



29th Annual Report 2018-2019



Board of Directors

CS Maroti Jawanjar
Chairman & Managing Director
Mr. Shantaram Mahakalkar
Mr. Vishwas Pathak
Mr. Ashok Kachore
Mr. Dattatraya Dalal
CA Atul Sarda
Mr. Sandeep Jawanjal
(Executive Director)

Company Secretary

CS (Mrs.) Deepali Balpande

Bankers

Bank of Maharashtra
IDBI Bank Ltd.
Punjab National Bank
AU Small Finance Bank Ltd.

Public Deposit Trustee

Catalyst Trusteeship Ltd. Pune

Auditors

M/s APJ & Associates
Chartered Accountants

Regd. Office

Avinisha Tower,
Mehadia Square, Dhantoli,
NAGPUR - 440 012
Ph. : 0712 - 6663999

CIN No.

U65929MH1990PLC057829

PAN No.

AAACB5861B

GSTIN

27AAACB5861B1Z0

Website

www.berarfinance.com

BRANCHES

Maharashtra -	Akola, Amravati, Aurangabad, Ahemadnagar, Buldhana, Bhandara, Bhusawal, Chandrapur, Chalisgaon, Dhule, Gadchiroli, Gondia, Hingoli, Jalgaon, Khamgaon, Katol, Kolhapur, Latur, Nashik, Nanded, Parbhani, Paratwada, Pune, Puasd, Satara, Solapur, Sangli, Ratnagiri, Washim, Wardha, Yavatmal
Madhyapradesh -	Bhopal, Betul, Chhindwara, Dewas, Hoshangabad, Indore, Narsinghpur, Seoni, Vidisha
Chhattisgarh -	Bilaspur, Balodabazar, Durg, Dallirajra, Dhamtari, Kawardha, Korba, Mahasamund, Raipur, Rajnandgaon
Telangana -	Adilabad, Karimnagar, Kamareddy, Mancherial, Nizamabad, Sangareddy, Warangal
Karnatka -	Belgavi, Gulbarga
Gujarat -	Bardoli, Surat, Vadodara

DIRECTORS' REPORT

Your Directors present their 29th Annual Report and the audited accounts of your Company for the financial year ended 31.03.2019.

OPERATIONS

The business operations of the Company continued to grow satisfactorily during the year, as is evident from the following figures.

	2018-19	2017-18
	₹.Lacs	₹.Lacs
Amount Disbursed	34,416.82	27,523.04
Gross Receivables under Management		
At year end	36,841.13	28,852.61
Receivables sold under Securitisation	956.10	--
At the year end		
Gross Income	8,956.08	7,227.89
Gross Profit	<u>2,077.27</u>	<u>1,768.80</u>

FINANCIAL RESULTS

The operations reflect a Net Profit (after tax) of ₹.14,71,95,125.

Your Directors propose to appropriate the same as under

Net Profit (after Tax)	₹.14,71,95,125
Add Balance Brought Forward	₹. <u>1,49,12,416</u>
Disposable Profit	16,21,07,541
Appropriation	
Dividend paid during the year	80,00,000
Dividend Distribution Tax	16,44,427
Transfer to Statutory Reserve	3,70,80,000
Transfer to General Reserve	10,00,00,000
Balance Carried Forward	<u>1,53,83,114</u>

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs.1.00 per Equity Share (10.00%) as against Rs.1.00 per share(10.00%) in the previous year(exclusive of tax on dividend).

RESOURCES

- i) Bank Facilities-. As on date, Consortium of Bankers comprising of Bank of Maharashtra, IDBI Bank, Punjab National Bank and Au Small Finance Bank Limited are providing CC facility of ₹65.00 Crores. Au Small Finance Bank Limited joined the consortium with initial exposure of ₹10.00 Crores during the year.
- ii) Fixed Deposits- As on 31.03.2019 total fixed deposits are of ₹.76,94,99,807 , public deposits being of ₹.70,75,99,379.

Public Deposits at the beginning of the year	₹. 60,17,00,228
- Public deposits repaid during the year	₹. 22,77,67,624
+ Public Deposits received during the year	₹. 33,36,66,775
Public Deposits at the year end	₹ . 70,75,99,379

148 Deposits of ₹.2,78,42,217 though matured were unclaimed on 31.03.2019. Of these 15 deposits of ₹.16,43,684 are still unclaimed on the date of this report. Periodic reminders are being sent to the depositors for repayment/renewal of deposits.

- iii) Terms Loans- Your Company has availed term loans for working capital from lenders comprising Au Small Finance Bank Limited, IDFC First Bank Limited, DCB Bank Limited, IndusInd Bank Limited, Fincare Small Finance Bank Limited, Sundaram Finance Ltd, MAS Financials Services Limited, IFMR Capital Finance Private Limited, Avanse Financial Services Limited, Hinduja Leyland Finance Limited and Nabsamruddhi Finance Limited at favorable terms and reasonable rate of interest. The outstanding balance of such loans as on 31st March, 2019 is ₹.20079.37 lakhs. The term loans offer ready availability and repayments match maturity of receivables offered as security.
- iv) Term loan for office premises: The Company acquired 1st and 2nd floor of Avinisha Tower, Dhantoli, Nagpur admeasuring about 8100 square feet for housing growing needs of the business. The Company took term loan of ₹.750 Lakhs from Bank of Maharashtra for the said purpose. The outstanding balance of such loans as on 31st March, 2019 is ₹.454.99 lakhs.
- v) Assets Securitised/Assigned- During the Year the Company raised resources to the extent of ₹11.5 Cr. through securitization and assignment of receivables.

REVIEW OF WORKING

Financing of 2 Wheelers continues to be the main stay of your Company. With a view the broadbase the business, your Company ventured into financing agri-equipments, office equipments, commercial vehicles, cars and personal loans during the year. Your Company has a strong network and presence in the growing rural India. 25.05% increase in disbursement and **23.91%** increase in gross income could be considered as a satisfactory growth in business.

BRANCH NETWORK

Your Company plans to reach Customers through expansion at branch network at strategic locations in Central India.

During the year, your Company opened new branches at Pusad, Surat, Kolhapur, Solapur, Satara, Korba, Sangareddy, Latur, Mahasamund, Dhule, Gulberga, Sangali, Hoshnagabad. During the current year upto the date of this report, the Company has also opened branches at Dhamtari, Belgavi, Seoni, Dewas, Balodabazar, Kamareddy, Bardoli, Vadodara, Narsinghpur, Vidisha and Ratnagiri. Now, your Company has a branch tally of 62, comprising 31 in Maharashtra, 9 in Madhya Pradesh, 10 in Chhatisgarh, 3 in Gujrat, 7 in Telangana and 2 in Karnataka. Your Company plans to add few more branches during the current year.

RBI GUIDELINES

Your Company has been following guidelines issued by Reserve Bank Of India on prudential norms for income recognition, asset classification, provisioning of bad and doubtful debts, Capital adequacy and concentration of credit and investments. Your Company has comfortable capital adequacy ratio of 19.09% (as against 15% prescribed by RBI) as on 31.03.2019.

Under the new regulatory framework of Reserve Bank Of India, Your Company stands classified as **Systemically Important Asset Finance Company- Deposit Taking**.

RELATED PARTY TRANSACTIONS

All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. The Company did not enter into any material transaction with related parties, under Section 188 of the Companies Act, 2013, during the year. Form AOC-2, as required under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as part of this Report vide Annexure IV(i). Further, the Company's Policy on Related Party Transactions is attached as part of this report, vide Annexure IV(ii).

Further details on the transactions with related parties are provided in the accompanying financial statements.

CREDIT RATING

Your Company's cash credit facilities and public deposits schemes have received credit rating as under-

Schemes	Credit Rating Agency	Rate of Grade
Fixed Deposits	BY ICRA Ltd	MA-(Stable) Investment Grade
Cash Credit Facility	BY ICRA Ltd	BBB (Stable)Investment Grade (ungraded from BBB-)

Your Company is in the process of applying for review of ratings for the current year.

AUDITORS

STATUTORY AUDITORS & AUDITORS' REPORT

M./s APJ and Associates (Firm Reg.No.124810W) the retiring Auditors of the Company have completed their maximum tenure as Statutory Auditors of the Company as provided under the Companies Act,2013 and relevant Rules thereunder.

The Board of Directors on the recommendation of the Audit Committee has approved and recommended to the Members the appointment of M/s.Pravin Dhiran & Co, Chartered Accountants (Firm Reg.No.133656W) who have given written consent to act as a statutory Auditors of the Company and have also confirmed that the said appointment would be in conformity with provisions of Sec 139 and 141 of the Companies Act 2013 read with Companies(Audit & Auditors) Rules 2014.

The members are requested to appoint M/s.Pravin Dhiran & Co. as Statutory Auditors of the Company in place of retiring Auditors M/s.APJ & Associates, Chartered Accountants at the ensuing Annual General Meeting for the period of 5 years from the conclusion of ensuing Annual Gnereal Meeting till the conclusion of 34th Annual General Meeting and fix their remuneration.

REPORTING OF FRAUD BY THE AUDITORS

The details in respect of this is reported in the Financial Statements-Notes to Accounts 22.9 .

INTERNAL AUDITORS

M/s Somalwar Sahasrabudhe and Associates, Chartered Accountants ,perform the duties of Internal Auditors of the Company and their reports are reviewed by Audit Committee from time to time.

DIRECTORS

Mr.Dattatraya Prabhakar Dalal (DIN No.00380199), retires by rotation and being eligible offers himself for reappointment. Your Directors recommend his reappointment.

The Independent Directors have given declarations that they meet the criteria of independence as laid down under Sec 149(6) of the Companies Act, 2013.

Mr.V.B.Pathak & Mr.A.D.Sarda re-appointment as Independent Directors:

The Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Directors and taking into account the business knowledge, experience and the substantial contribution made by Mr. Vishwas Pathak and Mr. Atul Sarda during their tenure, has recommended to the Board that the continued association of Mr.Vishwas Pathak and Mr. Atul Sarda as Independent Directors of the Company would be beneficial to the Company. Based on the above and the performance evaluation of Independent Directors, the Board recommends the re-appointment of Mr.Vishwas Pathak and Mr. Atul Sarda, as Independent Directors of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company, commencing from conclusion of upcoming Annual General Meeting to the conclusion of

34th Annual General Meeting .The Company has received the requisite Notices from Members in writing proposing their appointment as Independent Directors. Mr.Vishwas Pathak and Mr. Atul Sarada have given their consent for re-appointment and have confirmed that they continue to retain their status as Independent Directors and that they do not suffer from any disqualifications for appointment.

All the Directors of the Company have confirmed that they satisfy the “fit and proper” criteria as prescribed in Chapter XI of RBI Master Direction No. DNBR. PD. 008/ 03.10.119/2016-17 dated 1st September, 2016 and that they are not disqualified from being appointed/continuing as Directors in terms of Section 164(2) of the Companies Act, 2013.

DIRECTORS’ RESPOSIBIITY STATEMENT

As required under Section134(3) (c) of the Companies Act.2013,your Directors confirm-

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure,if any.
- 2) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period
- 3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4) The Directors have prepared the annual accounts on a going concern basis.
- 5) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively, and
- 6) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

POLICY ON REMUNERATION OF DIRECTORS AND THE REMUNERATION POLICY FOR KEY MANAGERIAL PERSONEEL and OTHER EMPLOYEES OF THE COMPANY

Your Company has also adopted the Policy on Remuneration of Directors and the Remuneration Policy for Key Managerial Personnel and Employees of the Company in accordance with the provisions of sub-section (4) of Section 178 of the Act. The Nomination & Remuneration policy mainly covers the criteria for determining qualifications, positive attributes and independence of a Director and the Remuneration Policies for Directors, Key Managerial Personnel and other senior managerial employees , functionality of Nomination & Remuneration committee meeting members .The said policy is available on the Company’s website www.berarfinance.com.

RISK MANAGEMENT

Your Company, being in the business of retail financing has to face inherent risks like credit risk, liquidity risk, interest rate risk and operational risk, The survival and growth of any financing entity largely depends upon carefully managing these risks.

The Audit Committee ,Risk Management Committee and Assets Liability Management Committees review and monitor these risks at periodic intervals.

The Company manages credit risks through stringent credit norms and continues to follow the time tested practice of personally assessing every borrower before committing credit exposure.

Liquidity risks and interest rate risks arising out of maturity mismatch of the maturity of assets and liabilities are managed through regular monitoring of the maturity profiles.

Operational risks arising from inadequate or failed internal process, people and systems or from external events are adequately addressed by the internal control system and are continuously reviewed and monitored by a dedicated team of people.

HUMAN RESOURCES

Quality organization needs quality people. To the Company, its people are the most valuable resource. Merit and performance alone matters in people related matters.

Your Company is putting strong emphasis on attracting, training and retaining the right talent and performs.

Your Company has a pride of having a cadre of committed and competent employees at all levels, equipped to deliver a variety of products and services to the rapidly growing customer base. The relationship with employees continues to be cordial

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE POLICY

Your Company has put in place a policy for prevention, prohibition and redressal against sexual harassment of women at the work place, to protect women employees and enable them to report sexual harassment at the workplace in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An internal Complaint Committee (ICC) headed by a women employee has also been constituted for the purpose. All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received during F.Y. 2018-2019.

The Company has complied with provisions relating to constitution of internal complaint committee under Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

SECRETARIAL STANDARDS OF ICSI

The Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2)

MAINTENANCE OF COST RECORDS

The provision of section 148 of the Act, are not applicable to the Company. Accordingly, there is no requirement of maintenance of cost records as specified under section 148(1) of the Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

Pursuant to Section 186(11) of the Companies Act, 2013 ("the Act"), the provisions of Section 186(4) of the Act requiring disclosure in the Financial Statements of the full particulars of the loans made and guarantees given or securities provided by a NonBanking Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report. Further, pursuant to the provisions of Section 186 (4) of the Act, the details of investments made by the Company are given in the Notes to the Financial Statements.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and subsection (3) of Section 92 of the Companies Act, 2013, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as at 31st March, 2019 in Form No. MGT-9, is appended as "Annexure V" and forms part of this Report. The Annual Return of the Company as at 31st March, 2019 has been placed on the website of the Company and can be accessed at <https://www.berarfinance.com/Annual> General Meeting 2019.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

OTHER PARTICULARS

Particulars of employees and particulars regarding conservation of energy, technology absorption, foreign exchange ensuring and outgo , are not applicable to company.

Your Company, being NBFC registered with Reserve Bank Of India, the provisions of Sec. 185 of the Companies Act ,2013 are not applicable to the Company

Reports forming part of this Report

i) Management Discussion and Analysis	Annex I
ii) Report on Corporate Governance	Annex II
iii) Report on CSR Activities	Annex III
iv) Form AOC-2	Annex IV(i)
v) Related party Transaction Policy	Annex IV(ii)
vi) Annual Return (sec 92(3) of Companies Act,2013	Annex V

ACKNOWLEDGEMENT

The Board of Directors takes the opportunity to express it's sincere appreciation for the support and co-operation from it's members, depositors, banks, financial institutions and the regulator-Reserve Bank of India.

The Board of Directors also places on record it's sincere appreciation of the commitment and hard work put in by the management and employees of the Company.

Nagpur
28.06.2019

For and on behalf of
the Board of Directors
M.G.Jawanjar
Chairman

Management Discussion and Analysis

Annexure I

F.Y.2018-2019 was a challenging year for the industry in general and finance industry in particular. The First half was badly impacted by demonetisation and the second half by confused mechanism of GST. The outlook for F.Y.2019-2020 remains positive and Challenging .

Market Scenario

Your Company is a strategic player in Central India. This part of India is characterised by rich natural resources, rural based populations and agriculture and agro-industries as a source of employment and livelihood. With good rainfall the crops were satisfactory but the demonetization hit the pricing of agri-produce badly. The demand for vehicles in the first half was encouraging but second –half witnessed not so positive trend and there was a general decline in all segments of auto-sales.

Your Company mainstay during the year was financing 2 wheelers to urban and rural population. The reason being, the people here have developed other sources of income like dairy farming, agro-industries. The spending by Government on infra- projects provided employment to the people, that helped maintain their standard of living and demand for various products. The same logic holds true for cars, commercial vehicles, consumer durables, agri-equipments. The consumers are enthused with easy availability of credit, which ensures continuous growth in demand from various sections of society.

Out Look

The current year started with a general slow down in auto industry and other sectors of economy but the political stability, revived confidence in all walks of life, higher spending on social sector and thrust on infra- projects would certainly generate stronger economic growth, a revival of manufacturing, service sector and agriculture. We have the world's youngest population, fast growing middle class and less penetration of goods and services offer tremendous opportunity for doing business to meet the ever growing demand.

Your Company has decided to broad base product portfolio to take advantage of the growing demand from customers. The main verticals could be agri finance, consumer finance, cars and commercial vehicles finance and personal loans .Your Company sees a sustained growth in business and profitability with such a diversified portfolio.

Berar Finance Limited expects to maintain its performance in F.Y.2019-2020, and hopes to grow at a rate faster than the growth in economy. The profitability would also improve, given the availability of low cost funds and low overheads. The approach would be to continue with the growth momentum while balancing risk. The NBFCs are called upon to met increased demand of funds caused by weak public sector banks.

The fall of big NBFCs like IL&FS, DHFL etc. has created panic in NBFC sector. This will normalize in due course of time.

The Year 2018-2019

The performance of the Company during the year could be considered satisfactory, in the backdrop of growing competition, recessionary trend in economy .

<u>Particulars</u>		<u>2017-18</u>	<u>2018-19</u>	<u>Change %</u>
Total Income	₹.Lacs	7,227.89	8,956.08	+23.91
Total Cost	₹.Lacs	5,459.09	6,878.81	+26.01
Profit Before Tax	₹.Lacs	1,768.80	2,077.27	+17.44
Profit after Tax	₹Lacs	1,237.65	1,471.95	+18.93
Earning per Share	(₹.)	15.47	18.40	+18.94

Risks and Concerns

The Company has a policy to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with business. The Company is aware of multiple risks and keep constant vigil to manage the same to Company advantage. Your Company has built a robust risk management framework over the years engaged in retail financing. The Company has to manage various risk including credit risk, liquidity risk, interest rate risk and operational risk.

The Main Focus of your Company has been -

i) a diversified portfolio ii) improving credit quality iii) reduced mismatch in Assets and Liability iv) low cost of Funds. Risk Management Committee and Assets Liability management Committee are doing all efforts to meet this challenge. The Company has been largely successful in managing the risks and concerns inherent in the business of a finance company. With multiple lenders and other sources of funds, the Company is assured of easy availability of funds at lower cost for its growing business. Your Company does not perceive any threat to the business growth with profits.

Customer Service

Your Company continues to remain customer centric in its policies and practices. Customer data and status is available on line at all branches. Accepting that time has value, the Company provides prompt services while selling Company products as well as post-sales services. Customers enquiries and complaints are attended instantly. Secondly the Company is known for its customer friendly and transparent finance schemes. Once a Berar customers- always Berar customers. There are committed staffs at Head Office level as well as branch level to attend to customer enquiries to offer prompt services and attend customers complaints urgently.

Annexure II

Report on Corporate Governance

Berar Finance Limited has been following robust governance practices since its inception. Your Company continues to maintain the highest standard of integrity and transparency in operations ,excellence in service to all stakeholders and strong corporate Governance standards.

1) Board Of Directors

All the members of the Board are eminent persons with considerable experience and expertise in finance, accounting, banking and academics. The Company is immensely benefited by the range of experience and skills that the Directors bring to the Board.

The Composition as on 31.03.2019 is as follows

Name of Director	category	No of Board Meeting attended	Whether attended AGM
Mr.Maroti Jawanjar	Promoter	7	yes
Mr.Shantaram Mahakalkar	NonExecutive Director	6	yes
Mr.Ashok Kachore	NonExecutive Director	7	yes
Mr.Dattaraya Dalal	NonExecutive Director	7	yes
Mr.Vishwas Pathak	Independent Director	7	yes

Mr.Atul Sarda	Independent Director	7	yes
Mr.Sandeep Jawanjal	Promoter	6	yes

Board Meeting

The Board of Directors formulate the broad business and operational policies, periodically review the performance and engages itself with strategic issues concerning the Company.

During the year under review, 7 meetings of the Board Of Directors were held-

Date	Date
1. 18.05.2018	5.31.12.2018
2. 28.06.2018	6.25.02.2019
3. 25.08.2018	7.30.03.2019
4. 12.10.2018	

None of the Directors is holding directorship in other companies and hence details of their Directorship is not given.

Remuneration of Directors

At present, Independent Directors/Non- Executive Directors are not paid any remuneration, except sitting fees for attending Board meetings and Committee meetings. Details of sittings fees paid are as under

Mr.Shantaram Mahakalkar	20,000	Mr.Ashok Kachore	10,000
Mr.Vishwas Pathak	24,000	Mr.Atul Sarda	20,000
Mr.Dattatraya Dalal	14,000		

During the year under review the Company paid ₹.153.94 Lacs towards remuneration to Mr.Maroti Jawanjar Managing Director and Mr.Sandeep Jawanjal Executive Director .(Details provided in note 22.19 of the notes to financial statements).

2) Audit Committee

The Board has set up the Audit Committee with two Independent Directors. The members of the committee are Mr.Sandeep Jawanjal(Executive Director), Mr.Vishwas Pathak(Independent Director) and Mr.Atul Sarda(Independent Director). Mr.Atul Sarda is the chairman of the Audit Committee.

The Audit Committee meetings were held on 28.06.2018, 12.10.2018, 31.12.2018 ,30.03.2019, .Mr.Atul Sarda & Mr.Vishwas Pathak have attended aforesaid committee meetings. Mr.Sandeep Jawanjal was absent on committee meeting dated 31.12.2018.The statutory Auditors were invited to the above meetings.

The Audit Committee reviews the financial accounting policies, adequacy of internal control system and system audit and interacts with statutory auditors, internal auditors, senior executives. The Committee reviews the audit plan, interim and annual financial results of operations, observations of internal and external auditors.

3 Risk Management and ALM committee

The Board has set up Asset-Liability committee and Risk Management Committee pursuant to the requirement of Reserve Bank Of India .As on date the Committee is consisting of Mr.Maroti Jawanjar (Chairman), Mr.Sandeep Jawanjal and Mr. Shantaram Mahakalkar as members of the said committee. The Committee regularly reviews the Company assets and liabilities, its quality and business risk. The Internal Auditors also report to the Committee from time to time for the purpose of risk management.

During the financial year ended 31.03.2019 meetings were held on 30.06.2018, 12.10.2018, 31.12.2018 and 30.03.2019 .All the members have attended the aforesaid meetings except Mr.Sandeep Jawanjhal who was absent on 31.12.2018

Business Risk Evaluation and Management is an ongoing process with in the organistion .The Company has a strong risk management framework to identify monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises -

- 1) Oversight of risk management performed by executive management.
- 2) Reviewing the policy and framework in line with legal requirement and RBI guidelines.
- 3) Reviewing risk and evaluate treatment including mitigation action.
- 4) Defining framework for identification, assessement, monitoring, mitigation, and reporting risks.
- 5) Within the overall scope as aforesaid, the Committee reviews risk trends, exposure, potential impact analysis and mitigation plan.

4.Nomination and Remuneration Committee

The Committee was constituted in pursuance of section 178 of the Companies Act 2013.

As on date the Committee consists of the following members:

Mr.Vishwas Pathak	–	Chairman
Mr.Atul Sarda	-	Member
Mr.Dattatraya Dalal	-	Member

During the financial year ended 31.03.2019 meetings were held on 28.06.2018 and 30.03.2019 .All the members have attended the aforesaid meetings .

The broad terms of reference of this Committee include recommending a policy relating to remuneration and employment terms of Managing Directors, Executive Directors, Senior Management personnel, adherence to the remuneration and employment policy, preparing the criteria and identify persons who may be appointed as Directors or senior management of the Company .

The Committee ensures, fit and proper status of the Directors to be appointed/reappointed and recommend their appointment/reappointment to the Bond of Directors.

5.Stakeholders Relationship Committee

As on date the composition of the Stakeholders Relationship Committee is as follows:

Mr.Shantaram Mahakalkar	-	Chairman
Mr.Ashok Kachore	-	Member
Mr.Dattaraya Dalal	–	Member

The Stakeholders Relationship Committee reviews redressal of complaints from shareholders, depositors etc.

The meeting was held on 30.03.2019.

The Company Secretary is the Secretary of the Committee. No Complaints were received during the year

All the Committee members have attended the aforesaid Committee meeting.

6. Corporate Social Responsibility (CSR) committee

As required under section 135 of the Companies Act, 2013, the Company has formed a CSR Committee comprising the following members.

Mr. Marotrao Jawanjar	Chairman
Mr. Sandeep Jawanjal	Member
Mr. Vishwas Pathak	Member

The committee met on 31.12.2018 and 30.03.2019 during the financial year ended 31.03.2019. All the members have attended the aforesaid meetings except Mr. Sandeep Jawanjal who was absent on 31.12.2018

7. Independent Directors Meeting

During the year under review the Independent Directors met on 30.03.2019, inter alia to discuss

1. Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of non-executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties

All The Independent Directors were present at the meeting.

8. General Body Meetings

The particulars of last 3 years Annual General Meetings are as under

Fin. Year	Day	Date	Time	Place
2017-18	Saturday	08.09.2018	4.00 P.M.	Arjuna Celebrations, Pande Layout, Khamla, Nagpur-440025
2016-17	Saturday	02.09.2017	4.00P.M	Celebration Centre N. Ambazari Road Nagpur-440010
2015-16	Saturday	27.08.2016	3.30P.M.	Celebration Centre N. Ambazari Road Nagpur-440010

Details of the Special Resolutions passed at the last three Annual general Meetings (AGM) and Postal Ballot:

Following Special Resolution was passed by the members at 28th Annual General Meeting held on 08.09.2018.:

Section 186 of the Companies Act, 2013:

Approval for making Investments, Loans, giving Guarantee or providing security under Sec 186 of the Companies Act, 2013.

Mr. Amit Rajkotiya, Practising Company Secretary was appointed as scrutinizer for conducting voting process in a fair and transparent manner. The resolution was passed with 99.96 % voting in favour of the resolutions.

Resolution :

Total Valid Votes	Votes with Assent	Votes in decent	%
43,13,442	43,11,742	1700	99.96

There were no special resolution at the Annual General Meeting held on 02.09.2017 and 27.08.2016.

9.Vigil Mechanism/Whistle Blower Policy

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standard of professionalism, honesty, integrity and ethical behavior, the Company has adopted a vigil mechanism policy. The mechanism of whistle blower policy is in place. Both Vigil Mechanism and Whistle Blower policies are posted on website of the Company .No personnel have been denied access to the Chairman or members of the Audit Committee.

Annexure III

Report on CSR activities.

1.A Brief outline of Company's CSR Policy

The Company CSR Policy is approved at the Board Meeting held on 05.03.2015.

The said policy is available on the Company's website www.berarfinance.com.

Berar Finance Limited as a good corporate citizen, has adopted CSR as strategic tool for sustainable growth and has decided to contribute to the development of the communities as a whole. In doing so, the Company aims at building a better, sustainable way of life for the weaker section of society,

The Five major areas in which Berar Finance plans to work shall include Education, Poverty Alleviation , Promoting sports and Health and Environmental sustainability. The objectives of the Company for the above activities shall be as follows;

- 1) Education- Our endeavor is to spark the desire for learning and enlighten minds. We may undertake to fulfill this objective by way of providing quality education initiatives or by financial assistance to the poor and needy students, education assistance to mentally handicapped children ,assistance to undertaking to impart vocational training, adult education programs, girl education, other related infrastructure etc.
- 2) Health Care- Our goal is to render quality health care facilities which we may provide by way of undertaking preventive healthcare programs by way of including but not limited to settings various camps and related infrastructure services, providing of sanitation and making available safe drinking water ,direct assistance to critically ill patients etc .
- 3) Environmental Sustainability -For addressing this objective we may undertake afforestation, planting of trees, maintain public garden, playground cleanliness and such other like programmes, activities towards maintaining ecological balance, quality of soil, air and water, conservation of natural resources etc.
- 4) Poverty alleviation and livelihood enhancement projects/women empowerment: To help poor people to help them to earn their livelihood thereby helping them to come out of poverty line. This also includes activities to boost women empowerment This will be through providing income earning assets like sewing machines, pressing machine, washing machines etc.
- 5) Promoting Sports: This covers giving financial assistance for organizing sports events, reimbursing the cost incurred by financially poor /needy sports boys/girls for playing any sport

2. Composition Of Committee

Name	Designation
Mr. Maroti Jawanjar	Chairman
Mr. Sandeep Jawanjal	Member
Mr. Vishwas Pathak	Member

3. Average net profit of the Company for Last 3 financial years.

Profits for 3 past years (₹.lacs)

Year	Profit (₹.lacs)	Average Net Profit (₹.Lacs)
2017-2018	1,768.80	
2016-2017	1,532.62	1,516.12
2015-2016	1,246.93	

4. Prescribed CSR expenditure (2% of the amount as in item 3)

The Company is required to spend ₹.30.32 lacs .

During the year, the Company spent Rs.19.13 lacs .

Because of fall of IL& FS and problem with other NBFCs, the market condition of NBFC sector is very critical .Obtaining funding for their working capital requirement is becoming difficult day by day .Therefore no further amount was spent on CSR this year .

5. Details of CSR Spend

The Company spent the amount on CSR activities in the following ways.

Project Description	Amount Spent	Purpose
1) Medical Treatment of Needy : Cancer Patient Mrs. Shubhangi Bhujade	₹ 46,585.00	Promoting health care
2) Poverty Alleviation and Livelihood Enhancement projects: Distributed Brass irons to Dhobi Samaj Vikas Bahuuddeshiya Sannstha	₹.1,17,250.00	Helping poor people to earn their livelihood
3) Contribution to the Corpus of Vishwa Hindu Jankalyan Parishad	₹ 2,00,000.00	Education to poor & deprived students
4) Contribution to the Corpus of Jeevoday Education Society	₹5,00,000.00	Imparting Education to mentally handicapped children
5) Payment made to Dhobi Samaj Vikas Bahuuddeshiya Sanstha for purchase of sewing machines for poor ladies of their community	₹ 1,26,000.00	Women empowerment
6) Medical Treatment of Needy : Cancer Patient Mrs. Banita Pande	₹ 1,00,000.00	Promoting health care
7) Contribution to the Corpus of sandhya Sanwardhan Santha	₹2,00,000.00	Imparting Education to mentally handicapped children

8) Distribution of sports kit to Rural Girls sports students	₹ 32,655.00	promoting sports among girls
9) Medical Treatment of Needy : Heart patient Ms.Supriya Naik	₹ 2,00,000.00	Promoting health care
10) Contribution to the corpus of Central India Institute of Medical Science (CIIMS)	₹.3,00,000.00	Promoting health care
11)Medical Treatment of needy patient: Child:Saavi Raut	₹. 38,702.00	Promoting health care
12).Provided Drinking water cooler to a College	₹ 52,000.00	Promoting health care

	₹.19,13,192.00	

Annexure IV(i)

Form AOC-2

(Pursuant to clause (h) of sub-section(3) of Section 134 of the Companies Act,2013 and Rule8(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 Companies Act,2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis.

All transactions entered into by the Company during the year with related parties were on an arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis.

The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature.

Nagpur
28.06.2019

M.G.Jawanjar
Chairman

Annexure IV(ii)

Policy on Related Party Transactions

(As per Master Directions of Reserve Bank of India requiring Non-Banking Financial Companies to formulate a Policy on Related Party Transactions.)

The Company shall enter into transactions with related parties only on arm's length basis and in the ordinary course of business, supported by agreement or formal letter. If the transaction is not in the ordinary course of business and not on arm's length basis , then, necessary compliances under Companies Act, 2013 and Rules framed there under will be adhered to.

For the purpose of the above clause, transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual turnover of the company as per the last audited financial statements of the company.

The above policy is subject to change from time to time.

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
 As on the financial year ended on 31.03.2019

Annexure V

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	U65929MH1990PLC057829
2	Registration Date	22-08-1990
3	Name of the Company	BERAR FINANCE LIMITED
4	Category/Sub-category of the Company	PUBLIC COMPANY / LIMITED BY SHARES / NBFC
5	Address of the Registered office & contact details	AVINISHA TOWER, MEHADIA CHOWK, DHANTOLI, NAGPUR-440012 PH. NO.0712-6663999 www.berarfinance.com Email : info@berarfinance.com
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	BIGSHARE SERVICES PRIVATE LIMITED 1ST FLOOR, BHARAT TIN WORKS BUILDING, OPP. VASANT OASIS, MAKWANA ROAD, MAROL, ANDHERI (EAST), MUMBAI 400059

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	NBFC ENGAGED IN ASSET FINANCING & OTHER FINANCIAL SERVICES	64920	100
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	NOT APPLICABLE				
2					
3					

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	26,44,766	26,44,766	33.06%	-	27,03,316	27,03,316	33.79%	2.21%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	10,54,434	10,54,434	13.18%	-	14,88,484	14,88,484	18.61%	41.16%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	-	36,99,200	36,99,200	46.24%	-	41,91,800	41,91,800	52.40%	13.32%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	36,99,200	36,99,200	46.24%	-	41,91,800	41,91,800	52.40%	13.32%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FII's	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	3,450	3,450	0.04%	-	3,450	3,450	0.04%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		21,49,210	21,49,210	26.87%	-	17,85,085	17,85,085	22.31%	-16.94%

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	21,45,340	21,45,340	26.82%	-	20,16,865	20,16,865	25.21%	-5.99%
c) Others (specify)									
Investor Education & Protection Fund. No votion right in respect of these shares	2,800	-	2,800		2,800	-	2,800	0.04%	0.00%
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	2,800	42,98,000	43,00,800	53.76%	2,800	38,05,400	38,08,200	47.60%	-11.45%
Total Public (B)	2,800	42,98,000	43,00,800	53.76%	2,800	38,05,400	38,08,200	47.60%	-11.45%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	2,800	79,97,200	80,00,000	100.00%	2,800	79,97,200	80,00,000	100.00%	1.86%

(ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumb ered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumb ered to total shares	
1	JAWANJAR MAROTI	10,08,194	12.60%		10,21,194	12.76%		1.29%
2	JAWANJAR JYOTI	2,74,550	3.43%		2,74,550	3.43%		0.00%
3	JAWANJAL SANDEEP	3,04,268	3.80%		3,22,518	4.03%		6.00%
4	JAWANJAL BAKUL	1,01,000	1.26%		1,01,000	1.26%		0.00%
5	JAWANJAL RADHEMOHAN	1,400	0.02%		1,400	0.02%		0.00%
6	MAROTI JAWANJAR(HUF)	8,39,654	10.50%		8,66,954	10.84%		3.25%
7	SANDEEP JAWANJAL(HUF)	1,15,700	1.45%		1,15,700	1.45%		0.00%
8	AVINO CAPCONS PVT. LTD.	10,54,434	13.18%		14,88,484	18.61%		41.16%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	JAWANJAR MAROTI						
	At the beginning of the year			10,08,194	12.60%	10,08,194	12.60%
	Changes during the year	14.05.2018	Transfer	600	0.01%	10,08,794	12.61%
		01.10.2018	Transfer	12,400	0.16%	10,21,194	12.76%
	At the end of the year					10,21,194	12.76%
2	JAWANJAR JYOTI						
	At the beginning of the year			2,74,550	3.43%	2,74,550	3.43%
	Changes during the year			-	0.00%	2,74,550	3.43%
	At the end of the year					2,74,550	3.43%
3	JAWANJAL SANDEEP						
	At the beginning of the year			3,04,268	3.80%	3,04,268	3.80%
	Changes during the year	01.10.2018	Transfer	18,250	0.23%	3,22,518	4.03%
	At the end of the year					3,22,518	4.03%
4	JAWANJAL BAKUL						
	At the beginning of the year			1,01,000	1.26%	1,01,000	1.26%
	Changes during the year			-	0.00%	1,01,000	1.26%
	At the end of the year					1,01,000	1.26%
5	JAWANJAL RADHEMOHAN						
	At the beginning of the year			1,400	0.02%	1,400	0.02%
	Changes during the year				0.00%	1,400	0.02%
	At the end of the year					1,400	0.02%
6	MAROTI JAWANJAR(HUF)						
	At the beginning of the year			8,39,654	10.50%	8,39,654	10.50%
	Changes during the year	14.05.2018	Transfer	2,400	0.03%	8,42,054	10.53%
		29.05.2018	Transfer	1,400	0.02%	8,43,454	10.54%
		01.08.2018	Transfer	4,000	0.05%	8,47,454	10.59%
		01.10.2018	Transfer	19,500	0.24%	8,66,954	10.84%
	At the end of the year					8,66,954	10.84%
7	SANDEEP JAWANJAL(HUF)						
	At the beginning of the year			1,15,700	1.45%	1,15,700	1.45%
	Changes during the year			-	0.00%	1,15,700	1.45%
	At the end of the year					1,15,700	1.45%

8	AVINO CAPCONS PVT.LTD.						
	At the beginning of the year			10,54,434	13.18%	10,54,434	13.18%
	Changes during the year	01.08.2018	Transfer	30,800	0.39%	10,85,234	13.57%
		28.08.2018	Transfer	3,150	0.04%	10,88,384	13.60%
		15.09.2018	Transfer	81,650	1.02%	11,70,034	14.63%
		25.09.2018	Transfer	1,74,025	2.18%	13,44,059	16.80%
		29.09.2018	Transfer	67,350	0.84%	14,11,409	17.64%
		01.10.2018	Transfer	77,075	0.96%	14,88,484	18.61%
	At the end of the year					14,88,484	18.61%

(iv) Shareholding Pattern of top ten Shareholders*(Other than Directors, Promoters and Holders of GDRs and ADRs):*

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	KACHORE RAVINDRA						
	At the beginning of the year			2,33,484	2.92%	2,33,484	2.92%
	Changes during the year			-	0.00%	2,33,484	2.92%
	At the end of the year					2,33,484	2.92%

2	KACHORE NARENDRA						
	At the beginning of the year			1,98,482	2.48%	1,98,482	2.48%
	Changes during the year			-	0.00%	1,98,482	2.48%
	At the end of the year					1,98,482	2.48%

3	PATNI AJAY KUMAR						
	At the beginning of the year			1,00,000	1.25%	1,00,000	1.25%
	Changes during the year			-	0.00%	1,00,000	1.25%
	At the end of the year					1,00,000	1.25%

4	KIDILE PRAKASH						
	At the beginning of the year			62,650	0.78%	62,650	0.78%
	Changes during the year			-	0.00%	62,650	0.78%
	At the end of the year					62,650	0.78%

5	MUTHA PARAS						
	At the beginning of the year			50,000	0.63%	50,000	0.63%
	Changes during the year			-	0.00%	50,000	0.63%
	At the end of the year					50,000	0.63%

6	MUTHA CHANDAN						
	At the beginning of the year			50,000	0.63%	50,000	0.63%
	Changes during the year			-	0.00%	50,000	0.63%
	At the end of the year					50,000	0.63%

7	AGRAWAL VIDUSHI						
	At the beginning of the year			48,500	0.61%	48,500	0.61%
	Changes during the year			-	0.00%	48,500	0.61%
	At the end of the year					48,500	0.61%
8	AGRAWAL CHANDA						
	At the beginning of the year			43,000	0.54%	43,000	0.54%
	Changes during the year			-	0.00%	43,000	0.54%
	At the end of the year					43,000	0.54%
9	BALPANDE DEEPALI						
	At the beginning of the year			36,000	0.45%	36,000	0.45%
	Changes during the year	01.10.2018	Transfer	5,900	0.07%	41,900	0.52%
	At the end of the year					41,900	0.52%
10	AGRAWAL NIKHIL						
	At the beginning of the year			40,750	0.51%	40,750	0.51%
	Changes during the year			-	0.00%	40,750	0.51%
	At the end of the year				0.00%	40,750	0.51%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	JAWANJAR MAROTI						
	At the beginning of the year			10,08,194	12.60%	10,08,194	12.60%
	Changes during the year	14.05.2018	Transfer	600	0.01%	10,08,794	12.61%
		01.10.2018	Transfer	12,400	0.16	10,21,194	12.76%
	At the end of the year					10,21,194	12.76%
2	MAHAKALKAR SHANTARAM						
	At the beginning of the year			29,900	0.37%	29,900	0.37%
	Changes during the year			-	0.00%	29,900	0.37%
	At the end of the year					29,900	0.37%
3	PATHAK VISHWAS						
	At the beginning of the year			26,400	0.33%	26,400	0.33%
	Changes during the year	29.09.2018	Transfer	600	0.01%	27,000	0.34%
		01.10.2018	Transfer	600	0.01%	27,600	0.35%
	At the end of the year					27,600	0.35%

4	KACHORE ASHOK						
	At the beginning of the year			24,034	0.30%	24,034	0.30%
	Changes during the year			-	0.00%	24,034	0.30%
	At the end of the year					24,034	0.30%
5	DALAL DATTATRAYA						
	At the beginning of the year			1,02,716	1.28%	1,02,716	1.28%
	Changes during the year	25.9.2018	Transfer	11,100	0.14%	1,13,816	1.42%
	At the end of the year					1,13,816	1.42%
6	SARDA ATUL						
	At the beginning of the year			13,200	0.17%	13,200	0.17%
	Changes during the year			-	0.00%	13,200	0.17%
	At the end of the year					13,200	0.17%
7	JAWANJAL SANDEEP						
	At the beginning of the year			3,04,268	3.80%	3,04,268	3.80%
	Changes during the year	01.10.2018	Transfer	18,250	0.23%	3,22,518	4.03%
	At the end of the year					3,22,518	4.03%
8	BALPANDE DEEPALI						
	At the beginning of the year			36,000	0.45%	36,000	0.45%
	Changes during the year	01.10.2018	Transfer	5,900	0.07%	41,900	0.52%
	At the end of the year					41,900	0.52%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment. (Amt. ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,93,45,65,470.00	-	61,41,16,121.00	2,54,86,81,591.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	51,52,288.00	-	5,45,93,967.00	5,97,46,255.00
Total (i+ii+iii)	1,93,97,17,758.00	-	66,87,10,088.00	2,60,84,27,846.00
Change in Indebtedness during the financial year				
* Addition	1,44,00,00,000.00		36,03,57,246.00	1,80,03,57,246.00
* Reduction	83,78,98,179.00		25,95,67,527.00	1,09,74,65,706.00
Net Change	60,21,01,821.00		10,07,89,719.00	70,28,91,540.00
Indebtedness at the end of the financial year				
i) Principal Amount	2,53,36,05,006.00		69,95,76,174.00	3,23,31,81,180.00
ii) Interest due but not paid	-		-	-
iii) Interest accrued but not due	82,14,573.00		6,99,23,633.00	7,81,38,206.00
Total (i+ii+iii)	2,54,18,19,579.00		76,94,99,807.00	3,31,13,19,386.00

Note : Deposits include deposits from Directors, their relatives and inter-corporate deposits of ₹. 6,19,00,428.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

SN	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (₹)
		Mr.Maroti Jawanjar Managing Director	Mr.Sandeep Jawanjal Executive Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	31,00,000.00	24,50,000.00	55,50,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	50,40,000.00	39,60,000.00	90,00,000.00
	- others, specify			
5	Others, please specify(PF Contribution & Gratuity)	3,80,769.00	4,63,640.00	8,44,409.00
	Total (A)	85,20,769.00	68,73,640.00	1,53,94,409.00
	Ceiling as per the Act			2,27,00,510.00

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
		Mr.Vishwas Pathak	Mr.Atul Sarda		
1	Independent Directors				
	Fee for attending board committee meetings	16,000.00	12,000.00		28,000.00
	Commission	-	-		-
	Others, please specify(Board Meetings)	8,000.00	8,000.00		16,000.00
	Total (1)	24,000.00	20,000.00		44,000.00
2	Other Non-Executive Directors(NED)				
	Fee for attending board committee meetings	14,000.00	2,000.00	6,000.00	22,000.00
	Commission	-	-	-	-
	Others, please specify(Board Meetings)	6,000.00	8,000.00	8,000.00	22,000.00
	Total (2)	20,000.00	10,000.00	14,000.00	44,000.00
	Total (B)=(1+2)	44,000.00	30,000.00	14,000.00	88,000.00
	Total Managerial Remuneration				1,54,82,409.00
	Overall Ceiling as per the Act				2,27,00,510.00

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (₹)
		Name			
		Designation	CEO	CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	12,41,300.00	12,41,300.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify(PF contribution & Gratuity)	-	-	90,171.00	90,171.00
	Total	-	-	13,31,471.00	13,31,471.00

VII. 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)
A. COMPANY		Penalty, Punishment, Compounding	: NIL		
B. DIRECTORS		Penalty, Punishment, Compounding	: NIL		
C. OTHER OFFICERS IN DEFAULT		Penalty, Punishment, Compounding	: NIL		

INDEPENDENT AUDITORS' REPORT

To the Members of

Berar Finance Limited, Nagpur.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **Berar Finance Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the 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 (“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, 2019, the profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board’s Report including Annexures to Board’s Report, Business Responsibility Report, but does not include the financial statements and our auditor’s report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with accounting standard under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone 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 by the Company.

For APJ & Associates
Chartered Accountants
FRN:124810W
Abhinav Welekar
Partner
M.No: 123675

Place: Nagpur
Date: 28th June 2019

ANNEXURE “A” TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Berar Finance Limited of even date)

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

We have audited the internal financial controls over financial reporting of **BERAR FINANCE LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Nagpur
Date: 28th June 2019

For APJ & Associates
Chartered Accountants, FRN:124810W
Abhinav Welekar, Partner
M.No: 123675

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Berar Finance Limited** of even date)

- i. In respect of the Company's fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. The Company is in the business of providing finance services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to one bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - c) There is no overdue amount remaining outstanding as at the year-end. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, 2013 and the rules framed there under with regard to deposits accepted from the public. No order has been passed on the Company by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.
- v. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013.
- vi. According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - c) Details of dues of Service Tax which have not been deposited as at March 31, 2019 on account of dispute are given below:

Nature of Dues	Amount (In ₹)	Period to which amount relates	Form where the dispute is pending
Service Tax	1,78,85,877/-	April 13 To June 17	Commissioner Appeal
Service Tax	5,04,547/-	April 17 to June 17	Commissioner Appeal

- vii. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any bank, financial institution, debentures holder or repayments of dues to the government.
- viii. As per the information and explanations given by the management, we report that, the Company has not raised any money by way of public issue/ follow-on offer and to the best of our knowledge & belief and according to the information & explanations given to us, in our opinion, term loans availed by the Company were applied for the purpose for which the loans were obtained.
- ix. To the best of our knowledge and belief and according to the information and explanation given to us by the management, during the year, no fraud by the Company and no material fraud on the Company by its officers or employees were noticed or reported during the course of our audit.
- x. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xi. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiii. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xiv. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- xv. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are applicable to the Company and the company has registration under section 45-IA of the Reserve Bank of India Act, 1934.

For APJ & Associates
Chartered Accountants
FRN:124810W
Abhinav Welekar
Partner
M.No: 123675

Place: Nagpur
Date: 28th June 2019

BALANCE SHEET AS AT 31st MARCH, 2019

Figures in ₹

Particulars	Note No.	As at 31.03.2019	As at 31.03.2018
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
a) Share Capital	3	8,00,00,000	8,00,00,000
b) Surplus	4	65,26,43,114	51,50,92,416
(2) Non-Current Liabilities			
a) Long-term borrowings	5	1,46,06,79,070	1,21,37,39,816
b) Long Term Provisions	9	1,39,08,543	1,12,87,199
(3) Current Liabilities			
a) Short-term borrowings	6	48,83,83,451	51,28,49,937
b) Trade payables	7	19,01,426	12,01,987
c) Other current liabilities	8	1,44,72,09,785	93,28,82,893
d) Short-term provisions	9	3,49,60,525	2,67,41,008
Total EQUITY AND LIABILITIES		4,17,96,85,914	3,29,37,95,256
II. Assets			
(1) Non-current assets			
a) Property, Plant and Equipments			
(i) Tangible assets	10	16,65,41,134	12,51,14,199
(ii) Capital work-in-progress		2,60,000	--
b) Non-current investments	11	7,76,31,704	6,57,43,705
c) Deferred tax assets (net)	23.3	88,86,680	69,19,041
d) Long term loans and advances	12	1,08,64,67,889	86,08,88,729
(2) Current assets			
a) Current investments	11	--	3,61,180
d) Cash and cash equivalents	13	24,36,99,102	17,49,02,697
e) Short-term loans and advances	12	2,59,41,69,115	2,05,82,15,890
f) Other current assets	14	20,30,290	16,49,815
Total ASSETS		4,17,96,85,914	3,29,37,95,256

In terms of our report attached.

For APJ & ASSOCIATES.
Chartered Accountants
Firm Reg. No. : 124810W

Abhinav Welekar
Partner
M. No. 123675
NAGPUR
28.06. 2019

M.G. Jawanjar
(Managing Director)

S.M. Jawanjal
(Executive Director)

D.R. Balpande
(Company Secretary)

S.K. Mahakalkar

V. B. Pathak

A. G. Kachore

D.P. Dalal

DIRECTORS

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

Figures in ₹

Particulars	Note No.	For the Year ended 31-03-2019	For the Year ended 31-03-2018
I. Income			
Revenue from operations	15	88,60,24,588	71,16,49,007
Other Income	16	95,83,827	1,11,39,896
I. Total Revenue		89,56,08,415	72,27,88,903
II. Expenditure			
Employee benefit expenses	17	9,87,78,377	7,76,91,731
Administrative & Other expenses	18	19,80,72,095	15,09,85,929
Financial costs	19	35,58,03,981	28,54,11,808
Depreciation & amortization expenses	10	51,19,367	45,64,927
Provisions and Write off	20	3,01,07,109	2,72,54,739
II. Total Expenditure		68,78,80,929	54,59,09,134
Profit before tax (I - II)		20,77,27,486	17,68,79,769
III. Tax expense			
(1) Current tax	21	6,25,00,000	5,25,00,000
(2) Prior Year Tax	21	--	8,80,273
(3) Deferred tax	23.3	(19,67,639)	(2,65,989)
III. Total Tax Expenses		6,05,32,361	5,31,14,284
IV. Profit			
Net Profit after tax for the year		14,71,95,125	12,37,65,485
	Total	14,71,95,125	12,37,65,485
V. Earning per equity share : (Annualised)			
(1) Basic		18.40	15.47
(2) Diluted		18.40	15.47

See accompanying notes forming part of the financial statements

In terms of our report attached.

For APJ & ASSOCIATES.
Chartered Accountants
FirmReg. No. : 124810W

Abhinav Welekar
Partner
M. No. 123675
NAGPUR
28.06. 2019

M.G. Jawanjar
(Managing Director)

S.M. Jawanjal
(Executive Director)

D.R. Balpande
(Company Secretary)

S.K. Mahakalkar

V. B. Pathak

A. G. Kachore

D.P. Dalal

DIRECTORS

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

Figures in ₹

	PARTICULARS	31-03-19	31-03-18
A	<u>CASH FLOW FROM OPERATING ACTIVITY</u>		
	Net profit before taxation	20,77,27,486	17,68,79,769
	Adjustment for :		
	Depreciation	51,19,367	45,64,927
	(Profit)/ Loss on sale of Securities investments	(4,32,542)	(25,02,541)
	(Profit)/ Loss on sale of Current & long term investments	-	-
	Loss on sale of fixed assets	-	4,68,251
	Interest paid on Term Loans	22,49,85,676	15,63,57,449
	Interest received on current & long term investments & interest on Fixed deposit	(85,68,949)	(85,06,066)
	Dividend received	(70,725)	(61,840)
	Operating profit before working capital changes	42,87,60,313	32,71,99,949
	Adjustment for Decrease/(Increase) in Operating Assets	(76,19,12,860)	(50,72,68,770)
	Adjustment for Decrease/(Increase) in Operating Liabilities	3,33,89,444	3,03,39,823
	Cash Generated From Operations	(29,97,63,104)	(14,97,28,998)
	Direct Tax Paid	(6,09,71,771)	(6,08,79,271)
	(a) Net cash inflow from operating activity	(36,07,34,875)	(21,06,08,269)
B	<u>CASH FLOW FROM INVESTING ACTIVITY</u>		
	Purchase of Fixed assets/ Capital WIP	(4,68,06,304)	(9,64,56,950)
	Sale of Fixed Assets	-	75,000
	Purchase of Mutal Funds	-	(5,00,000)
	Sale of mutal Fund	-	2,59,575
	Purchase of Securities Investment	(31,49,276)	(17,85,494)
	Proceeds from Sale of Securities Investment	14,87,997	32,60,942
	Purchase of Government Securities	(98,84,750)	(59,85,000)
	Proceeds from Sale of Government Securities	4,00,000	10,00,000
	Interest received on current & long term investments & interest on Fixed deposits	85,68,949	85,06,066
	Dividend received	70,725	61,840
	(b) Net cash inflow from investing activity	(4,93,12,659)	(9,15,64,021)
C	<u>CASH FLOW FROM FINANCING ACTIVITY</u>		
	Proceeds from Bank & Financial Institution Borrowing (Net of Repayments)	60,21,01,821	42,90,39,228
	Proceeds from Fixed Deposits (Net of Repayments)	11,13,72,218	6,17,07,511
	Interest paid on Term Loans	(22,49,85,676)	(15,63,57,449)
	Proceeds from inter corporate borrowing	-	-
	Dividend & Dividend Tax Paid	(96,44,425)	(96,28,640)
	(c) Net cash inflow from financing activity	47,88,43,938	3,24,760,650
	Net increase/(Decrease) in cash and cash equivalents	6,87,96,405	2,25,88,360
	Cash and cash equivalents at the beginning of the period	17,49,02,697	15,23,14,337
	Cash and cash equivalents at the end of the period	24,36,99,102	17,49,02,697
	Composition of cash & cash equivalents :		
	Cash in hand	2,28,42,740	1,04,12,493
	Bank balances	22,08,56,362	16,44,90,204

The above cash flow statement is prepared as per Indirect method set out in AS-3 issued by ICAI
In terms of our report attached.

For APJ & ASSOCIATES.
Chartered Accountants
FirmReg. No. : 124810W

Abhinav Welekar
Partner
M. No. 123675
NAGPUR
28.06. 2019

M.G. Jawanjar
(Managing Director)

S.M. Jawanjal
(Executive Director)

D.R. Balpande
(Company Secretary)

S.K. Mahakalkar

V. B. Pathak

A. G. Kachore

D.P. Dalal

DIRECTORS

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1) Corporate Information

Berar Finance Limited is a Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Berar Finance Ltd. is a NBFC & it holds a valid certificate of registration, issued by the Reserve Bank of India dated 24th November, 1998. Berar Finance Ltd. has its headoffice at Nagpur and 51 branches spread across Central India as at March, 2019. Berar finance Ltd is engaged in business of financing of Two Wheeler loans, Car Loans, Agriculture Equipments Loans, Personal Loans, Demand Loan Consumer Loan and Commercial Vehicle Loan.

2) Significant Accounting Policies

1 Basis of preparation of financial statements:

The financial statements are prepared under the historical cost convention and conform to the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared the financial statements to comply in all material respects with the notified Accounting Standards under Companies Accounting Standard Rules, 2006, (As amended), and the relevant provisions of the Companies Act, 2013 ('the Act') and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Companies ('NBFC').

2 Use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent asset & liabilities at the date of the financial statement and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Management is of the view that the estimates used in the preparation of financial statements are prudent and reasonable. Any revisions to the accounting estimates are recognized prospectively in the current and future periods.

3 Cash Flow Statement

The Cash flow statement is prepared in accordance with the Indirect method prescribed in Accounting Standard 3 issued by ICAI.

4 Fixed Assets

Fixed assets are stated at historical cost less accumulated depreciation. 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.

5 Valuation of Investments:

Investments are classified into Long Term Investments and Current Investments. Long-term investments are stated at cost and provision for diminution in value, other than temporary, is considered wherever necessary.

Current investment are valued at lower of cost and market value / net asset value determined on an individual investment basis.

6 Provisioning / Write-off of assets

The management has written-off Secured loans/ Unsecured Loan which have gone bad and the recovery of which is doubtful & uncertain. The provisions are made as per provisions required as per Non-Banking Financial Company- Systemetically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank Direction-2016) .

7 Advances under Financing Activity

Advances under financial activity includes Two Wheelers loans, Car Loans, Agriculture Equipments Loans, Personal Loans, Demand Loans, Consumer Loan and Commercial Vehicle Loan . Advances are stated at amount advanced including finance charges accrued except in case of significant uncertainties and expenses recoverable, as reduced by the amounts received up to March 31, 2019.

8 Revenue recognition

- i. The Company follows the mercantile system of accounting and recognies income and expenditure on an accrual basis except in the case of significant uncertainties.
- ii Interest on loans is recognized under the internal rate of return method.
- iii Dividend is recognized as income when right to receive payment is established by the balance sheet date.
- iv Interest on securities is accounted for on accrual basis except where the ultimate collection cannot be established with reasonable certainty.

9 Employee Benefits:

- a) Short Term Employees Benefits-Short Term Employees Benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered
- b) Post Employment Benefits

(i) Provident Fund

The Company contributes monthly at a determined rate. These contributions are remitted to the Employees' Provident Fund Organisation, India for this purpose and is charged to Profit and Loss Statement on accrual basis.

(ii) Gratuity

The Company provides for gratuity (a defined benefit retirement plan) to all the eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, on death while in employment, or termination of employment for an equivalent to 15 days salary payable for each completed year of service. Vesting occurs on completion of five years of service or on death while in employment. Liability in respect of gratuity is determined using the projected unit credit method with actuarial valuations as on the balance sheet date and gains/losses are recognized immediately in the profit and loss account.

(iii) Leave Encashment

Liability in respect of leave encashment is determined using the projected unit credit method with actuarial valuations as on the balance sheet date and gains/losses are recognized immediately in the Statement of profit and loss.

10 Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. 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 recognized 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 realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The un-recognized deferred tax assets are re-assessed by the Company at each balance sheet date and recognized to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

11 Earnings Per Share

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

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

12 Provisions

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

13 Expenses on deposits / debentures

Expenses on mobilization of deposits have been charged to Statement of Profit and Loss in year in which they are incurred.

14 Ancillary cost of borrowings and securitisation of advances

Ancillary cost of borrowings are charged to statement of Profit and Loss in the year in which they are incurred.

15 Contingent Liabilities

The Company has preferred an appeal against the demand raised of ₹.1,78,85,877 & ₹.5,04,547 by the Service Tax Authorities for the period 01/04/2013 to 30/06/2017 and 01/04/2017 to 30/06/2017 respectively

3 SHARE CAPITAL

Amount in ₹

Particulars	As at 31.03.19	As at 31.03.18
Authorized Equity shares, ₹ 10 each 1,50,00,000 equity shares	15,00,00,000	15,00,00,000
Issued, Subscribed and Fully Paid-Up Equity shares, of ₹ 10 each 80,00,000 equity shares fully paid-up	8,00,00,000	8,00,00,000
TOTAL	8,00,00,000	8,00,00,000

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10. Each holder of equity shares is entitled to one vote per share.

3,10,000 Equity shares out of issued, subscribed and fully paid up share capital were allotted as Bonus Shares by capitalisation of Share Premium and General Reserve.

The reconciliation of the number of shares outstanding as at March 31, 2019 and March 31, 2018 is set out below:

Particulars	As at 31.03.19	As at 31.03.18
Number of shares as at the beginning	80,00,000	80,00,000
Add: Shares allotted during the period	Nil	Nil
Number of shares as at the end	80,00,000	80,00,000

The details of shareholders holding more than 5% shares as at March 31, 2019 is set out below :

Name of the shareholder	No. of shares	% held as at 31.03.19
M/s Avino Capcons Private Limited	14,88,484	18.61%
Mr. Maroti Jawanjar	10,21,194	12.76%
Mr. Maroti Jawanjar (HUF)	8,66,954	10.84%

4. SURPLUS

Amount in ₹

Particulars	As at 31.03.19	As at 31.03.18
A. Statutory Reserve		
Opening balance	16,19,15,000	13,08,15,000
Add: Transferred from Surplus	3,70,80,000	3,11,00,000
Closing balance	19,89,95,000	16,19,15,000
B. General Reserve		
Opening balance	33,82,65,000	25,82,65,000
Add: Transferred from Surplus	10,00,00,000	8,00,00,000
Closing balance	43,82,65,000	33,82,65,000
C. Surplus in the Profit & loss Statement		
Opening Balance	1,49,12,416	22,46,931
Add: Net profit after tax transferred from Statement of Profit and Loss	14,71,95,125	12,37,65,485
Amount available for appropriation	16,21,07,541	12,60,12,416
Less Appropriations:		
Dividend paid during the year	80,00,000	--
Dividend Distribution tax	16,44,427	--
Amount transferred to Statutory Reserve	3,70,80,000	3,11,00,000
Amount transferred to General Reserve	10,00,00,000	8,00,00,000
Closing Balances	1,53,83,114	1,49,12,416
TOTAL	65,26,43,114	51,50,92,416

The Company has transferred 25% of the profit after tax (as against 20% required) to the Statutory Reserves in accordance to the provision of Section 45-IC Reserve Bank of India Act,1934.

5. LONG TERM BORROWINGS

Secured

Amount in ₹

Particulars	Non-Current As at 31st March		Current As at 31st March	
	2019	2018	2019	2018
Term Loans	54,59,22,935	79,00,64,082	47,51,47,467	57,62,58,928
a) From Financial Institutions [Refer Note 5.1 & 5.2]				
b) From Bank [Refer Note 5.2 & 5.3]	57,90,87,375	4,55,44,811	45,32,78,351	1,50,00,000
Unsecured	1,12,50,10,310	83,56,08,893	92,84,25,818	59,12,58,928
Fixed Deposits [Refer Note 5.4]	33,56,68,760	36,75,48,424	43,38,31,047	29,05,79,165
Inter-Corporate Deposits [Refer Note 5.5]	--	1,05,82,499	--	--
TOTAL	1,46,06,79,070	1,21,37,39,816	1,36,22,56,865	88,18,38,093

5.1 Secured by First charge on specific receivables under Hypothecation Agreements other than those hypothecated to banks.

5.2 Terms of Repayment for secured borrowing including current maturities

Particulars	Rate of Interest	Repayment Starting From	Period	Non Current	Current
a)Term Loan From Financial Institutions					
Term Loan of Rs.650.00lacs	@ 14.00%	May-16	36 months	--	43,70,988
Term Loan of Rs.810.00lacs	@ 13.50%	Nov-16	36 months	--	2,10,67,290
Term Loan of Rs.1000.00lacs	@ 13.50%	Aug-17	36 months	1,30,41,571	3,61,15,855
Term Loan of Rs.1200.00lacs	@ 13.50%	Nov-18	36 months	6,92,19,348	3,71,56,752
Term Loan of Rs.1000.00lacs	@ 14.00%	Apr-16	24 months	--	83,41,408
Term Loan of Rs.1000.00lacs	@ 13.50%	Apr-17	36 months	20,83,364	3,34,81,991
Term Loan of Rs.1000.00lacs	@ 12.75%	Oct-18	36 months	5,20,83,347	3,39,78,427
Term Loan of Rs.400.00lacs	@ 13.50%	Dec-18	36 months	2,22,22,224	1,34,04,346
Term Loan of Rs.1500.00lacs	@ 13.50%	Dec-18	36 months	1,66,66,672	1,00,53,256
Term Loan of Rs.300.00lacs	@ 13.50%	Dec-18	36 months	1,66,66,672	1,00,53,255
Term Loan of Rs.500.00lacs	@ 14.00%	Sep-16	48 Months	1,70,59,759	2,82,58,939
Term Loan of Rs.1000.00lacs	@ 12.60%	Jan-17	48 Months	9,78,03,179	4,91,84,370
Term Loan of Rs.1000.00lacs	@ 13.50%	Jan-17	36 months	16,63,246	3,46,98,764
Term Loan of Rs.1500.00lacs	@ 12.00%	Mar-18	36 months	5,39,81,318	5,07,21,575
Term Loan of Rs.1000.00lacs	@ 12.00%	Mar-18	36 months	6,56,05,116	2,97,38,245
Term Loan of Rs.1000.00lacs	@ 12.00%	Jun-18	36 months	4,78,27,119	3,34,91,998
Term Loan of Rs.1200.00lacs	@ 12.25%	Feb-19	34 Months	7,00,00,000	4,10,30,007
				54,59,22,935	47,51,47,467
b)Term Loan From Banks					
Term Loan of Rs.2000.00lacs	@ 14.00%	Oct-18	12 Months	--	11,81,49,770
Term Loan of Rs.500.00lacs	@ 14.00%	Dec-15	48 Months	--	94,86,159
Term Loan of Rs.1000.00lacs	@ 14.00%	Feb-16	48 Months	--	2,31,90,767
Term Loan of Rs.1000.00lacs	@ 13.90%	Dec-16	48 Months	83,33,320	1,27,50,033
Term Loan of Rs.1000.00lacs	@ 13.90%	Dec-16	48 Months	3,15,82,461	2,59,10,259
Term Loan of Rs.2500.00lacs	@ 12.60%	May-18	36 months	25,00,00,000	26,54,110
Term Loan of Rs.1000.00lacs	@ 11.74%	Apr-18	24 months	41,59,000	5,00,04,000
Term Loan of Rs.500.00lacs	@ 13.90%	Mar-17	36 months	-	1,54,26,200
Term Loan of Rs.500.00lacs	@ 12.50%	Oct-17	38 months	2,16,21,613	3,29,04,682
Term Loan of Rs.1000.00lacs	@ 12.50%	Dec-17	37 months	2,43,24,316	3,27,37,580
Term Loan of Rs.1000.00lacs	@ 12.50%	Oct-18	37 months	5,40,54,049	3,31,57,807
Term Loan of Rs.1500.00lacs	@ 11.50%	Jan-19	48 Months	11,02,54,268	3,34,03,550
Term Loan of Rs.1000.00Lacs	@ 10.50%	Feb-19	24 Months	4,47,58,348	4,80,04,874
Term Loan of Rs.750.00Lacs	@ 10.50%	Apr-17	60 Months	3,00,00,000	1,54,98,560
				57,90,87,375	45,32,78,351

5.3 Term Loan taken for Office premises is secured by equitable mortgage of Office premises situated at 1st & 2nd Floor, Avinisa Tower, Dhantoli Nagpur. It is further secured by personal guarantees of Mr. M.G.Jawanjar, Mrs Jyoti Jawanjar and Mr. S.M.Jawanjar.

5.4 Maturity profile and Rate of interest of Unsecured loans(Fixed Deposits) are as set out below:

Rate of Interest	Upto 1 Year	1-3 Years
9.00%	6,10,77,338	--
9.25%	10,61,49,163	1,15,90,393
9.50%	4,73,01,351	10,03,11,063
9.75%	2,01,85,739	14,44,36,877
10.00%	7,02,65,938	3,33,014
10.50%	2,51,17,474	7,89,97,413
11.00%	4,46,88,081	--
11.50%	5,90,45,963	--
Total	43,38,31,047	33,56,68,760

5.5 Inter Corporate deposits taken at @ 11.50% and repayable on demand.

6. SHORT TERM BORROWINGS

Amount in ₹

Particulars	As at 31.03.19	As at 31.03.18
Secured		
(a) Loans from Banks		
Cash Credit from Banks [Refer Note 6.1 to 6.4]	48,83,83,451	51,28,49,937
Total	48,83,83,451	51,28,49,937

- 6.1 Secured by first charge on Hypothecation loan receivables present and future, ranking pari passu, excluding assets which are specifically charged to other lenders.
- 6.2 Secured by equitable mortgage of Office premises situated at Amravti, Akola, Chandrapur, Chhindwara, Raipur and Nagpur Office 3rd Floor.
- 6.3 Secured by hypothecation of furniture/Fixture/Computers/Equipments in the above office premises.
- 6.4 Further secured by personal guarantees of Mr. M.G.Jawanjar, Mrs Jyoti Jawanjar and Mr. S.M.Jawanjar.

7. TRADE PAYABLES

Amount in ₹

Particulars	As at 31.03.19	As at 31.03.18
Sundry Creditors		
(a) total outstanding dues of micro enterprises and small enterprises and	–	–
(b) total outstanding dues of creditor other than micro enterprises and small enterprises	19,01,426	12,01,987
Total	19,01,426	12,01,987

8. OTHER CURRENT LIABILITIES

Amount in ₹

Particulars	As at 31.03.19	As at 31.03.18
Current Maturities of Term Loan [Refer Note 5.1 & 5.2]	92,84,25,818	59,12,58,928
Current Maturities of Long Term Deposits [Refer Note 5.4]	40,59,88,830	27,53,99,249
Other Payables		
(a) Statutory Remittances	2,91,51,716	45,40,904
(b) Security Deposits	1,51,61,126	1,17,32,081
(c) Other Expenses Payable (Refer Note 8.1)	3,65,87,613	3,27,14,369
(d) Other Credit Balance	37,62,961	16,70,952
Unclaimed Dividend	2,89,505	3,86,494
Unclaimed Deposits	2,78,42,217	1,51,79,916
	1,44,72,09,785	93,28,82,893

8.1 Other Expenses Payable includes commission payable, salary to staff and other payables.

9. PROVISIONS

Amount in ₹

Particulars	Long Term- As at 31st March		Short Term- As at 31st March	
	2019	2018	2019	2018
<u>Provision for employee benefits</u>				
For Gratuity	–	–	83,09,574	67,22,013
For Earned Leave	–	–	50,41,833	41,21,958
	–	–	1,33,51,407	1,08,43,971
<u>Others</u>				
Provision for Income Tax (Net of Advances Tax & Tax Deducted at sources)	–	–	86,12,958	70,84,729
Provision for NPA	–	–	1,03,66,959	88,12,308
Contingent Provision Against Standard Assets	1,39,08,543	1,12,87,199	–	–
Provision on securitisation	–	–	26,29,201	–
	1,39,08,543	1,12,87,199	2,16,09,118	1,58,97,037
	1,39,08,543	1,12,87,199	3,49,60,525	2,67,41,008

9.1 Provision for Income tax (Net of Advances Tax & Tax deducted at sources) comprises:

9.2 Advances Income Tax: ₹ 5,25,00,000 (31-Mar-18 ₹ 4,50,00,000) 9.3 Tax Deducted at Sources : ₹ 10,00,421 (31-Mar-18 ₹ 4,15,271)

Notes 10 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	AS AT 01.04.18 ₹	ADDI- TION ₹	ADJUST- MENTS ₹	AS AT 31.03.19 ₹	AS AT 01.04.18 ₹	FOR THE YEAR ₹	ADJUST- MENTS ₹	UPTO 31.03.19 ₹	AS AT 31.03.19 ₹	AS AT 31.03.18 ₹
A										
Tangible Assets										
Land-Freehold	8,38,79,727	3,42,27,724	--	11,81,07,451	--	--	--	--	11,81,07,451	8,38,79,727
Building	2,46,69,267	32,78,276	--	2,79,47,543	29,08,484	3,96,921	--	33,05,405	2,46,42,138	2,17,60,783
Office Equipments	1,02,57,301	12,01,924	--	1,14,59,225	52,99,322	14,86,355	--	67,85,677	46,73,548	49,57,979
Computers	1,04,69,613	20,53,173	--	1,25,22,786	79,69,462	14,07,375	--	93,76,837	31,45,949	25,00,151
Generator	3,53,160	--	--	3,53,160	3,35,502	--	--	3,35,502	17,658	17,658
Furniture	1,06,26,206	10,67,390	--	1,16,93,596	46,12,113	8,32,263	--	54,44,376	62,49,220	60,14,093
Vehicles	22,56,988	--	--	22,56,988	17,44,410	89,840	--	18,34,250	4,22,738	5,12,578
Printers	1,85,320	2,33,403	--	4,18,723	38,444	53,153	--	91,597	3,27,126	1,46,876
Servers	8,66,250	--	--	8,66,250	3,55,469	1,37,156	--	4,92,625	3,73,625	5,10,781
Sofawares	38,19,750	44,60,926	--	82,80,676	2,55,553	5,88,104	--	8,43,657	74,37,019	35,64,197
Electrical Fittings	13,30,840	23,488	--	13,54,328	81,464	1,28,200	--	2,09,664	11,44,664	12,49,376
TOTAL	14,87,14,422	4,65,46,304	--	19,52,60,726	2,36,00,223	51,19,367	--	2,87,19,590	16,65,41,136	12,51,14,199
Previous Year	4,32,17,404	10,63,52,131	8,55,113	14,87,14,422	1,93,47,158	45,64,927	3,11,862	2,36,00,223	12,51,14,199	2,38,70,246

11. INVESTMENTS

Amount in ₹

Particulars	Non- Current As at 31st March		Current As at 31st March	
	2019	2018	2019	2018
	In Government Securities- Quoted (Refer Note 11.1 & 11.4)	6,97,26,600	5,98,41,850	--
In Equity Shares- Quoted fully paid up (Refer Note 11.2)	81,19,473	57,64,474	--	--
In Equity Shares- unquoted fully paid up Avino Capcons Pvt. Ltd. (Refer Note 11.3)	2,90,000	5,90,000	--	--
Other Investments	6,58,881	6,58,881	--	--
	7,87,94,954	6,68,55,205	--	3,61,180
Less: Provision for Diminution in Value of Investments in Government Securities	11,63,250	11,11,500	--	--
	7,76,31,704	6,57,43,705	--	3,61,180

Note - Non Current Investments

(Amount in ₹)

Particulars	Date of Maturity	Face Value Per Share ₹	NOS./ UNITS	31.03.2018		31.03.2017	
				₹	Face Value Per Share ₹	NOS./ UNITS	₹
TRADE INVESTMENTS, AT COST							
11.1. Government Securities -							
7.80%GOI BONDS	2021	--	--	4,67,400	--	--	4,67,400
8.28%GOI BONDS	2027	--	--	4,72,250	--	--	4,72,250
8.03% Govt.Of India FCI Bonds	2024	--	--	9,59,000	--	--	9,59,000
8.23% Govt.Of India FCI Bonds	2027	--	--	6,00,000	--	--	6,00,000
8.30% GOI FCI Special Bonds	2023	--	--	10,36,200	--	--	10,36,200
7.94% GOI Bonds	2021	--	--	9,16,500	--	--	9,16,500
8.26% GOI Bonds	2027	--	--	5,08,750	--	--	5,08,750
8.26%GOI BONDS	2027	--	--	9,92,000	--	--	9,92,000
8.83% GOI BONDS	2041	--	--	5,80,500	--	--	5,80,500
8.12% GOI BONDS	2020	--	--	4,86,000	--	--	4,86,000
8.24% GOI BONDS	2027	--	--	9,93,000	--	--	9,93,000
8.83% GOI BONDS	2023	--	--	21,11,400	--	--	21,11,400
8.24% GOI BONDS	2027	--	--	5,12,850	--	--	5,12,850
8.35% GOI BONDS	2022	--	--	92,70,000	--	--	92,70,000
8.15% GOI BONDS	2026	--	--	90,72,000	--	--	90,72,000
8.26% GOI BONDS	2027	--	--	35,89,250	--	--	35,89,250
7.88% GOI BONDS	2030	--	--	24,97,500	--	--	24,97,500
7.16% GOI BONDS	2023	--	--	82,45,000	--	--	82,45,000
7.88% GOI BONDS	2030	--	--	21,57,000	--	--	21,57,000
7.88% GOI BONDS	2030	--	--	37,80,000	--	--	37,80,000
7.59% GOI BONDS	2029	--	--	46,10,250	--	--	46,10,250
7.88% GOI BONDS	2030	--	--	59,85,000	--	--	59,85,000
7.40% GOI BONDS	2035	--	--	9,22,200	--	--	--
7.88% GOI BONDS	2030	--	--	15,51,750	--	--	--
7.40% GOI BONDS	2035	--	--	74,10,800	--	--	--
				6,97,26,600			5,98,41,850
	TOTAL (1)						

11.2. INVESTMENTS IN QUOTED EQUITY SHARES

Equity Shares of :

Sundaram Finance Ltd.	10	1000	9,32,863	10	1000	9,32,863
Sundaram Finance Holding Ltd. (Ref. Note 11.1)	5	-	-	5	1000	60,707
Bajaj Finance Ltd. (Ref. Note 11.2)	2	2000	-	2	2000	-
IDBI Bank Ltd	10	-	-	10	1000	89,252
ITC Ltd	1	1500	3,48,587	1	1500	3,48,587
Bank Of Maharashtra	10	1000	53,704	10	1000	53,704
Mahindra & Mahindra Fin. Services Ltd.	2	-	-	2	1000	2,72,177
HDFC Bank Ltd.	2	1000	9,63,126	2	1000	9,63,126
ONGC Ltd.	5	-	-	5	1500	3,72,139
IDFC First Bank Ltd. (Refer Note 11.3)	10	13900	7,61,851	10	1000	7,61,851
Punjab National Bank Ltd	2	1000	1,24,574	2	1000	1,24,574
HDFC Ltd.	2	1000	17,85,494	2	1000	17,85,494
Kotak Mahindra Bank Ltd.	5	1000	11,73,947	-	-	-
Yes Bank Ltd.	2	2000	7,70,068	-	-	-
Reliance Industris Ltd.	10	1000	12,05,261	-	-	-
TOTAL (2)			81,19,475			57,64,474

Note 11.1: Company has received shares of Sundaram Finance Holding Ltd. on demerge from Sundaram Finance Ltd.

Note 11.2: Company has received Bonus Shares in the ratio of 1:1 on 10-9-2016

Note 11.3: Company has received 13,900 share of IDFC Bank Ltd. against 1000 share of Capital First Limited, on merge of Capital First Ltd. into IDFC Bank Limited

11.3. UNQUOTED, AT COST

Equity Shares Of

Avino Capcons Pvt. Ltd.	10	29000	2,90,000	10	59000	5,90,000
TOTAL (1+2+3)			7,81,36,075			6,61,96,324

Aggregate Market value of quoted equity investments ₹ 1,64,70,375 (P.Y. ₹ 1,11,66,400)

11.4. Current Investments

Particulars	31.03.2019			31.03.2018		
	Face Value Per Share ₹	NOS./ UNITS	₹	Face Value Per Share ₹	NOS./ UNITS	₹
TRADE INVESEMENTS, AT COST						
Government Securities -						
5.69% Govt. Stock	2018	-	-	--	-	3,61,180
				--		3,61,180

12. LOANS AND ADVANCES

Amount in ₹

Particulars	Long Term		Short Term	
	As at 31st March		As at 31st March	
	2019	2018	2019	2018
Other Loans & Advances				
Secured Considered Good				
Hypothecation Loans -(Refer Note 12.1 & 12.3)	1,06,98,12,419	85,52,01,820	2,44,44,58,186	2,01,65,98,446
Loans Against Deposits	--	--	29,82,837	32,96,809
Personal Loans -(Refer Note 12.1 & 12.3)	1,04,38,142	32,40,974	1,09,47,760	56,43,684
Unsecured Considred Good				
Hypothecation Loans -(Refer Note 12.1 & 12.3)	4,44,683	--	32,50,437	12,79,342
Advances to Dealers	--	--	13,06,42,677	3,02,64,044
Other Advances - (Refer Note 12.2)	4,67,527	4,29,527	16,60,180	10,31,266
Advances to Employees	--	--	2,27,038	1,02,299
	1,08,11,62,771	85,84,42,794	2,59,41,69,115	2,05,82,15,890

	2019	2018	2019	2018
<u>Deposits - Unsecured Considered Good</u>				
Security Deposits for Office Hiring	29,50,000	18,47,000	--	--
Other Deposits	2,24,112	1,69,408	--	--
	31,74,112	20,16,408	--	--
<u>Loans & Advances -Unsecured Considered Good</u>				
Avino Capcons Pvt. Ltd.	21,31,006	--	--	--
	21,31,006	4,29,527	--	--
	1,08,64,67,889	86,08,88,729	2,59,41,69,115	2,05,82,15,890

12.1 The Long term Others loan and advances includes Non Performing Assets of ₹ 88,58,752 (P.Y ₹ 1,10,75,014)

12.2 Long term Others Advance includes income tax receivable ₹ 4,29,527 (P.Y ₹ 4,29,527) & Service Tax deposited under protest ₹ 38,000

12.3 The Short term loans and advances include Non-Performing Assets of ₹ 6,59,70,816 (P.Y ₹ 5,48,86,450)

13. CASH AND BANK BALANCES

Amount in ₹

Particulars	As at 31-Mar-19	As at 31-Mar-18
I. Cash And Cash Equivalents		
(a) Cash-on-Hand	89,07,303	40,87,726
(b) Cash in Transit	1,39,35,437	63,24,767
(c) Balances with banks		
In current accounts	16,07,30,563	10,71,64,964
In Deposits accounts	1,25,30,958	2,53,64,126
II. Earmarked Balances with banks		
Unpaid Dividend	2,89,501	3,87,190
III. Bank Deposits with more than 12 months maturity	4,73,05,340	3,15,73,924
Bank of Maharashtra - Fixed Deposits (incl. acc. Intt.)		
	24,36,99,102	17,49,02,697

14. OTHER CURRENT ASSETS

Amount in ₹

Particulars	As at 31-Mar-19	As at 31-Mar-18
Interest Accrued on Govt. Securities	11,35,090	10,89,415
Stamps in Hands	8,95,200	5,60,400
	20,30,290	16,49,815

15. REVENUE FROM OPERATIONS

Amount in ₹

Particulars	For the Year ended 31-03-19	For the Year ended 31-03-18
Interest	66,34,54,436	52,85,51,966
Other Operating Revenues		
Bad Debt Recovered	31,23,607	24,02,823
Sale of Agreements	3,78,52,878	2,91,23,641
Processing Fees	10,51,61,565	8,52,70,139
Other Financial Charges	7,64,32,102	6,63,00,438
	88,60,24,588	71,16,49,007

16. OTHER INCOME

Amount in ₹

Particulars	For the Year ended 31-03-19	For the Year ended 31-03-18
Interest on Bank Deposits	37,29,854	42,06,178
Interest on Investments	48,39,095	42,99,888
Dividend received	70,725	61,840
Profit on Investment Sale	4,32,542	25,02,541
Miscellaneous income	5,11,611	69,449
	95,83,827	1,11,39,896

EXPENSES

17. EMPLOYEE BENEFIT EXPENSES

Amount in ₹

Particulars	For the Year ended 31-03-19	For the Year ended 31-03-18
Salaries	7,71,96,461	6,01,17,433
Staff Welfare Expenses	2,98,524	3,29,444
Ex-gratia/ Bonus	40,20,154	34,72,685
Commission to Managerial persons	90,00,000	77,00,000
Contribution to PF,ESI & Other Funds		
ESI Employer's contribution	20,21,876	14,84,603
Provident Fund - Employer's Contribution	35,08,127	27,37,808
Gratuity	17,19,963	10,80,584
Earned Leave Provision	10,13,272	7,69,174
	9,87,78,377	7,76,91,731

18. ADMINISTRATIVE and OTHER EXPENSES

Particulars	Amount in ₹	
	For the Year ended 31-03-19	For the Year ended 31-03-18
Rent	79,34,193	59,26,442
Rates & Taxes	2,75,023	2,76,115
Service Tax	--	42,11,047
Goods & Service Tax	1,57,67,458	40,42,170
Payment to Auditors (Refer Note (18.1) Below)	2,22,000	2,00,000
Directors sitting fees	88,000	90,000
Legal & Professional Charges	1,76,97,692	87,05,508
Advertisement Expenses	8,27,985	1,64,928
Marketing Commission	4,69,17,196	3,58,09,839
Business Sourcing Commission	7,16,94,270	6,37,58,535
Conveyance & Travelling	51,19,210	71,98,603
Courier & Postage Charges	33,20,098	25,53,013
Computer Charges	7,61,039	6,88,468
Electricity Charges	22,40,283	18,53,378
Donation	--	10,000
Office Car Expenses	72,925	1,26,774
Printing & Stationery	54,93,620	46,52,053
Telecom Charges	35,41,870	34,51,930
Office Expenses	26,59,287	20,56,579
Office Building Maintances	2,82,839	91,853
CSR Contribution	19,13,192	10,99,252
Loss on sale of fixed asset	--	4,68,251
Securitisation Expenses	26,29,201	--
Misc Expenses	86,14,714	35,51,191
Total	19,80,72,095	15,09,85,929

18.1 Payments to Auditors Comprise :-		
• For Statutory Audit	1,42,000	1,30,000
• For Tax Audit	45,000	40,000
• For Other Attest Services	35,000	30,000

19. FINANCE COST

Particulars	Amount in ₹	
	For the Year ended 31-03-19	For the Year ended 31-03-18
Interest on Bank Borrowings	5,42,33,653	6,03,16,130
Interest on Deposits	693,13,257	6,30,89,960
Interest on Term Loans	22,49,85,676	15,63,57,449
Bank Charges	72,71,395	56,48,269
Total	35,58,03,981	28,54,11,808

20. PROVISIONS AND WRITE-OFF

Amount in ₹

Particulars	For the Year ended 31-03-19	For the Year ended 31-03-18
Bad Debts Written Off	2,58,79,363	2,21,65,743
Provision/(Reversal) for NPA	15,54,651	15,08,761
Provision for Standard Assets (Refer Note 20.1)	26,21,344	35,80,235
Provision against Investments	51,751	--
	3,01,07,109	2,72,54,739

20.1 The Company has made a provision on the standard assets. @ 0.40% for current year (P.Y. @ 0.40%)

21. TAX EXPENSES

Amount in ₹

Particulars	For the Year ended 31-03-19	For the Year ended 31-03-18
Current Tax		
Income Tax	6,25,00,000	5,25,00,000
Prior Period Income Tax	--	8,80,273
Deferred Tax	(19,67,639)	(2,65,989)
	6,05,32,361	5,31,14,284

22. ADDITIONAL INFORMATION TO FINANCIAL STATEMENTS

22.1. Previous Year's figures have been regrouped/re-arranged wherever necessary to conform to current year's classification

22.2 Provisions and Contingencies

Break up of Provisions and Contingencies shown under the head Expenditure in Profit and Loss Accounts	Current Year	Previous Year
Provision for Depreciation on Investment	51,750	--
Provision towards NPA	15,54,651	15,08,761
Provision made towards Income Tax	6,25,00,000	5,25,00,000
Provision for Standard Assets	26,21,344	35,80,235

22.3 Concentration of Deposits, Advances, Exposures and NPA

a. Concentration of Deposits

Amount in Cr

Particulars	
Total Deposits of Twenty Largest Depositors	12.84
Percentage of Deposits of Twenty largest depositors to Total Deposits	16.69%

b. Concentration of Advances

Amount in Cr

Particulars	
Total Advances of Twenty Largest borrowers	2.60
Percentage of Advances of Twenty largest borrowers to Total Advances	0.71%

c. Concentration of Exposures Amount in Cr

Particulars	
Total Exposure of Twenty Largest borrowers	2.60
Percentage of Exposure of Twenty largest borrowers to Total Exposure	0.71%

d. Concentration of NPA Amount in Cr

Particulars	
Total Exposure of Top Four NPA Accounts	0.21

22.4 Movements of NPAs

Particulars	Current Year	Previous Year
i. Net NPAs to Net Advances (%)	1.81%	1.97%
ii. Movements of NPAs (Gross)		
a. Opening Balances	6,59,61,464	6,32,93,011
b. Addition during the year	6,23,77,749	5,60,71,397
c. Reduction during the year	5,35,09,645	5,34,02,944
d. Closing Balance	7,48,29,568	6,59,61,464
iii. Movements of Net NPAs		
a. Opening Balances	5,71,49,156	5,59,89,464
b. Addition during the year	5,54,56,323	4,99,68,968
c. Reduction during the year	4,81,42,870	4,88,09,276
d. Closing Balance	6,44,62,609	5,71,49,156
iv. Movements of provisions for NPA		
a. Opening Balances	88,12,308	73,03,547
b. Provision made during the year	15,54,651	15,08,761
c. Write-off/ Write back of excess provision	--	--
d. Closing Balance	1,03,66,959	88,12,308

As per RBI revised notification, the Company has classified the accounts as NPA in which the installment / Interest is overdue for 3 months.

22.5 Sector wise NPAs

Sr.no	Sector	Percentage
a.	Agriculture & Allied activities	16.70%
b.	MSME	0.00%
c.	Corporate Borrowers	0.00%
d.	Services	0.00%
e.	Unsecured personal loans	0.68%
f.	Auto loans	82.54%
g.	Other personal loans	0.08%

22.6 Customers Complaints

a.	No of Complaints pending at the beginning of the year	Nil
b.	No. of Complaints received during the year	Nil
c.	No. of Complaints redressed during the year	Nil
d.	No. of Complaints pending at the end of the year	Nil

22.7 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2018-19, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act.

	As at 31.03.2019	As at 31.03.2018
Principal amount remaining unpaid (but within due date as per MSMED Act)	--	--
Interest due thereon remaining unpaid	--	--
Interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 alongwith the amount of payment made to the supplier beyond the appointed day during the period	--	--
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	--	--
Interest accrued and remaining unpaid	--	--
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	--	--

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

22.8 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a CSR Committee has been formed by the Company. The area for CSR activities are as per Schedule VII of the Companies Act, 2013. As per section 135 (5) of the Companies Act, 2013, the Company was required to spend, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility. During the Year, the Company has spent only ₹.19.13 lakhs on CSR activities.

22.9 Disclosure of Frauds reported during the year vide DNBS.PD.CC.NO. 256/03.10.042/2011-12 Dated March 02, 2012:

During the Year 2017-18, a fraud on the Company by its employee of ₹.6,57,500/- were occurred and come to the notice of the Company on 17/03/18. The Company has filed the FIR and legal case against the employee. During the current year, the Company received ₹.2,97,921/- against the fraud. The Company wrote off balance amount of ₹.3,59,579 being considered irrecoverable. Approval for the same has been obtained from Reserve Bank of India.

Amount in ₹

22.10 Capital

	Particulars	Current Year	Previous Year
i)	CRAR (%)	19.09%	19.66%
ii)	CRAR - Tier I Capital (%)	18.73%	19.29%
iii)	CRAR - Tier II Capital (%)	0.36%	0.37%
iv)	Amount of Subordinated debt raised as Tier-II Capital	--	--
v)	Amount raised by issued of Perpetual Debt Instruments	--	--

22.11 Investments

Amount in ₹

	Particulars	Current Year	Previous Year
1	Value of Investments		
	i) Gross Value of Investments		
	(a) In India	7,87,94,954	6,72,16,385
	(b) Outside India	--	--
	(ii) Provision for Depreciation		
	(a) In India	11,63,250	11,11,500
	(b) Outside India	--	--
	(iii) Net Value of Investments		
	(a) In India	7,76,31,704	6,61,04,885
	(b) Outside India	--	--
2	Movement of Provision held towards depreciation on Investments		
	(i) Opening Balances	11,11,500	11,11,500
	(ii) Add: Provision made during the year	51,750	--
	(iii) Less: Write off/Write-back of excess provision during the year	--	--
	(iv) Closing Balances	11,63,250	11,11,500

22.12 The Company did not enter into any derivatives contract or sold/purchase any non performing financial assets.

22.13 Disclosures relating to Securitisation

(₹ in lacs)

Particulars	31.03.2019	31.03.2018
No of SPVs sponsored by the NBFC for securitisation transactions	1	--
Total amount of securitised assets as per books of the SPVs sponsored	1,109.37	--
Total amount of exposures retained by the applicable NBFC to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
First loss	--	--
Others	--	--
b) First loss (In the form of Fixed Deposit)	38.78	--
Others	--	--
Amount of exposures to securitisation transactions other than MRR		
Off-balance sheet exposures		
Exposure to Own Securitisations		
First loss	--	--
Others	--	--
Exposure to third party Securitisations		
First loss	--	--
Others	--	--
On-balance sheet exposures		
Exposure to Own Securitisations		
First loss	--	--
Others	--	--
Exposure to third party Securitisations		
First loss	--	--
Others	--	--

22.14 Exposure to Capital Market

Amount in ₹

Particulars		Current Year	Previous Year
i)	Direct Investment in equity shares, convertible bonds, convertible debentures and unit of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt	89,09,475	68,54,474

22.15 The Company has given unsecured loan of Rs. 2,13,85,902 as a personal loans to the borrowers. Personal loans are fully/partly secured by assignment/pledge of life insurances policies, shares and other securities.

22.16 The Company has not obtained registration from any other financial sector regulators.

22.17 During the year no penalties has been imposed by RBI or any other regulator.

22.18 The Company has been assigned rating of "ICRA BBB (Stable)" for Bank Facilities. The Company has also been assigned "ICRA MA- (Stable) " for Fixed Deposit programme.

22.19 Details of Managerial Remuneration

Particular	2018-19	2017-18
Salary	55,50,000	50,48,000
Commission	90,00,000	77,00,000
Contribution to Gratuity	5,70,809	4,93,645
Other Allowances & Perquisites	2,73,600	2,44,800
Total	1,53,94,409	1,34,86,445

22.21. Asset Liability Management, Maturity Pattern of certain items of Assets & Liabilities

Particulars	Upto 30/31 days	Over 1 month upto 2 months	Over 2 month upto 3 months	Over 3 month upto 6 months	Over 6 month upto 1 Year	Over 1 Year & upto 3 Years	Over 3 Years upto 5 Years	Over 5 Years	Total
Deposits	13,50,17,173	3,20,97,948	2,69,06,883	11,39,21,347	12,58,87,696	33,56,68,760	--	--	76,94,99,807
Advances (Net of Provision)	65,71,66,027	21,53,44,119	20,93,50,488	58,45,91,610	78,48,20,017	1,08,06,95,244	--	--	3,53,19,67,505
Investments	--	--	--	--	--	1,04,89,375	2,06,62,600	4,76,42,981	7,87,94,956
Borrowing	9,85,12,217	9,25,95,765	8,04,72,577	25,24,94,878	89,27,33,832	99,41,76,961	13,08,33,349	--	2,54,18,19,579

23: Disclosure under Accounting Standards**23.1. Employee Benefits**

The details of employee benefits are as given below:

a) Provident Fund:

Retirement benefit in the form of Provident Fund are defined contribution schemes and the contributions are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due.

b) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service depending upon the date of joining. The same is payable on death, separation from service, or retirement, whichever is earlier. The benefit vests after five years of continuous service or on death.

c) Leave Encashment:

The Company has been accounting for provision on account of leave encashment on retirement based on actuarial valuation carried out as at the Balance Sheet date.

d) Disclosures:**(i) Defined Benefit Plans**

	<u>2018-2019</u>		2017-2018	
	Non Funded Gratuity	Non Funded Leave Encashment	Non Funded Gratuity	Non Funded Leave Encashment
a) The amount recognised in the Balance sheet as at 31.03.2018				
1) Present Value of defined Benefit Obligation	83,09,574	50,41,833	67,00,205	41,18,205
2) Fair value of plan assets	NA	NA	NA	NA
3) Funded Status-Surplus/(Deficit)	(83,09,574)	(50,41,833)	(67,00,205)	(41,18,205)
4) Less: Unrecognised Past service cost	--	--	--	--
5) Net assets/(liability)	(83,09,574)	(50,41,833)	(67,00,205)	(41,18,205)
b) The amounts recognised in profit & Loss Account				
1) Current service cost	10,29,251	5,41,110	7,96,226	4,42,346
2) Interest Cost	5,19,266	3,19,161	4,27,738	2,57,075
3) Expected return on plan assets	NA	NA	NA	NA
4) Actuarial(gain)/losses	1,71,446	1,53,001	(1,43,380)	69,753
5) Net expenses/(gain) recognised in Profit	17,19,963	10,13,272	10,80,584	7,69,174
c) The changes in the present value of the defined benefit Obligation during the year				
1) Opening defined benefit Obligaion	67,00,205	41,18,205	57,03,168	34,27,671
2) Current service cost	10,29,251	5,41,110	7,96,226	4,42,346
3) Interest Cost	5,19,266	3,19,161	4,27,738	2,57,075
4) Actuarial(gain)/losses	1,71,446	1,53,001	(1,43,380)	69,753
5) Benefits Paid	1,10,594	89,644	83,547	78,640
6) closing defined benefit Obligaion	83,09,574	50,41,833	67,00,205	41,18,205
d) Actuarial Assumptions:				
(i) Discount Rate		7.75% Per annum		
(ii) Mortality Rate		India Asuured Lives (2006-08) Ultimate Mortality Rates		
(iii) Future Salary Increase		6% Per annum		
(iv) Withdrawal Rate		1%		
(v) Retirement Age		58 Years		

Notes:-

- (i) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

23.2. Earning per share :

SN.	PARTICULARS	<u>2018-2019(₹)</u>	<u>2017-2018(₹)</u>
A)	Basic Earning per share has been computed as under :		
a)	Net Profit attributable to Equity shareholders (After netting prior period tax from Profit after tax)	14,71,95,125	12,37,65,485
b)	Weighted number of equity shares outstanding	80,00,000	80,00,000
c)	Basic Earning per share in (Face value ₹ . 10 per share) (a) / (b)	18.40	15.47
B)	Diluted earning Per share	18.40	15.47

23.3. Deferred Tax (Liabilities) / Assets (Net)

The breakup of deferred Tax assets / liabilities is as under:

SN.	PARTICULARS	31.03.19(₹)	Current year (Credit)/ Charges	31.03.18(₹)
A)	Deferred Tax Assets -			
	For Gratuity Provision	24,19,748	(4,62,298)	19,57,450
	For Non Performing Assets Provision	70,69,026	(12,16,050)	58,52,976
	For Earned Leave Provision	14,68,182	(2,67,868)	12,00,314
	For Other Provision	7,80,693	(7,80,693)	--
	Deferred Tax Assets	1,17,37,649	(27,26,909)	90,10,740
B)	Deferred Tax Liability -			
	For WDV of Fixed Assets	28,50,969	7,59,270	20,91,699
	Deferred Tax Liabilities	28,50,969	7,59,270	20,91,699
	NET DEFERRED TAX ASSETS/(liability)	88,86,680	(19,67,639)	69,19,041

23.4. SEGMENT REPORTING

In terms of business segment the Company is dealing in only one major segment "Auto /Vehicle Loan" and geographically all its operations are controlled from one place. Hence no disclosures is needed in accordance with the requirement of AS-17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India.

23.5. Final Dividend

Final dividend of ₹. 80.00 Lakhs (₹. 1.00 per share) has been recommended by the Board for the year 31st march, 2019. The Central Government vide notification dated 30-03-2016 has amended the Companies (Accounting Standard) Rules, 2006. According to the amended Rule, the dividend declared after the Balance Sheet date shall not be recorded as a liability in the previous year. Therefore, the Company not recorded ₹. 96.44 lakhs as liability for proposed dividend including dividend distribution Tax 31st March 2019. However the same will be recognised as liability on approval of the shareholders at the Annual General Meeting.

23.6. Related Party Disclosures : (With Whom the Company has transactions)

Related Party Disclosures as stipulated by AS-18-Related Party Disclosures, issued by ICAI are given below:

Key Management Personnel :

- 1) Mr. M.G. Jawanjar, Managing Director
- 2) Mr. S.M. Jawanjal, Executive Director
- 3) Mrs. Deepali Balpande, Company Secretary

Relatives of Key Management Personnel

- 1) Mrs. Jyoti Jawanjar
- 2) Mrs. Bakul Jawanjal
- 3) Radhemohan Jawanjal
- 4) Mrs. Vaishali Charde
- 5) Mr. Ravindra Balpande
- 6) Aaryan Balpande
- 7) Shaunak Balpande

Enterprises on which Key Management Personnel & their relatives can exercise significant influence

- 1) Avino Capcons Pvt Ltd
- 2) Maroti Jawanjar (HUF)
- 3) Sandeep Jawanjal (HUF)

RELATED PARTY TRANSACTIONS FOR YEAR ENDED 31ST MARCH, 2019

The nature and volume of transactions of the Company during the year
with above related parties are as follows.

(Figures in ₹)

Nature of Relationship Nature of Transaction	Key Managerial Personnel		Relatives of Key Managerial Personnel		Enterprise on which Relative of Key Management Personnel can Exercise Significant Influence	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<u>PAYMENTS</u>						
Remuneration	1,56,11,662	1,38,59,202	9,77,646	8,74,404	--	--
Interest on Deposits	2,72,681	3,19,145	4,68,591	4,62,764	3,13,836	10,02,467
Loans Granted	15,00,000	1,00,000	--	--	30,00,000	--
Deposits Repaid	45,07,093	4,53,850	22,55,799	38,320	1,12,62,385	28,49,458
Equity Dividend	13,49,062	13,44,562	4,12,450	4,10,250	20,51,538	19,89,438
<u>RECEIPTS</u>						
Interest on Loans	14,453	40,704	--	--	1,45,562	51,430
Repayment of Loans Granted	5,05,761	9,00,000	--	--	10,14,556	3,31,049
Deposits Accepted	35,70,000	10,15,591	11,22,089	10,94,422	4,00,000	1,09,25,000
<u>BALANCE OUTSTANDING</u>						
<u>LOANS GRANTED</u>						
Opening Balance	--	8,00,592	--	--	--	3,31,049
Closing Balance	10,08,692	--	--	--	21,31,006	--
<u>DEPOSITS ACCEPTED</u>						
Opening Balance	34,71,348	25,90,462	49,63,036	34,44,170	1,09,03,157	18,25,148
Closing Balance	28,06,936	34,71,348	42,97,917	49,63,036	3,54,608	1,09,03,157

In terms of our report attached.

For APJ & ASSOCIATES.
Chartered Accountants
Firm Reg. No. : 124810W

Abhinav Welekar
Partner
M. No. 123675
NAGPUR
28.06. 2019

M.G. Jawanjar
(Managing Director)

S.M. Jawanjal
(Executive Director)

D.R. Balpande
(Company Secretary)

S.K. Mahakalkar

V. B. Pathak

A. G. Kachore

D.P. Dalal

DIRECTORS

SCHEDULE TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2019

(As required under Annexure II of Master Direction - Non-Banking Financial
Company - Systemically Important Non-Deposit taking Company and
Deposit taking Company (Reserve Bank) Directions, 2016)

(₹ in lacs)

No.	Particulars	Amount Outstanding	Amount Overdue
	LIABILITIES :		
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
	a) Debentures : Secured	--	--
	Unsecured	--	--
	(Other than falling within the meaning of public deposits)		
	b) Deferred credits	--	--
	c) Term Loans	20,534.36	--
	d) Inter-corporate Loans and Borrowing	--	--
	e) Commercial Paper	--	--
	f) Public deposits (Including deposits from directors and their relatives)	7,695.00	278.42
	g) Cash Credit & Working Capital Demand Loan	4,883.83	--
	Total	33,113.19	278.42
2	Break-up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	a) In the form of unsecured debentures	--	--
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	--	--
	c) Other Public Deposits	7,695.00	278.42

(₹ in lacs)

No	Particulars	Amount Outstanding
	ASSETS :	
3	Break-up of loans and advances including bills receivables [other than those included in (4) below]	
	a) Secured	29.83
	b) Unsecured	
4	Break-up of leased assets and stock on hire and other assets counting towards AFC activities	
	i) Lease assets including lease rentals under sundry debtors :	
	a) Financial lease	--
	b) Operating lease	--
	ii) Stock on hire including hire charges under sundry debtors :	
	a) Assets on hire	--
	b) Repossessed assets	--
	iii) Other loans counting towards AFC activities	
	a) Loans where assets have been repossessed	--
	b) Loans other than (a) above	35,419.50
5	Break-up of Investments :	
	Current Investments :	
	1. Quoted :	
	i) Shares :a)Equity	--
	b)Preference	--
	ii) Debentures and bonds	--
	iii) Units of mutual funds	--
	iv) Government securities	--
	v) Others (Please specify)	--
	2. Unquoted :	
	i) Shares :a)Equity	--
	b)Preference	--
	ii) Debentures and bonds	--
	iii) Units of mutual funds	--
	iv) Government securities	--
	v) Others (Please specify)	--
	Long Term Investments :	
	1. Quoted :	
	i) Shares :a)Equity	81.19
	b)Preference	--
	ii) Debentures and bonds	--
	iii) Units of mutual funds	5.00
	iv) Government securities	697.27
	v) Others (Please specify)	--
	2. Unquoted :	
	i) Shares :a)Equity	2.90
	b)Preference	--
	ii) Debentures and bonds	--
	iii) Units of mutual funds	--
	iv) Government securities	--
	v) Others (Please specify)	1.59

6 Borrower group-wise classification of assets financed as in (3) and (4) above

(₹ in lacs)

	Category	Amount net of provisions		
		Secured	Unsecured	Total
(i)	Related parties			
	(a) Subsidiaries	—	—	—
	(b) Companies in the same group	—	—	—
	(c) Other related parties	—	21.31	21.31
(ii)	Other than related parties	35,395.52	32.50	35,428.02
	Total	35,395.52	53.81	35,449.33

7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)

(₹ in lacs)

	Category	Market Value/ Breakup or fair value of NAV	Book Value (Net of Provisions)
(i)	Related parties		
	(a) Subsidiaries	—	—
	(b) Companies in the same group	—	—
	(c) Other related parties	2.90	2.90
(ii)	Other than related parties	861.97	778.46
	Total	864.87	781.36

8 Other information

(₹ in lacs)

	Particulars	Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	--
	(b) Other than related parties	748.30
(ii)	Net Non-Performing Assets	
	(a) Related parties	
	(b) Other than related parties	644.63
(iii)	Assets acquired in satisfaction of debt	--

For APJ & ASSOCIATES.
Chartered Accountants
FirmReg. No. : 124810W

M.G. Jawanjar
(Managing Director)

S.K. Mahakalkar

V. B. Pathak

Abhinav Welekar
Partner
M. No. 123675
NAGPUR
28.06. 2019

S.M. Jawanjal
(Executive Director)

A. G. Kachore

D.P. Dalal

D.R. Balpande
(Company Secretary)

DIRECTORS

FINANCIAL HIGHLIGHTS

(₹ in lacs)

YEAR	PAID-UP CAPITAL	NET WORTH	TOTAL ASSETS	PROFIT BEFORE TAX	PROFIT AFTER TAX	DIVIDEND	
						Rate%	AMOUNT
1990-91	1.44	1.50	3.03	0.06	0.06	--	--
1994-95	20.75	38.14	74.88	6.45	5.80	26.0%	4.07
1995-96	26.00	44.40	124.95	8.07	6.09	20.0%	5.04
1996-97	30.00	48.94	174.86	11.16	5.15	14.0%	3.72
1997-98	30.00	52.72	224.24	19.15	10.00	16.0%	4.80
1998-99	30.00	59.80	223.71	20.22	12.97	16.0%	4.80
1999-00	30.00	61.41	247.47	16.47	8.55	16.0%	4.80
2000-01	36.00	70.22	280.79	17.78	9.15	16.0%	4.92
2001-02	50.00	109.28	374.83	31.84	22.74	17.0%	7.70
2002-03	80.00	187.27	748.88	55.55	34.57	18.0%	14.40
2003-04	102.55	256.21	865.80	81.84	52.70	18.0%	15.55
2004-05	102.55	307.02	1,155.50	112.80	75.73	20.0%	20.51
2005-06	163.50	452.20	1,392.69	126.43	83.88	22.0%	26.04
2006-07	310.00	715.98	1,956.10	153.81	101.36	22.5%	44.64
2007-08	* 620.00	780.25	2,619.22	228.63	153.54	* 12.5%	90.67
2008-09	700.00	978.58	3,486.60	336.82	218.98	13.0%	100.66
2009-10	700.00	1,119.71	4,100.69	379.84	247.60	13.0%	106.47
2010-11	700.00	1,361.79	5,206.99	545.56	355.98	14.0%	113.90
2011-12	750.00	1,695.14	6,377.90	601.90	399.37	14.0%	116.01
2012-13	800.00	2,099.90	9,076.85	732.20	492.46	15.0%	137.70
2013-14	800.00	2,534.23	11,125.49	863.19	574.74	15.0%	140.39
2014-15	800.00	3,091.63	14,788.92	1,053.41	677.75	12.5%	120.35
2015-16	800.00	3,818.09	19,770.39	1,246.93	822.74	10.00%	96.29
2016-17	800.00	4,713.26	26,660.71	1,532.62	991.47	10.00%	96.29
2017-18	800.00	5,950.92	32,937.95	1,768.79	1,237.65	10.00%	96.44
2018-19	800.00	7,326.43	41,796.85	2,077.27	1,471.95	10.00%	96.44

*2007-08 Consequent upon issue of bonus shares in the ratio of 1:1

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