number of layers of companies
- i. Revaluation of property, Plant and equipment as no such revaluation taken place during the year.
- j. Ageing of Trade Payables as being and NBFC the company does not have any trade payables.
- k. Ageing of Capital work-in-progress and Intangible Assets.

2.39 The company has reclassified previous year's figures to confirm to current year's classification. The company's Financial Statements are presented in Indian Rupees and all values are rounded to the nearest Lacs ('00000') or two decimals' places thereof, except when otherwise indicated.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

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

FOR DATTA SINGLA & COMPANY
CHARTERED ACCOUNTANTS

Firm Reg. No. 006185N



(Yogesh Monga)
Partner

M.No. 099813

UDIN: 22099813AVCUTRAG52

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

(Surinder Mohan Singla)
Group CFO
PAN: ACOPS9998K

(Aayushi)
Company Secretary
PAN: CLQPA0375M

Place: Chandigarh
Date: 03/09/2022

Schedule to the Balance Sheet of a NBFC

			In lakhs	
Particular			Amount Outstanding	Amount Overdue
Liabilities Side				
1)	Loan and advances availed by the non- banking finance company inclusive of interest accrued thereon but not paid			
(a)	Debtures : Secured		-	-
	UnSecured (other than falling within meaning of public deposit)		-	-
(b)	Deferred Credit		-	-
(c)	Term Loans		9,978.29	
(d)	Inter Corporate Loans and Borrowings		499.76	-
(e)	Commercial Papers		-	-
(f)	Public Deposits		-	-
(g)	Other Loans (Cash Credit Facilities From Bank)		-	-
	*Please see Note 1 Below			
2)	Breakup of 1(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):			
(a)	In the form of Unsecured debtures		NA	NA
(b)	In the form of partly secured debtures i.e. debtures where short fall in the value of security		NA	NA
(c)	Other public deposit		NA	NA
	* Please see note 1 below			
Asset Side			Amount Outstanding	
3)	Breakup of loans and advances including bills receivables (other than those included in (4) below)			
(a)	Secured			
(b)	Un secured			154.14
4)	Breakup of Leased assets and stock on hire and other assets counting towards asset financing activities			
(i)	Leased assets including lease rentals under sundry debtors :			
(a)	Financing Lease			
(b)	Operating Lease			
(ii)	Stock on hire including hire charges under sundry debtors			
(a)	Assets on Hire			14,644.64
(b)	Repossessed Assets			
(iii)	Other loans counting towards assets financing activities			
(a)	Loans where assets have been repossessed			
(b)	Loans other than (a) above			
5)	Breakup of Investments			
	Current Investments			
1	Quoted			
	Shares			
(i)	(a) Equity			
	(b) Preference			
(ii)	Debtures and Bonds			
(iii)	Units of Mutual Funds			
(iv)	Government Securities			
(v)	Other (Please Specify)			
2	Unquoted			
	Shares			
(i)	(a) Equity			
	(b) Preference			
(ii)	Debtures and Bonds			
(iii)	Units of Mutual Funds			
(iv)	Government Securities			
(v)	Other (Please Specify)			
	Long Term investments			
1	Quoted			
	Shares			
(i)	(a) Equity			
	(b) Preference			
(ii)	Debtures and Bonds			
(iii)	Units of Mutual Funds			
(iv)	Government Securities			

NIL



	(v)	Other (Please Specify)			
2	Unquoted				
	(i)	Shares			
		(a) Equity			
		(b) Preference			
	(ii)	Debtures and Bonds			
	(iii)	Units of Mutual Funds			
	(iv)	Government Securities			
	(v)	Other (Please Specify)			
6)	Borrower group wise classification of assets financed as in (3) and (4) above :				
	Please see Note 2 below				
	Category		Amount net of provisions		
			Secured	Unsecured	Total
	Related Parties **				
1	(a)	Subsidiaries	-	-	-
	(b)	Companies in the same group	-	-	-
	(c)	Other related parties	-	-	-
2	Other than related parties		14,710.88		14,710.88
	Total		14,710.88		14,710.88
7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
	Please see note 3 below				
	Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1	Related Parties **				
	(a)	Subsidiaries		NIL	
	(b)	Companies in the same group			
	(c)	Other related parties			
2	Other than related parties				
	Total				
	** As per Accounting Standard of ICAI (Please see note 3)				
8	Other Information				
	Particulars			Amount	
(i)	Gross Non- Performing Assets				
	(a)	Related Parties		-	
	(b)	Other than related parties		437.87	
(ii)	Net Non-Performing Assets				
	(a)	Related Parties			
	(b)	Other than related parties		385.87	
(iii)	Assets acquired in satisfaction of debt			-	
	Notes :				
1	As defined in point xxv of paragraph 3 of chapter-II of these Directions.				
2	Provisioning norms shall be applicable as prescribed in these Directions.				
3	All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However ,market value in respect of unquoted investments and break up / fair value/ NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.				

