

# BANAS FINANCE LIMITED

CIN: L65910MH1983PLC030142

E/109, Crystal Plaza, New Link Road, Andheri (W), Mumbai - 400 053

Tel No : 022 6152 2222 • Fax: 022 6152 2234 • Email : banasfin@gmail.com • www.banasfinance.com

Date: 06/09/2022

To,  
The Department of Corporate Services,  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001

**Ref.: Scrip Code- 509053**

**Sub: Submission of Annual Report of the Company for the Financial Year 2021-22 pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).**

Dear Sir(s),

In terms of Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report for the Financial Year 2021-22 along with the Notice of the Annual General Meeting being dispatched to shareholders of the Company through electronic mode whose e-mail addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent.

The 39<sup>th</sup> Annual General Meeting ('AGM') of the Company will be held on Thursday, 29<sup>th</sup> September, 2022 AT 04.00 P.M. through Video Conference / Other Audio Visual Means, in accordance with the General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 02/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs ('MCA'), and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and further SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ('SEBI').

The Annual Report of the Company is also available on the website of the Company at <https://banasfinance.wordpress.com>. Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We request you to kindly take the above on your record.

Thanking You

**Yours Faithfully,**

For Banas Finance Limited



**Prajna Naik**  
Company Secretary



**BANAS**  
Finance Limited

**2021-22**

**39TH  
ANNUAL  
GENERAL  
MEETING**

---

**Registered office:**

E-109, Crystal Plaza, New Link Road,  
Andheri (W), Mumbai- 400053

Website: <https://banasfinance.wordpress.com>

Email: [banasfin@gmail.com](mailto:banasfin@gmail.com)

## Corporate Information

“Non-banking financial company (NBFC) sector has vital role in the growth that India has experienced over the last couple of years. NBFCs have been instrumental in offering formal credit to the underserved retail and micro, small and medium enterprises (MSME) segment, thereby increasing the contribution of these segments to India’s overall GDP.

In the last couple of months, the sector has witnessed an acute liquidity situation which, to some extent, has been alleviated through measures taken by the RBI and the government to boost lending to NBFCs. While the larger NBFCs (AAA category) with strong parentage are in a better position to deal with the current problems, the smaller ones have been impacted the most in their ability to sustain their business because of the liquidity crunch. With the traditional sources of capital drying up, several NBFCs are raising capital through securitization of assets for lack of other quick and viable fund-raising options. NBFCs focused on infrastructure and real estate lending is experiencing stress in their loan books as evidenced by the growing level of non-performing assets (NPAs).

We strongly believe that a healthy NBFC sector is instrumental in maintaining India’s growth momentum and achieving the target of a USD 5 trillion Indian economy by 2024. NBFCs have shown resilience in the past in dealing with such downturns through business innovation. In light of new regulations, it would be interesting to see how the story unfolds for the NBFC sector in the next couple of months.

Particulars	Page No.
Corporate Information & other Details	3
Notice of 39 <sup>th</sup> Annual General Meeting of the Company	6-20
Board of Directors’ Report	21-28
Annexure to Directors’ Report	
❖ Form MR-3 Secretarial Audit Report – Annexure I	29-32
❖ Form AOC-1 (Salient features of Associate Company) – Annexure II	33
❖ Form AOC-2 (Related Party Transaction) – Annexure III	34
❖ For MGT-9 Extract of Annual Return – Annexure IV	35-41
❖ Particulars of Employees and Related Information – Annexure V	42
❖ Certificate of non-Disqualification of Director Report– Annexure VI	53
Certificate of Compliance from Auditors as per Schedule V(E) of LODR, 2015	43
Corporate Governance Report	44-52
Management Discussion and Analysis Report	54-59
CEO/CFO Certification	60
Declaration regarding Compliance by Board Members and Senior Management Personnel with the Code of Conduct	61
Independent Auditors’ Report	62-65
Annexure to Auditors’ Report	66-69
Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Directions, 2008”	70
Balance Sheet	71
Profit & Loss A/c	72
Cash Flow Statement	73
Notes Forming part of Financial Statements	74-90
Consolidated Independent Auditor’s Report	91-97
Consolidated Balance Sheet	98
Consolidated Profit & Loss A/c	99
Consolidated Cash Flow Statement	100
Notes Forming part of CFS Financial Statements	101-118

## Corporate Information

### BOARD OF DIRECTORS:

Mr. Amit Gulecha	- Managing Director
Mr. Girraj Kishor Agrawal	- Director
Mrs. Tanu Agrawal	- Director
Mr. Chirag Goyal	- Director
Mr. Vikash Kulhriya	- Director
Mr. Pratham Jethliya	- Additional Director
(Appointed w.e.f. 28 <sup>th</sup> May, 2022)	
- Resigned w.e.f. 20 <sup>th</sup> August, 2022)	
Mr. Ashish Kachhara	- Additional Director
(Appointed w.e.f. 29 <sup>th</sup> August, 2022)	

### KEY MANAGERIAL PERSONNEL:

Ms. Nemichand Saini - CFO  
Ms. Prajna Naik - Company Secretary

### STATUTORY AUDITORS:

**M/S PRAVIN CHANDAK & ASSOCIATES**  
403, New Swapanalok CHS Ltd,  
Natakwala Lane, Borivali (West),  
Mumbai-400092

### INTERNAL AUDITORS:

**RAVI TOSHNIWAL**

### SECRETARIAL AUDITORS:

**M/S NITESH CHAUDHARY & ASSOCIATES**  
Practicing Company Secretaries

### REGISTRAR & TRANSFER AGENT:

**PURVA SHAREREGISTRY (INDIA) PVT LTD.**  
9, Shiv Shakti Industrial Estate,  
J.R. Boricha Marg, Lower Parel (E),  
Mumbai - 400011  
Tel: 022-23010771 / 49614132  
Email Id: [support@purvashare.com](mailto:support@purvashare.com)

### LISTING OF EQUITY SHARES:

#### BSE LIMITED

Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai-400001

#### SCRIP CODE:

**509053**

### REGISTERED OFFICE:

E/109, Crystal Plaza,  
New Link Road, Andheri (West),  
Mumbai: 400053  
CIN: L65910MH1983PLC030142  
Tel: 9152096140 / 022 66921199  
Email Id: [banasfin@gmail.com](mailto:banasfin@gmail.com)  
Website: <https://banasfinance.wordpress.com>

### PRINCIPLE BANKERS:

RBL Bank Ltd.  
Au Small Finance Bank

## Corporate Information

### **EXEMPTION FROM REQUIREMENT OF DISPATCHING THE PHYSICAL COPIES OF THE ANNUAL REPORT:**

MCA has vide **General Circular no. 17/2020 dated 13th April, 2020** and further Vide General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021 and has relaxed the requirements of sending notices required in terms of Section 101 read with Rule 19 of the Companies (Management and Administration) Rules, 2014. In similar lines, it is requested to exempt the companies from the requirements of the dispatch of the annual reports in physical form as envisaged under Sections 136 of the Companies Act, 2013 and rules framed thereunder.

According to the Circular of MCA the company will send Notice of AGM and Annual Report to all the members through email registered with the records of the company and company request to the members whose email id is not registered in the records of Company/RTA they should get register their email id with Company/RTA, the members whose Email Id is not registered with company/RTA can download the copy of AGM Notice and Annual Report from Website of the Company <https://banasfinance.wordpress.com> The company will also provide link of the same in the newspaper publication of the notice calling AGM.

### **HOLDING OF THE ANNUAL GENERAL MEETING ('AGM') THROUGH VC/OAVM FACILITY:**

In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5<sup>th</sup> May 2020 read with circulars dated 8<sup>th</sup> April 2020, 13<sup>th</sup> April 2020, 13<sup>th</sup> January, 2021 and 5<sup>th</sup> May, 2022 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12<sup>th</sup> May 2020 read with 15<sup>th</sup> January, 2021 and 13<sup>th</sup> May, 2022 permitted holding of the annual general meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM hereinafter called as 'e-AGM'.

The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the Members on the email address provided by them to the R&T Agent/the Depositories.

The Members whose email Id is not Registered with the Company are requested to intimate/update their email address to the Company/R&T Agent, those members whose email id is not registered with company can send a request to the Company/RTA to send copy of the annual report and notice of AGM through email as per the Circular of MCA for annual report and notice of AGM which is available on the Company's Website members can download the same from website.



## NOTICE OF 39<sup>TH</sup> ANNUAL GENERAL MEETING

### Chairman's Speech:

I am pleased to share with you the agenda to the Annual General Meeting of Shareholders (AGM) of Banas Finance Limited scheduled for 29<sup>th</sup> September, 2022.

It is always a pleasure to connect with you all, and – although virtual – it is a privilege to host you again. I thank you for your continued trust, encouragement and unequivocal support to the Company and its Management

It is really appreciable that your Company is emerging stronger and healthier and is scaling new heights. I do have full faith in our team work and dedication. We are bouncing back to the old glorious days moving towards a bright and prosperous future.

I would like to take this opportunity to share some of the key developments in 2021-2022, and a note on our focus for 2022-2023 and beyond. As we look back on 2021, In the last 24 months we are confronted with an unparalleled pace of change. the cascading impact of COVID-19 and its ramification on people, society and economy has left us all vulnerable. I am proud of the determination of my colleagues, our partners and stakeholders to face the context and continue to be inspired to grow in spite of the odds.

Despite the challenges of the previous year, we are pleased to confirm a positive financial result. In 2021-2022, Banas reported consolidated total revenue of Rs. 10,094.86 Lakhs including other income (which includes Net Gain on fair value changes of Rs.8424.59Lakhs). During the year under review Company has generated consolidated Profit before Tax of Rs. 9163.97 lakhs(Includes Net Gain on fair value changes of Rs.8424.59Lakhs)as compared to Previous year.

At the Company level, we continued to focus on further cost reduction, optimum utilization of existing capacity and enhancing operational efficiency. The Board of Directors further confirmed to raise Funds by the issue of Right Shares to the Existing shareholders of the Company.

As I close, I would like to take this opportunity to thank you all for your continuous support and faith in the Company and its management. We shall continue to work towards taking the Company to greater heights and achieve many more milestones and business goals.

Thank you for your attention!

**Yours Sincerely,  
Girraj Kishor Agrawal  
Chairman**

## NOTICE OF 39<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 39TH ANNUAL GENERAL MEETING of the Members of BANAS FINANCE LIMITED (the 'Company') will be held on Thursday, September 29, 2022 at 04:00 P.M. IST through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following businesses, in compliance with the provisions of General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 02/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs ('MCA'), and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and further SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ('SEBI'):

### ORDINARY BUSINESS:

#### 1. ADOPTION OF FINANCIAL STATEMENT:

To consider and adopt (a) the standalone audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolutions with or without modifications, if any as Ordinary Resolutions:

a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

**"RESOLVED FURTHER THAT** Prajna Naik, Company Secretary or any of the Director of the company be and are hereby authorized, as the case may be, and file necessary form(s) with concerned ROC, to take all such steps as may be necessary, proper and expedient to give complete effect to this resolution."

#### 2. APPOINTMENT OF DIRECTOR:

To appoint a Director in place of Mr. Girraj Kishor Agrawal (DIN-00290959), who is retiring by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment in this regard, to consider and if thought fit, to pass the following resolutions with or without modifications, if any as Ordinary Resolutions:

**"RESOLVED THAT** Mr. Girraj Kishor Agrawal (DIN-00290959) Director of the Company, who retires by rotation at this 39th Annual General Meeting and being eligible offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company and that his period of office be liable to determination by retirement of Directors by rotation."

#### 3. APPOINTMENT OF M/S. DASSANI & ASSOCIATES STATUTORY AUDITOR OF THE COMPANY IN PLACE OF M/S. PRAVIN CHANDAK & ASSOCIATES RETIRING AUDITOR OF THE COMPANY:

To consider and if thought fit to pass with or without modifications, if any, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Sections 139, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Dassani & Associates, Chartered Accountants (FRN No. 009096C), be and is hereby appointed as the Statutory Auditors of the Company due to completion of term of appointment M/s. Pravin Chandak & Associates, Chartered Accountant (FRN No. 116627W), commencing the appointment of M/s. Dassani & Associates, Chartered Accountants (FRN No. 009096C) from the conclusion of this 39th Annual General Meeting till the conclusion of 44th Annual General Meeting schedule to be held in the year 2027 at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the re-imbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit.

**"RESOLVED FURTHER THAT** Prajna Naik, Company Secretary or any of the Director of the company be and are hereby authorized, as the case may be, and file necessary form(s) with concerned ROC, to take all such steps as may be necessary, proper and expedient to give complete effect to this resolution."

## NOTICE OF 39<sup>TH</sup> ANNUAL GENERAL MEETING

### SPECIAL BUSINESS:

#### 4. REGULARISATION AND APPOINTMENT OF MR. ASHISH KACHHARA AS NON-EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY:

To consider and if thought fit to pass with our without modifications, if any, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act'), the Rules made thereunder read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') and amendments thereto (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Ashish Kachhara (DIN 09671227), who was appointed as an Additional Director and whose term of office as an additional director expires at the ensuing Annual General Meeting, being eligible for appointment as an Independent Director, be and is hereby appointed as an Independent Director on the Board of the Company for a term of five consecutive years, effective from 29<sup>th</sup> August, 2022 up to 28<sup>th</sup> August, 2027 not liable to retire by rotation."

**"RESOLVED FURTHER THAT** pursuant to the provisions of Section 149, 197 and other applicable provisions of the Act and the Rules made thereunder, Mr. Ashish Kachhara (DIN 09671227), be paid such fees and /or remuneration and / or profit-related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time."

**"RESOLVED FURTHER THAT** Prajna Naik, Company Secretary or any of the Director of the company be and are hereby authorized, as the case may be, and file necessary form(s) with concerned ROC, to take all such steps as may be necessary, proper and expedient to give complete effect to this resolution."

#### 5. CHANGE IN DESIGNATION OF MRS. TANU GIRRAJ AGRAWAL (DIN: 00290966) FROM NON-EXECUTIVE DIRECTOR TO EXECUTIVE DIRECTOR OF THE COMPANY:

To consider and if thought fit to pass with our without modifications, if any, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Sections 152, 196 of the Companies Act, 2013 and any other applicable provisions thereof and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 (to the extent applicable) and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the change in designation of Mrs. Tanu Girraj Agrawal (DIN: 00290966) from Non-Executive Director to Executive Director of the Company w.e.f. 29<sup>th</sup> September, 2022, on the terms and conditions of appointment and remuneration as approved by the Board of Directors from time to time and that her period of office be liable to determination by retirement of Directors by rotation."

**"RESOLVED FURTHER THAT** Prajna Naik, Company Secretary or any of the Director of the company be and are hereby authorized, as the case may be, and file necessary form(s) with concerned ROC, to take all such steps as may be necessary, proper and expedient to give complete effect to this resolution."

#### 6. TO APPROVE REMUNERATION PAYABLE TO MRS. TANU GIRRAJ AGRAWAL, AS EXECUTIVE DIRECTOR (DIN 00290966) OF THE COMPANY.

To consider and if thought fit to pass with our without modifications, if any, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the 'Act') read with Schedule V of the Act and the Rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the approval of the members of the Company, be and is hereby accorded for payment of remuneration to Mrs. Tanu Girraj Agrawal (DIN: 00290966), as Whole-time Executive Director of the Company, as prescribed within the limit of 5% of the net profits of the Company computed in accordance with Section 198 of the Act, or upto Rs. 84.00 lakhs per annum as per Schedule V of the Companies Act,



## NOTICE OF 39<sup>TH</sup> ANNUAL GENERAL MEETING

2013, whichever is higher during her tenure as the Executive Director of the Company."

**"RESOLVED FURTHER THAT** the total managerial remuneration payable to the executive director(s) of the Company taken together in any financial year shall not exceed the limit of 10% of net profit and overall managerial remuneration payable to all directors shall not exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof."

**"RESOLVED FURTHER THAT** if in any financial year during her tenure as Executive Director, the Company has no profit or its profits are inadequate, salary and perquisites upto Rs.84.00 lakh per annum will be payable to Mrs. Tanu Girraj Agrawal as minimum remuneration."

**"RESOLVED FURTHER THAT** any Director or the Key Managerial Personnel of the Company be and is hereby authorized to do all such acts, deeds, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

### 7. APPROVAL FOR INCREASE IN GRANTING LOAN AND INVESTMENT AND GIVING GUARANTEE BY COMPANY U/S. 186 OF THE COMPANIES ACT, 2013

**To consider and if thought fit to pass with or without modifications, if any, the following resolution as a Special Resolution:**

**"RESOLVED THAT** in supersession to all resolutions passed earlier, pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, consent of the shareholders of the Company be and is hereby accorded to (a) give any loan to any person(s) or other body corporate(s); (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s); and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs.200,00,00,000 (Rupees Two Hundred Crores Only) outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

**"RESOLVED FURTHER THAT** for the purpose of giving effect to the above, Executive Directors and Company Secretary of the Company, be and are hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

### 8. APPROVAL FOR INCREASE IN BORROWING POWER U/S. 180(1) (C) OF THE COMPANIES ACT, 2013

**To consider and if thought fit to pass with or without modifications, if any, the following resolution as a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or any body corporate/ entity/entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time, as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of Rs.200,00,00,000 (Rupees Two Hundred Crores Only), notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up share capital of the Company and its free reserves."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be

## NOTICE OF 39<sup>TH</sup> ANNUAL GENERAL MEETING

required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

### 9. APPROVAL FOR MATERIAL RELATED PARTY TRANSACTIONS

**To consider and if thought fit to pass with our without modifications, if any, the following resolution as a Special Resolution:**

“**RESOLVED THAT** in continuation of earlier resolution passed in this behalf and pursuant to the provisions of Section 188, if and to the extent applicable, and other applicable provisions of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 23(4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, as amended from time to time, consent of the Company be and is hereby accorded to the Board to enter into any and all transactions/contracts/arrangements with the ‘related party’ as defined in the Act and Regulation 2(zb) of the Listing Regulation and mentioned in below table, relating to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate or promoter group Company, making of loans to, and/or giving of guarantees or providing security and/or making of investments and the purchase from and/or sale to it of any securities by the Company, or any combination thereof, etc. on such terms and conditions as the Board in its absolute discretion may deem fit provided however that the aggregate amount/value of all such transactions/contracts/arrangements that may be entered into and remaining outstanding at any time shall not exceed Rs.200 Crores with each related parties respectively during any financial year.”

Sr. No	Name of Related Parties	Nature of Relationship	Nature of transaction	Amount
1	M/s. Tilak Ventures Limited	Associate Company	To enter in to transaction relating sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company, making of loans to, and/or giving of guarantees or providing security on behalf of the Company (Related Party) and/or making of investments in the securities of the Company and the purchase from and/or sale to it of any securities by the Company, or any combination thereof, etc.	Rs. 200 crores with each related Parties
2	M/s. Handful Investrade Pvt Ltd	Promoter		
3	M/s. Agrawal Bullion Limited	Promoter		
4	Mr. Girraj Kishor Agrawal	Director		
5	M/s. Girraj Kishor Agrawal HUF	Relative of Director		
6	Mrs. Tanu Agrawal	Director		
7	Mr. Kushagra Agrawal	Relative of Director		
8	Any other related party or entity who are not covered in above stated point no. 1-7 of this table	Any related party or related entity		

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to the above resolution.”

#### REGISTERED OFFICE:

E-109 Crystal Plaza, New Link Road, Opp.  
Infinity Mall, Andheri (West), Mumbai-  
400053

CIN: L65910MH1983PLC030142

Date: 29/08/2022

Email: [banasfin@gmail.com](mailto:banasfin@gmail.com)

#### By Order of the Board

Sd/-

Girraj Kishor Agrawal

Director

DIN: 00290959

**Notes:**

- 1) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5 May 2020 read with circulars dated 8 April 2020, 13 April 2020 and 13 January, 2021, 05 May, 2022 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12 May 2020 read with circular dated 15 January, 2021 and 13 May, 2022 permitted holding of the annual general meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM hereinafter called as 'e-AGM'.
- 2) For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
- 3) The deemed venue for thirty-Ninth e-AGM shall be the Registered Office of the Company at E-109 Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai - 400053
- 4) Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- 5) Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing body's resolution/authorization, etc., authorizing their representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the scrutinizer by email through its registered email address to [csniteshchaudhary@gmail.com](mailto:csniteshchaudhary@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 6) Brief details of the directors, who are being re-appointed, are annexed hereto as per requirements of regulation 36(3) of the SEBI Listing Regulations and as per provisions of the Act.
- 7) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
- 8) Pursuant to section 91 of the Companies Act, 2013 The Register of Members and the Transfer Book of the Company will remain closed from 23/09/2022 to 29/09/2022 (both days inclusive).
- 9) The Securities & Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Account. Members holding their shares in Physical Form can submit their PAN details to the share transfer agent (Purva Sharegistry(India) Pvt. Ltd.) of the Company.
- 10) Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat/physical form at Purva Sharegistry(India) Pvt. Ltd., at 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai-400011.
- 11) Pursuant to the provisions of Sections 101 and 136 of the Act read with 'The Companies (Accounts) Rules, 2014 electronic copy of the Annual Report for financial year 2021-2022 along with Notice of 39th Annual General Meeting of the company is being sent to all the members whose email id is registered with the Registrar/Depository Participant(s). Members may note that the Notice and Annual Report for F. Y. 2021-22 will also be available on the Company's website at <https://banasfinance.wordpress.com> website of the stock exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com), Notice and Annual Report is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- 12) To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with RTA Purva Shareregistry (India) Pvt. Ltd. Members may also note that the Notice of the 39th Annual General Meeting and the Annual Report for 2021-2022 will also be available on the Company's website <https://banasfinance.wordpress.com>, website of the stock exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com), Notice and Annual Report is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) which can be downloaded from the site.
- 13) SEBI vide its notification dated 8 June 2018 as amended on 30 November 2018, has stipulated that w.e.f. 1 April 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form, Members who still hold share certificates in physical form are advised to dematerialize their shareholding to also avail of numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
- 14) In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e-AGM.
- 15) All the work related to share registry in terms of both physical and electronic are being conducted by Company's Registrar & Transfer Agent, Purva Shareregistry (India) Pvt. Ltd. 9, Shiv Shakti Ind. Estt. J. R. Boricha Marg, Off. N. M. Joshi Marg, Near Lodha Excelus, Lower Parel (East), Mumbai - 400011. The Shareholders are requested to send their communication to the aforesaid address or via email at [support@purvashare.com](mailto:support@purvashare.com)
- 16) Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [banasfin@gmail.com](mailto:banasfin@gmail.com) and mark cc to RTA @ [support@purvashare.com](mailto:support@purvashare.com) during the period starting from 25<sup>th</sup> September, 2022 (from 9.00 a.m.) to 27<sup>th</sup> September, 2022 (up to 5.00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that only questions of the members holding the shares as on cut-off date will be considered.
- 17) Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.
- 18) In case a person becomes a member of the Company after dispatch of e-AGM Notice, and is a member as on the cut-off date for e-voting, i.e., Thursday, 22nd September 2022, such person may obtain the user id and password from RTA by email request on [Support@purvashare.com](mailto:Support@purvashare.com).
- 19) Brief details of the Directors, who are seeking appointment / re-appointment, are annexed hereto as per the requirements of the Companies Act, 2013 and Regulation 36(3) of the Listing Regulation, 2015.
- 20) Members holding the equity shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.
- 21) Members are requested to send all communications relating to shares, unclaimed dividend, change of address etc. to the Registrar and Share Transfer Agents at the following address: Purva Shareregistry (India) Private Limited Shiv Shakti Industrial Estates, Unit No. 9, 7-B J. R. Boricha Marg, Sitaram Mills Compound, Mumbai 400011. Tel: 022-23010771 / 49614132, Email: [support@purvashare.com](mailto:support@purvashare.com) if the shares are held in electronic form, then change of address and change in the Bank Accounts etc. should be furnished to their respective Depository Participants.
- 22) Members who have not yet registered their e-mail address with the Company or their respective Depository are requested to do so. In the context of General Meeting through VC/OAVM, availability of email id of shareholders will play key role for sending notice or other important communication to shareholders. Hence, Purva Shareregistry (India) Pvt Ltd. is offering the facility for all shareholders (physical as well as demat) to update their email id with it for sending the notice of AGM and annual report. The facility for updating of e-mail id of the shareholders shall be available on their website <https://www.purvashare.com> and the same can be updated by shareholders any time during the year.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to NSDL/RTA email id [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in); [support@purvashare.com](mailto:support@purvashare.com); Tel. No. 022-23010771 / 49614132.



2. For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to NSDL/RTA email id [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in); [support@purvashare.com](mailto:support@purvashare.com); Tel. No. 022-23010771 / 49614132.

## **PROCEDURE AND INSTRUCTION OF E-VOTING**

In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Listing Regulations, 2015, the Company provides to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 39<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

**The facility for voting through E-voting shall also be made available at the AGM and the members attending the meeting shall be able to exercise their right to vote at the meeting through e-voting in case they have not casted their vote by remote e-voting.**

The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 02/2022 dated May 05, 2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing 39<sup>th</sup> AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this 39<sup>th</sup> AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the 39<sup>th</sup> AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the 39<sup>th</sup> AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the 39<sup>th</sup> AGM through VC/OAVM will be made available for 100 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the 39<sup>th</sup> AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the 39<sup>th</sup> AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the 39<sup>th</sup> AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the 39<sup>th</sup> AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 39<sup>th</sup> AGM has been uploaded on the website of the Company at <https://banasfinance.wordpress.com>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the 39<sup>th</sup> AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. 39<sup>th</sup> AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 2/2021 dated January 13, 2021 and MCA Circular No. 2/2022 dated May 05, 2022.

## **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**The remote e-voting period begins on 26<sup>th</sup> September, 2022 at 09:00 A.M. and ends on 28<sup>th</sup> September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 22<sup>nd</sup> September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22<sup>nd</sup> September, 2022.**



### How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your</li> </ol>

	<p>vote.</p> <ol style="list-style-type: none"> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

## Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN NO 121946" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csniteshchaudhary@gmail.com](mailto:csniteshchaudhary@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [banasfin@gmail.com](mailto:banasfin@gmail.com)

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([banasfin@gmail.com](mailto:banasfin@gmail.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the 39<sup>th</sup>AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the 39<sup>th</sup>AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the 39<sup>th</sup>AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE 39<sup>th</sup>AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the 39<sup>th</sup>AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

**D)General Instructions:**

- i. The Board of Directors has appointed Nitesh Chaudhary, Practicing Company Secretary (Membership No. F-10010), (M/s. Nitesh Chaudhary & Associates), has been appointed as the Scrutinizer to the e-voting process, and voting at the e-AGM in a fair and transparent manner.
- ii. The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the thirty-Ninth e-AGM and announce the start of the casting of vote through the e-voting system of NSDL <https://www.evoting.nsdl.com>.
- iii. The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting and make a Scrutinizers' report of the total votes cast in favour or against, if any, to the Chairman or in his absence Vice-Chairman of the Company.
- iv. The scrutinizer shall submit his report to the Chairman or Vice-Chairman of the Company, as the case may be, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website <https://banasfinance.wordpress.com> and on the website of NSDL <https://www.evoting.nsdl.com>. And shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the e-AGM of the Company on which the requisite votes will be given by members in favor of Resolution.
- v. The Results declared along with the report of the Scrutinizer will be placed on the website of the Company <https://banasfinance.wordpress.com> and on the website of NSDL immediately after the declaration of results by the Chairman or by a person duly authorized. The results shall also be immediately forwarded to the BSE Limited, where the equity shares of the Company are listed.
- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to RTA at [support@purvashare.com](mailto:support@purvashare.com) or NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- vii. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at [banasfin@gmail.com](mailto:banasfin@gmail.com) and mark cc to RTA @ [support@purvashare.com](mailto:support@purvashare.com) during the period starting from 25<sup>th</sup> September, 2022 (from 9.00 a.m.) to 27<sup>th</sup> September, 2022 (up to 5.00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that only questions of the members holding the shares as on cut-off date will be considered.

ANNEXURE TO NOTICE:

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 3 APPOINTMENT OF M/S. DASSANI & ASSOCIATES AS STATUTORY AUDITOR OF THE COMPANY IN PLACE OF RETIRING AUDITOR M/S. PRAVIN CHANDAK & ASSOCIATES

M/s. Pravin Chandak & Associates, Chartered Accountant the existing Statutory Auditors of the Company were re-appointed for a second term as Auditors of the Company by the Members to hold the office from the conclusion of the 36th Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company.

Accordingly, The Board of Directors at its meeting held on 10<sup>th</sup> August, 2022, and after considering the recommendations of the Audit Committee, has recommended the appointment of M/s. Dassani & Associates, Chartered Accountants, (FRN No.009096c), as the Statutory Auditors of the Company for approval of the members.

The proposed Auditors shall hold office for a period of five consecutive terms from the conclusion of the 39th Annual General Meeting till the conclusion of 44th Annual General Meeting of the Company.

M/s. Dassani & Associates, Chartered Accountants, have consented to the aforesaid re-appointment and confirmed that their appointment, if made, will be within the limits specified under Section 141(3)(g) of the Companies Act, 2013. They have further confirmed that they are not disqualified to be appointed as the Statutory Auditors in terms of the Companies Act, 2013 and the rules made there under.

Pursuant to Section 139 of the Companies Act, 2013, approval of the members is required for appointment of the Statutory Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for appointment of M/s. Dassani & Associates, Chartered Accountants as the Statutory Auditors of the Company and to fix their remuneration.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution no. 3.

ITEM NO. 4 APPOINTMENT OF MR. ASHISH KACHHARA AS NON EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY

The Board members of the Company in their meeting held on 29<sup>th</sup> August, 2022 approved the appointment of Mr. Ashish Kachhara (DIN 09671227) as an additional Independent Director of the Company up to the ensuing annual general meeting of the.

The Nomination and Remuneration Committee ("the Committee") and the Board of the Company ("the Board") are of the view that it would be appropriate that Mr. Ashish Kachhara continues to serve on the Board for a further period of five years from the date of his appointment i.e. 29/08/2022.

The Company has obtained consent and declaration of Independence from Mr. Ashish Kachhara to act as Independent Director for the a term of five (5) years i.e. 29/08/2022 up to 28/08/2027. Mr. Ashish Kachhara is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Brief Profile of Mr. Kachhara in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the notice.

Mr. Ashish Kachhara may be deemed to be concerned or interested in this Special Resolution.

None of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise in the proposed Special Resolution. The Board recommends the Special Resolution as set out in Item No. 4 for the approval of the members.

ITEM NO. 5 & 6 CHANGE IN DESIGNATION OF MRS. TANU GIRRAJ AGRAWAL (DIN: 00290966) FROM NON-EXECUTIVE DIRECTOR TO EXECUTIVE DIRECTOR OF THE COMPANY

TO APPROVE REMUNERATION PAYABLE TO MRS. TANU GIRRAJ AGRAWAL, AS EXECUTIVE DIRECTOR (DIN 00290966) OF THE COMPANY.

The Board of Director and Nomination and Remuneration Committee in their respective meeting held on 28th May, 2022 proposed to change the designation from Non -Executive Director to Executive Director w.e.f. 28th September, 2022 of the Company and proposed to pay remuneration to Mrs Tanu Agrawal, subject to the shareholders' approval.

Further, the Company has received consent from Mrs Tanu Agrawal in writing to act as Executive director and intimation in Form DIR 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that She is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.



Brief profile of Mrs Tanu Agrawal is given below for reference of the member:

Mrs Tanu Agrawal holds a Science Graduate, has done B.Sc. She is handling Business Activities of the group companies for last 21 years and also involve in routine operations of the Group Companies. She has good interpersonal and communication skills and ability required to lead as a Director.

Based on the recommendation of Nomination and Remuneration Committee and the Board, in their Meeting held on 28th May, 2022, approved the remuneration payable to Mrs. Tanu Girraj Agrawal as Executive Director of the Company effective from 29th September, 2022. Further, the members had authorised the Board to alter and vary the terms and conditions including remuneration and incremental thereof, from time to time for Mrs Agrawal, but such remuneration payable shall be within the limits specified in the Section 197, 198 and Schedule V and other applicable provisions of the Companies Act, 2013 ('the Act').

As per Section 197 and other applicable provisions of the act, the remuneration payable to any one managing director or whole-time director or manager shall not exceed 5% of the net profits of the Company and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors and manager taken together or incase of inadequate profit during the tenure of Mrs Agrawal remuneration upto Rs. 84.00 lakhs per annum, whichever is more be payable as minimum remuneration.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail her services as Executive Director. Accordingly, in terms of the requirements of the provisions of Companies Act, 2013 approval of the members of the Company is required for regularization of Mrs Tanu Agrawal as Whole time Director of the Company for a period of 5 years effective from 29th September, 2022 to 28th September, 2027, on the terms and conditions of appointment and remuneration as approved by the Board of Directors and Shareholders through the said Resolution No. 5&6.

None of the Directors / Key Managerial Personnel of the Company other than Mr. Girraj Kishor Agrawal, and Mrs Tanu Girraj Agrawal are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item no.5&6 of the Notice for approval by the members.

#### **ITEM NO. 7 AUTHORISATION UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting. In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 200 Crores, as proposed in the Notice.

The above proposal is in the interest of the Company and the Board recommends the Special Resolution as set out at Item No.7 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item no. 7 of the accompanying notice.

#### **ITEM NO. 8 AUTHORISATION UNDER SECTION 180(1) (c) OF THE COMPANIES ACT, 2013**

In supersession to all the resolutions earlier, the Board of Directors in their Meeting held on 29th August, 2022 authorised to borrow monies (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time on behalf of the Company amount in excess of aggregate of the Paid up Share Capital and free reserves but not exceeding Rs 200.00 crores (Rs. Two Hundred Crores Only). Section 180(1) (c) of the Companies Act, 2013, provides that the Board of Directors of a Company shall not borrow money in excess of the aggregate of Paid up Share Capital and free reserves without the consent of the Members of the Company is accorded by a Special Resolution.

The Board of Directors feels that it may be necessary for the Company to raise further monies from various sources which may exceed aggregate of Paid up Share Capital and free reserves. Accordingly the Special Resolution as set out in item No. 8 of the Notice is proposed for approval of Members.

None of the Directors, Key Managerial Personnel and their relative is concerned or interested in the resolution.

### ITEM NO. 9 APPROVAL FOR RELATED PARTY TRANSACTIONS

Pursuant to the provisions of Section 188, if and to the extent applicable, and other applicable provisions of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), all related party transactions beyond the thresholds mentioned in Rule 15(3) (a) require prior approval of the Members in general meeting.

Further, as per the provisions of Regulation 23(2) (4) of the SEBI (LODR), Regulation 2015, as amended from time to time, all related party transactions require prior approval of the Audit Committee and all material transactions with related parties require approval of the members of a public listed company through an Ordinary resolution and the related parties are required to abstain from voting on such resolution whether the entity is a related party to the particular transaction or not.

“Material Related Party Transaction” under Regulation 23(1) of listing Regulation means any transaction to be entered into individually or taken together with previous transactions during a financial year exceeding 10% of the annual consolidated turnover of a company as per its last audited financial statements.

Accordingly, any transaction(s) by the Company with a related party (except with its wholly owned subsidiaries) exceeding Rs. 100 Crores (10% of the Company’s annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members is required for the same.

The above proposal is in the interest of the Company and the Board recommends the Special Resolution as set out at Item No.9 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel other than Mr. Girraj Kishor Agrawal and Mrs. Tanu Agrawal or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item no. 9 of the accompanying notice.

#### **REGISTERED OFFICE:**

E-109 Crystal Plaza, New Link Road,  
Opp. Infinity Mall, Andheri (West),  
Mumbai: 400053  
CIN - L65910MH1983PLC030142  
Email: [banasfin@gmail.com](mailto:banasfin@gmail.com)  
Date: 29/08/2022

#### **By Order of the Board**

Sd/-  
**Girraj Kishor Agrawal**  
Director  
DIN: 00290959

**DETAILS OF THE DIRECTOR SEEKING APPOINTMENT/ REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (IN PURSUANCE OF REGULATION 36(3) OF THE LISTING REGULATION)**

Sr. No	Name of the Directors	Mr. Girraj Kishor Agrawal	Mr. Ashish Kachhara	Mrs. Tanu Agrawal
1	Date of Birth	19/05/1964	08/09/1990	04/10/1968
2	Age	57 years	32 years	54 years
3	Date of Appointment	02/16/2010	29/08/2022	13/10/2016
4	PAN	AABPA4928N	BGFPA1748D	AADPA7003J
5	DIN	00290959	09671227	00290966
6	No. of shares held in the company (as on 31.03.2022)	50,965	NIL	4,000
7	Qualifications	Chartered Accountant	Post Graduate	Bsc
8	Brief Profile	He is a Chartered Accountant. His vast experience is backed by astute and dynamic leadership qualities. He has expertise in Taxation, Corporate Laws and Finance. He has wide and vast experience in Corporate Finance like ICD's, Bill Discounting, Project financing, Hire-Purchase, finance, and investment banking as he had been instrumental in syndicating such services to the clients. His vision to take the Company to the new orbit that helps the Company to achieve the stringent targets and to claim the position of one of the best governance players in the market.	Responsible for managing Concurrent Audit for bank across India.  He has a wide experience in field of Account, Taxation and Finance.	Mrs. Tanu Agrawal is the Director of the Company. She is a Science Graduate, has done B.Sc. She is handling Business Activities of the group companies for last 20 years and also involve in routine operations of the Group Companies. She has good interpersonal and communication skills and ability required to lead as a Director.
9	List of other Directorships (excluding Foreign Company)	Tilak Ventures Limited Agrawal Bullion Limited Handful Investrade Private Limited Imagine Entertainment And Media Private limited	Tilak Ventures Limited	Tilak Ventures Limited Agrawal Bullion Limited Handful Investrade Private Limited
10	Membership/Chairmanship of other Public Companies (includes only Audit Committee and Stakeholder Relationship Committee)	NIL	NIL	Tilak Ventures Limited Audit Committee Stakeholder Relationship Committee - Member
11	Relationships, if any between Directors, interest.	Spouse of Mrs. Tanu Agrawal, Director of the Company	NA	Spouse of Mr. Girraj Kishor Agrawal, Director of the Company.

# BOARD OF DIRECTORS REPORT

To  
The Members of,  
Banas Finance Limited

Your Directors have pleasure in presenting the 39th Annual Report along with the Audited Accounts for the financial year ended March 31, 2022.

## FINANCIAL RESULTS:

Summary of the Company's consolidated financial performance for F.Y. 2021-2022 as compared to the previous financial year is given below:

(Figures in Lakhs)

Particulars	F.Y. 2021 - 2022	F.Y. 2020 - 2021	F.Y. 2021 - 2022	F.Y. 2020 - 2021
	Standalone		Consolidated	
Income from Share Trading	-----	-----	---	---
Income from Finance Activities (Operations)	1191.79	532.81	1191.79	532.81
Total Operational Revenue	<b>1191.79</b>	<b>532.81</b>	<b>1191.79</b>	<b>532.81</b>
Other Incomes	8903.07	914.18	8903.07	914.18
Total Revenue	<b>10094.86</b>	<b>1446.99</b>	<b>10094.86</b>	<b>1446.99</b>
Profit before Dep. & Int.	9175.12	980.17	9175.12	980.17
Depreciation	0.22	0.22	0.22	0.22
Interest	10.93	25.31	10.93	25.31
Profit after Depreciation & Interest	9163.97	954.64	9163.97	954.64
Current Tax	51.00	7.57	51.00	7.57
Deffered tax	2176.38	-174.69	2176.38	-174.69
Tax of earlier years	0.00	0	0.00	0
Profit/ Loss after Tax	<b>6936.59</b>	<b>1121.75</b>	<b>6936.59</b>	<b>1121.75</b>
Share of profit (loss) of associate company	--	--	-18.81	44.15
Share of other comprehensive Income	--	--	-11.58	12.16
<b>Total Comprehensive income for the year</b>	<b>6936.59</b>	<b>1121.75</b>	<b>6906.21</b>	<b>1178.07</b>

## HIGHLIGHTS:

The company is Non-Banking Financial Corporation mainly engaged into business of Finance and trading, from which company has generated its revenue. During the year under review Company's Standalone total revenue has increased to Rs. 10094.86 lakhs from Rs. 1446.99 lakhs as compared to previous financial year and thereby registering an increase of 698%. The Company has also managed to control its administrator expenses, the Company gained profit of Rs. 6936.59 lakhs as compared to Rs. 1121.75 lakhs in previous year.

During the year under review, consolidated total revenue has increased to Rs. 10094.86 lakhs from Rs. 1446.99 lakhs as compared to previous financial year, the company has gained a profit of Rs. 6906.21 lakhs as compared to 1178.06 lakhs.

The management of the Company is very optimistic regarding performance of the Company in future and taking every steps and making every efforts to turn the Company in to profitable organization.

## DIVIDEND:

With view to conserve financial resources of the company, directors do not recommend any dividend on Equity Shares for the year under review.

**CHANGES IN SHARE CAPITAL**

The Company has not issued shares with differential voting rights in the F.Y. 2021-22. It has neither issued employee stock options nor sweat equity shares as on March 31, 2022.

**DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 (1) and 74 of the Companies Act, 2013 read together with the companies (Acceptance of Deposits) Rules, 2014.

**AMOUNTS TO BE TRANSFERRED TO RESERVES**

In the view of profit in current year the Company has transferred Rs. 394.41 lakhs to Statutory Reserves as per provision of Section 45 (i)(c) of the Reserve Bank of India Act, 1934. This year company has profit and hence company has transferred the amount as per the requirement of RBI Act, 1934.

**CHANGE IN DIRECTORS AND KMP:**

During the Financial year ended 2021-2022 under review, there is no change in Director and KMP of the Company.

The Board in their Meeting held on 28<sup>th</sup> May, 2022 appointed Mr. Pratham Jethliya as Additional Independent Director of the Company. Later he resigned w.e.f. 20<sup>th</sup> August, 2022 due to his pre-occupancy.

The Board thanks Mr. Pratham Jethliya for guidance during his tenure as Additional Director of the Company.

Further the Board of Directors on recommendation of Nomination and Remuneration Committee in their Meeting held on 29<sup>th</sup> August, 2022 approved and appointed Mr. Ashish Kachhara as Additional Non Executive Independent Director of the Company w.e.f. 29<sup>th</sup> August, 2022 and recommend for regularization as Non-Executive Independent Director for approval of the Shareholders in 39<sup>th</sup> Annual General Meeting of the Company.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, and based on the information provided by management, your Directors' state that:

- a) In the preparation of the annual accounts for the financial year ended 31st March, 2022 the applicable accounting standards have been followed.
- b) Directors have selected such Accounting policies applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of affairs of the corporation as at the end of March 31, 2022 and of the profit of the Company for the year ended on that date.
- c) Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) Directors have prepared the annual accounts on a 'going concern' basis.
- e) Director have laid down internal financial controls commensurate with the size of the Company and that such financial controls were adequate and were operating effectively.
- f) Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**DECLARATION OF INDEPENDENCE BY DIRECTORS:**

The Non-executive Independent Directors of the Company as on 31.03.2022, viz. Mr. Chirag Goyal and Mr. Vikash Kulhriya have affirmed that they continue to meet all the requirements specified under Regulation 16(1)(b) of the listing regulations in respect of their position as an "Independent Director" of Banas Finance Limited.

**POLICIES ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

The Company adheres to the requirements prescribed in the Companies Act, 2013, rules and amendments made there under and SEBI regulations for the Appointment and Remuneration of the Directors of the Company.

The policies of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Act is available on the website of the company on the following link <https://banasfinance.files.wordpress.com/2017/06/policy-on-selection-remuneration-of-director2.pdf>



## FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

Pursuant to the provisions of section 134(3)(p) The Companies Act, 2013, evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects, execution of specific duties, obligations and governance.

During the year, a Separate Meeting of Independent Directors was held on 11<sup>th</sup> February, 2022 for the financial year 2021-2022, the Board has expressed their satisfaction on the quality, quantity and timeliness of flow of information between the Company's Management and the Board.

With a view to leveraging technology and moving towards paperless systems for the preservation of the environment, the Company has adopted electronic form for transmitting Board/Committee meetings papers.

## INTERNAL AUDITOR

Company has appointed Mr. Ravi Toshniwal as an Internal Auditor F.Y 2021-2022, he has conducted the Internal Audit as per the provisions of Section 138 of the Companies act and other applicable provisions and acts, and issued his report to the management of the Company.

## STATUTORY AUDITORS:

M/s. Pravin Chandak & Associates, Chartered Accountants having Firm Registration No. 116627W, reappointed as Statutory Auditors of the Company in the 36<sup>th</sup> Annual General Meeting of the company for a period of second term of 3 consecutive years till the conclusion of 39<sup>th</sup> Annual General Meeting of the company to be held in the year 2022.

The Board in their Meeting held on 10<sup>th</sup> August, 2022 proposed to appoint M/s. Dassani & Associates, Chartered Accountants having Firm Registration No. 009096C, for a period of 5 years from the completion of 39<sup>th</sup> Annual General Meeting till the completion of 5 consecutive Annual General Meeting, due to completion of term of retiring Auditor M/s. Pravin Chandak & Associates. The Statutory Auditors have confirmed their eligibility pursuant to section 139 of the Companies Act, 2013.

The Board proposed the resolution for appointment of M/s. Dassani & Associates, Chartered Accountants for approval of the Members in the ensuing 39<sup>th</sup> Annual General Meeting of the Company.

## AUDITORS REPORT:

M/s. Pravin Chandak & Associates, Chartered Accountants FRN 116627W, Statutory Auditors of the Company conducted the statutory audit as per the provisions and requirements of Statutory Audit under Companies Act 2013, Accounting Standards and other applicable laws and acts, and submitted there audit report on (Standalone & Consolidated) Financial Statements as on 31.03.2022.

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 134 (1) of the Companies Act, 2013.

## COMMENTS ON OBSERVATION MADE BY STATUTORY AUDITORS:

M/s. Pravin Chandak & Associates, Practicing Chartered Accountant, in his Independent Auditor Report for financial year 2021-2022 have drawn the attention of the management, which have been marked as qualification in his report. In connection with the same, management here with gives the explanation for the same as follows:

*(a) The Company did not have an appropriate internal control system for granting Loans. Demand and other loans given are governed by the Board policies. Considering the close monitoring of Board no appraisal, renewal, Policies, Procedure, Committee or documents have been prescribed and executed.*

The Management is of having view that that the Company is mid-size NBFC, as compared to other giants in the market. Company has not acknowledged any deposits from public. The Company is doing business out of its own fund. The Company functions its business with at most caution and carefulness. As far as making of Loan and Advances are concerned, management grants demand loan only either to the parties recognized to the Company or by reference which are administered by the Board policies.

*(b) The Company's internal control system is not commensurate to the size and scale of operation over purchase and sale of shares and inventory and for expenses incurred.*

With regards to appropriateness of internal control system is concerned, management is having views that the company has an effective and sufficient internal control system in place for granting of loans, management grants loans only either to the parties known to the Company or by references which are governed by the Board policies. The Loan and Advances granted by the Company has been closely supervised and monitored on regular basis.

However, as per recommendation of Auditors, the Company is under process to strengthen its controls procedures.

(c) *The company has complied with the provisions of section 185 and 186 of the Act. The company has granted loan to 30 parties wherein no interest has been charged. Amount of such loans as on 31st March, 2022 is Rs. 1,99,18,990/-.*

With regards to management is having views that the company has an effective and sufficient internal control system in place for granting of loans, management grants loans only either to the parties known to the Company or by references which are governed by the Board policies. The Loan and Advances granted by the Company has been closely supervised and monitored on regular basis.

#### **SECRETARIAL AUDITORS:**

Pursuant to the requirements of Section 204(1) of the Act, and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Nitesh Chaudhary & Associates., Practicing Company Secretaries, to conduct the Secretarial Audit for the financial year 2021-2022. The Secretarial Audit Report as received from M/s Nitesh Chaudhary & Associates is appended to this Report as **Annexure I**.

#### **COMMENTS ON OBSERVATION AND QUALIFICATION MADE BY SECRETARIAL AUDITORS:**

M/s Nitesh Chaudhary & Associates, Company Secretary in Practice, in his Secretarial Audit Report for financial year 2021-2022 have drawn the attention of the management on some of the non-compliances, which have been marked as qualification in his report. In connection with the same management herewith give the explanation for the same as follows:

1. *The Company has received a notice from BSE that the Company has made Non compliances in Composition of Board with respect to Appointment of Women Director Compliances under Regulation 17(1) for the Quarter ended June and September 2021.*

The Management has informed, that the submitted the clarification letter that company is complied with respect of appointment of Women Director and also filed waiver application to BSE Ltd., and BSE Ltd. has waived of penalty imposed on company, and no action or penalty was taken by BSE/SEBI against the Company or its Promoters. The company has complied the Regulation 17 (1) of SEBI LODR Regulation and no penalty has been paid or no promoter Demat account has been frozen by BSE Ltd.

2. *The Company has received a notice from BSE that the Company has Non -submission of Standalone Results for the Quarter / year ended 31st March, 2021, Compliance under Regulation 33 for the Quarter ended March 2021.*

The Company has informed to us, that revised Audited Financials has been submitted to the BSE along with clarification letter and waiver application, and company requested for waiver of penalty. The Company has not received any approval of waiver application filed by company and management is awaiting for BSE Reply, Stock exchange after receiving waiver application has not initiated any action of freezing the demat account of promoters.

3. *The Company has not followed some of the provisions of prudential norms issued by Reserve Bank of India for Non-Banking Financial (Non-Deposit Accepting or Holding) Companies which also including any statutory modification and amendment from time to times.*

Management of the Company is in the process to get develop electronic/digital portal or software to maintain the prudential norms.

4. *The Company has not followed some of the provision of Know Your Customer' (KYC) Guidelines issued by Reserve Bank of India from time to time is not properly followed by the company and the Company has made delayed in submission of reports and information to the Reserve Bank of India, as required to be made during the year under review.*

Management of the Company is in the process to get develop electronic/digital portal or software to maintain the Know Your Customer' (KYC) Guidelines issued by Reserve Bank of India, the management has took on due to update on RBI site and maintenance of website, site was down more than one month and therefore the delay filing was done due to updation of site.

5. *In some cases, the Company has charged less interest on Loans and advances given to some parties.*

With regards to management is having views that the company has an effective and sufficient internal control system in place for granting of loans, management grants loans only either to the parties known to the Company or by references which are governed by the Board policies. The Loan and Advances granted by the Company has been closely supervised and monitored on regular basis.

#### **NUMBER OF MEETINGS OF THE BOARD:**

The Board meets at regular intervals to discuss. The intervening gap between the two consecutive meetings did not exceed 120 days as prescribed under the Companies Act, 2013.

The details of the number of meetings of the Board held during the Financial Year 2021-2022 forms part of the Corporate Governance Report.

#### **COMMITTEES OF THE BOARD:**

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

#### **RIGHT ISSUE OF SHARES**

During the year under review, the Board of Directors in their Meeting held on 24th December, 2021 approved Raising of funds through issuance and allotment of equity shares having face value of Rs.10.00/- (Rupee Ten Only) ('Equity Shares') for an aggregate amount of up to 49,80,00,000/- (Rupees Forty Nine Crores Eighty Lakhs Only) on right issue basis, to the eligible equity shareholders of the Company, through Letter of offer dated June 29, 2022.

**Right Issue Size:** 2,46,22,781 (Two Crores Forty-Six Lakhs Twenty-Two Thousand Seven Hundred And Eighty-One) Fully Paid-Up Rights Shares Of Face Value Of 10.00/- (Rupees Ten Only) ('Equity Shares') Each At A Price Of Rs.20.00/- (Rupees Twenty Only) Per Right Share (Including A Premium Of Rs.10.00/- (Rupees Ten Only) Per Right Share).

#### **ADDITIONAL INFORMATION REQUIRED UNDER THE NON-BANKING FINANCIAL COMPANIES (RESERVE BANK) DIRECTIVES, 1998:**

The Company is registered with the RBI as a Non Deposit taking Non-Systemically. The Company has complied with and continues to comply with all applicable laws, rules, circulars and regulations, including the Master Direction - ("RBI Directions"), as amended from time to time, and it does not carry on any activity other than those permitted by the RBI for Non Deposit taking Non-Systemically.

The relevant provisions, for disclosure in the Director's Report, of Non-Banking Financial Companies (Reserve Bank) Directions, 1998 issued by the Reserve Bank of India are not applicable, as the Company is not holding any public deposits.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

No significant or material order passed by the regulators or court or tribunals.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

No material changes and commitments affecting the financial position of the Company occurred during Financial Year 2021-2022, till the date of this report. Further there was no change in the nature of business of the Company.

There are no details in respect of frauds reported by auditors under section 143 of the Companies Act, 2013.

#### **SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:**

During the year, no company has become or ceased to be a subsidiary, joint venture of the Company.

During the year under review, the company holds 48.12% of Equity Shares of Tilak Ventures Limited and thereby, Tilak Ventures Limited becomes an Associate Company of the Company (BANAS).

A separate statement containing the salient features of financial statements of Associate Company of your Company forms part of Annual Report in the prescribed Form AOC-1 as **Annexure II** in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013.

The Financial Statements of the Associate company and related information are available for inspection by the Members at the Registered Office of the Company during the business hours on all days except Saturdays, Sundays and public holidays up to the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Further in line with the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and in accordance with IND AS - 110, Consolidated Financial Statement prepared by the Company includes financial information of its Associate Company.

#### **REPORTS ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI.

In compliance with Regulation 34 and Schedule V of SEBI Listing Regulations 2015, report on the Corporate Governance, along with a

certificate from the Statutory Auditors of the Company on compliance with the provisions is annexed and forms part of the Annual Report.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

In line with the requirements of the Companies Act, 2013 and Listing Regulations 2015, all Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on yearly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length.

All Related Party Transactions entered during the year 2021-2022 were in Ordinary Course of the Business and on Arm's Length basis; and there were no material contracts and arrangements.

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 are appended as **Annexure III**.

#### **EXTRACT OF ANNUAL RETURN:**

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-9 for F.Y. 2021-2022 is given in the Report as **Annexure IV**.

#### **PARTICULARS OF EMPLOYEES AND RELATED INFORMATION:**

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules are provided in the Annual Report. The disclosures as specified under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been appended to this Report as **Annexure V**.

#### **POSTAL BALLOT:**

During Financial year 2021-2022, one (1) postal ballot was conducted by the Company vide its Notice dated 12th November, 2021 for amendment in Article of Association of the Company. The Resolutions were deemed to be passed through Postal Ballot on 18th December, 2021, last day of E-voting.

#### **RISK MANAGEMENT AND INTERNAL CONTROLS:**

The Board has reviewed the Risk assessment and Minimization procedure as per Regulation 17 (9) of the SEBI (LODR) Requirements, 2015; there are no material risk which in the opinion of the management affects the continuity and existence of the business. The details of the risks faced by the Company and the mitigation thereof are discussed in detail in the Management Discussion and Analysis report that forms part of the Annual Report.

The Company has in placed the internal control framework in commensurate with the size of the Company. However Company is trying to strengthen the same. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of fraud, error reporting mechanism, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of investments covered under the provisions of Section 186 of the Companies Act, 2013 will be produced for verification to the members on their specific request.

#### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3) (m) of the Act read with Companies' (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption, and research and development are not applicable to the Company.

#### **MEMBER OF CREDIT RATING AGENCY:**

During the year under review your company has maintained the membership with all four Credit Information Company (CIC) registered with RBI i.e. CIBIL Limited, CRIF High Mark Credit Information Services Pvt. Ltd., Equifax Credit Information Services Pvt. Ltd. and Experian Credit Information Company of India Pvt. Ltd.

#### **LISTING OF SHARES:**

Equity shares of your Company are listed on Bombay Stock Exchange only and the Company has paid the necessary Listing fees for the year 2021-2022.

#### **FOREIGN EXCHANGE:**

There is no inflow and outflow of Foreign Exchange.

#### **CHANGE IN NATURE OF BUSINESS:**

The was no change in nature of business during the year under review.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, the concerns about behavior of employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy. The Whistle Blower Policy is hosted on company's website at [https://banasfinance.files.wordpress.com/2018/04/whistle-blower-policy\\_banas-finance1.pdf](https://banasfinance.files.wordpress.com/2018/04/whistle-blower-policy_banas-finance1.pdf)

During the financial year 2021-2022, no cases under this mechanism were reported in the Company.

#### **POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

The company has framed policy in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaint Committee (ICC) has been set up in compliance with the said Act. During the year under review no cases in the nature of sexual harassment were reported at any workplace of the company.

#### **THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE IS HOSTED ON COMPANY'S WEBSITE**

AT [https://banasfinance.files.wordpress.com/2015/07/sexual-harassment-policy\\_banas-finance.pdf](https://banasfinance.files.wordpress.com/2015/07/sexual-harassment-policy_banas-finance.pdf)

During the financial year 2021-2022, no cases in the nature of sexual harassment were reported at any workplace of the company.

#### **DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016:**

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency Bankruptcy Code, 2016.

#### **DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS**

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial Institutions.

#### **CORPORATE SOCIAL RESPONSIBILITY**

The Company in its Board Meeting held on 03<sup>rd</sup> September, 2021 has adopted and framed CSR Committee as required under Section 135 of the Companies Act, 2013. The Committee consists of three Directors of which one Director is Non -Independent and two Directors are Independent Non-Executive Directors as follows;

Shri Girraj Kishor Agrawal	- Chairman
Shri Chirag Goyal	- Member
Shri Vikash Kulhriya	- Member

The Committee roles / powers are-

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company.
3. To monitor the Corporate Social Responsibility policy of the Company from time to time.

The CSR committee has adopted the policy for the activities to be undertaken under the Corporate Social Responsibility as per Schedule VIII of the Companies Act, 2013.

The Policy as adopted is available on the website of the Company [www.banasfinance.wordpress.com](http://www.banasfinance.wordpress.com).

#### **CSR ACTIVITIES**

During the year under review, the Company has not Spend any amount as CSR due to the Net profit reflect the profit as Notional profit and therefore the Company is not liable to not spend any amount as CSR.



**CEO AND CFO CERTIFICATION:**

The Chief Executive Officer and Chief Financial Officer Certification as required under Regulation 17(8) read with Part B of Schedule II of the SEBI(LODR) Regulation, 2015 have been appended to this report in **Annexure VI**.

**ACKNOWLEDGEMENT:**

The Board of Directors wishes to express sincere thanks to Bankers, Shareholders, clients, Financial Institutions, customers, suppliers and employees of Companies for extending support during the year.

**FOR & ON BEHALF OF THE BOARD**

<b>Sd/-</b>	<b>Sd/-</b>
Tanu Agrawal	Girraj Kishor Agrawal
Director	Director
<b>DIN:00290966</b>	<b>DIN: 00290959</b>

**Place: Mumbai**  
**Date: 29/08/2022**

# Annexure- I

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**For The Financial Year Ended On 31<sup>st</sup> March, 2022**

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
Banase Finance Limited,  
E-109, Crystal Plaza, New Link Road,  
Andheri (West) Mumbai-400053

We have conducted the Secretarial Audit of the applicable compliance & statutory provisions and the adherence to corporate practices by **M/s. Banas Finance Ltd.** (hereinafter called the 'Company') for the audit period covering the financial year from 01<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in my opinion, the company has, during the audit period complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the **M/s. Banas Finance Ltd.** for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

During the financial year 2021-2022, the Company's Directors and Promoter Mr. Girraj Kishor Agrawal and Mrs Tanu Agrawal, with Its Relative and the associated Company M/s. Tilak Venture Limited and other Entity vide SEBI Order No. Order/MC/HP/2021-22/12813-12829) dated 30<sup>th</sup> July, 2021 received an penalty order in the matter of Trading Activities of certain entities in the Scrip of Tilak Venture Limited of Rs. 70,00,000/- each by Securities Exchange Board of India for the Violation of Section 12A(a), (b), (c) of the SEBI Act, 1992 r/w Regulations 3 (b), (c), (d) & 4(1) of the SEBI (PFUTP) Regulations, 2003

After the closure of financial year 2021-2022, and before the completion of this audit the Company's Directors and Promoter Mr. Girraj Kishor Agrawal and Mrs Tanu Agrawal, along with Its Relative and the associated Company M/s. Tilak Venture Limited vide SEBI Order No. Order/SD/KS/2022-23/18018-18021) dated 27<sup>th</sup> July, 2022 received an penalty order in the matter of Esaar India Limited of Rs. 5,00,000 each by Securities Exchange Board of India for the Violation of Section 12A(a), (b), (c) of the SEBI Act, 1992 r/w Regulations 3 (b), (c), (d) & 4(1) of the SEBI (PFUTP) Regulations, 2003.

- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

**During the Audit Period the Company's board proposed and approved in their Board Meeting held on 24<sup>th</sup> December, 2021 to raise Rs. 49.88 crores through right issue basis.**

- e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: - **As the Company has not issued any shares/options to directors/employees under the said ESOP/regulations during the year under review;**
- f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021:- **As the**

**Company has not issued any Non-Convertible Securities which were listed during the year under review, the said regulation are not applicable to the company;**

- g) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993:-**As the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review, the said regulation are not applicable to the company;**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: - The equity shares of the company are neither delisted nor proposed to be delisted. Hence the provision of said regulation is not applicable to the company;
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - The Company has not bought back or propose to buy-back any of its securities during the year under review, the said regulation are not applicable to the company;

6. Having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the following laws are also applicable on company;

- I. The Reserve Bank of India Act, 1934.
- II. Circular, Directions and Notifications issued by Reserve Bank of India for Non- Banking Financial (Non-deposit Accepting or Holding) Companies which include any revisions, modifications made thereof.
- III. Maharashtra State Tax on Professions, Trades, Callings and Employments Act 1975;
- IV. The Equal Remuneration Act, 1976;
- V. Bombay Shops and Establishments Act, 1948;

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

➤ Secretarial Standards with respect to Meeting of Board of Director(SS-1), General Meeting (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India related to Board meetings, General Meeting and Dividend;

➤ The Listing Regulations Issued by the SEBI i.e. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the observation of statutory auditors in their Audit Report on financial and taxation matters and the other observation stated below:

1. The Company has received a notice from BSE that the Company has made Non compliances in Composition of Board with respect to Appointment of Women Director Compliances under Regulation 17(1) for the Quarter ended June and September 2021. -

The Company has informed to us, that the submitted the clarification letter that company is complied with respectof appointment of Women Director and also filed waiver application to BSE Ltd., and BSE Ltd. has waived of penalty imposed on company, and no action or penalty was taken by BSE/SEBI against the Company or its Promoters. The company has complied the Regulation 17 (1) of SEBI LODR Regulation and no penalty has been paid or no promoter Demat account has been frozen by BSE Ltd.

2. The Company has received a notice from BSE that the Company has Non -submission of Standalone Results for the Quarter / year ended 31st March, 2021, Compliance under Regulation 33 for the Quarter ended March 2021.

The Company has informed to us, that revised Audited Financials has been submitted to the BSE along with clarification letter and waiver application, and company requested for waiver of penalty. The Company has not received any approval of waiver application filed by company and management is awaiting for BSE Reply, Stock exchange after receiving waiver application has not initiated any action of freezing the demat account of promoters.

3. The Company has not followed some of the provisions of prudential norms issued by Reserve Bank of India for Non-Banking Financial (Non-Deposit Accepting or Holding) Companies which also including any statutory modification and amendment from time to times.

4. The Company has not followed some of the provision of Know Your Customer' (KYC) Guidelines issued by Reserve Bank of India from time to time is not properly followed by the company and the Company has made delayed in submission of reports and information to the Reserve Bank of India, as required to be made during the year under review.

5. In some cases, the Company has charged less interest on Loans and advances given to some parties.

We have raised few queries during the audit and management of the company has given the written reply and clarifications on the queries raised by us accordingly raised queries was resolved.

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Proper notice is given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines except granting of Loans and scale of operation over purchase and sale of shares, and Inadequate Internal Financial Controls over Statutory Dues, Payments to Govt. and Sundry Debtors.

I further report that:

During the audit period, there were no instances of:

- (i) Public/Rights/Preferential issue of Shares/debentures/ sweat equity, except the Right Issue details stated above.
- (ii) Redemption/buy-back of securities.
- (iii) Foreign technical collaborations.

**For Nitesh Chaudhary & Associates**  
**Practicing Company Secretary**

Sd/-  
**Nitesh Chaudhary,**  
**Proprietor**  
FCS No. 10010  
CP No.16275  
UDIN – F010010D000789855

**Place: Indore**  
**Date: 12th August, 2022**

**Annexure A to the Secretarial Audit Report F.Y. 2021-22**

To,  
The Members  
M/s. Banas Finance Ltd.  
E-109, Crystal Plaza, New Link Road,  
Andheri (West), Mumbai 400053,

Secretarial Audit Report of even date is to be read along with this letter.

**Management's Responsibility**

1. It is the Responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

**Disclaimer**

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Nitesh Chaudhary & Associates**  
**Practicing Company Secretary**

Sd/-  
Nitesh Chaudhary,  
Proprietor  
FCS No. 10010  
CP No.: 16275

UDIN – F010010D000789855

Place: Indore  
Date: 12<sup>th</sup> August, 2022



## ANNEXURE - II

### FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/ Joint Ventures

Name of Associates/ Joint Venture	Tilak Ventures Limited
1. Latest Audited Balance Sheet Date	31 <sup>st</sup> March, 2022
2. Shares of Associates/Joint Ventures held by the company on the year end	
No.	10,82,00,000
Amount of Investment in Associates/Joint Venture	-----
Extent of Holding %	48.12
3. Description of how there is significant influence	Control of at least twenty per cent of total voting power.
4. Reason why the Associate/Joint Venture is not consolidated	Not applicable
5. Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. In lakhs)	2355.48
6. Profit/Loss for the year (Rs. In lakhs)	(63.14)
(i) Considered in Consolidation (Rs. In lakhs)	(30.38)
(ii) Not Considered in Consolidation	--

- Names of Associates or Joint Ventures which are yet to commence operations – Not applicable.
- Names of Associates or Joint Ventures which have been liquidated or sold during the year. – Not Applicable

#### FOR & ON BEHALF OF THE BOARD

Sd/-  
Tanu Agrawal  
Director  
DIN: 00290966

Sd/-  
Girraj Kishor Agrawal  
Director  
DIN : 00290959

Place: Mumbai  
Date: 29/08/2022

## ANNEXURE -III

### FORM AOC-2 RELATED PARTY TRANSACTIONS (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) Of The Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto:

1) Details of material contracts or arrangements or transactions not at arm's length basis: None of the transactions with related parties fall in this category.

2) Details of material contracts or arrangements or transactions at arm's length basis:

Name of Related Party and nature of transactions	Nature of contract /arrangement /transactions	Duration of the contract / arrangement /transactions	Salient terms of contract /arrangement /transactions, including value, if any	Date(s) of approval by the Board	Amounts paid as advance
Nemichand Saini	Remuneration	-	1,67,500	-	NIL
Prajna Naik	Salary	-	5,89,188	-	NIL
Tilak Ventures Limited	Loan Given	-	50,000		NIL
	Loan Given Repaid	-	50,000		NIL
	Interest paid/received	-	0		NIL
	Reimbursement of Expenses	-	6,250		NIL

Above mentioned transactions are not material one, however they are being provided here for disclosure purpose.

#### FOR & ON BEHALF OF THE BOARD

Sd/-  
Tanu Agrawal  
Director  
DIN: 00290966

Sd/-  
Girraj Kishor Agrawal  
Director  
DIN : 00290959

Place: Mumbai  
Date: 29<sup>TH</sup> August, 2022

## ANNEXURE-IV

### EXTRACT OF ANNUAL RETURN -MGT-9 [Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014] FOR THE FINANCIAL YEAR ENDED ON 31.03.2022

I REGISTRATION & OTHER DETAILS:		
i	CIN	L65910MH1983PLC030142
ii	Registration Date	06/06/1983
iii	Name of the Company	<b>BANAS FINANCE LTD.</b>
iv	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company
v	Address of the Registered office & contact details	E-109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai – 400053 Tel- 9152096140/41; E-Mail- banasfin@gmail.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	<b>M/s. Purva Share Registry (India) Pvt. Ltd,</b> 9 Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hosp., Lower Parel (E), Mumbai – 400011 Tel: 022-23010771 / 49614132 E-Mail- <a href="mailto:Support@purvashare.com">Support@purvashare.com</a>

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10% or more of the total turnover of the company shall be stated			
Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Finance and Share Trading	9971	100%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES					
Sl. No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	<b>TILAK VENTURES LIMITED</b> E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai Mumbai City MH 400053 IN	L65910MH1980PLC023000	Associate	48.12%	2(6)

IV.SHARE HOLDING PATTERN (Equity Share capital Breakup as percentage of Total Equity)									
A) <u>Category-wise ShareHolding</u>	No. of Shares held at the beginning of the year (As on 1 <sup>st</sup> April, 2021)				No. of Shares held at the end of the year (As on 31 <sup>st</sup> March 2022)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	54965	0	54965	0.21	54965	0	54965	0.21	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	3346724	0	3346724	13.04	3346552	0	3346552	13.04	0
e) Bank/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Subtotal(A)(1):	3401689	0	3401689	13.26	3401689	0	3401517	13.26	0

<b>(2) Foreign</b>									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other Individual	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
<b>Subtotal(A)(2):</b>	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>3401689</b>	<b>0</b>	<b>3401689</b>	<b>13.26</b>	<b>3401689</b>	<b>0</b>	<b>3401517</b>	<b>13.26</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
b) Banks/FI	26000	0	26000	0.10	26000	0	26000	0.10	0
C) Central Govt.	50	0	50	0.00	50	0	50	0.00	0.00
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Subtotal(B)(1):</b>	0	0	0	0	0	0	0	0	0
<b>(2) Non Institutions</b>									
<b>A) Bodies Corp.</b>									
i) Indian	3499929	354409	3854338	15.03	2403952	354409	2758361	10.75	-4.27
ii) Overseas	0	0	0	0	0	0	0	0	0
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital up to Rs.2 lakhs	3206247	303124	3509371	13.68	5366885	303124	5670009	22.11	8.43
ii) Individuals shareholders holding nominal share capital in excess of Rs.2 lakhs	14319886	260193	14580079	56.85	12159248	260193	12419441	48.42	-8.43
c) Others (specify) LLP, trust	2341	0	2341	0.01	4581	0	4581	0.02	0.01
Clearing Members	36895	0	36895	0.09	136539	0	136539	0.53	0.44
HUF	214847	0	214847	0.84	336487	0	336487	1.31	0.47
NRI	20806	2314	23120	0.02	99785	2314	102099	0.40	0.38
<b>Subtotal(B)(2):</b>	<b>21300951</b>	<b>920040</b>	<b>22220991</b>	<b>86.64</b>	<b>21309729</b>	<b>911434</b>	<b>22221163</b>	<b>86.64</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>21327001</b>	<b>920040</b>	<b>22247041</b>	<b>86.74</b>	<b>21335779</b>	<b>911434</b>	<b>22247213</b>	<b>86.73</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
	0	0	0	0.00	0	0	0	0.00	0.00
<b>Grand Total (A+B+C)</b>	<b>24728690</b>	<b>920040</b>	<b>25648730</b>	<b>100.00</b>	<b>24737296</b>	<b>911434</b>	<b>25648730</b>	<b>100.00</b>	<b>0.00</b>

**IV. SHARE HOLDING OF PROMOTERS**

Sl. No.	Shareholders Name	Shareholding at the beginning of the year 31/03/2021			Shareholding at the end of the year 31/03/2022			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged encumbered to total Shares	No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Handful Investrade PvtLtd	2963185	11.55	0.00	2963185	11.55	0.00	0.00
2	Girraj Kishor Agrawal	50965	0.20	0	50965	0.20	0.00	0.00
3	Tanu Girraj Agrawal	4000	0.02	0	4000	0.02	0.00	0.00
4	Agrawal Bullion Limited	383539	1.49	0	383367	1.49	0.00	0.00

**V. CHANGE IN PROMOTERS' SHAREHOLDING AS ON THE F.Y. ENDED ON 31/03/2022**

Sr. No	Shareholder's Name	Shareholding		Date	Increase/ Decrease in Share Holding	Reason	Cumulative Shareholding during the year (01-04-21 to 31-03-22)	% of total Shares of the Company
		No. of Shares at the beginning (01-04-21 to 31-03-22)	% of total Shares of the Company				No. of Shares	
1	Handful Investrade Pvt Ltd	29,63,185	11.55			NIL	29,63,185	11.55
2	Girraj Kishor Agrawal	50,965	0.20			NIL	50,965	0.20
3	Tanu Girraj Agrawal	4,000	0.02			NIL	4,000	0.02
4	Agrawal Bullion Limited	3,83,539	1.49	21/05/2021	(172) - Sale		3,83,367	1.49

SL No.	Shareholder's Name	Shareholding at the beginning of the year 31/03/2021		Cumulative Shareholding at the end of the year 31/03/2022	
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in shareholding during the year
1	SUNIL	792000	3.09		
	14-01-2022	-464000	-1.81	328000	1.28
	21-01-2022	-246500	-0.96	81500	0.32
	18-02-2022	-81500	-0.32	0	0.00
	31-03-2022			0	0.00
2	PURAV BHARATBHAI PATEL	630000	2.46		
	17/09/2021	1	0.00	630001	2.46
	15/10/2021	-1	-0.00	630000	2.46
	05/11/2021	1	0.00	630001	2.46
	24/12/2021	15000	0.06	645001	2.51
	31/12/2021	-10100	-0.04	634901	2.48
	07/01/2022	-170704	-0.67	464197	1.81
	14/01/2022	-282803	-1.10	181394	0.71
	21/01/2022	-51394	-0.20	130000	0.51
	31/03/2022			130000	0.51
3	DHARMESHBHAI J VAGHELA	1028148	4.01		
	07-01-2022	-602049	-2.35	426099	1.66
	14-01-2022	-200000	-0.78	226099	0.88
	21-01-2022	-226099	-0.88	0	0



	31-03-2022			0	0
4	SHANKARLAL KUMHAR	609026	2.37		
	07-01-2022	-95000	-0.37	514026	2.00
	14-01-2022	-411610	-1.60	102416	0.40
	21-01-2022	-102416	-0.40	0	0
	31-03-2022			0	0
5	HEMANGINI VINITKUMAR PARIKH	1010633	3.94		
	31/03/2022			1010633	3.94
6	HANSABEN BHARATKUMAR PATEL	548093	2.14		
	24/12/2021	10000	0.04	558093	2.18
	31/12/2021	-119988	-0.47	438105	1.71
	07/01/2022	-62441	-0.24	375664	1.46
	14/01/2022	-32005	-0.12	343659	1.34
	21/01/2022	-195128	-0.76	148531	0.58
	28/01/2022	-66872	-0.26	81659	0.32
	31/01/2022	-22249	-0.09	59410	0.23
	04/02/2022	-54217	-0.21	5193	0.02
	11/02/2022	-5192	-0.02	1	0.00
	18/02/2022	-1	-0.00	0	0.00
	31/03/2022			0	0.00
7	SONU ARGAL	887493	3.46		
	14-01-2022	-418000	-1.63	469493	1.83
	21-01-2022	-146493	-0.57	323000	1.26
	18-02-2022	-323000	-1.26	0	0.00
	31-03-2022			0	0.00
8	MANGESH MADHUKAR DHOTRE	712331	2.78		
	31/03/2021			712331	2.78
9	PRASHANT SHASHIKANT SAWANT	428122	3.76		
	15/10/2021	-30000	-0.12	398122	1.55
	22/10/2021	-32500	-0.13	365622	1.43
	29/10/2021	-60000	-0.23	305622	1.19
	21/01/2022	-4500	-0.02	301122	1.17
	18/02/2022	-14000	-0.05	287122	1.12
	25/02/2022	-4000	-0.02	283122	1.10
	04/03/2022	-8000	-0.03	275122	1.07
	11/03/2022	-12001	-0.05	263121	1.03
	18/03/2022	-12001	-0.05	251120	0.98
	25/03/2022	-4564	-0.02	246556	0.96
	31/03/2022	-7211	-0.03	239345	0.93
	31/03/2022			239345	0.93
10	RAFIYUDEEN NARUDEEN SAEYD	512599	2.00		
	16-04-2021	-10000	-0.04	502599	1.96
	23-04-2021	-5321	-0.02	497278	1.94
	10-12-2021	-497278	-1.94	0	0
	31-03-2022			0	0
11	KASHIRAM PUNDALIK KADAM	496936	1.94		
	31-03-2022			496936	1.94
12	HIMMAT VINODCHANDRA BHATT	444214	1.73		
	31-03-2022			444214	1.73
13	SHWETA SHYAM PEDAMKAR	384103	1.50		
	31-03-2022			384103	1.50

IV. SHAREHOLDING PATTERN OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					
Sr. No.	Name of Director/KMP and Designation	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Amit Gulecha- Managing Director	4238	0.02	4238	0.02
2	Girraj Kishor Agrawal - Director	0	0.00	50965	0.20
3	Tanu Agrawal- Director	0	-	4000	0.02
4	Chirag Goyal - Independent Director	-	-	-	-
5	Vikash Kulhriya -Independent Director	-	-	-	-
6	Prajna Naik- Company Secretary & Compliance Officer	-	-	-	-
7	Nemichand Saini-CFO	-	-	-	-

V. INDEBTEDNESS	OF THE COMPANY	INCLUDING	INTEREST	OUTSTANDING
Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	11,20,40,020	-	11,20,40,020
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>11,20,40,020</b>	-	<b>11,20,40,020</b>
Change in Indebtedness during the financial year				
* Addition	-	1,39,49,429	-	-
* Reduction	-	5,70,19,718	-	-
<b>Net Change</b>	-	<b>(4,30,70,289)</b>	-	<b>(4,30,70,289)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	-	6,89,69,731	-	6,89,69,731
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>6,89,69,731</b>	-	<b>6,89,69,731</b>

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole Time Directors and/or Manager:			
Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Amit Gulecha (Managing Director)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	Others, specify	-	-
5	Others, please specify -	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	N.A.	N.A.

A) REMUNERATION TO OTHER DIRECTORS						
PARTICULARS OF DIRECTORS						
		Tanu Agrawal	Chirag Goyal	Vikash Kulhriya	Girraj Agrawal	Total Amount (In Rs.)
1	<b>Independent Directors</b>					
	(a) Fee for attending Board and committee meetings	-	72,000	72,000	-	1,44,000
	(b) Commission	-			-	-
	(c) Others, please specify	-			-	-
	<b>Total (1)</b>	Nil	72,000	72,000	-	1,44,000
2						
	(a) Fee for attending board committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others please specify.	-	-	-	-	-
	<b>Total (2)</b>	Nil	72,000	72,000	-	Nil
	<b>Total Managerial Remuneration (B)=(1+2)</b>	Nil	72,000	72,000	-	1,44,000
	Overall Ceiling as per the Act					

B) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD				
Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Prajna Naik Company Secretary & Compliance Officer	Nemichand Saini CFO	
1	Gross Salary	5,89,188	1,67,500	7,56,688
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.			
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	-as % of profit			
	-others (specify)			
5	Others, please specify	-	-	-
	<b>Total</b>	<b>5,89,188</b>	<b>1,67,500</b>	<b>7,56,688</b>
	<b>Ceiling as per the Act</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

#### IV. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty	-	Non-compliance under Regulation 29(2)/29(3) read with Regulation 30, Notice of Board Meeting for approval of Un-Audited financial results for the Quarter Ended 30th September, 2020.	Penalty levied of Rs. 11,800 including GST imposed by BSE Ltd on the Company	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-

Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**FOR & ON BEHALF OF THE BOARD**

Sd/-  
**Amit Gulecha**  
 Managing Director  
 DIN: 06964404

Sd/-  
**Girraj Kishor Agrawal**  
 Director  
 DIN:00290959

Place: Mumbai  
 Date: 29<sup>th</sup> August, 2022

## ANNEXURE- V

### PARTICULARS OF EMPLOYEES AND RELATED INFORMATION Information as per Rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2021-2022, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-2022 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No	Name of Director/KMP	Remuneration Received (Rs. In Lakhs)	% increase in Remuneration in the Financial year 2021-2022	Ratio of remuneration of each Director & KMP to median remuneration of employees
1	Mr. Chirag Goyal (Non Executive Independent Director)	Nil	0	Nil
2	Mr. Vikash Kulhriya (Non Executive Independent Director)	Nil	0	Nil
3	Prajna Naik (Company Secretary)	5.26	0	3.03
4	Nemichand Saini (CFO)	0.67	0	0.35

- All appointments are / were non-contractual.
- Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Remuneration on Cash basis.
- There were 23 employees on the rolls of Company as on March 31, 2022.
- The median remuneration of employees of the company was Rs. 1.89 Lakhs.
- None of the Director has received any remuneration apart from sitting fees during the year.

#### FOR & ON BEHALF OF THE BOARD

Sd/-  
Amit Gulecha  
Managing Director  
DIN: 06964404

Place: Mumbai  
Date: 29<sup>th</sup> August, 2022



**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF  
CONDITIONS OF CORPORATE GOVERNANCE**

**To the Members of  
Banas Finance Ltd.**

We have examined the compliance of conditions of corporate governance by **Banas Finance Ltd** ("the Company") for the year ended 31<sup>st</sup> March, 2022, as stipulated in applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in applicable provisions of the Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Pravin Chandak & Associates**  
Chartered Accountants  
Firm's registration number: 116627W

**Sd/-**  
**Nishant Sampat**  
**Partner**  
Membership number: 134410  
Place: Mumbai  
Date: 20<sup>TH</sup> July, 2022  
UDIN: 22134410APHNPM9817

# REPORT ON CORPORATE GOVERNANCE

## INTRODUCTION:

Your Company has complied in all material respects with the requirements of the Corporate Governance Code as per Schedule V (c) of the SEBI (LODR) Regulation, 2015.

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on corporate governance is to observe the highest level of ethics in all its dealings, to ensure efficient conduct of the company to achieve its goal in maximizing value for all its stakeholders. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical, in the interest of our stakeholders and is in compliance with applicable legislation. Our values reflect our continued commitment to ethical business practices across our operations. The Company's philosophy is based on the fair and transparent disclosure of issues related with the Company's business, financial performance and matters relating to stakeholders' interest.

We believe that Corporate Governance is the key element in improving efficiency, growth and investor's confidence.

## 2. BOARD OF DIRECTORS:

### COMPOSITION OF THE BOARD

As on 31<sup>st</sup> March, 2022, the Company's Board of Directors comprised of five directors, out of which two are non-executive independent directors, two are executive directors including one Managing Director, and one Non executive woman director. The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulation, 2015 entered into with the stock exchanges.

The Board has received declaration from the Non-Executive and Independent Directors that they qualify to be considered as Independent as per the definition of 'Independent Director' stipulated in Regulation 16 (1)(b) of the SEBI (LODR) Regulation, 2015 and Section 149(6) of the Companies Act, 2013 (hereinafter called "the Act").

None of the Directors hold Directorships in more than 20 companies. Further, any individual director's directorships in public companies do not exceed 10. None of the Directors is serving as a member of more than ten committees or as the Chairman of more than five committees across all the public companies of which he is a Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2022 have been made by the Directors.

The number of directorships and committee Chairmanships/Memberships held by the Directors in other public companies (including Banas) as on March 31, 2022 are given below:

Sr. No.	Name of Director	Designation/Category	No. of Directorship	No. of equity shares held in company	Member/Chairperson of the committee	
					Member	Chairman
1	Mr. Amit Gulecha	Managing Director	1	4238	0	0
2	Mr. Girraj Kishor Agrawal	Executive Director	2	50965	2	0
3	Mrs. Tanu Agrawal	Non - Executive Director	2	4000	2	0
4	Mr. Chirag Goyal	Additional Independent Non - Executive Director	2	-	0	2
5	Mr. Vikash Kulhriya	Additional Independent Non - Executive Director	2	-	0	2

Directorships mentioned as above do not include directorships of Private Limited Companies, Companies under Section 8 of the Act and of companies incorporated outside India.

Positions in only Audit Committee and Stakeholders' Relationship Committee are considered for the purpose of reckoning the number of Chairmanships and Memberships held by the Directors.

None of the Non-Executive and Independent Directors has any material pecuniary relationship or transactions with the Company, other than the commission and sitting fees received by them for attending the meetings of the Board and its Committee(s) and professional fees received by the firm in which a Director is a partner.

## BOARD MEETINGS:

The Company holds at least four Board meetings in a year, one in each quarter, inter-alia, to review the financial results of the Company. The Company also holds additional Board Meetings to address its specific requirements, as and when required.

The Company circulates the agenda along with comprehensive notes well in advance before each meeting which, inter-alia, includes the following:

Quarterly/Half Yearly/Annual financial results of the Company  
Minutes of various committees of the Board  
Regulatory notices/judgment/order being material in nature  
Approvals on the sale of investments/assets of material nature etc

During the financial year 2021-2022 (7) Seven Board Meetings were held. The maximum gap between two Board meetings was less than one hundred and twenty days.

The Board meetings were held on 11/06/2021, 30/06/2021, 14/08/2021, 03/09/2021, 12/11/2021, 24/12/2021, 11/02/2022.

The details of the attendance of the Board of Directors at the Board Meetings and the last Annual General Meeting (AGM) are as detailed herein below:

Sr. No	Name of Director and DIN	No. of Board Meetings held	No. Board meeting entitled to attend	No. of Board meetings attended	Attendance at the last AGM.
1	Mr. Girraj Kishor Agrawal DIN:00290959	7	7	7	Yes
2	Mr. Amit Gulecha DIN: 06964404	7	7	6	Yes
4	Mrs. Tanu Agrawal DIN: 00290966	7	7	7	Yes
7	Mr. Chirag Goyal DIN: 09013570	7	7	7	Yes
8	Mr. Vikash Kulhriya DIN: 09014921	7	7	7	Yes

## MEETING OF INDEPENDENT DIRECTORS:

The Company's Independent Directors met on February 11<sup>th</sup>, 2022 without the presence of the Managing Director and the Senior Management team. The meeting was attended by all of the Independent Directors and was conducted to enable the Independent Director to discuss matters prescribed under Schedule IV to the Act and Regulation 25(3) of the SEBI (LODR) Regulation, 2015.

## FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR:

The Company has established a Familiarization Programme for Independent Directors. Details of the familiarization programme imparted to the independent directors has been published on the website of the company at [https://banasfinance.files.wordpress.com/2019/06/banas\\_18-19.pdf](https://banasfinance.files.wordpress.com/2019/06/banas_18-19.pdf)

## CODE OF CONDUCT:

The Company has adopted a Code of Conduct ("Code") which applies to all the Board members and Senior Management Personnel of the Company. Code of Conduct for the Board of Directors and Senior Management Personnel is in place and published on the website - <https://banasfinance.wordpress.com>

## 3. AUDIT COMMITTEE ATGLANCE:

In order to align with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015 Audit Committee was composed as follows:

### COMPOSITION:

The composition of the audit committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the financial year 2021-2022		
		Held	Entitled to Attend	Attended
Mr. Girraj Kishor Agrawal – Member	Executive Director	5	5	5
Mr. Vikash Kulhriya – Member	Independent, Non-Executive	5	5	5
Mr. Chirag Goyal – Chairman	Independent, Non-Executive	5	5	5

During the year total 5 Audit Committee meetings were held and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows: 11/06/2021, 30/06/2021, 14/08/2021, 12/11/2021 and 11/02/2022. The necessary quorum was present for all the meetings.

#### 4. NOMINATION AND REMUNERATION COMMITTEE ATGLANCE:

During the year under review, the terms of reference of Nomination and Remuneration Committee were expanded in order to align them with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulation, 2015.

##### COMPOSITION:

The composition of the Nomination and Remuneration committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the financial year 2021-22		
		Held	Entitled to Attend	Attended
Mrs. Tanu Agrawal	Non-Executive Director	1	1	1
Mr. Chirag Goyal – Chairman	Independent, Non-Executive	1	1	1
Mr. Vikash Kulhriya – Member	Independent, Non-Executive	1	1	1

During the year, one meeting of the nomination and remuneration committee were held on 03/09/2021. The necessary quorum was present for all the meetings.

#### 5. CORPORATE SOCIAL RESPONSIBILITY ATGLANCE:

6. During the year under review, the Company has framed and adopted Corporate Social Responsibility committee under Section 135 of the Companies Act, 2013.

##### 7. COMPOSITION:

The composition of the Corporate Social Responsibility committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the financial year 2021-2022		
		Held	Entitled to Attend	Attended
Mr. Chirag Goyal – Chairman	Independent, Non-Executive	2	2	2
Mr. Vikash Kulhriya – Member	Independent, Non-Executive	2	2	2
Mr. Girraj Kishor Agrawal	Executive Director	2	2	2

During the year, Two meeting of the Corporate Social committee were held on 03/09/2021 and on 11/02/2022.

#### PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Independent Directors are evaluated on parameters like Director's contributions at Board / Committee meetings, willingness to devote time and effort to understand the Company, ability to understand governance, regulatory, fiduciary and ethical requirements of the Board / Committee, adherence to Code of Conduct and how the independent Director is able to bring independent judgment during board deliberations on performance, risk management etc. in addition to the criteria for evaluation of Non-Executive Directors.

**REMUNERATION PAID TO DIRECTORS DURING THE PERIOD ENDED 31ST MARCH, 2022:**

Name of the Board Members	Salary	Commission	Sitting Fees	Contribution to Various Funds	Total
Mr. Girraj Kishor Agrawal	-	-	-	-	Nil
Mr. Amit Gulecha	-	-	-	-	Nil
Mrs. Tanu Agrawal	-	-	-	-	Nil
Mr. Chirag Goyal	-	-	42,000	-	42,000
Mr. Vikash Kulhriya	-	-	42,000	-	42,000

None of the other non-executive director holds any shares, convertible instruments or stock options in the company. As on 31st March 2022, there are no outstanding options granted to any of the Directors of the Company. The Criteria for making payments to Non-Executive Directors of the Company has been disclosed on the Company's website [www.banasfinance.wordpress.com](http://www.banasfinance.wordpress.com).

**8. STAKEHOLDERS' RELATIONSHIP COMMITTEE ATGLANCE:**

The Company has constituted a Stakeholder's Relationship Committee ("SRC") of Directors to look into the complaints, requests and grievances of the shareholders/investors and ensure their Redressal. SRC approves and monitors share transfers, transmissions, dematerialization, Rematerialization, issue of duplicate share certificates, non-receipt of dividend / notices / annual reports, etc.

The Stakeholders' Relationship Committee met twice during the financial year 2021-2022 as on 03/09/2021 & 11/02/2022.

Name	Category	Number of meetings during the financial year 2021-2022		
		Held	Entitled to Attend	Attended
Mr. Girraj Kishor Agrawal - Member	Executive Director	2	2	2
Mr. Chirag Goyal - Chairman	Independent, Non-Executive	2	2	2
Mr. Vikash Kulhriya - Member	Independent, Non-Executive	2	2	2

Details of investor complaints received and redressed during the year 2021-2022 are as follows:

Opening balance	Received during the Year	Resolved during the Year	Closing balance
0	0	0	0

**9. GENERAL BODY MEETING:**

a) Location, date and time of the Annual General Meetings held during the last three years are given below:

Financial Year	Type of Meeting	Location	Meeting Date and Time	Special Resolution passed
2020-21	38 <sup>th</sup> E-AGM	Through VC/OAVM deemed held on E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053	30 <sup>th</sup> September, 2021 at 12:00 p.m.	No Special Resolution passed
2019-20	37 <sup>th</sup> E-AGM	Through VC/OAVM deemed held on E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053	29 <sup>th</sup> September, 2020 at 3.00 p.m.	No Special Resolution passed.
2018-19	36 <sup>th</sup> AGM	412, Hubtown, Solaris, Sai Wadi Andheri (East) Mumbai- 400069	30 <sup>th</sup> September, 2019 at 02:00 p.m.	Re-appoint Mr. Amit Gulecha (DIN :06964404) as a Managing Director

b) No Extra Ordinary General Meeting was held during the year.

c) During Financial year 2021-2022, One Postal ballot was held on 18<sup>th</sup> December, 2021 for Alteration in Article of Association of the Company.



## 10. MEANS OF COMMUNICATION:

a) Quarterly results: Quarterly/Half yearly/Annual results are regularly submitted to the Stock Exchanges where the shares of the Company are listed pursuant to the provisions of SEBI (LODR) Regulations 2015 and are published in the newspapers. The Company has also displayed the results as specified under Regulation 47 of SEBI (LODR) Regulations, 2015 and on the Company's website i.e. [www.banasfinance.wordpress.com](http://www.banasfinance.wordpress.com)

b) Newspapers wherein results normally published: Financial Express and Mumbai Lakshadweep.

c) The Company has in place, a policy on material events as required under regulation 31 of SEBI (LODR) Regulations, 2015. The Company disseminates all information which is material in accordance with this policy to the stock exchanges and also on the website of the Company.

d) The company also publishes all official news and other information prescribed under regulation 46 of the SEBI (LODR) Regulations, 2015 on the website at [www.banasfinance.wordpress.com](http://www.banasfinance.wordpress.com)

## 11. GENERAL INFORMATION FOR MEMBERS

### a) 39<sup>th</sup> Annual General Meeting:

Day & Date	Time	Venue
Thursday, 29 <sup>th</sup> September, 2022	04:00 P.M	Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')

### b) Financial Calendar (2022-23):

Particulars	Period
Financial Year	April 1, 2022 to March 31, 2023
<b>For consideration of Unaudited/Audited Financial Results</b>	
Results for quarter ending June 30, 2022	On or before August 14, 2022
Results for quarter ending September 30, 2022	On or before November 14, 2022
Results for quarter ending December 31, 2022	On or before February 14, 2023
Results for quarter ending March 31, 2023	On or before May 30, 2023
Annual General Meeting for the year ending March 31, 2023	On or before September 30, 2023

### c) Book Closure Date:

The Company's Share Transfer Books and Register of Members of equity shares shall remain closed from the 23/09/2022 to 29/09/2022, (both days inclusive).

### d) Share Transfer System

Share transfers in physical form are processed by the Registrar and Transfer Agents, Purva Share Registry (India) Pvt. Ltd and are approved by the Stakeholders Relationship Committee of the Company or the authorised signatories of the Company. Share transfers are registered and returned within 15 days from the date of lodgment if documents are complete in all respects. The depository system handles share transfers in dematerialized form.

e) **Dividend payment date:** No Dividend paid during the year.

f) **Listing of Equity Shares:** Bombay Stock Exchange

g) **Listing fees:** duly paid to the Bombay stock exchange Limited as per SEBI (LODR) Regulation, 2015.

h) **Stock code:** BSE Scrip Code: 509053

### i) Demat ISIN Numbers in NSDL & CDSL LINE 521L01030 for Equity Shares:

#### Distribution of shareholding as on 31<sup>st</sup> March, 2022:

No. of Shares Held	No Sh.	%	In Rs.	%
Up to 5000	41506	91.31	38927570	15.18
5,001 - 10,000	2025	4.45	15469530	6.03
10,001 - 20,000	995	2.19	14675530	5.72
20,001 - 30,000	330	0.73	8253650	3.22
30,001 - 40,000	135	0.30	4790160	1.87
40,001 - 50,000	102	0.22	4722270	1.84
50,001 - 1,00,000	183	0.40	13509370	5.27

1,00,001 And Above	182	0.40	156139220	60.88
<b>TOTAL</b>	<b>45458</b>	<b>100</b>	<b>256487300</b>	<b>100</b>

## Market Information

### Stock Market Data at BSE during the year 2021-2022:

Month	High	Low	Close	No. of Shares traded
April 2021	6.09	4.81	5.14	134153
May 2021	7.24	5.04	7.12	263141
June 2021	8.88	6.22	6.55	718127
July 2021	8.80	6.23	7.20	295140
August 2021	7.35	6.11	6.65	154644
Sept 2021	8.06	6.32	8.06	217316
October 2021	21.19	8.46	19.61	928960
Nov 2021	24.50	15.80	34.50	715411
Dec 2021	70.60	32.50	70.60	4748446
January 2022	146.20	73.70	102.50	13198220
February 2022	97.40	55.25	56.60	4326224
March 2022	63.80	46.00	51.30	3007129

### Shareholding Pattern of the Company as on 31<sup>st</sup> March, 2022:

Category		No. of Shares held	%
A	Promoter's Holding		
1	Promoters		
	- Indian	34,01,517	13.26
	- Foreign	0	0
2	Persons acting in concert	0	0
	<b>Sub - Total</b>	<b>34,01,517</b>	<b>13.26</b>
B	Non-Promoter's Holding	0	0
3	Institutional Investors	0	0
a)	Mutual Funds and UTI	0	0
b)	Banks, Financial Institutions, Insurance Companies	26,000	0.10
	(Central/State Govt. Institutions/Non Government Institutions)		
C	FII's	0	0
	Sub - Total	0	0
4	Non-Institutions		
a)	Corporate Bodies	27,58,361	10.75
b)	Indian Public	18883096	73.62
c)	NRI's/OCB's -NRI	102099	0.40
d)	Clearing Member	136539	0.53
e)	Any Other (Please specify) - HUF & LLP, TRUST	341068	1.33
	<b>Sub-Total</b>	<b>2,22,47,213</b>	<b>86.74</b>
	<b>Grand Total</b>	<b>2,56,48,730</b>	<b>100</b>

### Dematerialization of Shares as on 31.03.2022:

Mode	No. of Shares	% Shares
Physical Form	911434	3.55
with NSDL	9685285	37.76
with CDSL	15052011	58.68
<b>Total</b>	<b>25648730</b>	<b>100.00</b>

## h) Share Transfer System

The transfer of shares in physical form is processed and completed by Registrar and Transfer Agent - Purva Shareregistry(India) Pvt. Ltd. within a period of 15 days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through respective Depository Participants.

## i) Share Capital Audit

As stipulated by Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and shares held in physical form as per the register of members viz-à-viz the total issued and listed capital. This audit is carried out every quarter and the report is submitted to the Bombay Stock Exchange Ltd.

j) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity. -NIL

## k) Investor Correspondence

All documents, transfer deeds, demat requests and other communications in relation thereto should be addressed to the R & T Agents at its following address for transfer/dematerialization of shares, payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debentures of the company.

## 12. OTHER DISCLOSURES:

Details of Non Compliance by the Company, penalties, and structures imposed on the Company by Stock Exchanges or the Board or any statutory authority, on any matter related to capital markets, during the last three years - None.

### a) Details of Subsidiary and Associate Companies:

The Company does not have any Subsidiary Companies as on 31<sup>st</sup> March, 2022.

During the year under review, the company holds 48.12% of Tilak Ventures Limited and thereby Tilak Ventures Limited is the associate company of the Banas Finance Limited.

### b) Preservation of documents

In accordance with Regulation 9 of SEBI Regulations, 2015, the Company has framed a Policy on preservation of documents approved by the Board of Directors of the Company. The Policy is intended to define preservation of documents and to provide guidance to the executives and employees working in the Company to make decisions that may have an impact on the operations of the Company. It not only covers the various aspects on preservation of the Documents, but also the safe disposal / destruction of the Documents.

The Policy have been uploaded on the Company's web-site at the following link [https://banasfinance.files.wordpress.com/2016/09/preservation-of-documents\\_banas.pdf](https://banasfinance.files.wordpress.com/2016/09/preservation-of-documents_banas.pdf)

### c) Policy determining Material Subsidiaries

The Company has adopted the policy on determining material subsidiaries is hosted on its website at [https://banasfinance.files.wordpress.com/2018/04/policy-on-material-subsidiaries\\_banas.pdf](https://banasfinance.files.wordpress.com/2018/04/policy-on-material-subsidiaries_banas.pdf).

### d) Policy on Related Party Transactions

All material transactions entered into with related parties as defined under the Act and Regulation 23(1) of the SEBI (LODR) Regulations 2015; during the financial year 2021-22 were in the ordinary course of business. No materially significant related party transactions have been entered into during financial year 2021-2022 having potential conflict with the interest of the Company at large. A list of related parties as per the Accounting Standard 18 and the transactions entered into with them in prescribed Form AOC-2 is given separately in this Annual Report under Annexure II of the Board Report as well as in the Notes to Accounts annexed to the Balance Sheet as at 31<sup>st</sup> March 2022 and Statement of Profit & Loss of the Company for the Financial Year ended on that date.

The Company's Policy on materiality of related party transactions is hosted on website at [https://banasfinance.files.wordpress.com/2018/04/rpt\\_banas.pdf](https://banasfinance.files.wordpress.com/2018/04/rpt_banas.pdf).

### e) Policy for Prohibition of Insider Trading:

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the Directors and employees while in possession of unpublished price sensitive

information in relation to the Company or its securities.

The Company has appointed the Compliance Officer to ensure compliance of the said Code by all the Directors, Senior Management Personnel and employees likely to have access to unpublished price sensitive information.

The policy is available at website of the company at the following link [https://banasfinance.files.wordpress.-com/2016/07/policy-of-insider-trading\\_18-07-2016.pdf](https://banasfinance.files.wordpress.-com/2016/07/policy-of-insider-trading_18-07-2016.pdf)

**f) Vigil Mechanism/Whistle Blower Policy:**

The Vigil Mechanism/Whistle Blower Policy has been adopted to provide appropriate avenues to the employees to bring to the attention of the management, the concerns about any unethical behavior, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. We affirm that no director or employee has been denied access to the Audit Committee during financial year 2021-2022. The Policy provides that no adverse action shall be taken or recommended against an employee in retaliation to his/her disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This Policy protects such employees from unfair or prejudicial treatment by anyone in the Group. The policy is available at company's website [https://banasfinance.files.wordpress.com/2018/04/whistle-blower-policy\\_banas-finance1.pdf](https://banasfinance.files.wordpress.com/2018/04/whistle-blower-policy_banas-finance1.pdf)

**Purva Sharegistry (India) Pvt Ltd Unit**  
**No. 9, Shiv Shakti Indl. Estate**  
**J .R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower**  
**Parel (East), Mumbai 400011**

**For Any other query**  
**Banas Finance Limited**  
**CIN: L65910MH1983PLC030142**  
**Regd Off: E/109, Crystal Plaza, Opp. To Infinity mall, New**  
**Link Road, Andheri (West), Mumbai-400053**  
**Tel: 9152096140/41**  
**Website: <https://banasfinance.wordpress.com>**  
**Email Id: banasfin@gmail.com**

**DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(B) TO (I) OF THE LISTING REGULATIONS:**

Sr. No.	Particulars	Regulation	Compliance status Yes/No/N.A	Compliance observed for the following:
1	Board of Directors	17	Yes	<input type="checkbox"/> Board Composition <input type="checkbox"/> Meeting of Board of Directors <input type="checkbox"/> Review of compliance reports <input type="checkbox"/> Plans for orderly succession for appointments <input type="checkbox"/> Code of Conduct <input type="checkbox"/> Fees / compensation <input type="checkbox"/> Minimum information to be placed before the Board <input type="checkbox"/> Compliance Certificate <input type="checkbox"/> Risk Assessment & Management <input type="checkbox"/> Performance Evaluation of Independent Directors
2	Audit Committee	18	Yes	<input type="checkbox"/> Composition <input type="checkbox"/> Meeting of Audit Committee <input type="checkbox"/> Role of Audit Committee and review of information by the Committee
3	Nomination and Remuneration Committee	19	Yes	<input type="checkbox"/> Composition <input type="checkbox"/> Role of the Committee
4	Stakeholders Relationship Committee	20	Yes	<input type="checkbox"/> Composition <input type="checkbox"/> Role of the Committee
5	Risk Management Committee	21	Not Applicable	<input type="checkbox"/> The Company is not in the list of top 100 listed entities by market capitalization
6	Vigil Mechanism	22	Yes	<input type="checkbox"/> Formulation of Vigil Mechanism for Directors and employees <input type="checkbox"/> Direct access to Chairperson of Audit Committee
7	Related Party Transactions	23	Yes	<input type="checkbox"/> Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions <input type="checkbox"/> Related Party Transactions of the Company are pursuant to contracts duly approved by the Audit Committee, Board of Directors and Shareholders of the Company
8	Corporate Governance requirements with respect to subsidiary of listed Entity	24	Not Applicable	<input type="checkbox"/> The Company does not have any subsidiary
9	Obligations with respect to Independent Directors	25	Yes	<input type="checkbox"/> Maximum Directorship and Tenure <input type="checkbox"/> Meeting of Independent Directors <input type="checkbox"/> Familiarization of Independent Directors
10	Obligations with respect to Directors and Senior Management	26	Yes	<input type="checkbox"/> Memberships / Chairmanships in Committees <input type="checkbox"/> Affirmation with compliance to Code of Business Conduct and Ethics from Directors and Management Personnel <input type="checkbox"/> Disclosure of shareholding by Non-executive Directors <input type="checkbox"/> Disclosures by Senior Management about potential conflicts of interest
11	Other Corporate Governance requirements	27	Yes	<input type="checkbox"/> Compliance with discretionary requirements <input type="checkbox"/> Filing of quarterly compliance report on Corporate Governance
12	Website	46(2)(b) to (i)	Yes	<input type="checkbox"/> Terms and conditions of appointment of Independent Directors <input type="checkbox"/> Composition of various Committees of Board of Directors <input type="checkbox"/> Code of Business Conduct and Ethics for Directors and Management Personnel <input type="checkbox"/> Details of establishment of Vigil Mechanism/ Whistle Blower Policy <input type="checkbox"/> Policy on dealing with Related Party Transactions <input type="checkbox"/> Details of familiarization programmes imparted to Independent Directors



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members,  
M/s Banas Finance Limited,  
E-109, Crystal Plaza, New Link Road,  
Andheri (West), Mumbai 400053

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s Banas Finance Limited**, having CIN **L65910MH1983PLC030142** and having registered office at **E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai 400053** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)), BSE as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name Of Directors	DIN	Date Of Appointment	Status of the Director
1	Girraj Kishor Agrawal	00290959	02/06/2010	Active
2	Tanu Girraj Agrawal	00290966	13/10/2016	Active
3	Amit Gulecha	06964404	03/09/2014	Active
4	Chirag Goyal	09013570	31/12/2020	Active
5	Vikash Kulhriya	09014921	31/12/2020	Active

I further hereby inform that, ensuring the eligibility for the appointment / continuity of Director on the Board is the responsibility of the Company. Our responsibility is to issue this certificate based on verification of documents and information available in the public domain. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Nitesh Chaudhary  
Practicing Company Secretary  
CP No.: 16275  
Sd/-  
Nitesh Chaudhary  
Proprietor  
FCS No. 10010

Place: Indore  
Date: 12/08/2022  
UDIN: F010010D000790042

## Management Discussions and Analysis

The Management Discussion and Analysis Report for the year ended 31st March, 2022 as stipulated under Regulation 34 (2) (e) read with Schedule V of SEBI (LODR) Regulations 2015 have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI).

Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The operational performance and future outlook of the business has been reviewed by the management based on current resources and future development of the Company.

Banas Finance Ltd. is a Non deposit-taking Non-Banking Financial Company (NBFC-D) registered with the Reserve Bank of India (RBI). It is mainly engaged into business of Finance and Share Trading activity. The Company has a good lending portfolio.

### NAVIGATING THROUGH COVID-19:

Your Company is continuously reviewing the evolving situation in the light of COVID-19 and playing a responsible role in minimizing the adverse impact of the pandemic on its businesses and the stakeholders' interests. Adapting to the 'new normal' of conducting business, your Company realigned the work priorities by placing highest importance on risk controls and collections.

### MACROECONOMIC ENVIRONMENT:

Given the impact of the pandemic, FY2021 was expected to be an extremely demanding year. The consensus was that GDP growth in FY2021 would not only be negative but also would constitute the greatest fall in growth since 1979-80. After an estimated historic correction of (3.3%) in 2020, the International Monetary Fund (IMF) has projected the global economy to grow 6% in calendar year 2021 and 4.4% in 2022 on the back of the fiscal and monetary support provided by governments the world over coupled with widespread vaccination.

In fact, the DE growth in India's GDP was much larger than expected. For April-June 2020, real GDP contracted by a massive 24.4%. India had never recorded a quarter of negative growth since it began issuing such data publicly in 1996. No other large economy shrank so much during the pandemic. In the second quarter, July-September 2020, GDP again contracted by 7.3%. The consensus was that growth in the second half of the fiscal year would be far less than what was needed to erase the effect of the deep recession in the first half.

Thankfully, we began to witness early signs on resumption of economic activity in the second half of the year with several high frequency indicators suggesting that the economy was back on to positive growth. The third quarter (October-December 2020) recorded a GDP growth of 0.4%. And, as mentioned earlier, the second advance estimates of national income for FY2021 released by the CSO indicates a negative GDP growth of 8% for FY2021. Though this was bad enough, the contraction will be far less than earlier thought of – and we should see the fourth quarter (January-March 2021) showing relatively robust growth.

The most recent IMF forecast has also raised India's GDP growth estimate for FY2022 from 11.5% to 12.5%. If that were to occur, it will be the most significant growth turnaround among all the major nations of the world, including China.

In the past, India has seen a recession only thrice: in 1957-58, 1965-66 and 1979-80. The reason was the same each time – that of monsoon shocks affecting agriculture, which was then a sizeable part of the economy. The lockdown induced recession in FY2021 was different with agriculture being a bright spot, since agricultural activity was largely unhindered even during the lockdown phase. The manufacturing sector that initially suffered has since benefitted from the recovery aided by the pent-up demand and shifting consumer preferences. The services sector is showing a weaker recovery especially hotels, travel and entertainment industry.

The Government of India's relief measures comprising (i) direct fiscal spending and transfers to the poor; (ii) loan and guarantee schemes; and (iii) the RBI's liquidity measures aided growth in bank credit, enabled abundant liquidity in the financial sector – which was directed toward impacted segments like the industrial and services sector. While the RBI has maintained an accommodative stance so far, multiple factors like sticky inflation levels, elevated crude oil prices, and risks of US treasury yields will play a part in whether it can continue to maintain an ultra-accommodative stance; and that may have a consequential impact on interest rates in FY2022.

The government has taken on the onus of heavy lifting to revive the investment cycle. A growth-centric and expansionary Union Budget for 2021-22 puts out hope that it will set the tone for infrastructure growth over the next few years.

The fiscal deficit for 2021-22 is budgeted at 6.8% of India's GDP – though high but way below the revised estimate of 9.5% in 2020-21. Given the unprecedented economic havoc caused by the pandemic, such deficits are in line with actions taken globally. Indeed, most experts feel that FY2022 is a year when fiscal discipline will be kept in abeyance. Even so, implementation of the various budget measures is now all-crucial for the economic and fiscal health of the nation. We believe that the resilience shown by the Indian economy coupled with (i) a growth-centric Union Budget and (ii) the RBI maintaining an accommodative stance, will see the Indian economy grow at a faster clip than other economies. However, the only cause for concern is the resurgence of infections and partial lockdowns in some states.

### **INDUSTRY OVERVIEW:**

NBFCs have become important constituents of the financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs are leveraging their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, they are well-suited to bridge the financing gap in a large country like India. Systemically Important NBFCs have demonstrated agility, innovation, and frugality to provide formal financial services to millions of Indians. The systemic importance of the NBFC sector can be gauged by the following facts:

- The NBFC sector (including HFCs) has assets worth more than Rs 54 lakh crore as of 31 March 2021, equivalent to about 25% of the balance sheet size of the banking sector – up from 12% of the balance sheet size of banks in 2010.
- Over the last five years, NBFC's assets have grown at cumulative average growth rate of 17.9%.
- NBFCs were the largest net borrowers of funds from the financial system, with gross payables of Rs. 12.06 lakh crore and gross receivables of Rs. 1.65 lakh crore as of 30 September 2021. HFCs were the second largest net borrowers of funds from the financial system, with gross payables of Rs. 7.38 lakh crore and gross receivables of Rs. 0.61 lakh crore as of 30 September 2021.
- Credit delivery growth of NBFCs in terms of the share of GDP has grown from 8.6% in FY2013 to 13.7% in FY2021.

The Company Banas Finance Limited appreciate yet another strong year of performance aided by a Merger/amalgamation of 3 Companies of same management and the Company has reduced the burden and extra cost of operations and compliance by merging other same management companies which for better operations/management and low cost of operation with greater working capital for the business., robust volume growth, efficient operating costs and effective risk management.

### **OUTLOOK FOR FY 2021-22:**

As the pandemic has spread across the globe, the adverse impact of COVID-19 has overshadowed global macroeconomic outlook. Several multilateral agencies have projected recession for the global economy in the calendar year 2020 with the IMF (International Monetary Fund) warning of the worst global recession in almost a century.

The RBI estimates real GDP growth of India to remain in negative territory in FY22. Rating agencies and economic think-tanks have significantly reduced India's growth projections for FY21 to -2% to -5% on the back of extended lockdown, factory shutdowns, supply chain disruptions, travel restrictions, reduced discretionary spending and recessionary outlook for the global economy.

To avert steeper decline in economic growth, major countries have used a mix of monetary and fiscal tools to ensure liquidity and credit flow to their economies. In India, while the RBI has been doing the heavy lifting, various policy measures announced by the Government in its Economic Package are perceived to be more useful in the medium to long term.

The nature of lockdown observed in India is amongst the strictest in the world, considering the domestic policy space to control its negative impact is limited. The consequent steeper decline in economic activities could adversely affect credit intermediaries and financial markets. Moreover, the broad-based economic slowdown will put pressure on the asset quality of lenders.

The COVID-19 led disruptions have severely affected the fiscal arithmetic of both Union and State Governments. It is already reflected in the large additional borrowings envisaged by both Union and State Governments along with expenditure rationalization measures including reduction in capital expenditure. Such steep rise in government market borrowings will have hardening bias on yields and put pressure on the cost of borrowings of companies and NBFCs.

### **ECONOMIC OVERVIEW OF FINANCE INDUSTRY:**

#### ➤ **GLOBAL ECONOMY:**

World gross product fell by an estimated 4.3 percent in 2020, the sharpest contraction of global output since the Great Depression. The pandemic hit the developed economies the hardest, given the strict lockdown measures that many countries in Europe and several states of the United States of America imposed early on during the outbreak. The developing countries experienced a relatively less severe contraction, with output shrinking by 2.5 percent in 2020. Their economies are projected to grow by 5.7 percent in 2021.

The activity around the world is expected to strengthen in the second half of the current year due to improved COVID-19 management and the ongoing vaccination program, allowing for easing of pandemic control measures. Global economic output is expected to expand 4 percent in 2021 but still remain more than 5 percent below pre-pandemic projections. Global growth is projected to moderate to 3.8 percent in 2022, weighed down by the pandemic's lasting damage to potential growth.

The global economic recovery, which has been dampened in the near term by a resurgence of COVID-19 cases is expected to strengthen over the coming months as confidence, consumption, and trade gradually improves, supported by ongoing vaccination. Building economic, social and environmental resilience must guide the recovery from the crisis.

#### ➤ **INDIAN ECONOMY:**

Financial Year 2020-21 started with a nation-wide lockdown in India. However, India emerged as the fastest-growing major economy in the world. It is expected to be one of the top three economic powers in the world over the next 10-15 years. It is backed by robust democracy and strong partnerships. The Economic Survey has projected that the economy will grow at 11 percent, up from an estimated historic decline of 7.7 percent in 2020-21, on account of the COVID-19 pandemic.

Also, the vaccination drive is expected to provide an impetus for the restoration of contact-intensive sectors and a leading edge to the Indian pharma industry in the global market. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. India's retail inflation, measured by the Consumer Price Index (CPI), rose to 5.52% in the month of March. Separately, the country's factory output, measured in terms of the Index of Industrial Production (IIP), witnessed a contraction of (-)3.6 per cent in February, as per Ministry of Statistics & Programme Implementation (MoSPI). The retail inflation during the month of February was at 5.03%. The rise in retail inflation in March can be attributed to the rise in food prices.

#### **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The NBFC sector saw a largely stable outlook for major NBFC's. From the perspective of larger financial systems, scheduled commercial banks continued to be a dominant players accounting for nearly 47% of the bilateral exposure followed by Asset Management Companies managing mutual funds, NBFC's, Insurance Companies, Housing Finance Companies and all India Financial Institutions.

For several years, NBFCs have rapidly emerged as an important segment of the Indian Financial System. The sector is now being recognized as complementary to the banking sector due to the implementation of innovative marketing strategies, introduction of tailor made products, customer oriented services, attractive rates of return on deposits and simplified procedures. NBFCs in India have recorded marked growth in recent years. After their existence, they are useful and successful for the evolution of a vibrant, competitive and dynamic financial system in Indian money market. The success factors of their business has been by making the most of their ability to contain risk, adapt to changes and tap demand in markets that are likely to be avoided by the bigger players. Thus the need for uniform practices and level playing field for NBFCs in India is indispensable.

#### **NBFCs:**

Over the past few years, NBFCs have undergone a significant transformation and today they form an important component of India's financial system. Playing a critical role in the development of infrastructure, transport and employment generation, NBFCs are changing the business loan landscape in the country. Most NBFCs, leverage alternative and tech-driven credit appraisal methodologies to assess the credit worthiness of prospective borrowers.

This difference in approach allows them to meet loan requirements of individuals and businesses left traditionally underserved by banks. With the introduction of e-KYC, making borrowing an instant and hassle-free experience, NBFCs are already offering the right financial products to consumers and small businesses in a customized manner. The use of technology to optimize business processes also keeps cost overheads to a minimum, enabling credit to be availed at highly competitive interest rates.

#### **KEY OPPORTUNITIES:**

- ♣ Increasing the penetration in the Micro, Small and Medium Enterprise (MSME) segment with new and dynamic operating models.

- ♣ Synergistic alliances with fintech companies to tap niche markets.
- ♣ Accessing new customers and cheaper funding sources by developing a viable co-lending business model.
- ♣ Tapping into the fast-growing e-commerce segment.
- ♣ Diversifying assets by targeting new profitable segments and developing the capabilities required to serve those segments.
- ♣ Developing digital capabilities to boost sales productivity.
- ♣ Increasing fee income through advisory services.
- ♣ Using digital competencies and tools to improve sales productivity – the use of advanced analytics and machine learning to build propensity models for lead generation, making real-time offers available to sales representatives by using customer data from multiple internal and external sources.

#### **OPERATIONAL REVIEW:**

Total Revenue/income from Operations is Rs. 10094.86 lakhs for the FY 2021-2022 comparison to FY 2020-2021 Rs. 1446.99 lakhs.

#### **SUBSIDIARY COMPANY:**

As there are no subsidiaries of the Company, Investment made in Subsidiaries is NIL.

#### **SEGMENT-WISE PERFORMANCE:**

The Company operates in single reported segment with main business of Finance and Share Trading activity.

#### **OPPORTUNITIES AND THREATS:**

Growth of the company's asset book, quality of assets and ability to raise funds depends significantly on economy. Unfavorable events in the Indian economy can affect consumer sentiments and in turn impact consumer decision to purchase financial products. Competition from a broad range of financial service providers, unstable political environment, changes over policies/regulatory framework could impact the company's operations.

There are several large and profitable opportunities for NBFCs and the sector plays an important role in the Indian financial system. The key is for the NBFC sector to grow in a prudential manner while focusing on financial innovation and in having in place, the adequate risk management systems and procedures before entering into risky areas. The regulator constantly endeavors to balance the multiple objectives of financial stability, consumer and depositor protection and regulatory arbitrage concerns.

#### **RISKS AND CONCERNS:**

##### **NEW RISK MANAGEMENT FRAMEWORK**

However, another green shoot that emerged from the regulatory intervention as the RBI introduced a new liquidity risk management framework to holistically counter future risks in the sector.

Under the new framework, non-deposit taking NBFCs with asset size of more than INR 10,000 crore and all deposit taking NBFCs will have to maintain a liquidity coverage ratio (LCR) requirement of 50 per cent by December 1, 2020, and progressively increase it to 100 per cent by December 2024. Similarly, non-deposit taking NBFCs with asset size between INR 5,000 crore and INR 10,000 crore would be required to have a minimum LCR of 30 per cent by December 1, 2020.

This might have produced short-term pain in the industry but it's an excellent long-term measure to protect the sector from externalities and improve the overall risk management frameworks across the industry. This will not only boost the confidence in the robustness of the sector, but it could also potentially lower the cost of funds for NBFCs as their risk perception goes down massively due to the new LCR reporting framework.

Moreover, the RBI's emphasis on its commitment to not let any NBFC fail came as a strong signal from the government that it firmly stands behind the sector. Due to the easier liquidity provisions, the flow of funds to NBFCs from banks improved by over 30 per cent in just a year.

As a result, the sector now stands on a firm footing with the right regulatory provisions in place along with liquidity windows which have allowed NBFCs to raise funds. Overall, the signs are encouraging as the asset quality for SME lending remains stable and lower than commercial lending non-performing asset rates in India.

According to CIBIL, SME 1 segment had just 9 per cent delinquencies compared to NPAs reaching up to 14 per cent in the larger ticket size segment. Meanwhile, NBFCs looked outwards for funds to keep the credit cycles running. Many players have raised funds outside the country and these offshore borrowings are expected to continue going into 2020, at least till the time credit flow in the Indian economy resumes.



The crucial bit to note here is that lending by NBFCs forms the backbone of India's economy, especially for the micro, small and medium enterprises sector.

As an NBFC, Banas is exposed to Credit, Liquidity and Interest Rate Risk. The Company takes risk management seriously and its procedures and policies in the area are well defined and considered appropriate for the assessment and management of individual risk categories. Sustained efforts to strengthen the Risk Framework have yielded consistently better outcomes for the company.

Company is well placed on the liquidity front and appropriate policies exist for underwriting credit risk. The Company endeavors to continuously learn and modifies its policies to manage the aforementioned risks.

The Audit Committee has been periodically reviewing the risk profile of the Company and evaluating the adherence by the branches / functions of the systems and processes in place for monitoring, evaluation, assessment and mitigation of risk through a systematic and effective audit programme. The observations of Audit Committee, if any, on the risk management are reported to the board.

**The key risks are:**

- i) Liquidity risk
- ii) Interest rate risk
- iii) Credit risk
- iv) Business risk
- v) Regulatory risk
- vi) Pandemic risk.

**INTERNAL CONTROL SYSTEM & ADEQUACY:**

The company has adequate internal control system commensurate with its size and business. The company Com- plied with all applicable statutes, policies, procedures, listing requirements and management guidelines. It Adheres to applicable accounting standards and polices.

Banas has robust internal audit programme, where the internal auditors, an independent firm of chartered accountants, conduct a risk-based audit with a view to not only test adherence to laid down policies and procedures but also to suggest improvements in processes and systems. Their audit program is agreed upon by the Audit Commit- tee. Internal audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of such recommendations.

**HUMAN RESOURCE:**

The Company has excellent combination of experienced and talented employees. The Company also undertakes on regular basis various training programmes to keep its employees updated on new technical developments and information which directly results in optimum capacity utilization and cost effectiveness. The Company's relation with its employees continues to be cordial. The Company always reciprocates commitment to its employees in order to motivate them to perform the best.

"IN ORDER TO MINIMISE THE DISRUPTION IN OUR OPERATIONS AND PROTECT THE HEALTH AND SAFETY OF OUR EMPLOYEES, WE HAVE LEVERAGED OUR TECHNOLOGY SYSTEMS AND UNDER TAKEN NUMBER OF MEASURES TO SUPPORT OUR EMPLOYEES WORKING FROM HOME BY PROVIDING THEM WITH LAPTOPS AND TABLETS AND CONDUCTING ONLINE TRAINING SESSIONS."

**FULFILLMENT OF RBI NORMS AND STANDARDS:**

The Company continues to fulfill all applicable norms and standards laid down by the Reserve Bank of India pertaining to prudential norms, income recognition, accounting standards, asset classification as applicable to NBFC's (ND) except few, explanation pertaining to which has been provided in Boards' report.

**OUTLOOK:**

The company is cautiously optimistic in its outlook for the year 2022-23. The outlook of the company for the year ahead is to diversify risk and stabilize its asset quality. The Corporate Finance Division will adopt a cautious approach and focus on customer relationships. This division will look to grow its supply chain, structured finance and leasing business.



**CAUTIONARY STATEMENT:**

Statements in foregoing paragraphs of this report describing the current industry structure, outlook, opportunities, etc., may be construed as “forward looking statements”, based on certain assumptions of future events over which the Company exercises no control. Therefore, there can be no guarantee as to their accuracy. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those that may be implied by these forward looking statements.

**FOR & ON BEHALF OF THE BOARD**

Sd/-  
**Amit Gulecha**  
Managing Director  
DIN:06964404

Sd/-  
**Girraj Kishor Agrawal**  
Director  
DIN:00290959

Place: Mumbai  
Date: 29/08/2022

## ANNEXURE- VI

### CFOCERTIFICATION

**To the Members of  
Banas Finance Limited**

I undersigned, CFO of Banas Finance Limited ("the Company") to the best of my knowledge and belief certify that:

a. I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of my knowledge and belief; I state that:

i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. These statements together present a true and fair view of the listed entity affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. I further state that to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violation of the Company's Code of Conduct.

c. I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.

d. I have indicated to the Auditors and the Audit Committee:

Significant changes, if any, in internal control over financial reporting during the year;

i. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

ii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Banas Finance Limited**

**Sd/-  
Nemichand Saini  
Chief Financial Officer**

**Date: 29/08/2022**

## **DECLARATION ON COMPLIANCE OF CODE OF CONDUCT OF BOARD & SENIOR MANAGEMENT**

### **DECLARATIONS**

Compliance with the Code of Business Conduct and Ethics As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Banas Finance Limited Code of Business Conduct and Ethics for the year ended March 31,2022.

**For Banas Finance Limited**

Sd/-  
Girraj Kishor Agrawal  
Director  
DIN: 00290959  
Dated: 29/08/2022

# INDEPENDENT AUDITORS REPORT

## Independent Auditor's Report

To  
The Members of  
Banas Finance Limited

Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the Ind AS financial statements of Banas Finance Limited ('the Company'), which comprise the balance sheet as at 31 March 2022, the statement of profit and loss, statement of changes in equity and the cash flow statement for the year then ended and notes to financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, of the state of affairs of the Company as at March 31, 2022, and profit/loss, its cash flows and changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 on the Ind AS financial statements.

### Emphasis of Matter

We further draw an attention to the uncertainties and the management's assessment of the financial impact due to the lockdowns and other restrictions and conditions related to the Covid-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements for the financial year ended 31st March 2022. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
(A) Impairment of financial assets (expected credit losses)	
Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets (designated at amortized cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including: unbiased, probability weighted outcome under various scenarios;	We read and assessed the Company's Accounting policies for impairment of financial assets and their compliance with Ind AS 109. We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation. Tested the ECL model, including assumptions and underlying computation.

time value of money; impact arising from forward looking macro-economic factors and; availability of reasonable and supportable information without undue costs. Applying these principles involves significant estimation in various aspects, such as: grouping of borrowers based on homogeneity by using appropriate statistical techniques; staging of loans and estimation of behavioral life; determining macro-economic factors impacting credit quality of receivables; estimation of losses for loan products with no/minimal historical defaults. Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.	Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults. Audited disclosures included in the Ind AS financial statements in respect of expected credit losses.
---	---

### Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Ind AS financial statements and our auditors' report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management for Standalone 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

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

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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 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:

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.

(a) 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.

(b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

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

- i. The Company did not have any pending litigations on its financial position in its financial statements.
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund of the Company.



- iv. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("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;
- (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("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; and
- (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

**For Pravin Chandak & Associates**

**Chartered Accountants**

Firm's registration number: 116627W

Sd/-

**Nishant Sampat**

Partner

Membership number: 134410

Place: Mumbai

Date: 28<sup>th</sup> May 2022

UDIN: **21134410AAAAAN9329**

## ANNEXURE- A TO THE INDEPENDENT AUDITORSREPORT

### Annexure A to the Independent Auditors' Report- 31<sup>st</sup> March, 2022

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

- (i) (a)
  - (A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.
  - (B) The company is not having any intangible asset. Therefore, the provisions of Clause (i)(a)(B) of paragraph 3 of the order are not applicable to the company.
- (b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.
- (c) There are no immovable properties, therefore, the provisions of Clause (i)(c) of paragraph 3 of the order are not applicable to the company.
- (d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.
- (ii)
  - (a) The company has no inventory. Therefore, the provisions of clause (ii)(a) of the said Order are not applicable to the Company.
  - (b) During any point of time of the year, the company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets. Therefore, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company.
- (iii)
  - (a) The Company has granted loans to one party covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') amount involved is Rs. 56,250/- and year-end balance is NIL.
  - (b) In the case of the loans granted to any parties in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(ii) (b) of the order is not applicable to the Company in respect of repayment of the principal amount.
  - (c) There are no overdue amounts for period of more than ninety days in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
  - (d) The company has complied with the provisions of section 185 and 186 of the Act. The company has granted loan to 30 parties wherein no interest has been charged. Amount of such loans as on 31<sup>st</sup> March, 2022 is Rs. 1,99,18,990/-.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.
- (v) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of products of the company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.
- (vi)
  - (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2022 for a period of more than 6 months from the date they

became payable.

- (b) According to the information and explanations given to us, there are not any statutory dues referred in sub- clause (a) which have not been deposited on account of any dispute. Therefore, the provisions of Clause (vii)(b) of paragraph 3 of the order are not applicable to the Company.
- (c) According to the records of the company, the dues of income tax, sales tax , service tax, duty of custom , duty of excise , value added tax , goods and services tax and cess which have not been deposited on account of any dispute, are as follows:

Assessment Year	Amount	Remarks
AY: 2011-12	22,30,860	Unexplained Cash Credit u/s 68
AY : 2013-14	1,00,000	Listing Fees were disallowed
	19,99,20,000	Cash Credit has been disallowed
	1,40,000	Income has been voluntarily added by the assessee
AY: 2015-16	14,71,376	Disallowance u/s 14A
	68,127	Addition u/s 68 of the Income Tax Act.
AY 2014-15	7,30,788	Disallowance u/s 14A
AY 2017-18	2,46,625	Disallowance u/s 14A
AY : 2016-17	17,47,341	Disallowance u/s 14A
	26,32,164	Disallowance on Sale of Shares
	52,643	Unexplained Expenses has been added

- (viii) In our opinion and according to the information and explanations given to us, there is not any transaction not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.
- (c) The company has no loans. Therefore, the provisions of clause (ix)(c) of the said Order are not applicable to the company.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis **which have been utilized for long term purposes.**
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x)

- (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the company has not made preferential allotment or private placement of shares during the year. Therefore, the provisions of Clause (x)(b) of paragraph 3 of the order are not applicable to the Company.

- (xi)
- (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As auditor, we did not receive any whistle-blower complaint during the year.
- (xii) The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.
- (xiii) As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been Disclosed in the financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company
- (xiv) The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.
- (xvi)
- (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India
- (d) As per the information and explanations received, the group does not have any CIC as part of the group.
- (xvii) The company has not incurred cash loss in current financial year as well in immediately preceding financial year.
- (xviii) There has been no resignation of the previous statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- (xx) There is not liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.
- (xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause Of paragraph of the order are not applicable to the company.

**For Pravin Chandak & Associates**

Chartered Accountants

Firm's registration number: 116627W

Sd/-

**Nishant Sampat**

Partner

Membership number: 134410

Place: Mumbai

Date: 28<sup>th</sup> May 2022

UDIN: 21134410AAAAAN9329

## ANNEXURE- B TO THE INDEPENDENT AUDITORS

be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2022.

- a) The Company did not have an appropriate internal control system for granting Loans. Demand and other loans given are governed by the Board policies. Considering the close monitoring of Board no appraisal, renewal, Policies, Procedure, Committee or documents have been prescribed and executed.
- b) The Company's internal control system is not commensurate to the size and scale of operation over purchase and sale of shares and inventory and for expenses incurred.

A 'material weaknesses' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects / possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2022, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2022 financial statements of the Company, and the material weaknesses does not affect our opinion on the financial statements of the Company.

### FOR PRAVIN CHANDAK & ASSOCIATES

#### Chartered Accountants

Firm's registration number: 116627W

Sd/-

**Nishant Sampat**

**Partner**

Membership number: 134410

Place: Mumbai

Date: 28<sup>th</sup> May 2022

UDIN: 21134410AAAAAN9329

## NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS, 2016

The Board of Directors  
**M/s Banas Finance Limited**  
E-109, Crystal Plaza  
New Link Road  
Andheri (West),  
Mumbai - 400053

As required by Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions 2016 issued by Reserve Bank of India, on the matters specifies in Para 3 and 4 of the said directions to the extent applicable to the company and according to the information and explanations given to us for the purpose of audit for the year ended 31st March 2022 we report that:

1. We hereby state that M/s Banas Finance Limited is engaged in the business of Non-Banking Financial Institution and it has obtained a Certificate of Registration from the Reserve Bank of India and no. 13.01152.
2. The company is entitled to hold such Certificate of Registration in terms of its assets/income pattern as on 31st March, 2022.
- 3) The company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company-Non - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016.
- 4). The Board of Directors has passed a resolution for non-acceptance of any public deposits in its meeting held on 27<sup>TH</sup> April, 2022.
- 5). The company has not accepted any public deposits during the year ended 31<sup>st</sup> March, 2022.
- 6) The Company has not complied with few prudential norms as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

**For Pravin Chandak & Associates**  
**Chartered Accountants**  
**Firm's registration number: 116627W**  
**Sd/-**  
**Nishant Sampat**  
**Partner**  
**Membership number: 134410**  
**Place: Mumbai**

**Date: 20<sup>th</sup> July, 2022**  
**UDIN: 22134410APHOEO1144**



<b>BANAS FINANCE LIMITED</b>			
<b><u>BALANCE SHEET AS AT 31st MARCH, 2022</u></b>			
		<b>Amount in Lakhs</b>	
	<b>Note</b>	<b>As at March 31, 2022 Amount (Rs.)</b>	<b>As at March 31, 2021 Amount (Rs.)</b>
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	2	1,120.15	150.46
Bank balance other than cash and cash equivalents	3	10.00	10.89
Loans (At Amortised Cost)	4	2,806.51	4,973.93
Investments	5	13,843.35	4,443.50
Other financial assets	6	876.31	385.88
<b>Total Financial Assets</b>		<b>18,656.32</b>	<b>9,964.66</b>
<b>Non-financial Assets</b>			
Inventories		-	-
Deferred tax assets (net)	7	-	208.04
Property, plant and equipment	8	2.53	2.75
Other non-financial assets	9	179.63	195.17
<b>Total Non-financial Assets</b>		<b>182.16</b>	<b>405.95</b>
<b>Total</b>		<b>18,838.48</b>	<b>10,370.61</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	10	-	-
(i) total outstanding dues of micro enterprises and small enterprises		1.91	8.27
(ii) total outstanding dues of creditors other than micro enterprises	11	689.70	1,120.40
Borrowings		<b>691.61</b>	<b>1,128.67</b>
<b>Total Financial Liabilities</b>			
<b>Non-financial liabilities</b>			
Other Non Financial Liabilities	12	-	0.01
Deferred tax Liability	13	1,968.34	-
<b>Total Non-Financial Liabilities</b>		<b>1,968.34</b>	<b>0.01</b>
<b>Equity</b>			
Equity Share capital	14	2,564.87	2,564.87
Other equity	15	13,613.65	6,677.06
<b>Total equity</b>		<b>16,178.53</b>	<b>9,241.93</b>
<b>Total</b>		<b>18,838.48</b>	<b>10,370.61</b>
Significant Accounting Policies	1-49		
The accompanying notes are an integral part of financial statements			
<b>As per our Report of Even Date</b> <b>For Pravin Chandak &amp; Associates</b> <b>Chartered Accountants</b> (Firm Registration No.116627W) <b>Sd/-</b> <b>Nishant Sampat</b> <b>Partner</b> Membership Number: 134410 Place: Mumbai <b>UDIN : 22134410AJUGDX7280</b>		<b>For and on behalf of the Board of Directors</b> <b>of Banas Finance Limited</b>  <div style="display: flex; justify-content: space-between;"> <div> <b>Sd/-</b>  <b>Girraj Kishor Agrawal</b>  <b>[Director]</b>  <b>DIN: 00290959</b> </div> <div> <b>Sd/-</b>  <b>Amit Gulecha</b>  <b>[Director]</b>  <b>DIN: 06964404</b> </div> </div> <div style="display: flex; justify-content: space-between;"> <div> <b>Sd/-</b>  <b>Prajna Naik</b>  <b>[Company Secretary ]</b> </div> <div> <b>Sd/-</b>  <b>Nemichand Saini</b>  <b>[CFO]</b> </div> </div>	

BANAS FINANCE LIMITED			
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2022			
		Amount in Lakhs	
Particulars	Note	For the Year ended 31st March 2022	For the Year ended 31st March 2021
<b>Revenue from operations</b>			
Revenue from operations	16	1,191.79	532.81
Other Income	17	8,903.07	914.18
<b>Total Income</b>		<b>10,094.86</b>	<b>1,446.99</b>
<b>Expenses</b>			
Purchases	18	1,359.74	125.49
Changes in inventories of stock in trade	19	-489.76	-52.58
Employees benefits expense	20	34.71	29.66
Finance costs	21	10.93	25.32
Depreciation & Amortisation expenses		0.22	0.22
Impairment on financial instruments	22	-24.14	306.56
Other Expenses	23	39.19	57.72
<b>Total expenses</b>		<b>930.89</b>	<b>492.35</b>
<b>PROFIT BEFORE TAX</b>		<b>9,163.97</b>	<b>954.64</b>
<b>Tax expenses</b>			
Current Tax		51.00	7.57
Tax of earlier years		-	-
Deferred Tax		2,176.38	-174.69
<b>Total Tax expenses</b>		<b>2,227.38</b>	<b>-167.12</b>
<b>PROFIT FOR THE YEAR</b>		<b>6,936.59</b>	<b>1,121.76</b>
<b>Total Comprehensive income for the year</b>		<b>6,936.59</b>	<b>1,121.76</b>
<b>Earning per equity share:</b>			
Basic		27.04	4.37
Diluted		27.04	4.37
Significant Accounting Policies	1-49		
The accompanying notes are an integral part of financial statements			
<b>As per our Report of Even Date</b>		<b>For and on behalf of the Board of Directors of Banas Finance Limited</b>	
<b>For Pravin Chandak &amp; Associates</b>			
<b>Chartered Accountants</b>			
(Firm Registration No.116627W)			
		s/d	s/d
		Girraj Kishor Agrawal	Amit Gulecha
		[Director]	[Director]
		DIN: 00290959	DIN: 06964404
<b>Sd/-</b>			
<b>Nishant Sampat</b>			
<b>Partner</b>			
Membership Number: 134410			
Place: Mumbai			
Date: 28th May ,2022			
UDIN : 22134410AJUGDX7280			
		s/d	s/d
		Prajna Naik	Nemichand Saini
		[Company Secretary ]	[CFO]

<b>BANAS FINANCE LIMITED</b>				
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022</b>				
<b>Amount in Lakhs</b>				
<b>Particulars</b>	<b>For the year ended March 31, 2022</b>		<b>For the year ended March 31, 2021</b>	
<b>Cash Flow from Operating Activities</b>				
Profit before tax		9,163.97		954.64
<b>Adjustment to reconcile profit before tax to net cash flows</b>				
Depreciation	0.22		0.22	
Finance Cost	10.93		25.31	
Bad debts	152.05		349.57	
Bad debts Recovered	-35.00			
Profit on sale of Investment	-302.22			
Loss on sale of Investment	-		23.98	
Discount Allowed				
Write off	-3.00			
Write back	2.47			
Provision for Expected Credit loss	-176.18		-43.01	
Income From Alternate Investment Fund	-115.24		9.76	
Net Loss/(Gain) on fair value changes	-8,424.59	-8,890.58	-878.55	-512.73
<b>Operating Profit before Working Capital Changes</b>		<b>273.40</b>		<b>441.91</b>
<b>Working Capital adjustments</b>				
(Increase)/Decrease in Loans	2,194.48		481.70	
(Increase)/Decrease in Other financial assets	-484.44		-24.31	
(Increase)/Decrease in Inventory	-		7.90	
(Increase)/Decrease in Other non-financial assets	43.04		2.15	
Increase/(Decrease) in Trade payables	-6.35		0.83	
Increase/(Decrease) in Other Non Financial Liabilities	-	<b>1,746.72</b>	-8.00	<b>460.27</b>
<b>Cash Generated From Operations</b>		<b>2,020.11</b>		<b>902.18</b>
Income tax paid		51.00		
<b>Net Cash from / (Used in) Operating Activities A</b>		<b>1,969.11</b>		<b>902.18</b>
<b>Cash Flow from Investing Activities B</b>				
Proceed from sale of Investment	1,094.71		574.26	
Investment made during the year	-1,767.75		-2,098.97	
Purchase of Property Plant & Equipment	-		-	
Income From Alternate Investment Fund	115.24		-9.76	
Bank Deposits (More than 3 months & upto 12 months)	-		-	
<b>Net Cash from Investing Activities B</b>		<b>-557.79</b>		<b>-1,534.46</b>
<b>Net Cash from Financial Activities C</b>				
Finance cost	-10.93		-25.31	
Proceeds from borrowings	138.66		74.70	
Repayment of borrowings	-569.36		-15.00	
<b>Net cash flow used in financing Activities</b>		<b>-441.63</b>		<b>34.39</b>
<b>NET (DECREASE)INCREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>969.69</b>		<b>-597.88</b>
<b>Cash and Cash Equivalents-Opening Balance</b>		<b>150.46</b>		<b>748.34</b>
<b>Cash and Cash Equivalents-Closing Balance</b>		<b>1,120.15</b>		<b>150.46</b>
<b>As per our Report of Even Date</b>				
<b>For Pravin Chandak &amp; Associates</b>		<b>For and on behalf of the Board of Directors</b>		
<b>Chartered Accountants</b>		<b>of Banas Finance Limited</b>		
(Firm Registration No.116627W)				
		s/d	s/d	
		Girraj Kishor Agrawal	Amit Gulecha	
		[Director]	[Director]	
		DIN: 00290959	DIN: 06964404	
<b>Sd/-</b>				
<b>Nishant Sampat</b>				
<b>Partner</b>				
Membership Number: 134410				
Place: Mumbai		s/d	s/d	
Date: 28th May ,2022		Prajna Naik	Nemichand Saini	
<b>UDIN : 22134410AJUGDX7280</b>		<b>[Company Secretary ]</b>	<b>[CFO]</b>	

**BANAS FINANCE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2022**

(A) Equity share capital	Amount in Lakhs			
	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
Equity shares of INR. 10/- each issued, subscribed and fully paid				
Opening	2,56,48,730	2564.87	1,13,76,000	1137.60
Add: issue during the year			1,42,72,730	1427.27
Closing	2,56,48,730	2564.87	2,56,48,730	2564.87

(B) Other equity

1) Current reporting period

1) Current reporting period					Amount in Lakhs		
Particulars	Share application money pending allotment	Reserve and surplus					Total
		Securities premium reserve	Capital Reserve	Other reserves			
				Statutory reserve	General reserve	Retained earnings (surplus/ deficit in P and L)	
Balance as at April 1, 2021		5,241.32	2,304.80	249.46	56.03	-1,174.55	6,677.06
Changes in accounting policy/ prior period errors							
Restated Balance as at April 1, 2021		5,241.32	2,304.80	249.46	56.03	-1,174.55	6,677.06
Profit for the year						6,936.59	6,936.59
Items of other comprehensive income for the year, net of tax							-
Remeasurement benefit of Defined Benefit Plans						-	-
Total comprehensive income for the year	-	5,241.32	2,304.80	249.46	56.03	5,762.04	0.14
Transferred to/ (from)				1,394.41		-1,394.41	-
Any other changes							-
Balance as at March 31, 2022		5,241.32	2,304.80	1,643.88	56.03	4,367.63	13,613.65

2) Previous reporting period

2) Previous reporting period		Amount in Lakhs					
Particulars	Share application money pending allotment	Reserve and surplus					Total
		Securities premium reserve	Capital Reserve	Other reserves			
				Statutory reserve	General reserve	Retained earnings (surplus/ deficit in P and L)	
Balance as at April 1, 2020		5,241.32	2,304.80	25.11	56.03	-2,071.96	5,555.30
Changes in accounting policy/ prior period errors							-
Restated Balance as at April 1, 2020		5,241.32	2,304.80	25.11	56.03	-2,071.96	5,555.30
Profit for the year						1,121.76	1,121.76
Items of other comprehensive income for the year, net of tax							-
Remeasurement benefit of Defined Benefit Plans							-
Total comprehensive income for the year		5,241.32	2,304.80	25.11	56.03	-950.20	6,677.06
Transferred to/ (from)				224.35		-224.35	-
Any other chngaes							-
Balance as at March 31, 2021		5,241.32	2,304.80	249.46	56.03	-1,174.55	6,677.06

As per our Report of Even Date  
For Pravin Chandak & Associates  
Chartered Accountants  
(Firm Registration No.116627W)

For and on behalf of the Board of Directors  
of Banas Finance Limited

s/d  
Nishant Sampat  
Partner  
Membership Number: 134410  
Place: Mumbai  
Date: 28th May, 2022  
UDIN : 22134410AUJGD7280

s/d  
Girraj Kishor Agrawal  
[Director]  
DIN: 00290959

s/d  
Amit Gulecha  
[Director]  
DIN: 06964404

s/d  
Prajna Naik  
[Company Secretary]

s/d  
Nemichand Saini  
[CFO]

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR PERIOD 31.03.2022**

**Note:- 1**

**A) Basis of preparation of Financial Statements**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2016. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").

**B) Basis of measurement**

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, which are measured at fair value.

**C) Going Concern Assumption:-**

The Financial Statements have been prepared assuming entity will be able to continue its operation in near foreseeable future and there is no material circumstances casting doubt over going concern ability of company and neither management intends to liquidate its operation. Though company has accumulated loss, management has made sufficient viable plan to overcome such situation in future and the plan appears to be promising to validate the going concern assumption.

**D) Inventory valuation**

Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

**E) Use of Estimates**

The preparation of the Financial Statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the Financial Statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the Financial Statements is made relying on these estimates. ii) The estimates and judgements used in the preparation of the Financial Statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Actual results may differ from these estimates under different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements.

**F) Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**G) Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**H) Provisions, Contingent Liabilities and Contingent Assets**

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

Possible future obligations or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liabilities in the notes to accounts of Financial Statements.

**I) Property, plant and equipment (PPE) and Intangible assets**

**Tangible Assets**

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes, substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

**Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

**a) Depreciation**

Depreciation on tangible assets is provided using the Straight Line Method over the useful lives of the assets estimated by the Management. Depreciation for the assets purchased / sold during the year is proportionately charged as prescribed in Schedule II to the Companies Act, 2013. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use.

**b) Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet dates and if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**J) Investments**

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. The investments have been valued at fair value in compliance with the Indian Accounting Standards.

**K) Taxation**

Tax expense comprises of current income tax and deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Minimum Alternative Tax (MAT) credit is recognised as an asset and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

**L) Financial instruments**

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments. All the financial instruments are recognised on the date when the company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Group recognises the financial instruments on settlement date.

**(i) Financial assets**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.



### **Initial measurement**

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss.

### **Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified as Equity instruments designated at FVOCI

All equity investments in scope of Ind AS 109 'Financial instruments' are measured at fair value. The company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in OCI. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

### **Impairment of financial assets**

Expected credit loss (ECL) are recognised for financial assets held under amortised cost, and certain loan commitments.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. ECL is recognised for stage 2 and stage 3 financial assets.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

Treatment of the different stages of financial assets and the methodology of determination of ECL

#### **(a) Credit impaired (stage 3)**

The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether the loan is otherwise considered to be in default.

#### **(b) Significant increase in credit risk (stage 2)**

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure.

#### **(c) Without significant increase in credit risk since initial recognition (stage 1)**

ECL resulting from default events that are possible in the next 12 months are recognised for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using application/behavioural score cards and other performance indicators, determined statistically.

#### **(d) Measurement of ECL**

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors. The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR. | Determination of PD is covered above for each stages of ECL. | EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities. | LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

### **M) Revenue recognition**

#### **Interest and related income**

Interest and related income Interest income, for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

### Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

### Sale of Securities held for trading

Company recognizes revenue to depict the transfer of promised goods to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company recognizes revenue from the sale of goods measured at the fair value of the consideration received or receivable.

#### BANAS FINANCE LIMITED

#### Notes forming part of the Accounts for the year ended 31st March 2022

		Amount in Lakhs	
Note No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
2	<b><u>Cash and Cash equivalents</u></b>		
	Balance with banks		
	- Current Account	81.94	73.50
	Cash on Hand	9.29	23.42
	Bank deposit with maturity of less than 3 months	1,028.92	53.54
		<b>1,120.15</b>	<b>150.46</b>
3	<b><u>Bank balance other than cash and cash equivalents</u></b>		
	Bank Deposits (More than 3 months & upto 12 months)	10.00	10.89
		<b>10.00</b>	<b>10.89</b>
4	<b><u>Loans (At Amortised Cost)</u></b>		
	<b>(A) Loans ( Repayable on demand )</b>		
	Loan	3,029.24	5,372.85
	Less: Impairment Loss Allowance	-222.74	-398.92
		<b>2,806.51</b>	<b>4,973.93</b>
	<b>(B) Out of above</b>		
	<b>(i) Secured</b>		
	<b>(ii) Unsecured ( Repayable on demand)</b>		
	Loans considered Good	2,762.32	4,781.02
	<b>(a)</b>		-
	Loans considered Doubtful	266.92	591.82
	Less: Impairment Loss Allowance	-222.74	-398.92
	<b>(b)</b>	44.19	192.90
	<b>Total (a + b)</b>	44.19	192.90
	<b>(C) Out of above</b>		
	<b>(i) Public Sector (c)</b>		-
	<b>(ii) Others</b>	3,029.24	5,372.85
	Less: Impairment Loss Allowance	-222.74	-398.92
	<b>(d)</b>	2,806.51	4,973.93
	<b>Total (c + d)</b>	2,806.51	4,973.93
		<b>2,806.51</b>	<b>4,973.93</b>

**BANAS FINANCE LIMITED**

**Notes forming part of the Accounts for the year ended 31st March 2022**

		<b>Amount in Lakhs</b>	
		<b>As at March 31st, 2022</b>	<b>As at March 31st, 2021</b>
<b>Note No.</b>	<b>Particulars</b>		
5	<b><u>Investments</u></b>		
	<b>Investments in India (a)</b>		
	Equity Instruments		
	(i) Quoted Shares	11,360.79	1,325.27
	(ii) Un-Quoted Shares	1,313.05	1,313.05
	Preference Instruments	0.18	480.46
	Alternate Investment Fund	294.33	349.18
	Gold	-	100.55
	Property	875.00	875.00
	<b>Total</b>		
	<b>Investments outside India (b)</b>		
	<b>Total (a+b)</b>	<b>13,843.35</b>	<b>4,443.50</b>
7	<b><u>Deferred tax assets (net)</u></b>		
	The Balance Comprises Temporary difference attributable to		
	Tax Losses		208.04
	FV Change		
		-	208.04
9	<b><u>Other non-financial assets</u></b>		
	Balance with statutory/government authorities	179.63	195.17
		<b>179.63</b>	<b>195.17</b>
11	<b><u>Borrowings</u></b>		
	At amortised cost		
	Unsecured Loan Repayable on Demand	689.70	1,120.40
		<b>689.70</b>	<b>1,120.40</b>
12	<b><u>Other Non Financial Liabilities</u></b>		
	Duties and Taxes payable	-	0.01
		-	0.01
13	<b><u>Deferred tax liability</u></b>		
	The Balance Comprises Temporary difference attributable to		
	Tax Losses	40.29	
	FV Change	1,927.55	
	Accelerated depreciation	0.51	-
		<b>1,968.34</b>	<b>-</b>
15	<b><u>Other Equity</u></b>		
	<b><u>Capital Reserve</u></b>		
	Balance as per last financial statements	2,304.80	2,304.80
	Less: Utilized for bonus issue/fresh equity shares		
	Add: Loss on Business Combination		
	<b>Closing balance</b>	<b>2,304.80</b>	<b>2,304.80</b>
	<b><u>General Reserves</u></b>		
	Opening Balance (As per the last Balance sheet)	56.03	56.03
		<b>56.03</b>	<b>56.03</b>
	<b><u>Securities Premium reserve</u></b>		
	Balance as per last financial statements	5,241.32	5,241.32
	Add: New Equity shares issued during the year at premium		
	<b>Closing balance</b>	<b>5,241.32</b>	<b>5,241.32</b>
	<b><u>Statutory Reserves</u></b>		
	Balance as per last financial statements	249.46	25.11
	Add: Transferred from statement of Profit and Loss	1,394.41	224.35
	<b>Closing balance</b>	<b>1,643.88</b>	<b>249.46</b>
	<b><u>Surplus/(Deficit) in the Statement of Profit and Loss</u></b>		
	Balance as per last financial statements	-1,174.55	-2,071.96
	Profit/ (loss) for the year	6,936.59	1,121.76
	Less: Net loss on Sale of investments measured at Fair Value through Profit & Loss		-
	Less: Transfer to statutory reserve	-1,394.41	-224.35
	Less: Deletion during the year	-	-
	<b>Closing balance</b>	<b>4,367.63</b>	<b>-1,174.55</b>
	<b><u>Others</u></b>		
	Share Pending Issuance	-	-
		-	-
		<b>13,613.65</b>	<b>6,677.06</b>

**Note 6 Other financial assets**

Particulars	Amount in lakhs	
	As at 31-03-2022	As at 31/03/2021
	(Rs.)	(Rs.)
Securities held for trading	867.57	377.81
Other receivable(includes trade receivable)	8.75	8.07
	<b>876.32</b>	<b>385.88</b>

OUT OF WHICH

**Trade receivable**

**As at 31 March 2022**

Amount in lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 Year	1 year-2 year	2 year - 3 year	More than 3 years	
(i) Undisputed Trade receivables considered good	0.08	-	-	-	-	0.08
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**As at 31 March 2021**

Amount in lakhs

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Months - 1 Year	1 year-2 year	2 year - 3 year	More than 3 years	
(i) Undisputed Trade receivables considered good	3.45	-	-	-	-	3.45
(ii) Undisputed Trade Receivables considered doubtful	-	-	1.94	-	-	1.94
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**NOTE 10 Trade payables**

Amount in Lakhs

Particulars	As at 31-03-2022	As at 31-03-2021
<b>Trade Payables</b>		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.92	8.27
<b>Total</b>	<b>1.92</b>	<b>8.27</b>

**As At 31st March 2022**

Amount in Lakhs

Particulars	Outstanding for the Following				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
i. MSME	-	-	-	-	-
ii. Others	1.92	-	-	-	1.92
iii. Disputed Dues- MSME	-	-	-	-	-
iv. Disputed Dues- Others	-	-	-	-	-

**As At 31st March 2021**

Amount in Lakhs

Particulars	Outstanding for the Following				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
i. MSME	-	-	-	-	-
ii. Others	6.71	1.56	-	-	8.27
iii. Disputed Dues- MSME	-	-	-	-	-
iv. Disputed Dues- Others	-	-	-	-	-

**The details of amounts outstanding to micro enterprises, small enterprises and medium enterprises based**

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount and Interest due thereon remaining unpaid to any supplier covered under MSMED Act, Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date	-	-

8. PROPERTY, PLANT & EQUIPMENTS									Amount in lakhs	
PARTICULARS	GROSS CARRING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	1st April 2021	Addition	Deletion	31st March 2022	1st April 2021	Expenses for the year	Disposal	31st March 2022	As at 31st March 2022	As at 31st March 2021
Computers	2.35	-	-	2.35	11.21	0.12	-	11.33	2.23	2.35
Air Conditioner	0.25	-	-	0.25	0.06	0.02	-	0.08	0.23	0.25
Mobile	0.14	-	-	0.14	0.58	0.07	-	0.65	0.06	0.14
Equipments	-	-	-	-	-	-	-	-	-	-
Laptop	0.01	-	-	0.01	0.19	-	-	0.19	0.01	0.01
Total	2.75	-	-	2.75	12.04	0.22	-	12.26	2.53	2.75

PARTICULARS	GROSS CARRING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	1st April 2020	Addition	Deletion	31st March 2021	1st April 2020	Expenses for the year	Disposal	31st March 2021	As at 31st March 2021	As at 31st March 2020
Computers	2.47	-	-	2.47	11.09	0.12	-	11.21	2.35	2.22
Air Conditioner	0.27	-	-	0.27	0.04	0.02	-	0.06	0.25	0.29
Mobile	0.21	-	-	0.21	0.50	0.07	-	0.58	0.14	0.02
Equipments	-	-	-	-	-	0.00	-	-	-	-
Laptop	0.01	-	-	0.01	0.19	0.00	-	0.19	0.01	0.01
<b>Total</b>	<b>2.96</b>	<b>-</b>	<b>-</b>	<b>2.96</b>	<b>11.83</b>	<b>0.22</b>	<b>-</b>	<b>12.04</b>	<b>2.75</b>	<b>2.54</b>

**Note No.14. Share Capital**

Particulars	Amount in Lakhs	
	As at March 31st, 2022	As at March 31st, 2021
<b>Equity Share capital</b>		
<u><b>Authorised Share Capital</b></u>		
5,13,00,000 Equity Shares of Rs. 10 each	5,130.00	5,130.00
	<b>5,130.00</b>	<b>5,130.00</b>
<u><b>Issued,Subscribed and Paid up</b></u>		
2,56,48,730 Equity Shares of Rs. 10 each	2,564.87	2,564.87
<b>Total Issued, Subscribed And Fully Paid Up Share Capital</b>	<b>2,564.87</b>	<b>2,564.87</b>

**a) Reconciliation of equity share capital**

Particular	As at 31st March 2022		As at 31st March 20201	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
At the beginning of the period	2,56,48,730	2,564.87	1,13,76,000	1,137.60
Issued during the year			1,42,72,730	1,427.27
<b>Outstanding at the end of the period</b>	<b>2,56,48,730</b>	<b>2,564.87</b>	<b>2,56,48,730</b>	<b>2,564.87</b>

**b) Terms and rights attached to equity shares**

The Company has only one class of equity share having value of Re. 10 each with an entitlement of one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Detail of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the Shareholders	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
Handful Investrade Private Limited	29,62,428	11.55%	29,62,428	11.55%
<b>Total</b>	<b>29,62,428</b>	<b>11.55%</b>	<b>29,62,428</b>	<b>11.55%</b>

**Shareholding of Promoters**

Shares held by promoters at the end of the year 31st March 2022

Promoter Name	No. of Shares	% of total Shares
GIRRAJ KISHOR AGRAWAL	50,965	0.20%
TANU GIRIRAJ AGARWAL	4,000	0.02%
HANDFUL INVESTRADE PRIVATE LIMITED	29,63,185	11.55%
AGARWAL BULLION LIMITED	3,83,367	1.49%
<b>Total</b>	<b>34,01,517</b>	<b>13.26%</b>

**BANAS FINANCE LIMITED**
**Notes forming part of the Accounts for the year ended 31st March 2022**

Note No.	Particulars	Amount in lakhs	
		For the Year ended 31st March 2022	For the Year ended 31st March 2021
<b>16</b>	<b>Revenue from Operations</b>		
	Sale of Securities	949.70	91.24
	Interest Income	242.09	441.57
		<b>1,191.79</b>	<b>532.81</b>
<b>17</b>	<b>Other Income</b>		
	Interest Income	19.17	1.66
	Interest on Income Tax Refunds	-	0.70
	Income From Alternate Investment Fund and opportunity fund	115.24	9.76
	Gain on Forex rate difference	-	2.07
	Consultancy fees	-	9.52
	Net Gain on fair value changes	8,424.59	878.55
	Other miscellaneous Income	-	0.02
	Commission & Brokerage Income	-	9.74
	Dividend Received	6.15	0.41
	Income on share trading	0.16	-
	Bad debt Recovery	35.00	-
	Profit on sale of Investment	302.22	1.75
	Sundry balance written back	0.54	-
		<b>8,903.07</b>	<b>914.18</b>
	<b>Revenue from contract with customers</b>		
	<b>Particulars</b>		
	<b>Type of services</b>		
	Interest income	242.09	441.57
	Consultancy fees		9.52
	Commission & Brokerage Income		9.74
		<b>242.09</b>	<b>460.83</b>
	<b>Geographical Markets</b>		
	India	242.09	460.83
	Outside India		
		<b>242.09</b>	<b>460.83</b>
	<b>Timing Of revenue recognition</b>		
	Services Transferred at a point in time	242.09	460.83
	Services transferred over time		
		<b>242.09</b>	<b>460.83</b>
	<b>Contract Balances</b>		
	<b>Particulars</b>		
	Service asset	2,806.51	4,973.93
<b>18</b>	<b>PURCHASE OF STOCK-IN-TRADE</b>		
	Purchase of Securities	1,359.74	125.48
		<b>1,359.74</b>	<b>125.48</b>
<b>19</b>	<b>CHANGES IN INVENTORIES OF STOCK IN TRADE</b>		
	Changes in Securities held for trading	-489.76	-52.58
	Changes in inventories of Stock-in-Trade	-	-
		<b>-489.76</b>	<b>-52.58</b>
<b>20</b>	<b>EMPLOYEES BENEFITS EXPENSES</b>		
	Salaries, Wages and Bonus	33.14	28.48
	Director sitting fees	1.57	1.17
		<b>34.71</b>	<b>29.65</b>
<b>21</b>	<b>Finance Cost</b>		
	Interest on borrowing	10.93	25.30
	Bank Charges	-	0.01
		<b>10.93</b>	<b>25.31</b>



**BANAS FINANCE LIMITED**
**Notes forming part of the Accounts for the year ended 31st March 2022**

Amount in lakhs

Note No.	Particulars	For the Year ended 31st March 2022	For the Year ended 31st March 2021
<b>22</b>	<b>Impairment on financial instruments</b>		
	Expected Credit Loss	-176.18	-43.01
	Bad Debts	152.05	349.57
		<b>-24.13</b>	<b>306.56</b>
<b>23</b>	<b>Other Expenses</b>		
	Listing Fees	4.25	12.00
	Depository/Share Transfer Charges	3.27	6.71
	Transaction Charges	3.68	0.70
	Printing & Stationary	-	0.11
	Sales Promotion	1.00	1.41
	Auditor fees	1.00	1.28
	Legal & Professional	13.03	9.32
	Membership Charges	0.20	0.05
	Miscellaneous expenses	0.12	0.41
	Loss on forex rate difference	12.40	-
	Other Expenses	0.25	-
	Loss on sale of investment	-	25.73
		<b>39.19</b>	<b>57.71</b>

**Note: 24 Financial Risk management**
**(a) Risk Management Framework**

In the ordinary course of business, the Company is exposed to a different extent to a variety of financial risks: foreign currency risk, interest rate risk, liquidity risk, price risk and credit risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

**(b) Credit Risk**

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

**Classification of financial assets under various stages**

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1: unimpaired and without significant increase in credit risk since initial recognition;

Stage 2: a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised;

Stage 3: objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD) along with an adjustment considering forward macro economic conditions [for a detailed note for methodology of computation of ECL please refer to significant accounting policies note no 1(L) to the financial statements.

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio :

Particulars	As at 31 March 2022			As at 31 March 2021		
	Unsecured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross Carrying Value	2762.32	57.92	209.01	4781.02	247.79	344.04
Allowance for Expected credit loss		13.73	209.01	-	54.88	344.04
Expected credit loss Coverage ratio	0.00%	23.71%	100.00%	0.00%	22.15%	100.00%

Investments are reviewed for any fair valuation loss on periodically basis and necessary provision/fair valuation adjustments has been made based on the valuation carried by the management to the extent available sources, the management does not expect any investment counterparty to fail to meet its obligations.

Trade Receivable, Trade Payable, Short Term Borrowings and Short Term Loans and Advances balances are subject to confirmation and reconciliation.

### (c) Liquidity Risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the Company's liquidity position (comprising the unused cash and bank balances along with liquid investments) on the basis of expected cash flows. This is generally carried out at Company level in accordance with practice and limits set by the Company. These limits vary to take into account the liquidity of the market in which the Company operates.

Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

## NOTE 25:- FAIR VALUE MEASUREMENTS

### a) Financial instruments by category

PARTICULARS	March,31, 2022			March,31, 2021		
	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost
<b>Financial Assets</b>						
Investments	11,655.12	-	2,188.22	1,775.00	-	2,668.51
Loans	-	-	2,806.51	-	-	4,973.93
Cash and cash equivalents	-	-	1,120.15	-	-	150.46
Bank balance other than cash and cash equivalents	-	-	10.00	-	-	10.89
Other Financial Assets	867.57	-	8.75	377.81	-	8.07
<b>Total</b>	<b>12,522.69</b>		<b>6,133.63</b>	<b>2,152.80</b>		<b>7,811.85</b>
<b>Financial Liabilities</b>	-	-	-	-	-	-
Trade Payables	-	-	1.92	-	-	8.27
Borrowings	-	-	689.70	-	-	1,120.40
<b>Total</b>			<b>691.61</b>			<b>1,128.67</b>

## NOTE 26:- FAIR VALUE HIERARCHY

(a) This section explain the judgments and estimates made in deterring the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value. The Company has classified its financial instruments into the three levels prescribed under the accounting standard

### Financial assets and liabilities measured at fair value

PARTICULARS	March,31, 2022			March,31, 2021		
				Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investments	11,655.12		2,188.22	1,775.00		2,668.51
Loans			2,806.51			4,973.93
Cash and cash equivalents			1,120.15			150.46
Bank balance other than cash and cash equivalents			10.00			10.89
Other Financial Assets	867.57		8.75	377.81		8.07
<b>Total</b>	<b>12,522.69</b>		<b>6,133.63</b>	<b>2,152.80</b>		<b>7,811.85</b>
<b>Financial Liabilities</b>						
Trade Payables			1.92			8.27
Borrowings			689.70			1,120.40
<b>Total</b>			<b>691.61</b>			<b>1,128.67</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

**(c) Valuation technique used to determine fair value**

**Specific valuation techniques used to value financial instruments includes:**

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All the resulting fair value estimates are included in level 2 or level 3, where the fair value have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

**(d) Fair value Estimations**

Estimated fair value disclosures of financial instruments are made in accordance with the requirements of Ind AS 107 "Financial Instruments: Disclosure". Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in a arm's length transaction other than in forced or liquidation sale. As no readily available market exists for a large part of the Company's Financial instruments, judgement is necessary in arriving at fair value, based on current economic conditions and specific risk attributable to the instrument. The estimates presented herein are not necessarily indicative of the amount the Company could realise in a market exchange from the sale of its full holding or a particular instrument.

**Dividend/Interest-bearing investments**

Fair value is calculate based on discounted expected future principles and interest cash flows. The carrying amount on the Company's investment are valued at fair value on the basis of fair market rate with reference to the investment with similar credit risk level and maturity period at the reporting date.

**Trade & other receivable / Payables**

The management assessed that Trade Receivables, Cash and Cash equivalents, Bank Balances, Deposits, other non derivative current financial, assets, Short term borrowings, Trade payables, Non derivative Current Financial Liabilities approximate their carrying amount largely due to the short-term maturities of these instruments.

There are no transfers between level 1 and level 2 during the year.

**NOTE :27 Related Party Transactions**

**a) List of related parties where control exists and with whom transactions have taken place and relationship**

Sr. No.	Name of the Related Party	Relation
1	Agrawal Bullion Limited	Promoter
2	Tilak Ventures Limited	Associate Company
3	Handful Investrade Pvt Ltd	Promoter
4	Rockon Capital Market Pvt Ltd	Group Company ( now merged with Amaya Marketing Pvt. Ltd. W.e.f 08.07.2020)
5	Kayaguru Capital Market Pvt Ltd	Group Company ( now merged with Amaya Marketing Pvt. Ltd. W.e.f 08.07.2020)
6	Amit Gulecha	Managing Director
7	Girraj Kishor Agrawal	Director & CEO
8	TanuGirraj Kishor Agrawal	Director
9	Girraj Kishor Agrawal HUF	Relative of Director
10	Chirag Goyal	Independent Director
11	Vikash Kulhariya	Independent Director
12	Nemichand Saini	Chief Financial Officer
13	Prajna Naik	Company Secretary

**b) Transaction with Related Parties:-**

Amount in Lakhs				
Sr. No.	Name of the Related Party	Nature of Transaction	F.Y 2021-22	F.Y 2020-21
1	Tilak Ventures Ltd	Loan Given	0.50	339.00
		Loan Given Repaid	0.50	339.00
		Interest Paid	-	11.26
		Reimbursement of Expenses	0.06	
2	Handful Investrade Pvt Ltd	Loan taken	-	90.00
		Loan Repaid	-	90.00
		Interest Paid	-	2.92
3	Agrawal Bullion Limited	Loan taken	-	35.04
		Loan Repaid	-	3.51
		Interest paid	-	1.13
4	Rockon Capital Market Pvt. Ltd.	Share purchase		47.85
5	Kayaguru Capital Market Pvt Ltd	Share purchase		325.80
6	Girraj Kishor Agrawal	Reimbursement of Expenses		0.03
7	Chirag Goyal	Independent Directors	0.72	0.18
8	Vikash Kulhariya	Independent Directors	0.72	0.18
9	Nemichand Saini	Chief Financial Officer	1.68	0.68
10	Prajna Naik	Company Secretary	5.89	5.26

**NOTE 28: EARNING PER SHARE**

Particulars	As at 31.03.22	As at 31.03.21
Profit for the year attributable to Equity Shareholders (Amount In Lakhs)	6936.59	1121.75
Weighted Average Number of Equity Shares Outstanding During The Year (Nos.)	2,56,48,730	2,56,48,730
Add: Weighted average number of potential equity shares on account of amalgamation		-
Weighted average number of equity shares outstanding for dilutive EPS	2,56,48,730	2,56,48,730
Basic Per Share (Amount in Rs.)	27.04	4.37
Diluted Earnings Per Share(Amount in Rs.)	27.04	4.37
Nominal Value of Equity Share (Rs.)	10.00	10.00

#### NOTE 29-EMPLOYEE BENEFITS

Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Ind AS19 and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Profit & Loss Account.

#### NOTE 30:-LOANS AND ADVANCES

Majority of the loans given are demand loans, therefore in some cases the terms of repayment and loan agreement are not available. Non Recoverable loans are appropriately written off as bad debts. Demand and other loans given are governed by the Board policies. Considering the close monitoring of Board no appraisal, renewal, Policies, Procedure, Committee or documents have been prescribed and executed.

In 30 cases no interest has been charged. Amount of such loans as on 31st March, 2022 is Rs.19918990 /-.

#### NOTE 31:- SEGMENT REPORTING

The Company's Managing director (MD) is identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however the Company is primarily engaged in only one segment viz., 'Lending and Securities Trading' and that most of the operations are in India. Hence the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

#### NOTE 32:-MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has not received any intimation from any of its suppliers regarding their Status as Micro, Small and Medium Enterprise under "The Micro, Small and Medium Enterprises Development Act, 2006". Hence Disclosures, if any, relating to amounts unpaid as at the end of the year along with interest paid/payable as required under the said act is not applicable in the case of the Company.

#### NOTE: 33 IN COMPLIANCE TO IND AS 108

(In Lakhs)						
Sr. No	PARTICULARS	Quarter Ended			Year Ended	Year Ended
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Segment Revenue</b>					
	(a) Income from Commodity/Share Trading Business	247.66	577.81	-26.92	943.62	100.760
	(b) Income From Finance Business	-58.79	134.81	84.55	411.50	453.686
	(c) Other Operating Income	89.42	5137.63	965.32	8726.81	892.128
	<b>Total Income from Operation</b>	<b>278.29</b>	<b>5,850.25</b>	<b>1,022.95</b>	<b>10,081.93</b>	<b>1,446.574</b>
	Less: Inter Segment Revenue		-	-		-
	<b>Net sales/Income From Operations</b>	<b>278.286</b>	<b>5,850.253</b>	<b>1,022.950</b>	<b>10,081.929</b>	<b>1,446.574</b>
2	<b>Segment Results</b>					
	Profit/ Loss Before Tax and Interest from Each Segment					
	(a) Segment- Commodity/Share Trading Business	18.402	49.841	(99.820)	73.631	27.860
	(b) Segment- Finance Business	-68.284	134.401	-247.320	424.707	121.819
	<b>Total</b>	<b>(49.882)</b>	<b>184.243</b>	<b>(347.140)</b>	<b>498.338</b>	<b>149.679</b>
	Less: (i) Interest					
	(ii) Other unallocable Expenditure net off	19.540	17.056	87.580	61.173	87.578
	(iii) Un-allocable income	89.416	5,137.632	965.320	8,726.809	892.128
	<b>Total Profit Before Tax</b>	<b>19.99</b>	<b>5,304.82</b>	<b>530.60</b>	<b>9,163.96</b>	<b>954.229</b>
		87				

3	<b>Capital Employed</b>					
	(Segment Assts-Segment Liabilities)					
	(a) Commodity/Trading Business	-		-	-	-
	(b) Finance Business	16,178.525	18,386.565	3,134.140	16,178.525	9,241.934
	('C') Other Unallocable	-	-	-	-	-
	<b>Total Capital Employed</b>	<b>16,178.525</b>	<b>18,386.565</b>	<b>3,134.140</b>	<b>16,178.525</b>	<b>9,241.934</b>

#### NOTE 34: RATIO

	Ratios	Numerator	Denominator	31st March, 2022	31st March, 2021	Variance	Reason for Change in Ratio more than 25%
a.	Current Ratio	Current Assets	Current Liabilities	27.23	9.00	202.55%	Due to Increase in Investment
b.	Debt Equity Ratio	Total Debt	shareholders' Equity	0.04	0.12	-64.84%	Due to Repayment of debts
c.	Debt Service Coverage Ratio	Earnings available for Debt	Debt Service	13.10	0.86	1430.73%	Due to increase in Fair value leading to increase in earning and Repayment of debts
d.	Return on Equity Ratio	Net Profit after Tax	Average Shareholders' Equity	0.55	0.13	322.34%	Due to increase in Fair value leading to increase in earning
e.	Inventory Turnover Ratio	Revenue	Average Inventory	Not applicable since there is no inventory		NA	
f.	Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	43.59	27.72	57.24%	Due to increase in revenue of company
g.	Trade Payable Turnover Ratio	Purchase of Goods and Services and Other Expenses	Average Trade Payable	267.03	15.98	1571.48%	Due to increase in Purchase of shares
h.	Net Capital Turnover Ratio	Revenue	Working Capital	0.07	0.06	11.34%	
i.	Net Profit Ratio	Net Profit	Revenue	68.71	77.52	-11.36%	
j.	Return on Capital Employed	Earning Interest before and Taxes	Capital Employed	54.39	9.46	475.15%	Due to increase in Fair value leading to increase in earning and Repayment of



							debts
k.	Return on Investment	Income generated from Investments	Time Weighted Average Investments	4.84	0.42	1059.89%	Due to increase in return on investment compared to previous FY and also there is capital gain during the year

**NOTE 35- PROVISIONS AND CONTINGENT LIABILITIES**

Following are the income tax matters for which the assessment is in process & the company has already filed an appeal before the CIT appeal.

Assessment Year	Amount	Remarks
AY : 2011-12	22.31	Unexplained Cash Credit u/s 68
AY : 2013-14	1.00	Listing Fees were disallowed
	1999.20	Cash Credit has been disallowed
	1.40	Income has been voluntarily added by the assessee
AY: 2015-16	14.71	Disallowance u/s 14A
	0.68	Addition u/s 68 of the Income Tax Act.
AY 2014-15	7.31	Disallowance u/s 14A
AY 2017-18	2.46	Disallowance u/s 14A
AY : 2016-17	17.47	Disallowance u/s 14A
	26.32	Disallowance on Sale of Shares
	0.52	Unexplained Expenses has been added

**NOTE 36 GRATUITY AND EMPLOYMENT BENEFIT PLAN:**

No provision has been made for retirement and employee benefit as per 'AS 15' regarding retirement.

**NOTE 37 CAPITAL COMMITMENTS:**

The capital commitment as at March 31, 2022 is NIL.

**NOTE 38 UNHEDGED FOREIGN CURRENCY EXPOSURES:**

There is no foreign currency exposure outstanding as on 31/03/2022

**NOTE 39 INCOME/ EXPENDITURE IN FOREIGN CURRENCY:**

There is no Income/ Expenditure in foreign currency as on 31/03/2022

**NOTE 40 BENAMI PROPERTY HELD:**

There is no Benami Property held by company as on 31/03/2022

**NOTE 41 WILFUL DEFAULTER:**

The Company is not declared as wilful defaulter by any Bank or Financial Institution.

**NOTE 42 RELATIONSHIP WITH STRUCK OFF COMPANIES:**

The Company has not had any transactions with companies struck off under section 248 of the Companies Act, 1956.

**NOTE 43 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTER OF COMPANIES:**

The company does not have any charge as on 31/03/2022.

**NOTE 44 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENT:**

The Company has not approved any Scheme of Arrangement in terms of sections 230 to 237 of the Companies Act, 2013

**NOTE 45 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:**

The Company doesn't have any advance, loan or invested (either from borrowed fund or share premium or any other sources or kind of funds) by the any company to or any other person or entity including foreign entity.

The Company not received any fund from any person or entity including foreign entities, that the company has 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.

**NOTE 46 CORPORATE SOCIAL RESPONSIBILITY(CSR):**

The company is not required to fulfill any liability under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility.

**NOTE 47 CRYPTO CURRENCY AND VIRTUAL CURRENCY:**

The company has not traded or invested in any Crypto currency or Virtual currency.

**NOTE 48 SME ACCOUNTING STANDARD COMPLIANCE**

In absence of adequate information relating to the suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the Company is unable to identify such suppliers, hence the Information required under the said Act, cannot be ascertained.

**NOTE 49 COMPLIANCE WITH NUMBER OF LAYERS COMPANIES:**

Clause 87 of section 2 of the Act Companies (Restriction on number of Layers) Rules, 2017 is not applicable to NBFC.

**As per our Report of Even Date**  
**For Pravin Chandak & Associates**  
**Chartered Accountants**  
(Firm Registration No.116627W)

Sd/-  
**Nishant Sampat**  
**Partner**  
Membership Number: 134410

Place: Mumbai  
Date: 28th May, 2022  
UDIN : 22134410AJUGK05216

**For and on behalf of the Board of Directors**  
**of Banas Finance Limited**

Sd/-  
**Girraj Kishor Agrawal**  
**[Director]**  
DIN: 00290959

Sd/-  
**Amit Gulecha**  
**[Director]**  
DIN: 06964404

Sd/-  
**Prajna Naik**  
**[Company Secretary]**

Sd/-  
**Nemichand Saini**  
**[CFO]**

## Independent Auditor's Report

### To the Members of Banas Finance Limited Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of **Banas Finance Limited** ("the Company") and its associate company, which comprise the balance sheet as at 31<sup>st</sup> March 2022, the statement of profit and loss, statement of changes in equity and the cash flow statement for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred as "Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2022, and profit/loss, its cash flows and changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 Consolidated Ind AS 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 obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statement.

### Emphasis of Matter

We further draw an attention to the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the Covid-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

Our opinion is not modified in respect of these matters.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements for the financial year ended 31<sup>st</sup> March 2022. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>(A) Impairment of financial assets (expected credit losses)</b>	
Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets (designated at amortized cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including: <ul style="list-style-type: none"> <li>unbiased, probability weighted outcome under various scenarios;</li> </ul>	<ul style="list-style-type: none"> <li>We read and assessed the Company's Accounting policies for impairment of financial assets and their compliance with Ind AS 109.</li> <li>We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation.</li> <li>Tested the ECL model, including assumptions and underlying computation.</li> </ul>

<ul style="list-style-type: none"> <li>time value of money;</li> <li>impact arising from forward looking macro-economic factors and;</li> <li>Availability of reasonable and supportable information without undue costs.</li> </ul> <p>Applying these principles involves significant estimation in various aspects, such as:</p> <ul style="list-style-type: none"> <li>grouping of borrowers based on homogeneity by using appropriate statistical techniques;</li> <li>staging of loans and estimation of behavioral life;</li> <li>determining macro-economic factors impacting credit quality of receivables;</li> <li>Estimation of losses for loan products with no/minimal historical defaults.</li> </ul> <p>Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.</p>	<ul style="list-style-type: none"> <li>Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults.</li> <li>Audited disclosures included in the Consolidated Ind AS financial statements in respect of expected credit losses.</li> </ul>
--	--

### Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Consolidated Ind AS financial statements and our auditors' report thereon.

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

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management for Consolidated 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 the Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Consolidated 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 also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities For The Audit Of The Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 the Consolidated Ind AS 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 Consolidated Ind AS 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 Consolidated Ind AS 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 Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS 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 are required to determine those matters that were of most significance in the audit of the Consolidated Ind AS 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.

## **Other Matter**

The Company is engaged in the business of financial services i.e. lending and trading in securities. Inventories disclosed under the head "Other Financial Assets" and its related details are as follows:

Securities held for trading of Rs.8,67,56,689/- (Previous Year Rs.3,77,80,950/-) is disclosed as other financial assets. Revenue from operation includes Rs.9,49,70,331/- (Previous year Rs.91,24,047/-) from sale of securities. Purchase of Rs.13,59,74,407/- (Previous year Rs.1,25,47,627/-) in statement of profit and loss account is of securities held for trading. Change in securities held for trading is disclosed in statement of profit and loss.

Our opinion is not modified in respect of these matters.

### Report on Other Legal and Regulatory Requirements

With respect to matters specified in paragraph 3 and 4 of 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 Act according to the information and explanations given to us, and based on the CARO report issued by us for the holding company and taking into consideration the reports of financial statements of associates included in consolidated financial statements of holding company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in aforesaid CARO reports.

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

- (a) 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.
- (b) The balance sheet, the statement of profit and loss, cash flow statement and statement of change in equity dealt with by this Report are in agreement with the books of account.
- (c) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;
- (d) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2022 take non record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (e) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position in the aforesaid Consolidated financial statements.
  - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The company is not liable to transfer any amounts to the Investor Education and Protection Fund. Therefore, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("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;
  - (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("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; and



(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

**For Pravin Chandak & Associates**

**Chartered Accountants**

Firm's registration number: 116627W

Sd/-

**Nishant Sampat**

**Partner**

Membership number: 134410

Mumbai

Date: 28-05-2022

UDIN: **22134410AJUGK05216**

## **Annexure A to the Auditor's Report-31<sup>st</sup> March, 2022**

### **Report on the Internal Financial Controls under Clause (i) of sub- section 3 of the Section 143 of the Companies Act, 2013 ('the Act)**

We have audited the internal financial controls over financial reporting of **M/s Banas Finance Limited** (the company) as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the financial statements of the company for the year ended on that date.

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

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established 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 Accountant 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Not 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control-based on the assessed risk. The procedures selected depend on the auditor's 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 authorization of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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

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

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2022.

- a) The Company did not have an appropriate internal control system for granting Loans. Demand and other loans given are governed by the Board policies. Considering the close monitoring of Board no appraisal, renewal, Policies, Procedure, Committee or documents have been prescribed and executed.
- b) The Company's internal control system is not commensurate to the size and scale of operation over purchase and sale of shares and inventory and for expenses incurred.

A 'material weaknesses' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects / possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2022, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2022 financial statements of the Company, and the material weaknesses does not affect our opinion on the financial statements of the Company.

**FOR PRAVIN CHANDAK & ASSOCIATES**

**Chartered Accountants**

Firm's registration number: 116627W

Sd/-

**Nishant Sampat**

**Partner**

Membership number: 134410

Place: Mumbai

Date: **28th May, 2022**

UDIN: **22134410AJUGK05216**

<b>BANAS FINANCE LIMITED</b> <b>CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022</b>			
		<u>Amount in Lakhs</u>	
	Note	As at March 31, 2022 Amount (Rs.)	As at March 31, 2021 Amount (Rs.)
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	2	1,120.14	150.46
Bank balance other than cash and cash equivalents	3	10.00	10.89
Loans (At Amortised Cost)	4	2,806.50	4,973.93
Investments	5	13,869	4,499.82
Other financial assets	6	876.31	385.87
<b>Total Financial Assets</b>		<b>18,682.24</b>	<b>10,020.97</b>
<b>Non-financial Assets</b>			
Inventories		-	-
Deferred tax assets (net)	7	-	208.04
Property, plant and equipment	8	2.53	2.75
Other non-financial assets	9	179.63	195.17
<b>Total Non-financial Assets</b>		<b>182.16</b>	<b>405.95</b>
<b>Total</b>		<b>18,864.41</b>	<b>10,426.92</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Trade payables	10	-	-
(i) total outstanding dues of micro enterprises and small enterprises		1.91	8.27
(ii) total outstanding dues of creditors other than micro enterprises	11	689.70	1,120.40
Borrowings		<b>691.61</b>	<b>1,128.67</b>
<b>Total Financial Liabilities</b>			
<b>Non-financial liabilities</b>			
Other Non Financial Liabilities	12	-	0.01
Deferred tax Liability	13	1,968.34	-
<b>Total Non-Financial Liabilities</b>		<b>1,968.34</b>	<b>0.01</b>
<b>Equity</b>			
Equity Share capital	14	2,564.87	2,564.86
Other equity	15	13,639.58	6,733.37
<b>Total equity</b>		<b>16,204.45</b>	<b>9,241.93</b>
<b>Total</b>		<b>18,864.41</b>	<b>10,426.92</b>
Significant Accounting Policies The accompanying notes are an integral part of financial statements	1-49		
<b>As per our Report of Even Date</b> <b>For Pravin Chandak &amp; Associates</b> <b>Chartered Accountants</b> (Firm Registration No.116627W)		<b>For and on behalf of the Board of Directors</b> <b>of Banas Finance Limited</b>	
<b>Sd/-</b> <b>Nishant Sampat</b> <b>Partner</b> Membership Number: 134410 Place: Mumbai Date: 28th May, 2022 <b>UDIN : 22134410AJUGK05216</b>		<b>Sd/-</b> <b>Girraj Kishor Agrawal</b> <b>[Director]</b> <b>DIN: 00290959</b>	
		<b>Sd/-</b> <b>Prajna Naik</b> <b>[Company Secretary]</b>	
		<b>Sd/-</b> <b>Amit Gulecha</b> <b>[Director]</b> <b>DIN: 06964404</b>	
		<b>Sd/-</b> <b>Nemichand Saini</b> <b>[CFO]</b>	

BANAS FINANCE LIMITED			
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2022			
Amount in Lakhs			
Particulars	Note	For the Year ended 31st March 2022	For the Year ended 31st March 2021
<b>Revenue from operations</b>			
Revenue from operations	16	1,191.79	532.81
Other Income	17	8,903.07	914.18
<b>Total Income</b>		<b>10,094.86</b>	<b>1,446.99</b>
<b>Expenses</b>			
Purchases	18	1,359.74	125.48
Changes in inventories of stock in trade	19	-489.76	-52.58
Employees benefits expense	20	34.71	29.65
Finance costs	21	10.93	25.31
Depreciation & Amortisation expenses		0.22	0.22
Impairment on financial instruments	22	-24.13	306.56
Other Expenses	23	39.19	57.71
<b>Total expenses</b>		<b>930.89</b>	<b>492.35</b>
<b>PROFIT BEFORE TAX</b>		<b>9,163.97</b>	<b>954.64</b>
<b>Tax expenses</b>			
Current Tax		51.00	7.57
Tax of earlier years		-	-
Deferred Tax		2,176.38	-174.69
<b>Total Tax expenses</b>		<b>2,227.38</b>	<b>-167.12</b>
<b>PROFIT FOR THE YEAR</b>		<b>6,936.59</b>	<b>1,121.76</b>
Share of profit (loss) of associates and joint ventures accounted for using equity method		-18.81	44.15
<b>TOTAL PROFIT FOR THE YEAR</b>		<b>6,917.79</b>	<b>1,165.91</b>
Share of Other Comprehensive Income in Associate (net of tax)		-11.58	12.16
<b>Total Comprehensive income for the year</b>		<b>6,906.21</b>	<b>1,178.07</b>
<b>Earning per equity share:</b>			
Basic		26.97	4.55
Diluted		26.97	4.55
Significant Accounting Policies	1-49		
The accompanying notes are an integral part of financial statements			
<b>As per our Report of Even Date</b>		<b>For and on behalf of the Board of Directors of Banas Finance Limited</b>	
<b>For Pravin Chandak &amp; Associates</b>			
<b>Chartered Accountants</b>			
(Firm Registration No.116627W)			
<b>Sd/-</b>		<b>Sd/-</b>	<b>Sd/-</b>
<b>Nishant Sampat</b>		Girraj Kishor Agrawal	Amit Gulecha
<b>Partner</b>		[Director]	[Director]
Membership Number: 134410		DIN: 00290959	DIN: 06964404
Place: Mumbai			
Date: 28th May, 2022		<b>Sd/-</b>	<b>Sd/-</b>
UDIN : 22134410AJUGK05216		Prajna Naik	Nemichand Saini
		[Company Secretary]	[CFO]

**BANAS FINANCE LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

Particulars	Amount in Lakhs			
	For the year ended March 31, 2022		For the year ended March 31, 2021	
<b>Cash Flow from Operating Activities</b>				
Profit before tax		9,163.97		954.64
Adjustment to reconcile profit before tax to net cash flows				
Depreciation	0.22		0.22	
Finance Cost	10.93		25.31	
Bad debts	152.05		349.57	
Bad debts Recovered	-35.00			
Profit on sale of Investment	-302.22			
Loss on sale of Investment	-		23.98	
Discount Allowed				
Write off	-3.00			
Write back	2.47			
Provision for Expected Credit loss	-176.18		-43.01	
Income From Alternate Investment Fund	-115.24		9.76	
Net Loss/(Gain) on fair value changes	-8,424.59	-8,890.58	-878.55	-512.73
<b>Operating Profit before Working Capital Changes</b>		<b>273.40</b>		<b>441.91</b>
Working Capital adjustments				
(Increase)/Decrease in Loans	2,194.48		481.70	
(Increase)/Decrease in Other financial assets	-484.44		-24.31	
(Increase)/Decrease in Inventory	-		7.90	
(Increase)/Decrease in Other non-financial assets	43.04		2.15	
Increase/(Decrease) in Trade payables	-6.35		0.83	
Increase/(Decrease) in Other Non Financial Liabilities	-	1,746.72	-8.00	460.27
<b>Cash Generated From Operations</b>		<b>2,020.11</b>		<b>902.18</b>
Income tax paid		51.00		
<b>Net Cash from / (Used in) Operating Activities A</b>		<b>1,969.11</b>		<b>902.18</b>
<b>Cash Flow from Investing Activities B</b>				
Proceed from sale of Investment	1,094.71		574.26	
Investment made during the year	-1,767.75		-2,098.97	
Purchase of Property Plant & Equipment	-		-	
Income From Alternate Investment Fund	115.24		-9.76	
Bank Deposits (More than 3 months & upto 12 months)	-		-	
<b>Net Cash from Investing Activities B</b>		<b>-557.79</b>		<b>-1,534.46</b>
<b>Net Cash from Financial Activities C</b>				
Finance cost	-10.93		-25.31	
Proceeds from borrowings	138.66		74.70	
Repayment of borrowings	-569.36		-15.00	
<b>Net cash flow used in financing Activities</b>		<b>-441.63</b>		<b>34.39</b>
<b>NET (DECREASE)INCREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>969.69</b>		<b>-597.88</b>
Cash and Cash Equivalents-Opening Balance		150.46		748.34
Cash and Cash Equivalents-Closing Balance		1,120.15		150.46

As per our Report of Even Date

For Pravin Chandak &amp; Associates

Chartered Accountants

(Firm Registration No.116627W)

Sd/-  
Nishant Sampat  
Partner

Membership Number: 134410

Place: Mumbai

Date: 28th May ,2022

UDIN : 22134410AJUGK05216

For and on behalf of the Board of Directors  
of Banas Finance Limited

Sd/-  
Girraj Kishor Agrawal  
[Director]  
DIN: 00290959

Sd/-  
Prajna Naik  
[Company Secretary ]

Sd/-  
Amit Gulecha  
[Director]  
DIN: 06964404

Sd/-  
Nemichand Saini  
[CFO]



**BANAS FINANCE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2022**

(A) Equity share capital	As at March 31, 2022		Amount in Lakhs	
	No. of shares	Amount	No. of shares	Amount
Equity shares of INR. 10/- each issued, subscribed and fully paid				
Opening	2,56,48,730	2564.87	1,13,76,000	1137.60
Add: issue during the year			1,42,72,730	1427.27
Closing	2,56,48,730	2564.87	2,56,48,730	2564.87

**(B) Other equity**

**1) Current reporting period**

1) Current reporting period							Amount in Lakhs
Particulars	Share application money pending allotment	Reserve and surplus					Total
		Securities premium reserve	Capital Reserve	Other reserves			
Statutory reserve	General reserve			Retained earnings (surplus/ deficit in P and L)			
Balance as at April 1, 2021		5,241.32	2,304.80	249.46	56.03	-1,174.55	6,677.06
Changes in accounting policy/ prior period errors							
Restated Balance as at April 1, 2021		5,241.32	2,304.80	249.46	56.03	-1,174.55	6,677.06
Profit for the year						6,936.59	6,936.59
Items of other comprehensive income for the year, net of tax							-
Remeasurement benefit of Defined Benefit Plans							-
Total comprehensive income for the year	-	5,241.32	2,304.80	249.46	56.03	5,762.04	0.14
Transferred to/ (from)				1,394.41		-1,394.41	-
Any other changes							-
		5,241.32	2,304.80	1,643.88	56.03	4,367.63	13,613.65

**2) Previous reporting period**

2) Previous reporting period						Amount in Lakhs	
Particulars	Share application money pending allotment	Reserve and surplus					Total
		Securities premium reserve	Capital Reserve	Other reserves			
				Statutory reserve	General reserve	Retained earnings ( surplus/ deficit in P and L)	
Balance as at April 1, 2020		5,241.32	2,304.80	25.11	56.03	-2,071.96	5,555.30
Changes in accounting policy/ prior period errors							-
Restated Balance as at April 1, 2020		5,241.32	2,304.80	25.11	56.03	-2,071.96	5,555.30
Profit for the year						1,121.76	1,121.76
Items of other comprehensive income for the year, net of tax							-
Remeasurement benefit of Defined Benefit Plans							-
Total comprehensive income for the year		5,241.32	2,304.80	25.11	56.03	-950.20	6,677.06
Transferred to/ (from)				224.35		-224.35	-
Any other chnages							-
Balance as at March 31, 2021		5,241.32	2,304.80	249.46	56.03	-1,174.55	6,677.06

As per our Report of Even Date  
For Pravin Chandak & Associates  
Chartered Accountants  
(Firm Registration No.116627W)

s/d  
Nishant Sampat  
Partner  
Membership Number: 134410

Place: Mumbai  
Date: 28th May ,2022  
UDIN : 22134410AJUGK05216

For and on behalf of the Board of Directors  
of Banas Finance Limited

s/d  
Girraj Kishor Agrawal  
[Director]  
DIN: 00290959

s/d  
Prajna Naik  
[Company Secretary ]

s/d  
Amit Gulecha  
[Director]  
DIN: 06964404

s/d  
Nemichand Saini  
[CFO]

**Note:- 1****A) Basis of preparation of Financial Statements**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Consolidated Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2016. Accordingly, the Company has prepared these Consolidated Financial Statements which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31st March, 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Consolidated Financial Statements").

**B) Basis of measurement**

The Ind AS Consolidated Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, which are measured at fair value.

**C) Going Concern Assumption:-**

The Consolidated Financial Statements have been prepared assuming entity will be able to continue its operation in near foreseeable future and there is no material circumstances casting doubt over going concern ability of company and neither management intends to liquidate its operation. Though company has accumulated loss, management has made sufficient viable plan to overcome such situation in future and the plan appears to be promising to validate the going concern assumption.

**D) Inventory valuation**

Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

**E) Use of Estimates**

The preparation of the Consolidated Financial Statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the Consolidated Financial Statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the Consolidated Financial Statements is made relying on these estimates. ii) The estimates and judgements used in the preparation of the Consolidated Financial Statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Actual results may differ from these estimates under different assumptions and conditions. Estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements.

**F) Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**G) Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**H) Provisions, Contingent Liabilities and Contingent Assets**

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

Possible future obligations or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liabilities in the notes to accounts of Consolidated Financial Statements.

**I) Property, plant and equipment (PPE) and Intangible assets**  
**Tangible Assets**

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes, substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

### **Intangible Assets**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

#### **a) Depreciation**

Depreciation on tangible assets is provided using the Straight Line Method over the useful lives of the assets estimated by the Management. Depreciation for the assets purchased / sold during the year is proportionately charged as prescribed in Schedule II to the Companies Act, 2013. Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use.

#### **b) Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet dates and if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

### **J) Investments**

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. The investments have been valued at fair value in compliance with the Indian Accounting Standards.

### **K) Taxation**

Tax expense comprises of current income tax and deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognised deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Minimum Alternative Tax (MAT) credit is recognised as an asset and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

### **L) Financial instruments**

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables and payables, loan receivables, investments in securities and subsidiaries, debt securities and other borrowings, preferential and equity capital etc. are some examples of financial instruments. All the financial instruments are recognised on the date when the company becomes party to the contractual provisions of the financial instruments. For tradable securities, the Group recognises the financial instruments on settlement date.

#### **(i) Financial assets**

Financial assets include cash, or an equity instrument of another entity, or a contractual right to receive cash or another financial asset from another entity. Few examples of financial assets are loan receivables, investment in equity and debt instruments, trade receivables and cash and cash equivalents.

#### **Initial measurement**

All financial assets are recognised initially at fair value including transaction costs that are attributable to the acquisition of financial assets except in the case of financial assets recorded at FVTPL where the transaction costs are charged to profit or loss.

#### **Subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified as Equity instruments designated at FVOCI

All equity investments in scope of Ind AS 109 'Financial instruments' are measured at fair value. The company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in OCI. The classification is made on initial recognition and is irrevocable.

All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment.

### **Impairment of financial assets**

Expected credit loss (ECL) are recognised for financial assets held under amortised cost, and certain loan commitments.

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1'. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. ECL is recognised for stage 2 and stage 3 financial assets.

In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').

Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

Treatment of the different stages of financial assets and the methodology of determination of ECL

#### **(a) Credit impaired (stage 3)**

The Company recognises a financial asset to be credit impaired and in stage 3 by considering relevant objective evidence, primarily whether the loan is otherwise considered to be in default.

#### **(b) Significant increase in credit risk (stage 2)**

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting period by considering the change in the risk of default of the loan exposure.

#### **(c) Without significant increase in credit risk since initial recognition (stage 1)**

ECL resulting from default events that are possible in the next 12 months are recognised for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using application/behavioural score cards and other performance indicators, determined statistically.

#### **(d) Measurement of ECL**

The assessment of credit risk and estimation of ECL are unbiased and probability weighted. It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of our portfolios over a period of time have been applied to determine impact of macro economic factors. The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR. 1 Determination of PD is covered above for each stages of ECL. 1 EAD represents the expected balance at default, taking into account the repayment of principal and interest from the Balance Sheet date to the date of default together with any expected drawdowns of committed facilities. 1 LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

### **M) Revenue recognition**

#### **Interest and related income**

Interest and related income Interest income, for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

#### **Dividend income**

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

#### **Sale of Securities held for trading**

Company recognizes revenue to depict the transfer of promised goods to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company recognizes revenue from the sale of goods measured at the fair value of the consideration received or receivable.

Note No.	Particulars	Amount in Lakhs	
		As at March 31st, 2022	As at March 31st, 2021
2	<b><u>Cash and Cash equivalents</u></b>		
	Balance with banks		
	- Current Account	81.94	73.50
	Cash on Hand	9.29	23.42
	Bank deposit with maturity of less than 3 months	1,028.92	53.54
		<b>1,120.15</b>	<b>150.46</b>
3	<b><u>Bank balance other than cash and cash equivalents</u></b>		
	Bank Deposits (More than 3 months & upto 12 months)	10.00	10.89
		<b>10.00</b>	<b>10.89</b>
4	<b><u>Loans (At Amortised Cost)</u></b>		
	<b>(A) Loans ( Repayable on demand )</b>		
	Loan	3,029.24	5,372.85
	Less: Impairment Loss Allowance	-222.74	-398.92
		<b>2,806.51</b>	<b>4,973.93</b>
	<b>(B) Out of above</b>		
	<b>(i) Secured</b>		
	<b>(ii) Unsecured ( Repayable on demand)</b>		
	Loans considered Good	2,762.32	4,781.02
	<b>(a)</b>		-
	Loans considered Doubtful	266.92	591.82
	Less: Impairment Loss Allowance	-222.74	-398.92
	<b>(b)</b>	44.19	192.90
	<b>Total (a + b)</b>	44.19	192.90
	<b>(C) Out of above</b>		
	<b>(i) Public Sector (c)</b>		-
	<b>(ii) Others</b>	3,029.24	5,372.85
	Less: Impairment Loss Allowance	-222.74	-398.92
	<b>(d)</b>	2,806.51	4,973.93
	<b>Total (c + d)</b>	2,806.51	4,973.93
		<b>2,806.51</b>	<b>4,973.93</b>
5	<b><u>Investments</u></b>		
	<b>Investments in India (a)</b>		
	Equity Instruments		
	(i) Quoted Shares	11,386.72	1,381.58
	(ii) Un-Quoted Shares	1,313.05	1,313.05
	Preference Instruments	0.18	480.46
	Alternate Investment Fund	294.33	349.18
	Gold	-	100.55
	Property	875.00	875.00
	<b>Total</b>		
	<b>Investments outside India (b)</b>		
	<b>Total (a+b)</b>	<b>13,869.27</b>	<b>4,499.82</b>

6

Other financial assets

Amount in lakhs

Particulars	As at 31-03-2022	As at 31/03/2021
Securities held for trading	867.57	377.81
Other receivable(includes trade receivable)	8.75	8.07
	876.32	385.88

OUT OF WHICH

Trade receivable

As at 31 March 2022

Amount in lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 Months - 1 Year	1 year-2 year	2 year - 3 year	More than 3 years	Total
(i) Undisputed Trade receivables considered good	0.08	-	-	-	-	0.08
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

As at 31 March 2021

Amount in lakhs

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 Months - 1 Year	1 year-2 year	2 year - 3 year	More than 3 years	Total
(i) Undisputed Trade receivables considered good	3.45	-	-	-	-	3.45
(ii) Undisputed Trade Receivables considered doubtful	-	-	1.94	-	-	1.94
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Note No.	Particulars	As at March 31st, 2022	As at March 31st, 2021
7	<b>Deferred tax assets (net)</b>		
	The Balance Comprises Temporry difference attributable to		
	Tax Losses		208.04
	FV Change		
		<b>-</b>	<b>208.04</b>

8. PROPERTY, PLANT & EQUIPMENTS <span style="float: right;">Amount in lakhs</span>									
PARTICULARS	GROSS CARRING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	1st April 2021	Addition	Deletion	31st March 2022	1st April 2021	Expenses for the year	Disposal	31st March 2022	As at 31st March 2022
Computers	2.35	-	-	2.35	11.21	0.12	-	11.33	2.23
Air Conditioner	0.25	-	-	0.25	0.06	0.02	-	0.08	0.23
Mobile	0.14	-	-	0.14	0.58	0.07	-	0.65	0.06
Equipments	-	-	-	-	-	-	-	-	-
Laptop	0.01	-	-	0.01	0.19	-	-	0.19	0.01
<b>Total</b>	<b>2.75</b>	<b>-</b>	<b>-</b>	<b>2.75</b>	<b>12.04</b>	<b>0.22</b>	<b>-</b>	<b>12.26</b>	<b>2.53</b>

PARTICULARS	GROSS CARRING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT
	1st April 2020	Addition	Deletion	31st March 2021	1st April 2020	Expenses for the year	Disposal	31st March 2021	As at 31st March 2021
Computers	2.47	-	-	2.47	11.09	0.12	-	11.21	2.35
Air Conditioner	0.27	-	-	0.27	0.04	0.02	-	0.06	0.25
Mobile	0.21	-	-	0.21	0.50	0.07	-	0.58	0.14
Equipments	-	-	-	-	-	-	-	-	-
Laptop	0.01	-	-	0.01	0.19	-	-	0.19	0.01
<b>Total</b>	<b>2.96</b>	<b>-</b>	<b>-</b>	<b>2.96</b>	<b>11.83</b>	<b>0.22</b>	<b>-</b>	<b>12.04</b>	<b>2.75</b>

9	<b>Other non-financial assets</b>		
	Balance with statutory/government authorities	179.63	195.17
		<b>179.63</b>	<b>195.17</b>

**NOTE 10 Trade payables**

Particulars	Amount in Lakhs	
	As at 31-03-2022	As at 31-03-2021
<b>Trade Payables</b>		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.92	8.27
<b>Total</b>	<b>1.92</b>	<b>8.27</b>

**As At 31st March 2022**
**Amount in Lakhs**

Particulars	Outstanding for the Following				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	1.92	-	-	-	1.92
iii. Disputed Dues- MSME	-	-	-	-	-
iv. Disputed Dues- Others	-	-	-	-	-

**As At 31st March 2021**
**Amount in Lakhs**

Particulars	Outstanding for the Following				
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
i. MSME	-	-	-	-	-
ii. Others	6.71	1.56	-	-	8.27
iii. Disputed Dues- MSME	-	-	-	-	-
iv. Disputed Dues- Others	-	-	-	-	-

The details of amounts outstanding to micro enterprises, small enterprises and medium enterprises based on available information with the company is as under:

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount and Interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006	-	-
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are	-	-

**11 Borrowings**

At amortised cost

Unsecured Loan Repayable on Demand

689.70	1,120.40
<b>689.70</b>	<b>1,120.40</b>

**12 Other Non Financial Liabilities**

Duties and Taxes payable

-	0.01
<b>-</b>	<b>0.01</b>

**13 Deferred tax liability**

The Balance Comprises Temprrory difference attributable to

Tax Losses

FV Change

Accelerated depreciation

40.29	-
1,927.55	-
0.51	-
<b>1,968.34</b>	<b>-</b>



Note No.

14

Particulars	Amount in Lakhs	
	As at March 31st, 2022	As at March 31st, 2021
<b>Equity Share capital</b>		
<u>Authorised Share Capital</u>		
5,13,00,000 Equity Shares of Rs. 10 each	5,130.00	5,130.00
	<b>5,130.00</b>	<b>5,130.00</b>
<u>Issued, Subscribed and Paid up</u>		
2,56,48,730 Equity Shares of Rs. 10 each	2,564.87	2,564.87
<b>Total Issued, Subscribed And Fully Paid Up Share Capital</b>	<b>2,564.87</b>	<b>2,564.87</b>

**a) Reconciliation of equity share capital**

Particular	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
At the beginning of the period	2,56,48,730	2,564.87	1,13,76,000	1,137.60
Issued during the year			1,42,72,730	1,427.27
<b>Outstanding at the end of the period</b>	<b>2,56,48,730</b>	<b>2,564.87</b>	<b>2,56,48,730</b>	<b>2,564.87</b>

**b) Terms and rights attached to equity shares**

The Company has only one class of equity share having value of Re. 10 each with an entitlement of one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Detail of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the Shareholders	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
Handful Investrade Private Limited	29,62,428	11.55%	29,62,428	11.55%
<b>Total</b>	<b>29,62,428</b>	<b>11.55%</b>	<b>29,62,428</b>	<b>11.55%</b>

**Shareholding of Promoters**

Shares held by promoters at the end of the year 31st March 2022

Promoter Name	No. of Shares	% of total Shares
GIRRAJ KISHOR AGRAWAL	50,965	0.20%
TANU GIRIRAJ AGARWAL	4,000	0.02%
HANDFUL INVESTRADE PRIVATE LIMITED	29,63,185	11.55%
AGARWAL BULLION LIMITED	3,83,367	1.49%
<b>Total</b>	<b>34,01,517</b>	<b>13.26%</b>

15	<b><u>Other Equity</u></b>		
	<b><u>Capital Reserve</u></b>		
	Balance as per last financial statements	2,304.80	2,304.80
	Less: Utilized for bonus issue/fresh equity shares		
	Add: Loss on Business Combination		
	<b>Closing balance</b>	<b>2,304.80</b>	<b>2,304.80</b>
	<b><u>General Reserves</u></b>		
	Opening Balance (As per the last Balance sheet)	56.03	56.03
		<b>56.03</b>	<b>56.03</b>
	<b><u>Securities Premium reserve</u></b>		
	Balance as per last financial statements	5,241.32	5,241.32
	Add: New Equity shares issued during the year at premium		
	<b>Closing balance</b>	<b>5,241.32</b>	<b>5,241.32</b>
	<b><u>Statutory Reserves</u></b>		
	Balance as per last financial statements	249.46	25.11
	Add: Transferred from statement of Profit and Loss	1,394.41	224.35
	<b>Closing balance</b>	<b>1,643.88</b>	<b>249.46</b>
	<b><u>Surplus/(Deficit) in the Statement of Profit and Loss</u></b>		
	Balance as per last financial statements	-1,118.24	-2,071.96
	Profit/ (loss) for the year	6,917.79	1,165.91
	Less: Net loss on Sale of investments measured at Fair Value through Profit & Loss	-	-
	Less: Transfer to statutory reserve	-1,394.41	-224.35
	Add: Share of OCI	-11.58	12.16
	<b>Closing balance</b>	<b>4,393.56</b>	<b>-1,118.24</b>
	<b><u>Others</u></b>		
	Share Pending Issuance	-	-
		<b>13,639.58</b>	<b>6,733.37</b>

**Notes forming part of the Accounts for the year ended 31st March 2022**

Note No.	Particulars	Amount in lakhs	
		For the Year ended 31st March 2022	For the Year ended 31st March 2021
<b>16</b>	<b>Revenue from Operations</b>		
	Sale of Securities	949.70	91.24
	Interest Income	242.09	441.57
		<b>1,191.79</b>	<b>532.81</b>
<b>17</b>	<b>Other Income</b>		
	Interest Income	19.17	1.66
	Interest on Income Tax Refunds	-	0.70
	Income From Alternate Investment Fund and opportunity fund	115.24	9.76
	Gain on Forex rate difference	-	2.07
	Consultancy fees	-	9.52
	Net Gain on fair value changes	8,424.59	878.55
	Other miscellaneous Income	-	0.02
	Commission & Brokerage Income	-	9.74
	Dividend Received	6.15	0.41
	Income on share trading	0.16	-
	Bad debt Recovery	35.00	-
	Profit on sale of Investment	302.22	1.75
	Sundry balance written back	0.54	-
		<b>8,903.07</b>	<b>914.18</b>
	<b>Revenue from contract with customers</b>		
	<b>Particulars</b>		
	<b>Type of services</b>		
	Interest income	242.09	441.57
	Consultancy fees		9.52
	Commission & Brokerage Income		9.74
		<b>242.09</b>	<b>460.83</b>
	<b>Geographical Markets</b>		
	India	242.09	460.83
	Outside India		
		<b>242.09</b>	<b>460.83</b>
	<b>Timing Of revenue recognition</b>		
	Services Transferred at a point in time	242.09	460.83
	Services transferred over time		
		<b>242.09</b>	<b>460.83</b>
	<b>Contract Balances</b>		
	<b>Particulars</b>		
	Service asset	2,806.50	4,973.93
<b>18</b>	<b>PURCHASE OF STOCK-IN-TRADE</b>		
	Purchase of Securities	1,359.74	125.48
		<b>1,359.74</b>	<b>125.48</b>
<b>19</b>	<b>CHANGES IN INVENTORIES OF STOCK IN TRADE</b>		
	Changes in Securities held for trading	-489.76	-52.58
	Changes in inventories of Stock-in-Trade	-	-
		<b>-489.76</b>	<b>-52.58</b>
<b>20</b>	<b>EMPLOYEES BENEFITS EXPENSES</b>		
	Salaries, Wages and Bonus	33.14	28.48
	Director sitting fees	1.57	1.17
		<b>34.71</b>	<b>29.65</b>
<b>21</b>	<b>Finance Cost</b>		
	Interest on borrowing	10.93	25.30
	Bank Charges	-	0.01
		<b>10.93</b>	<b>25.31</b>
<b>22</b>	<b>Impairment on financial instruments</b>		
	Expected Credit Loss	-176.18	-43.01
	Bad Debts	152.05	349.57
		<b>-24.13</b>	<b>306.56</b>
<b>23</b>	<b>Other Expenses</b>		
	Listing Fees	4.25	12.00
	Depository/Share Transfer Charges	3.27	6.71
	Transaction Charges	3.68	0.70
	Printing & Stationary	-	0.11
	Sales Promotion	1.00	1.41
	Auditor fees	1.00	1.28
	Legal & Professional	13.03	9.32
	Membership Charges	0.20	0.05
	Miscellaneous expenses	0.12	0.41
	Loss on forex rate difference	12.40	-
	Other Expenses	0.25	-
	Loss on sale of investment	-	25.73
		<b>39.19</b>	<b>57.71</b>

**NOTE 24:-FINANCIAL RISK MANAGEMENT****(a) Risk Management Framework**

In the ordinary course of business, the Company is exposed to a different extent to a variety of financial risks: foreign currency risk, interest rate risk, liquidity risk, price risk and credit risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

**(b) Credit Risk**

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

**Classification of financial assets under various stages**

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1: unimpaired and without significant increase in credit risk since initial recognition;

Stage 2: a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised;

Stage 3: objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD) along with an adjustment considering forward macro economic conditions [for a detailed note for methodology of computation of ECL please refer to significant accounting policies note no 1(L) to the financial statements.

The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio :

Amount in Lakhs

Particulars	As at 31 March 2022			As at 31 March 2021		
	Unsecured			Unsecured		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Gross Carrying Value	2762.32	57.92	209.01	4781.02	247.79	344.04
Allowance for Expected credit loss	0.00	13.73	209.01	0.00	54.88	344.04
Expected credit loss Coverage ratio	0.00%	23.71%	100.00%	0.00%	22.15%	100.00%

Investments are reviewed for any fair valuation loss on periodically basis and necessary provision/fair valuation adjustments has been made based on the valuation carried by the management to the extent available sources, the management does not expect any investment counterparty to fail to meet its obligations.

Trade Receivable, Trade Payable, Short Term Borrowings and Short Term Loans and Advances balances are subject to confirmation and reconciliation

**(c) Liquidity Risk management**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining sufficient cash and bank balances available to meet the working capital requirements. Management monitors rolling forecasts of the Company's liquidity position (comprising the unused cash and bank balances along with liquid investments) on the basis of expected cash flows. This is generally carried out at Company level in accordance with practice and limits set by the Company. These limits vary to take into account the liquidity of the market in which the Company operates.

Ultimate responsibility for liquidity risk management rests with the board of directors. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**NOTE 25:- FAIR VALUE MEASUREMENTS**
**a) Financial instruments by category**

Amount in Lakhs

PARTICULARS	March,31, 2022			March,31, 2021		
	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost
<b>Financial Assets</b>						
Investments	11655.12		2188.22	1775.00	-	2668.51
Loans			2806.51	-	-	4973.93
Cash and cash equivalents			1120.15	-	-	150.46
Bank balance other than cash and cash equivalents			10.00	-	-	10.89
Other Financial Assets	867.57		8.75	377.81		8.07
<b>Total</b>	<b>12,522.69</b>		<b>6,133.63</b>	<b>2,152.80</b>		<b>7,811.85</b>
<b>Financial Liabilities</b>						
Trade Payables			1.92	-	-	8.27
Borrowings			689.70	-	-	1120.40
<b>Total</b>			<b>691.61</b>			<b>1,128.67</b>

**NOTE 26:- FAIR VALUE HIERARCHY**

(a) This section explain the judgments and estimates made in deterring the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value. The Company has classified its finacial instruments into the three levels prescribed under the accounting standard.

**Financial assets and liabilities measured at fair value**

Amount in lakhs

PARTICULARS	March,31, 2022			March,31, 2021		
				Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investments	11,655.12		2,188.22	1,775.00		2,668.51
Loans			2,806.51			4,973.93
Cash and cash equivalents			1,120.15			150.46
Bank balance other than cash and cash equivalents			10.00			10.89
Other Financial Assets	867.57		8.75	377.81		8.07
<b>Total</b>	<b>12,522.69</b>		<b>6,133.63</b>	<b>2,152.80</b>		<b>7,811.85</b>
<b>Financial Liabilities</b>						
Trade Payables			1.92			8.27
Borrowings			689.70			1,120.40
<b>Total</b>			<b>691.61</b>			<b>1,128.67</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

**(c) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments includes:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All the resulting fair value estimates are included in level 2 or level 3, where the fair value have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

**(d) Fair value Estimations**

Estimated fair value disclosures of financial instruments are made in accordance with the requirements of Ind AS 107 "Financial Instruments: Disclosure". Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in a arm's length transaction other than in forced or liquidation sale. As no readily available market exists for a large part of the Company's Financial instruments, judgement is necessary in arriving at fair value, based on current economic conditions and specific risk attributable to the instrument. The estimates presented herein are not necessarily indicative of the amount the Company could realise in a market exchange from the sale of its full holding or a particular instrument.

**Dividend/Interest-bearing investments**

Fair value is calculate based on discounted expected future principles and interest cash flows. The carrying amount on the Company's investment are valued at fair value on the basis of fair market rate with reference to the investment with similar credit risk level and maturity period at the reporting date.

**Trade & other receivable / Payables**

The management assessed that Trade Receivables, Cash and Cash equivalents, Bank Balances, Deposits, other non derivative current financial, assets, Short term borrowings, Trade payables, Non derivative Current Financial Liabilities approximate their carrying amount largely due to the short-term maturities of these instruments.

There are no transfers between level 1 and level 2 during the year.

**NOTE 27:-RELATED PARTY TRANSACTIONS**

**a) List of related parties where control exists and with whom transactions have taken place and relationship**

Sr. No.	Name of the Related Party	Relation
1	Agrawal Bullion Limited	Promoter
2	Tilak Ventures Limited	Associate Company
3	Handful Investrade Pvt Ltd	Promoter
4	Rockon Capital Market Pvt Ltd	Group Company ( now merged with Amaya Marketing Pvt. Ltd. W.e.f 08.07.2020)
5	Kayaguru Capital Market Pvt Ltd	Group Company ( now merged with Amaya Marketing Pvt. Ltd. W.e.f 08.07.2020)
6	Amit Gulecha	Managing Director
7	Girraj Kishor Agrawal	Director & CEO
8	TanuGirraj Kishor Agrawal	Director
9	Girraj Kishor Agrawal HUF	Relative of Director
10	Chirag Goyal	Independent Director
11	Vikash Kulhariya	Independent Director
12	Nemichand Saini	Chief Financial Officer
13	Prajna Naik	Company Secretary

**b) Transaction with Related Parties:-****Amount in lakhs**

Sr. No.	Name of the Related Party	Nature of Transaction	F.Y 2021-22	F.Y 2020-21
1	Tilak Ventures Ltd	Loan Given	0.50	339.00
		Loan Given Repaid	0.50	339.00
		Interest Paid	-	11.27
		Reimbursement of Expenses	0.06	
2	Handful Investrade Pvt Ltd	Loan taken	-	90.00
		Loan Repaid	-	90.00
		Interest Paid	-	2.92
3	Agrawal Bullion Limited	Loan taken	-	35.04
		Loan Repaid	-	3.51
		Interest paid	-	1.13
4	Rockon Capital Market Pvt. Ltd.	Share purchase		47.85
5	Kayaguru Capital Market Pvt Ltd	Share purchase		325.80
6	Girraj Kishor Agrawal	Reimbursement of Expenses		0.03
7	Chirag Goyal	Independent Directors	0.72	0.18
8	Vikash Kulhariya	Independent Directors	0.72	0.18
9	Nemichand Saini	Chief Financial Officer	1.68	0.68
10	Prajna Naik	Company Secretary	5.89	5.26

**NOTE 28:- EARNING PER SHARES (EPS)**

Particulars	As at 31.03.22	As at 31.03.21
Profit for the year attributable to Equity Shareholders ( <i>Amount in lakhs</i> )	6,917.79	1,165.91
Weighted Average Number of Equity Shares Outstanding During The Year ( <i>Nos.</i> )	2,56,48,730	2,56,48,730
Add: Weighted average number of potential equity shares on account of amalgamation		-
Weighted average number of equity shares outstanding for dilutive EPS	2,56,48,730	2,56,48,730
Basic Per Share (Amount in Rs.)	<b>26.97</b>	<b>4.55</b>
Diluted Earnings Per Share (Amount in Rs.)	<b>26.97</b>	<b>4.55</b>
Nominal Value of Equity Share (Amount in Rs.)	10.00	10.00

**NOTE 29-EMPLOYEE BENEFITS**

Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Ind AS19 and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Profit & Loss Account.

**NOTE 30:-LOANS AND ADVANCES**

Majority of the loans given are demand loans, therefore in some cases the terms of repayment and loan agreement are not available. Non Recoverable loans are appropriately written off as bad debts. Demand and other loans given are governed by the Board policies. Considering the close monitoring of Board no appraisal, renewal, Policies, Procedure, Committee or documents have been prescribed and executed.

In 30 cases no interest has been charged. Amount of such loans as on 31st March, 2022 is Rs.19918990 /-.

**NOTE 31:-SEGMENT REPORTING**

The Company's Managing director (MD) is identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however the Company is primarily engaged in only one segment viz., 'Lending and Securities Trading' and that most of the operations are in India. Hence the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".



**NOTE 32:-MICRO, SMALL AND MEDIUM ENTERPRISES**

The Company has not received any intimation from any of its suppliers regarding their Status as Micro, Small and Medium Enterprise under "The Micro, Small and Medium Enterprises Development Act, 2006". Hence Disclosures, if any, relating to amounts unpaid as at the end of the year along with interest paid/payable as required under the said act is not applicable in the case of the Company.

**Note: 33**

In compliance to IND AS 108

(In Lakhs)						
Sr. No	PARTICULARS	Quarter Ended			Year Ended	Year Ended
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Segment Revenue</b>					
	(a) Income from Commodity/Share Trading Business	247.66	577.81	-26.92	943.62	100.760
	(b) Income From Finance Business	-58.79	134.81	84.55	411.50	453.686
	(c) Other Operating Income	89.42	5137.63	965.32	8726.81	892.128
	<b>Total Income from Operation</b>	<b>278.29</b>	<b>5,850.25</b>	<b>1,022.95</b>	<b>10,081.93</b>	<b>1,446.574</b>
	Less: Inter Segment Revenue		-	-		-
	<b>Net sales/Income From Operations</b>	<b>278.286</b>	<b>5,850.253</b>	<b>1,022.950</b>	<b>10,081.929</b>	<b>1,446.574</b>
2	<b>Segment Results</b>					
	Profit/ Loss Before Tax and Interest from Each Segment					
	(a) Segment- Commodity/Share Trading Business	18.402	49.841	(99.820)	73.631	27.860
	(b) Segment- Finance Business	-68.284	134.401	-247.320	424.707	121.819
	<b>Total</b>	<b>(49.882)</b>	<b>184.243</b>	<b>(347.140)</b>	<b>498.338</b>	<b>149.679</b>
	Less: (i) Interest					
	(ii) Other unallocable Expenditure net off	19.540	17.056	87.580	61.173	87.578
	(iii) Un-allocable income	89.416	5,137.632	965.320	8,726.809	892.128
	<b>Total Profit Before Tax</b>	<b>19.99</b>	<b>5,304.82</b>	<b>530.60</b>	<b>9,163.96</b>	<b>954.229</b>
3	<b>Capital Employed</b>					
	(Segment Assts-Segment Liabilities)					
	(a) Commodity/Trading Business	-		-	-	-
	(b) Finance Business	16,178.525	18,386.565	3,134.140	16,178.525	9,241.934
	('C') Other Unallocable	-	-	-	-	-
	<b>Total Capital Employed</b>	<b>16,178.525</b>	<b>18,386.565</b>	<b>3,134.140</b>	<b>16,178.525</b>	<b>9,241.934</b>

	Ratios	Numerator	Denominator	31st March, 2022	31st March, 2021	Variance	Reason for Change in Ratio more than 25%
a.	Current Ratio	Current Assets	Current Liabilities	27.23	9.00	202.55%	Due to Increase in Investment
b.	Debt Equity Ratio	Total Debt	shareholders' Equity	0.04	0.12	-64.84%	Due to Repayment of debts
c.	Debt Service Coverage Ratio	Earnings available for Debt	Debt Service	13.10	0.86	1430.73%	Due to increase in Fair value leading to increase in earning and Repayment of debts
d.	Return on Equity Ratio	Net Profit after Tax	Average Shareholders' Equity	0.55	0.13	322.34%	Due to increase in Fair value leading to increase in earning
e.	Inventory Turnover Ratio	Revenue	Average Inventory	Not applicable since there is no inventory		NA	
f.	Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	43.59	27.72	57.24%	Due to increase in revenue of company
g.	Trade Payable Turnover Ratio	Purchase of Goods and Services and Other Expenses	Average Trade Payable	267.03	15.98	1571.48%	Due to increase in Purchase of shares
h.	Net Capital Turnover Ratio	Revenue	Working Capital	0.07	0.06	11.34%	
i.	Net Profit Ratio	Net Profit	Revenue	68.71	77.52	-11.36%	
j.	Return on Capital Employed	Earning before Interest and Taxes	Capital Employed	54.39	9.46	475.15%	Due to increase in Fair value leading to increase in earning and Repayment of debts
k.	Return on Investment	Income generated from Investments	Time Weighted Average Investments	4.84	0.42	1059.89%	Due to increase in return on investment compared to previous FY and also there is capital gain during the year

#### NOTE 35- PROVISIONS AND CONTINGENT LIABILITIES

Following are the income tax matters for which the assessment is in process & the company has already filed an appeal before the CIT appeal.

Assessment Year	Amount in lakhs	Remarks
AY : 2011-12	22.31	Unexplained Cash Credit u/s 68
AY : 2013-14	1.00	Listing Fees were disallowed
	1,999.20	Cash Credit has been disallowed
	1.40	Income has been voluntarily added by the assessee
AY: 2015-16	14.71	Disallowance u/s 14A
	0.68	Addition u/s 68 of the Income Tax Act.
AY 2014-15	7.31	Disallowance u/s 14A
AY 2017-18	2.47	Disallowance u/s 14A
AY : 2016-17	17.47	Disallowance u/s 14A
	26.32	Disallowance on Sale of Shares
	0.53	Unexplained Expenses has been added

**NOTE 36 GRATUITY AND EMPLOYMENT BENEFIT PLAN:**

No provision has been made for retirement and employee benefit as per 'AS 15' regarding retirement

**NOTE 37 CAPITAL COMMITMENTS:**

The capital commitment as at March 31, 2022 is NIL.

**NOTE 38 UNHEDGED FOREIGN CURRENCY EXPOSURES:**

There is no foreign currency exposure outstanding as on 31/03/2022

**NOTE 39 INCOME/ EXPENDITURE IN FOREIGN CURRENCY:**

There is no Income/ Expenditure in foreign currency as on 31/03/2022

**NOTE 40 BENAMI PROPERTY HELD:**

There is no Benami Property held by company as on 31/03/2022

**NOTE 41 WILFUL DEFAULTER:**

The Company is not declared as wilful defaulter by any Bank or Financial Institution.

**NOTE 42 RELATIONSHIP WITH STRUCK OFF COMPANIES:**

The Company has not had any transactions with companies struck off under section 248 of the Companies Act, 1956.

**NOTE 43 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTER OF COMPANIES:**

The company does not have any charge as on 31/03/2022.

**NOTE 44 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENT:**

The Company has not approved any Scheme of Arrangement in terms of sections 230 to 237 of the Companies Act, 2013

**NOTE 45 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:**

The Company doesn't have any advance, loan or invested (either from borrowed fund or share premium or any other sources or kind of funds) by the any company to or any other person or entity including foreign entity.

The Company not received any fund from any person or entity including foreign entities, that the company has 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.

**NOTE 46 CORPORATE SOCIAL RESPONSIBILITY(CSR):**

The company is not required to fulfill any liability under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility.

**NOTE 47 CRYPTO CURRENCY AND VIRTUAL CURRENCY:**

The company has not traded or invested in any Crypto currency or Virtual currency.

**NOTE 48 SME ACCOUNTING STANDARD COMPLIANCE**

In absence of adequate information relating to the suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, the Company is unable to identify such suppliers, hence the Information required under the said Act, cannot be ascertained.

**NOTE 49 COMPLIANCE WITH NUMBER OF LAYERS COMPANIES:**

Clause 87 of section 2 of the Act Companies (Restriction on number of Layers) Rules, 2017 is not applicable to NBFC.

**As per our Report of Even Date**  
**For Pravin Chandak & Associates**  
**Chartered Accountants**  
 (Firm Registration No.116627W)

**For and on behalf of the Board of Directors**  
**of Banas Finance Limited**

**Sd/-**  
**Nishant Sampat**  
**Partner**  
 Membership Number: 134410

**Sd/-**  
**Girraj Kishor Agrawal**  
**[Director]**  
**DIN: 00290959**

**Sd/-**  
**Amit Gulecha**  
**[Director]**  
**DIN: 06964404**

Place: Mumbai  
 Date: 28th May, 2022  
**UDIN : 22134410AJUGK05216**

**Sd/-**  
**Prajna Naik**  
**[Company Secretary ]**

**Sd/-**  
**Nemichand Saini**  
**[CFO]**