BANAS FINANCE LIMITED
CIN: L65910MH1983PLC030142
E/109, Crystal Plaza, New Link Road, Andheri (W), Mumbai - 400 053
Tel No : 022 6152 2222 • Fax: 022 6152 2234 • Email : banasfin@gmail.com • www.banasfinance.com

Date: 07/09/2020

To,
The Bombay Stock Exchange Ltd
Corporate Relationship Dept,
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort, Mumbai - 400 001

Dear Sir,

BSE Scrip Code: 509053

SUB: Submission of 37th Annual Report of the Company for the Financial Year 2019-20 pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

In terms of Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report for the Financial Year 2019-20 along with the Notice of the Annual General Meeting being dispatched to shareholders of the Company through electronic mode whose e-mail addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent.

The 37th Annual General Meeting ('AGM') of the Company will be held on Tuesday, 29th September, 2020 AT 03.00 P.M. through Video Conference / Other Audio Visual Means, in accordance with the General Circular issued by Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020.

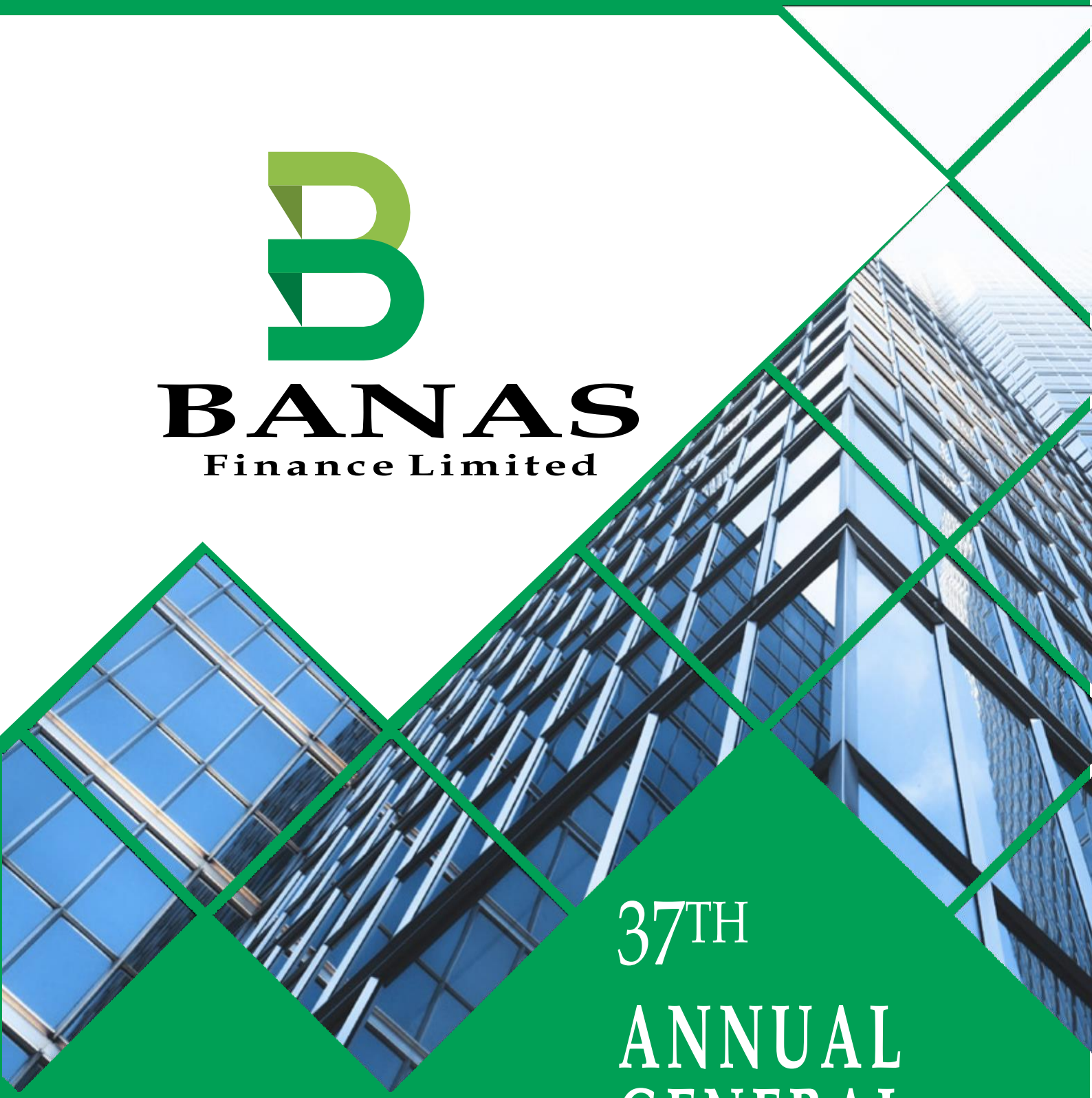
The Annual Report of the Company is also available on the website of the Company at https://banasfinance.wordpress.com Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulations2015.

Yours faithfully,

For Banas Finance Ltd

Sd/-
Girraj Kishor Agrawal
Director
DIN: 00290959

BANAS
Finance Limited



37TH ANNUAL GENERAL MEETING

2019-20

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

Website: https://banasfinance.wordpress.com
Email: banasfin@gmail.com

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

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

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

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Corporate Information

BOARD OF DIRECTORS:

Mr. Amit Gulecha - Managing Director
Mr. Girraj Kishor Agrawal - Director
Mrs. Tanu Agarwal - Director
Mr. Hardikkumar Kabariya - Director
Mr. Hitendrakumar Kanjibhai Parmar - Director
Ms. Jyotsana Bhatt - Director

KEY MANAGERIAL PERSONNEL:

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

STATUTORY AUDITORS:

M/s Pravin Chandak & Associates
403, New Swapanalok Chs Ltd,
Natakwala Lane, Borivali (West),
Mumbai-400092

INTERNAL AUDITORS:

Ravi Toshniwal

SECRETARIAL AUDITORS:

M/s Nitesh Chaudhary & Associates
Practicing Company Secretaries

REGISTAR & TRANSFER AGENT:

Purva Sharegistry (India) Pvt Ltd. 9,
Shiv Shakti Industrial Estate,
J.R. Boricha Marg, Lower Parel (E),
Mumbai – 400 011
Tel: 022 23012517/8261
Email Id: support@purvashare.com

LISTING OF EQUITY SHARES:

BSE Limited
Phiroze Jeejeebhoy Towers Dalal
Street, Mumbai – 400001

SCRIP CODE:
509053

REGISTERED OFFICE:

E/109, Crystal Plaza,
New Link Road, Andheri (West),
Mumbai: 400053
CIN: L65910MH1983PLC030142
Tel: 9152096140/41
Email Id: banasfin@gmail.com
Website: https://banasfinance.wordpress.com

PRINCIPLE BANKERS:
RBL Bank Ltd.

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

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

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

HOLDING OF THE ANNUAL GENERAL MEETING ('AGM') THROUGH VC/OAVM FACILIT:

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

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

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

Chairman's Speech:

I am excited to present this annual report for the financial year 2019-2020. This past year has been the most momentous for the company in its history so far, and has redefined its shape, size and destiny. As we enter the post amalgamation phase, I can truly look back on the year with pride and a sense of satisfaction at how much the combined company has achieved in the last financial year.

I am pleased to inform you that your company had Proposed merger of three listed entities with the company (Banas Finance Limited) and it has initiated the process of amalgamation in the year 2018 of three listed entities which were under the same management of the Company, namely; Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, **(Transferee Company)** by way of merger by absorption, leading to creation of a single unified lending entity, **The Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) vide its order dated July 29, 2020 approved the Scheme. Pursuant thereto, the NCLT order was filed with the Registrar of Companies, Maharashtra on August 18, 2020, being the 'Effective Date** effective on 18th August, 2020 to regulatory approvals.

Following the merger, our focus has been to revisit the organization design to align the structure, processes and performance management of the company to its strategic intent. Building a culture of performance orientation and accountability is an on-going priority, and I am confident that the initiatives taken up this year will result in increased revenues and profitability. Enhancing leadership capability at different levels is integral to the success of the strategy.

At this important milestone for the company, and on behalf of the Board I would like to express my gratitude to all our shareholders, employees, partners and clients for their continuing trust and confidence. It has been a thrilling year, and we are more than ready to go further on this journey together.

Yours Sincerely,
GirirajKishore Agarwal
Chairman

NOTICE OF 37TH ANNUAL GENERAL MEETING

Notice is hereby given that the 37TH ANNUAL GENERAL MEETING of the Members of BANAS FINANCE LIMITED (the 'Company') will be held on Tuesday, September 29, 2020 at 3:00 P.M. IST through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following businesses, in compliance with the provisions of General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs ('MCA'), and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ('SEBI'):

ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENT:

To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements for the year ended on March 31, 2020, together with the reports of the Directors' and Auditors' Reports thereon.

2. APPOINTMENT OF DIRECTOR:

To appoint a Director in place of Mr. Amit Gulecha (DIN 06964404), who is retiring by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

REGISTERED OFFICE:
E-109 Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai – 400053
CIN: L65910MH1983PLC030142

Date: 02/09/2020
Email: banasfin@gmail.com

By Order of the Board

Sd/-
Girraj Kishor Agrawal
Director
DIN: 00290959

Notes:

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

2) For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.

3) The deemed venue for thirty-Seventh e-AGM shall be the Registered Office of the Company at E-109 Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai - 400053

4) Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5) Institutional/Corporate shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (pdf/jpg format) of its board or governing body's resolution/authorization, etc., authorizing their representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the scrutinizer by email through its registered email address to csniteshchaudhary@gmail.com with a copy marked to evoting@nsdl.co.in.

6) Brief details of the directors, who are being re-appointed, are annexed hereto as per requirements of regulation 36(3) of the SEBI Listing Regulations and as per provisions of the Act.

7) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

8) Pursuant to section 91 of the Companies Act, 2013 The Register of Members and the Transfer Book of the Company will remain closed from 23/09/2020 to 29/09/2020 (both days inclusive).

9) The Securities & Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Account. Members holding their shares in Physical Form can submit their PAN details to the share transfer agent (Purva Sharegistry (India) Pvt Ltd) of the Company.

10) Members are requested to notify immediately any change in their address details to the Company's Registrar and share transfer agents for shares held in demat/physical form at Purva Sharegistry (India) Pvt Ltd, at 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (E), Mumbai – 400 011.

11) Pursuant to the provisions of Sections 101 and 136 of the Act read with 'The Companies (Accounts) Rules, 2014 electronic copy of the Annual Report for financial year 2019-2020 along with Notice of 37th Annual General Meeting of the company is being sent to all the members whose email id is registered with the Registrar/Depository Participant(s). Members may note that the Notice and Annual Report for FY2020 will also be available on the Company's website at https://banasfinance.wordpress.com website of the stock exchanges i.e., BSE Limited at www.bseindia.com, Notice and Annual Report is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

12) To receive communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. In case of shares held in physical form, members are advised to register their e-mail address with RTA Purva Sharegistry (India) Pvt. Ltd. Members may also note that the Notice of the 37th Annual General Meeting and the Annual Report for 2019-2020 will also be available on the Company's website www.banasfinance.com, website of the stock exchanges i.e., BSE Limited at www.bseindia.com, Notice and Annual Report is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com which can be downloaded from the site.

13) SEBI vide its notification dated 8 June 2018 as amended on 30 November 2018, has stipulated that w.e.f. 1 April 2019, the transfer of securities (except transmission or transposition of shares) shall not be processed, unless the securities are held in the dematerialized form, Members who still hold share certificates in physical form are advised to dematerialize their shareholding to also avail of numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

14) In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e-AGM.

15) All the work related to share registry in terms of both physical and electronic are being conducted by Company's Registrar & Transfer Agent, Purva Sharegistry (India) Pvt. Ltd. 9, Shiv Shakti Ind. Estt. J. R. Boricha Marg, Off. N. M. Joshi Marg, Near Lodha Excelus, Lower Parel (East), Mumbai - 400011. The Shareholders are requested to send their communication to the aforesaid address or via email at support@purvashare.com

16) Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at banasfin@gmail.com and mark cc to RTA @ support@purvashare.com during the period starting from 25th September, 2020 (from 9.00 a.m.) to 27th September, 2020 (up to 5.00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that only questions of the members holding the shares as on cut-off date will be considered.

17) Since the meeting will be conducted through VC/OAVM facility, the route map is not annexed to this Notice.

18) In case a person becomes a member of the Company after dispatch of e-AGM Notice, and is a member as on the cut-off date for e-voting, i.e., Tuesday, 22nd September 2020, such person may obtain the user id and password from RTA by email request on Support@purvashare.com.

19) Brief details of the Directors, who are seeking appointment / re-appointment, are annexed hereto as per the requirements of the Companies Act, 2013 and Regulation 36(3) Of the Listing Regulation, 2015.

20) Members holding the equity shares under multiple folios in identical order of names are requested to consolidate their holdings into one folio.

21) Members are requested to send all communications relating to shares, unclaimed dividend, change of address etc. to the Registrar and Share Transfer Agents at the following address: Purva Sharegistry (India) Private Limited Shiv Shakti Industrial Estates, Unit No. 9, 7-B J. R. Boricha Marg, Sitaram Mills Compound, Mumbai 400011. Tel: 022- 23016761; 022 23012517/8261, Email: support@purvashare.com if the shares are held in electronic form, then change of address and change in the Bank Accounts etc. should be furnished to their respective Depository Participants.

22) Members who have not yet registered their e-mail address with the Company or their respective Depository are requested to do so. In the context of General Meeting through VC/OAVM, availability of email id of shareholders will play key role for sending notice or other important communication to shareholders. Hence, Purva Sharegistry (India) Pvt Ltd. is offering the facility for all shareholders (physical as well as demat) to update their email id with it for sending the notice of AGM and annual report. The facility for updating of e-mail id of the shareholders shall be available on their website https://www.purvashare.com and the same can be updated by shareholders any time during the year.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to NSDL/RTA email id evoting@nsdl.co.in; support@purvashare.com; Tel. No. 022- 23016761; 022 23012517 /8261.

2. For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to NSDL/RTA email id evoting@nsdl.co.in; support@purvashare.com; Tel. No. 022- 23016761; 022 23012517 /8261.

Procedure and Instruction for E-Voting

A) Voting through electronic means:

In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Listing Regulations, 2015, the Company provides to its members, the facility to exercise their right to vote on resolutions proposed to be considered at the 37th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

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

The instructions for e-voting are as under:

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

Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/ Step 2 : Cast your

vote electronically on NSDL e-Voting system.

A detail on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Share- holders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 114398 then user ID is 111651001***

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) **Click on "Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. After you click on the "Login" button, Home page of e-Voting will open.

9. Now, you will have to click on "Login" button A **Detail on Step 2 is given below:**

How to cast your vote electronically on NSDL e-Voting system:

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN-114398" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/- JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csniteshchaudhary@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

1. The e-voting period commences on Saturday 26/09/2020 at 9:00 A.M. and ends on Monday 28/09/2020 at 5:00 P.M. During this period, members of the company holding shares either in physical form or in dematerialized form, as on the cutoff/relevant date i.e. Tuesday, 22/09/2020 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

2. Once the vote on a resolution is cast by a member, he or she will not be allowed to change it subsequently.

3.Any person, who becomes a member of the Company after sending email of the Notice of AGM and holding shares as of the cut-off date i.e. Tuesday, 22/09/2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or banasfin@gmail.com. However, if such member is already registered with NSDL for remote e-voting then he/she/it can use his/her/its existing user ID and password for casting the vote. The facility to reset the forgotten password is also provided by NSDL by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.

4. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, viz., Tuesday, 22/09/2020, only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

B) Voting at e-AGM:

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

C) Instructions for attending/joining the e-AGM:

i Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same by click on this link https://purvashare.instavc.com/broadcast/d7e5d830-ef53-11ea-b757-e3a975208d49 and submit the name and email id for login for VC/AOVM meeting.

ii. Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.

iii. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.

iv. While all efforts will be made to make the VC/OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may, at times, experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

v. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at banasfin@gmail.com and mark cc to RTA @ support@purvashare.com during the period starting from 25th September, 2020 (from 9.00 a.m.) to 27th September, 2020 (up to 5.00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that only questions of the members holding the shares as on cut-off date will be considered.

vi. Members who need technical assistance before or during the thirty-seventh e-AGM can contact call on Tel. No. 022- 23016761; 022 23012517 /8261 or send a request to RTA at support@purvashare.com.

D) General Instructions:

i. The Board of Directors has appointed Nitesh Chaudhary, Practicing Company Secretary (Membership No. F-10010), (M/s. Nitesh Chaudhary & Associates), has been appointed as the Scrutinizer to the e-voting process, and voting at the e-AGM in a fair and transparent manner.
ii. The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the thirty-Seventh e-AGM and announce the start of the casting of vote through the e-voting system of NSDL https://www.evoting.nsdl.com.
iii. The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting and make a consolidated Scrutinizers' report of the total votes cast in favour or against, if any, to the Chairman or in his absence Vice-Chairman of the Company, who shall countersign the same.
iv. The scrutinizer shall submit his report to the Chairman or Vice-Chairman of the Company, as the case may be, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website https://banasfinance.wordpress.com and on the website of NSDL https://www.evoting.nsdl.com. And shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the e-AGM of the Company.
v. The Results declared along with the report of the Scrutinizer will be placed on the website of the Company https://banasfinance.wordpress.com and on the website of NSDL immediately after the declaration of results by the Chairman or by a person duly authorized. The results shall also be immediately forwarded to the BSE Limited, where the equity shares of the Company are listed.
vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to RTA at support@purvashare.com or NSDL at evoting@nsdl.co.in

REGISTERED OFFICE:
E-109 Crystal Plaza, New Link Road,
Opp. Infinity Mall, Andheri (West),
Mumbai: 400053
CIN - L65910MH1983PLC030142
Email: banasfin@gmail.com
Date: 02/09/2020

By Order of the Board

Sd/-
Girraj Kishor Agrawal
Director
DIN: 00290959

BANAS
Finance Limited

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

Sr. No	Name of the Directors	Mr. Amit Champalal Gulecha
1	Date of Birth	30/07/1979
2	Age	40 Years
3	Date of Appointment	03/09/2014
4	PAN	AEYPG6460L
5	DIN	06964404
6	No. of shares held in the company (as on 31.03.2020)	_____
7	Qualifications	Chartered Accountant
8	Brief Profile	A qualified Chartered Accountant having done his Graduation in commerce. He is having more than fifteen years' experience on senior management position in Private sector undertakings. He has expertise in Corporate Finance and capital markets operations.
9	List of other Directorships (excluding Foreign Company)	Nil
10	Membership/Chairmanship of other Public Companies (includes only Audit Committee and Stakeholder Relationship Committee	Nil
11	Relationships, if any between Directors, interest.	Nil

BOARD OF DIRECTORS REPORT

To
The Members of,
Banas Finance Limited

Your Directors have pleasure in presenting the 37th Annual Report along with the Audited Accounts for the financial year ended March 31, 2020.

FINANCIAL RESULTS:

Summary of the Company's consolidated financial performance for F.Y. 2019-2020 as compared to the previous financial year is given below:

(Figures in Lakhs)

Particulars	**F.Y. 2019 – 2020**	**F.Y. 2018 – 2019**
Income from Share Trading	-----	------
Income from Finance Activities (Operations)	62,022,395	134,543,312
Total Operational Revenue	**62,022,395**	**134,543,312**
Other Incomes	27,470,484	4,090,426
Total Revenue	**89,492,879**	**138,633,738**
Profit before Dep. & Int.	73,224,491	211,128,426
Depreciation	21,540	37,234
Interest	5,102,814	41,82,143
Profit after Depreciation & Interest	68,100,137	211,091,192
Current Tax	1,77,000	44,996
Deffered tax	34,92,138	-19,03,566
Tax of earlier years	0	-15,859,108
Profit/ Loss after Tax	17,723,604	-54,739,777

Note: The Financial Details given above is as per the audited consolidated financial results of the company after giving effects of merger of 3 transferor companies merged with the Company pursuant to the merger Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) vide its order dated July 29, 2020 and its effectiveness as per the appointment date.

HIGHLIGHTS:

The company is mainly engaged into business of Finance and trading, from which company has generated its revenue. During the year under review Company's total revenue has decreased to Rs. **89,492,879** from Rs. **138,633,738** as compared to previous financial year and thereby registering an decrease of 64.55 % The Company has also managed to control its administrator expenses, the Company gained profit of Rs. 17,723,604 as compared to loss of Rs. 54,739,777 in previous year.

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

MERGER/AMALGAMATION OF 3 COMPANIES WITH COMPANY:

At a meeting held on 15th May, 2018, the Board of Directors had approved the amalgamation of **Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited,** (Transferee Company), The Transferor Companies and the Transferee Company were part of the same management till the merger and are associated companies, all the transferor companies as on the date of merger were listed on BSE Limited and all the 3 transferor companies which merged with the company were the same management of the Company, by way of a Scheme of Amalgamation between **Proaim Enterprises Limited,** and **Axon Ventures Limited,** and **Rockon Enterprises Limited,** with the Company (the 'Scheme'), as provided under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 or any other applicable law as amended from time to time. The appointed date for the Scheme was April 1, 2018. The Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT)

vide its order dated July 29, 2020 approved the Scheme. Pursuant thereto, the NCLT order was filed with the Registrar of Companies, Maharashtra on August 18, 2020, being the 'Effective Date'.

Pursuant thereto, in accordance with the terms of the Scheme, **Proaim Enterprises Limited,** and **Axon Ventures Limited,** and **Rockon Enterprises Limited,** was amalgamated with the Company w.e.f. the Appointed Date i.e. April 1, 2018, and consequently, **Proaim Enterprises Limited,** and **Axon Ventures Limited,** and **Rockon Enterprises Limited,** stands dissolved without winding up. The necessary accounting entries giving effect to the amalgamation were passed in the books of accounts of the Company.

With effect from the opening of the business as on the Appointed Date (i.e. 1st April, 2018) and subject to the provisions of this Scheme, the entire Undertakings of the Transferor Companies including the assets and liabilities as on the Appointed Date, shall pursuant to Section 230 to 232 and other applicable provisions of the Act, without any further act, instrument or deed, stand transferred to and vested in and./or deemed to have been transferred to and vested in the Company as a going concern subject, however, to all charges, liens, mortgages, if any, then affecting the same or any part thereof.

Pursuant to the effectiveness scheme of merger, the Company has access to the entire business of the Transferor Companies as going concerns and all the properties whether movable or immovable, real or personal, corporeal or incorporeal, present or contingent including but without being limited to all assets, authorized capital, fixed assets, capital work-in-progress, current assets and debtors, investments, rights, claims and powers, authorities, allotments, approvals and consents, reserves, provisions, permits, ownerships rights, lease, tenancy rights, occupancy rights, incentives, claims, rehabilitation schemes, funds, quota rights, import quotas, licenses, registrations, contracts, engagements, arrangements, brands, logos, patents, trade names, trademarks, copy rights, all other intellectual property rights, other intangibles of the Transferor Companies whether registered or unregistered or any variation thereof as a part of its name or in a style of business otherwise, other industrial rights and licenses in respect thereof, lease, tenancy rights, flats, telephones, telexes, facsimile connections, e-mail connections, internal connections, websites, installations and utilities, benefits of agreements and arrangements, powers, authorities, permits, allotments, approvals, permissions, sanctions, consents, privileges, liberties, easements, other assets, special status and other benefits that have accrued or which may accrue to the Transferor Companies on and from the Appointed Date and prior to the Effective Date in connection with or in relation to the operation of the undertaking and all the rights, titles, interests, benefits, facilities and advantages of whatsoever nature and where ever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies as on the Appointed Date and prior to the Effective Date shall, pursuant to the provision of Section 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company.

With effect from the Appointed Date, all the Assets and Liabilities; equity shares, debentures, bonds, notes or other securities held by the all 3 Transferor Companies, whether convertible into equity or not and whether quoted or not shall, without any further act or deed, be and stand transferred to the Transferee Company, has also all the movable assets including cash in hand, if any, of the Transferor Companies shall be capable of passing by manual delivery or by endorsement and delivery, as the case may be, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or by endorsement and delivery.

Pursuant to the amalgamation, the Company will take over, absorb and pay and discharge on due dates all the liabilities including liabilities for income tax, wealth tax, central sales tax, value-added tax, service tax, excise duty, custom duty, goods and service tax, fringe benefit tax, dividend distribution tax, if any, of the Transferor Companies.

Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking of the Transferor Companies (Proaim Enterprises Limited, and Axon Ventures Limited, and Rockon Enterprises Limited) in the Transferee Company in terms of the Scheme, the Company will issue and allot Equity Shares as per swap exchange ratio given in the scheme of merger and order passed by Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) vide its order dated July 29, 2020, credited as fully paid-up in the capital of the Transferee Company to all Equity Shareholders of the Transferor Companies whose names appear in the Register of Members, on record date i.e. 04th September, 2020 fixed by the Board, as follows:

Proaim Enterprises Limited (First Transferor Company): 50 (Fifty) equity shares of Rs. 10 each of Banas Finance Limited, will be credited as fully paid-up, for every 100 (Hundred) equity shares of the face value of Rs. 10/- (Rupees Ten) each fully paid-up held by such member in the Company.

Axon Ventures Limited (Second Transferor Company): 48 (Forty Eight) equity shares of Rs. 10 each of Banas Finance Limited, will be credited as fully paid-up, for every 100 (Hundred) equity shares of the face value of Rs. 10/- (Rupees Ten) each fully paid-up held by such member in the Company.

Rockon Enterprises Limited (Third Transferor Company): 26 (Twenty Six) equity shares of Rs. 10 each of Banas Finance Limited, credited as fully paid-up, for every 100 (Hundred) equity shares of the face value of Rs. 10/- (Rupees Ten) each fully paid-up held by such member in the Company.

THE MERGER WILL LEAD TO SYNERGIES OF OPERATIONS AND MORE PARTICULARLY THE FOLLOWING BENEFITS TO YOUR COMPANY:

a. The arrangement shall provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the arrangement will enable optimal utilization of existing resources and provide an opportunity to fully leverage assets, capabilities, experience and infrastructure of all the four companies.

b. Reduce the managerial overlaps involved in operating multiple entities; ease and increase operational and management efficiency integrate business functions; eliminated duplication and rationalization of administrative expenses'.

c. Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value'.

d. Improved organizational capability and leadership arising from the pooling of human capital that has diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

e. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, and improved procurement.

f. Synchronizing of efforts to achieve uniform corporate policy' Greater integration and greater financial strength and flexibility for the amalgamated entity.

g. Reduce regulatory compliance and multi-layer taxation of inter-se transaction.

h. Better value creation for the shareholders of the company and improved competitive position of the combined entity in the market.

i. The scheme is not prejudicial to the interest of the creditors or the employees of the Transferor Companies and the Transferee Company.

ACCOUNTING EFFECT AND CONSOLIDATION DUE TO MERGER:

Pursuant to merger of 3 listed entities which were the same management companies with the company vide NCLT Mumbai order dated 29th July, 2020 and appointed date is 01st April, 2018 for this merger, the company has given the accounting treatment for merger as per applicable accounting standards and company law provisions and your board has approved the same in its meeting, the notes with respect to the merger and their impact has been given in the notes to the accounts along with financial for the F.Y. 2019-20 herein below it the section of Financials.

DIVIDEND:

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

CHANGES IN SHARE CAPITAL

During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares as on March 31, 2020, the effect of the merger order on the companies Authorized and paid up capital will be as follows:

Pursuant to the effectiveness of the Merger as per the merger Order passed by Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) vide its order dated July 29, 2020, the effective date of merger is 18th July, 2020 and appointed date is 01st April, 2018 the combined paid up capital and authorized capital of the company after effectiveness of the merger increased to 51,30,00,000/- (Rupees Fifty One Crore Thirty Lakh Only) comprising of 5,13,00,000 (Five Crore Thirteen lakh) Equity Shares of Rs. 10/- each and the paid up capital of the company will be increased as per the equity share allotment to the transferor companies' shareholders as per the swap exchange ratio of respective company as given in the order and scheme of merger.

DEPOSITS:

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

AMOUNTS TO BE TRANSFERRED TO RESERVES

In the view of continuous losses no fund was transferred to General Reserve and Statutory Reserves as per provision of Section 45 (i) (c) of the Reserve Bank of India Act, 1934. This year company has loss and hence company has not transferred the amount as per the requirement.

Pursuant to the merger and effectiveness the accounting treatment and consolidation of books of accounts of all transferor companies in to the books of Transferee Company has consolidated in the financials of the Company and given effect of the merger accordingly, the notes for effect of merger on Financials of the company is given under the head on Notes to accounts and significant policies along with Financials.

CHANGE IN DIRECTORS AND KMP:

Sr. No.	Name of Director/KMP	Designation	Particulars	Date
1.	PRAJNA PRAKASH NAIK	Company Secretary	Appointment	15/04/2019
2.	NEMICHAND SAINI	CFO	Appointment	14/02/2020
3.	HITENDRAKUMAR KANJIBHAI PARMAR	Non-Executive Independent Director	Appointment	14/08/2019

DIRECTORS' RESPONSIBILITY STATEMENT:

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

a) In the preparation of the annual accounts for the financial year ended 31st March, 2020 the applicable accounting standards have been followed.

b) Directors have selected such Accounting policies applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the State of affairs of the corporation as at the end of March 31, 2020 and of the profit of the Company for the year ended on that date.

c) Director have taken Proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) Directors have prepared the annual accounts on a 'going concern' basis.

e) Director have laid down internal financial controls commensurate with the size of the Company and that such financial controls were adequate and were operating effectively.

f) Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DECLARATION OF INDEPENDENCE BY DIRECTORS:

The Non-executive Independent Directors of the Company, viz. Mr. Hardikkumar Bharatbhai Kabariya, Ms. Jyotsana Bhatt and Mr. Hitendrakumar Kanjibhai Parmar (Appointed on 14/08/2019) have affirmed that they continue to meet all the requirements specified under Regulation16(1)(b)of the listing regulations in respect of their position as an "Independent Director" of Banas Finance Limited.

POLICIES ON DIRECTORS' APPOINTMENT AND REMUNERATION:

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

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

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

Pursuant to the provisions of section 134(3)(p) The Companies Act, 2013, evaluation of performance of all Directors is

undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects, execution of specific duties, obligations and governance.

During the year, due to State Government of Maharashtra imposed a Lockdown in the state of Maharashtra and nationwide lockdown imposed by the Government from 25th March, 2020 to curtail the spread of COVID-19, a Separate Meeting of Independent Directors could not be held for the financial year 2019-2020.

Further as per the relaxation provided by the Ministry of Corporate Affair vide their General Circular No 11/2020 dated 24th March, 2020 if the independent Directors of a company have not been able to hold such a meeting, the same shall not be viewed as a violation. The Company ensures to schedule the meeting of Independent Directors as soon be made feasible by the situations.

INTERNAL AUDITOR

Company has appointed Mr. Ravi Toshniwal as an Internal Auditor F.Y 19-2020.

STATUTORY AUDITORS:

M/s. Pravin Chandak & Associates, Chartered Accountants having Firm Registration No. 116627W, whose term expired in this AGM is hereby reappointed as Statutory Auditors of the Company in this 36th Annual General Meeting of the company for a period of second term of 3 consecutive years till the conclusion of 39th Annual General Meeting of the company to be held in the year 2022. They will continue to be Statutory Auditors till F.Y. 2021-22. The Statutory Auditors have confirmed their eligibility pursuant to section 139 of the Companies Act 2013.

Vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of statutory auditors by members at each AGM has been done away with. Accordingly, no such item has been considered in notice of the 36th AGM.

AUDITORS REPORT:

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

COMMENTS ON OBSERVATION MADE BY STATUTORY AUDITORS:

M/s. Pravin Chandak and Associates, Practicing Chartered Accountant, in his Independent Auditor Report for financial year 2019-20 have drawn the attention of the management on some Prudential Norms of NBFC, which have been marked as qualification in his report. In connection with the same, management here with gives the explanation for the same as follows:

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

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

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

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

c) Company has granted loans to 18 cases interest charged is less than prevailing yield government security for relevant tenure. Amount of such loans as on 31st March, 2020 is Rs 3,08,95,433/-. In 68 cases no interest has been charged. Amount of such loans as on 31st March, 2020 is Rs. 8,09,76,231/-.

The management informed that during F.Y 2019-20, the interest rates had drastically gone down hence to provide

competitive rates and to utilize the funds available with the company and earn income, lower interest rates has been charged to few parties.

In respect of no interest being charged on some of the loans, the Management states that these loans are old and already been categorized as Provisions For Doubtful Debts in Profit & Loss, still the management is trying to at least recover the principal amount from these parties for the beneficial of the company and hence the interest rates are not charged for these loans.

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

SECRETARIAL AUDITORS:

Pursuant to the requirements of Section 204(1) of the Act, and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Nitesh Chaudhary & Associates., Practicing Company Secretaries, to conduct the Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report as received from M/s Nitesh Chaudhary & Associates is appended to this Report as **Annexure I.**

COMMENTS ON OBSERVATION AND QUALIFICATION MADE BY SECRETARIAL AUDITORS:

M/s Nitesh Chaudhary & Associates, Company Secretary in Practice, in his Secretarial Audit Report for financial year 2019-2020 have drawn the attention of the management on some of the non-compliances, which have been marked as qualification in his report. In connection with the same management herewith give the explanation for the same as follows:

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

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

2. The Company has not followed some of the provision of Know Your Customer' (KYC) Guidelines issued by Reserve Bank of India from time to time is not properly followed by the company, and the Company yet to submission of reports and information (SAC Certificate & RBI Annual Return) to the Reserve Bank of India, as required to be made during the year under review.

Management of the Company is in the process to get develop electronic/digital portal or software to maintain the Know Your Customer' (KYC) Guidelines issued by Reserve Bank of India, the management has took on records that due to Covid -19 the SEBI has given extension for adoption of Audited Financial Results for F.Y. 2019-20 till 31st July 2020 therefore the company is yet to file the same with RBI, the company will submit the same at the earliest well in time.

3. The form MGT-7 for the F.Y. 2018-19 has not been signed by the Company Secretary in Whole Time in employment of the Company as required under section 92 of the Companies Act, 2013.

Management of the Company has check with the Secretarial Department with respect to the not certification of Form MGT-7 by Company Secretary, the secretarial department has informed that there was a technical issue with the Digital Signature it was not working therefore did not certified.

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

The management informed that these loans are old and to recover the principal amount from the party is very difficult and in order to avoid bad debt of this loan, Company has charged less interest, but company will take note in future.

NUMBER OF MEETINGS OF THE BOARD:

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

The details of the number of meetings of the Board held during the Financial Year 2019-20 forms part of the Corporate Governance Report.

COMMITTEES OF THE BOARD:

The Board of Directors has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee

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

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

1. Honorable Securities Appellate Tribunal (SAT) quashed the order passed by the Securities and Exchange Board of India (SEBI):

We wish to inform that the Company filed an appeal vide appeal no. 275 of 2018 before Honorable Securities Appellate Tribunal (SAT) against the order passed by SEBI dated 27/04/2018 in the matter of adjudication, Honorable SAT passed an order dated 26th July, 2019 and quashed the order passed by the Securities and Exchange Board of India (SEBI) Adjudication Order No. EAD/BJD/BKM/7-14/2018-19 dated 27/04/2018 passed by SEBI under section 15-I of SEBI Act, 1992 read with Rule 5 of SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 in matter of Banas Finance Limited, the SEBI has imposed joint penalty of Rs.10 lakhs on Company and its promoter Handful Investrade Private.

As per the Oder passed by Honorable Securities Appellate Tribunal (SAT) the SEBI Order has been quashed and company and its promoters are not liable to pay the penalty imposed by SEBI in its above stated Order.

Other than the above there is no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

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

2. AFTER COMPLETION OF FINANCIAL YEAR A2019-20 AND BEFORE ADOPTION OF BOARD REPORT FOR 2019-20 THE FOLLOWING MERGER ORDER PASSED:

HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH (NCLT) VIDE ITS ORDER DATED JULY 29, 2020 APPROVED THE SCHEME OF MERGER:

Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) vide its order dated July 29, 2020 approved the Scheme of Merger between **Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with** the Company **Banas Finance Limited** (the 'Scheme'), as provided under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 or any other applicable law as amended from time to time. The appointed date for the Scheme was April 1, 2018. Pursuant thereto, the NCLT order was filed with the Registrar of Companies, Maharashtra on August 18, 2020, being the 'Effective Date'.

No material changes and commitments affecting the financial position of the Company occurred during Financial Year 2018-19, till the date of this report. Further there was no change in the nature of business of the Company.

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

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

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

REPORTS ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:

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

In compliance with Regulation 34 and Schedule V of SEBI Listing Regulations 2015, report on the Corporate Governance, along with a certificate from the Statutory Auditors of the Company on compliance with the provisions is annexed and forms part of the Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

All Related Party Transactions entered during the year 2019-20 were in Ordinary Course of the Business and on Arm's Length basis; and there were no material contracts and arrangements.

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

EXTRACT OF ANNUAL RETURN:

Pursuant to the requirements under Section 92(3) and Section 134(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, an extract of Annual Return in prescribed Form MGT-9 for F.Y. 2019-20 is given in the Report as **Annexure III.**

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION:

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

POSTAL BALLOT:

During Financial year 2019-20, no postal ballot was conducted by the company.

RISK MANAGEMENT AND INTERNAL CONTROLS:

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

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

MEMBER OF CREDIT RATING AGENCY:

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

LISTING OF SHARES:

Equity shares of your Company are listed on Bombay Stock Exchange only and the Company has paid the necessary Listing fees for the year 2019-20.

FOREIGN EXCHANGE:

There is no inflow and outflow of Foreign Exchange.

CHANGE IN NATURE OF BUSINESS:

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

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

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

During the financial year 2019-20, no cases under this mechanism were reported in the Company.

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

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

THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE IS HOSTED ON COMPANY'S WEBSITE AT https://banasfinance.files.wordpress.com/2015/07/sexual-harassment-policy_banas-finance.pdf

During the financial year 2019-2020, no cases in the nature of sexual harassment were reported at any workplace of the company.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Companies Act, 2013 and the relevant rules, the Company is not required to spend any amount towards CSR Expenditure as none of the thresholds limits as specified in Section 135 is not crossed.

CEO AND CFO CERTIFICATION:

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

ACKNOWLEDGEMENT:

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

FOR & ON BEHALF OF THE BOARD

Sd/-	**Sd/-**
Tanu Giriraj Agrawal	**Girraj Kishor Agrawal**
Director	Director
DIN: 00290966	**DIN: 00290959**

Place: Mumbai
Date: 02/09/2020

Annexure- I

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,
BANAS FINANCE LIMITED,
E-109, Crystal Plaza, New Link Road,
Andheri (west) Mumbai-400053.

We have conducted the Secretarial Audit of the applicable compliance & statutory provisions and the adherence to corporate practices by M/s. Banas Finance Ltd (hereinafter called the 'Company') for the audit period covering the financial year from 01st April, 2019 to 31st March, 2020 ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the M/s. Banas Finance Ltd for the financial year ended on 31st March, 2020 according to the provisions of: The Companies Act, 2013 (the Act) and the rules made there under;

1. The Companies Act, 2013 ('the Act') and the Rules made there under;

2. The Securities Contracts (Regulation) Act, 1956 and the Rules made there under;

3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings;

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - As the Company has not issued any shares/options to directors/employees under the said guidelines / regulations during the year under review, the said regulation was not applicable to the company;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – As the Company has not issued any debt securities which were listed during the year under review, the said regulation are not applicable to the company;

f)The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993 – As the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review, the said regulation are not applicable to the company;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - The equity shares of the company are neither delisted nor proposed to be delisted. Hence the provision of said regulation are not applicable to the company;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - The Company has not bought back or propose to buy-back any of its securities during the year under review, the said regulation are not applicable to the company;

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

I. The Reserve Bank of India Act, 1934

II. Circular, Directions and Notifications issued by Reserve Bank of India for Non- Banking Financial (Non-deposit Accepting or Holding)Companies which include any revisions, modifications made thereof

III. Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;

IV. The Equal Remuneration Act, 1976;

V. Bombay Shops and Establishments Act, 1948;

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

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

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

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

1. The Company has not followed some of the provisions of prudential norms issued by Reserve Bank of India for Non-Banking Financial (Non-Deposit Accepting or Holding) Companies which also including any statutory modification and amendment from time to times.
2. The Company has not followed some of the provision of Know Your Customer' (KYC) Guidelines issued by Reserve Bank of India from time to time is not properly followed by the company and the Company has made delayed in submission of reports and information to the Reserve Bank of India, as required to be made during the year under review.
3. The form MGT-7 for the F.Y. 2018-19 has not been signed by the Company Secretary in Whole Time in employment of the Company as required under section 92 of the Companies Act, 2013.
4. In some cases, the Company has charged less interest on Loans and advances given to some parties.

I further report that

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

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

I further report that:

During the audit period, there were no instances of:

(i) Public/Rights/Preferential issue of Shares/debentures/ sweat equity.

(ii) Redemption/buy-back of securities.

(iii) amalgamation/ reconstruction etc.

(iv) Foreign technical collaborations.

The Company has filed the merger under section 230-232 of the Companies Act, 2013 petition No. CSP 758/MB-II/2020 namely M/s Proaim Enterprises Limited (First Transferor Company); M/s Axon Ventures Limited (Second Transferor Company); M/s Rockon Enterprises Limited (Third Transferor Company) With Banas Finance Limited (Transferee Company) before the Honourable National Company Law Tribunal, Mumbai Bench during the audit period as per the direction of NCLT, Mumbai bench Meeting of equity shareholders of Company held on Wednesday, 8th January, 2020 at 04.00 P.M 1ST at 412, Solaris, Hubtown, Sai wadi, Andheri (East), Mumbai -400069.

The company has informed that the Honourable National Company Law Tribunal, Mumbai Bench passed order of merger vide order dated 29th July, 2020 before the signing of the report.

Due to receiving the Order of merger, and effectiveness of the scheme the transferor Companies (Proaim EnterPrises Limited, Axon Ventures Limited, Rockon Enterprises Limited) merged with transferee Company (Banas Finance Limited) w.e.f. appointed date i.e. 1st April 2018 and management of the Company has adopted Consolidated Financial Result.

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

Place: Mumbai

Date: 31ST August, 2020

UDIN – F010010B000636636

Annexure A

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

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

Management's Responsibility

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

Auditor's Responsibility

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

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

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

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

Disclaimer:

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

For Nitesh Chaudhary & Associates
Practicing Company Secretary

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

Place: Mumbai

Date: 31ST August, 2020

UDIN – F010010B000636636

BANAS
Finance Limited

Annexure-II

FORM AOC-2

RELATED PARTY TRANSACTIONS

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

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

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

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

Name of Related Party and nature of transactions	Nature of contract /arrangement /transactions	Duration of the contract / arrangement /transactions	Salient terms of contract /arrangement /transactions, including value, if any	Date(s) of approval by the Board	Amounts paid as advance
Agrawal Bullion Limited	Interest Paid Loan Taken Loan Repaid	-	2,88,937 4,55,50,000 4,55,50,000	14/04/2018	NIL
Axon Ventures Limited	Loan Given And Received Back	-	15,00,000	14/04/2018	NIL
	Loan Taken and Repaid	-	19,00,000	14/04/2018	NIL
Girraj Kishor Agrawal	Other expenses paid on behalf of the company	-	40,200	14/04/2018	NIL
	Rent Paid	-	30000	NA	NIL
Girraj Kishor Agrawal HUF	Other expenses paid on behalf of the company	-	600	NA	NIL
	Interest Paid	-	3,25,753	14/04/2018	NIL
	Interest Received	-	8,932	14/04/2018	NIL
	Loan Given	-	22,50,000	14/04/2018	NIL
Handful Investrade Pvt Ltd	Interest Paid	-	3,25,753	14/04/2018	NIL
	Interest Received	-	8,932	14/04/2018	NIL
	Loan Given	-	22,50,000	14/04/2018	NIL
	Loan Given Repaid	-	10,75,000	14/04/2018	NIL
	Loan Repaid	-	3,29,00,000	14/04/2018	NIL
	Loan Taken		3,06,50,000	14/04/2018	NIL
Jyotsna Bhatt	Sitting Fees		24,300	-	NIL
Kajol Tak	Salary		16,926	-	NIL
Kayaguru Capital Market Pvt. Ltd	Shares Purchase		55,00,000	14/04/2018	NIL
	Shares Sales		25,00,000		NIL
Prajna Naik	Salary		576036	-	NIL
Proaim Enterprises Ltd	Interest Received		16,166	14/04/2018	NIL
	Loan Given		67,00,000		NIL
	Loan Given Repaid		67,00,000		NIL

	Loan Repaid		9,75,000		NIL
	Loan Taken		9,75,000	14/04/2018	NIL
Rockon Enterprises Ltd	Interest Paid		7,393	14/04/2018	NIL
	Loan Given		1,00,000	14/04/2018	NIL
	Loan Given Repaid		25,000	14/04/2018	NIL
	Loan Taken & Repaid		24,25,000	14/04/2018	NIL
Tanu Agrawal	Interest Paid		1,43,825	14/04/2018	NIL
	Loan Given		64,00,000	14/04/2018	NIL
	Loan Given Repaid		64,00,000	14/04/2018	NIL
	Loan Repaid		1,10,00,000	14/04/2018	NIL
	Loan Taken		1,10,00,000	14/04/2018	NIL
	Interest Paid		21,681	14/04/2018	NIL
Tilak Ventures Limited	Loan Repaid & Taken		3,11,80,000	14/04/2018	NIL

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

FOR & ON BEHALF OF THE BOARD

Sd/-
Tanu Giriraj Agrawal
Director

DIN: 00290966

Sd/-
Girraj Kishor Agrawal
Director

DIN: 00290959

Place: Mumbai
Date: 02/09/2020

BANAS
Finance Limited

Annexure- III

EXTRACT OF ANNUAL RETURN - MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED ON 31.03.2020

I	REGISTRATION & OTHER DETAILS:	
i	CIN	L65910MH1983PLC030142
ii	Registration Date	06/06/1983
iii	Name of the Company	**BANAS FINANCE LTD**
iv	Category/Sub-category of the Company	Company Limited by Shares/ Indian Non-Government Company
v	Address of the Registered office & contact details	E-109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai – 400053 Tel- 9152096140/41 E-Mail- banasfin@gmail.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	**M/s. Purva Share Registry (India) Pvt. Ltd**, 9 Shiv Shakti Industrial Estate, J R Boricha Marg, Opp. Kasturba Hosp., Lower Parel (E), Mumbai – 400011 Tel: 022-23016761/23018261 E-Mail- Support@purvashare.com

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

III	PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES				
Sl. No	**Name & Address of the Company**	**CIN/GLN**	**Holding / Subsidiary / Associate**	**% of Shares Held**	**Applicable Section**
1	None				

IV. SHARE HOLDING PATTERN (Equity Share capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding	No. of Shares held at the beginning of the year (As on 1st April, 2019)				No. of Shares held at the end of the year (As on 31st March 2020)				% change during the year
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	1450000	0	1450000	12.75	1450000	0	1450000	12.75	0
e) Bank/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Subtotal(A)(1):	**1450000**	**0**	**1450000**	**12.75**	**1450000**	**0**	**1450000**	**12.75**	**0**

(2) Foreign									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other Individual	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other…	0	0	0	0	0	0	0	0	0
Subtotal(A)(2):	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**1450000**	**0**	**1450000**	**12.75**	**1450000**	**0**	**1450000**	**12.75**	**0**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
C) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h)Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Subtotal(B)(1):	0	0	0	0	0	0	0	0	0
(2) Non Institutions									
A) Bodies Corp.									
i) Indian	1047926	0	1047926	9.21	1302143	0	1302143	11.45	2.23
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakhs	847166	42550	889716	7.82	839010	42550	881560	7.75	-0.07
ii) Individuals shareholders holding nominal share capital in excess of Rs.1 lakhs	6698999	848509	7547508	66.35	7317244	0	7317244	64.32	-2.02
c) Others (specify)	0	0	0	0	0	0	0	0	0
Clearing Members	295694	0	295694	2.60	278792	0	278792	2.45	-0.15
HUF	142669	0	142669	1.25	142514	0	142514	1.25	0.00
NRI	2487	0	2487	0.02	2487	0	2487	0.02	0.00
Subtotal(B)(2):	9034941	891059	9926000	87.25	9883450	42550	9926000	87.25	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	9034941	891059	9926000	87.25	9883450	42550	9926000	87.25	0.00
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
Grand Total (A+B+C)	10484941	891059	11376000	100.00	11333450	42550	11376000	100.00	0.00

IV. SHARE HOLDING OF PROMOTERS

Sl. No.	Shareholders Name	Shareholding at the beginning of the year 31/03/2019			Shareholding at the end of the year 31/03/2020			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Handful Investrade Pvt Ltd	**1450000**	12.75	0.00	**1450000**	12.75	0.00	0.00

V. CHANGE IN PROMOTERS' SHAREHOLDING AS ON THE F.Y. ENDED ON 31/03/2020

Sr. No.	Shareholder's Name	Shareholding		Date	Increase/ Decrease in Share Holding	Reason	Cumulative Shareholding during the year (01-04-19 to 31-03-20)	% of total Shares of the Company
		No. of Shares at the beginning (01-04-18 to 31-03-19)	% of total Shares of the Company				No. of Shares	
1	Handful Investrade Pvt Ltd	1,45,00,00	12.75%		-		14,50,000	12.75%

SL No.	Shareholder's Name	Shareholding at the beginning of the year 30/03/2019		Cumulative Shareholding at the end of the year 31/03/2020	
		No of Shares	% of Total Shares of the Company	No. of Shares	% change in shareholding during the year
1	PURAV PATEL	500000	4.40		
	29-04-2019	-500000	-4.40	0	0.00
	03-05-2019	500000	4.40	500000	4.40
	31-03-2020			500000	4.40
2	DHARMESHBHAI J VAGHELA	443841	3.90		
	31-03-2020			443841	3.90
3	RAJU DEVI SHARWAN AGARWAL	438614	3.86		
	02-08-2019	-438614	-3.86	0	0.00
	31-03-2020			0	0.00
4	ANKIT JAGDISHBHAI PITHAVA	409344	3.60		
	31-05-2019	-409344	-3.60	0	0.00
	31-03-2020			0	0.00
5	HEMANGINI VINITKUMAR PARIKH	374477	3.29		
	31-03-2020			374477	3.29
6	PIYUSHKUMAR THUMMAR	364626	3.21		
	28-06-2019	-33058	-0.29	331568	2.91
	19-07-2019	-14414	-0.13	317154	2.79
	26-07-2019	-25	-0.00	317129	2.79
	02-08-2019	-510	-0.00	316619	2.78
	27-09-2019	-1	-0.00	316618	2.78
	31-03-2020			316618	2.78
7	SEJAL P PATEL	348509	3.06		
	29-04-2019	-348509	-3.06	0	0.00

	03-05-2019	348509	3.06	348509	3.06
	31-03-2020			348509	3.06
8	GIRISH R GOEL	320758	2.82		
	31-03-2020			320758	2.82
9	PRASHANT SHASHIKANT SAWANT	305170	2.68		
	31-03-2020			305170	2.68
10	DEALMONEY SECURITIES PRIVATE LIMITED	277630	2.44		
	31-03-2020			277630	2.44
11	SMC GLOBAL SECURITIES LIMITED	10598	0.09		
	07-06-2019	1598	0.01	12196	0.11
	14-06-2019	10	0.00	12206	0.11
	21-06-2019	-10	-0.00	12196	0.11
	30-09-2019	-1788	-0.02	10408	0.09
	27-12-2019	25000	0.22	35408	0.31
	31-12-2019	4540	0.04	39948	0.35
	03-01-2020	-30040	-0.26	9908	0.09
	10-01-2020	3770	0.03	13678	0.12
	24-01-2020	-3770	-0.03	9908	0.09
	06-03-2020	269590	2.37	279498	2.46
	31-03-2020			279498	2.46
12	SUNIL .	0	0.00		
	12-07-2019	88999	0.78	88999	0.78
	02-08-2019	438614	3.86	527613	4.64
	31-03-2020			527613	4.64
13	SHANKARLAL KUMHAR	0	0.00		
	31-05-2019	409344	3.60	409344	3.60
	31-03-2020			409344	3.60

IV. SHAREHOLDING PATTERN OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Name of Director/KMP and Designation	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Amit Gulecha* - Managing Director	6643	0.006	6169	0.005
2	Girraj Kishor Agrawal – Director	-	-	-	-
3	Tanu Agarwal – Director	-	-	-	-
4	Hardik kumar Kabariya – Director	-	-	-	-
5	Jyotsana Bhatt – Independent Director	-	-	-	-
6	Anubhav Maurya - Independent Director	-	-	-	-
7	Prajan Naik- Company Secretary & Compliance Officer	-	-	-	-
8	Vibhuti Sanjay Vadia –CFO	-	-	-	-

V. INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING				
Particulars	**Secured Loans Excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	4,85,48,987	-	4,85,48,987
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**4,85,48,987**	**-**	**4,85,48,987**
Change in Indebtedness during the financial year				
* Addition	-	3,97,50,304	-	3,97,50,304
* Reduction	-	3,97,50,304	-	3,97,50,304
Net Change	**-**	**-**	**-**	**-**
Indebtedness at the end of the financial year				
i) Principal Amount	-	4,85,48,987	-	4,85,48,987
ii) Interest due but not paid	-		-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	**4,85,48,987**	-	**4,85,48,987**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole Time Directors and/or Manager:

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

A) REMUNERATION TO OTHER DIRECTORS

Sr. No.	**Particulars of Remuneration**	**Name of Directors**				
		Tanu Agarwal	**Hardikkumar Kabariya**	**Jyotsana Bhatt**	**Anubhav Maurya**	**Total Amount (Rs. In Lacs)**
1	**Independent Directors**					
	(a) Fee for attending Board and committee meetings	-	-	24300	-	24,300
	(b) Commission	-	-	-	-	-
	(c)Others, please specify	-	-	-	-	-
	Total (1)	Nil	Nil	24300	-	24,300
2	**Other Non Executive Directors**					
	(a) Fee for attending board committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c)Others please specify.	-	-	-	-	-
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration (B)=(1+2)	Nil	Nil	24300	-	24,300
	Overall Ceiling as per the Act		**N.A.**			

B) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD				
Sl. No.	**Particulars of Remuneration**	**Key Managerial Personnel**		**Total**
		Prajna Naik Company Secretary & Compliance Officer	**Kajol Tak**	
1	Gross Salary	5,76,036	16,926	**5,92,962**
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.			
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	-as % of profit			
	-others (specify)			
5	Others, please specify	-	-	-
Total		**5,76036**	**16,926**	**592962**
Ceiling as per the Act		**N.A.**	**N.A.**	**N.A.**

IV. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	**Section of the Companies Act**	**Brief Description**	**Details of Penalty/ Punishment/ Compounding fees imposed**	**Authority (RD/NCLT/Court)**	**Appeal made if any (give details)**
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FOR & ON BEHALF OF THE BOARD

Sd/-
Amit Gulecha
Managing Director
DIN: 06964404

Sd/-
Girraj Kishor Agrawal
Director
DIN: 00290959

Place: Mumbai
Date: 02/09/2020

BANAS
Finance Limited

ANNEXURE- IV

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

Information as per Rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2019-2020, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-2020 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No	Name of Director/KMP	Remuneration Received (Rs. In Lakhs)	% increase in Remuneration in the Financial year 2018-2019	Ratio of remuneration of each Director & KMP to median remuneration of employees
1	Mr. Anubhav Maurya (Non-Executive Independent Director)	Nil	0	Nil
2	Kajol Tak (Company Secretary) *	0.16	0	0.15
3	Prajna Naik (Company Secretary)**	5.76	0	5.23
4	Nemichand Saini (CFO)@	Nil	0	Nil
5	Mr Hardikkumar Kabariya (Non-Executive Independent Director)	Nil	0	Nil
6	Ms. Jyotsana Bhatt (Non-Executive Independent Director)	0.24	0	0.21

@ appointed on 14/02/2020 * Resigned on 31/03/2019 ** Appointed on 16/04/2019

- All appointments are / were non-contractual.

- Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Remuneration on Cash basis.

- There were 9 employees on the rolls of Company as on March 31, 2020.

- The median remuneration of employees of the company was Rs. 1.10 Lakhs.

- None of the Director has received any remuneration apart from sitting fees during the year.

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of
Banas Finance Limited

We have examined the compliance of conditions of corporate governance by Banas Finance Ltd ("the Company") for the year ended 31st March, 2020, as stipulated in applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').

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

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

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

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

Sd/-
Nishant Sampat
Partner
Membership number: 134410

Place: Mumbai
Date: September 2nd, 2020
UDIN: 20134410AAAAAY7903

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION:

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

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

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

2. BOARD OF DIRECTORS:

COMPOSITION OF THE BOARD

As on 31st March, 2020, the Company's Board of Directors comprised of six directors, out of which three are non-executive independent directors, two are executive directors including one Managing Director, and one Non executive woman director. The composition of the Board is in conformity with Regulation 17 of the SEBI (LODR) Regulation, 2015 entered into with the stock exchanges.

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

None of the Directors hold Directorships in more than 20 companies. Further, any individual director's directorships in public companies do not exceed 10. None of the Directors is serving as a member of more than ten committees or as the Chairman of more than five committees across all the public companies of which he is a Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2020 have been made by the Directors.

The number of directorships and committee Chairmanships/Memberships held by the Directors in other public companies as on March 31, 2020 are given below:

Sr. No.	Name of Director	Designation /Category	No. of Directorship	No. of equity shares held in company	Member/ Chairperson of the committee	
					Member	Chairman
1	Mr. Amit Gulecha	Managing Director	1	6169	0	0
2	Mr. Girraj Kishor Agrawal	Executive Director	5	-	8	0
3	Mr. Hardikkumar Kabariya	Independent Non - Executive Director	5	-	9	2
4	Mrs. Tanu Agarwal	Non - Executive Director	5	-	3	0
5	Ms. Jyotsana Bhatt	Independent Non - Executive Director	2	-	2	0
6	Mr. Anubhav Maurya*	Independent Non - Executive Director	4	-	4	4
7	Mr. Hitendrakumar Parmar@	Independent Non - Executive Director	4	-	1	6

* Mr. Anubhav Maurya resigned from directorship with effect from 14/08/2019.

@ Mr. Hitendrakumar Parmar appointed as Additional Non-Executive Independent Director with effect from 14/08/2019

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

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

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

BOARD MEETINGS:

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

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

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

During the financial year 2019-20 (7) Seven Board Meetings were held. The maximum gap between two Board meetings was less than one hundred and twenty days.

The Board meetings were held on 02/04/2019, 15/04/2019, 23/05/2019, 14/08/2019, 27/08/2019, 14/11/2019 & 14/02/2020.

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

Sr. No	Name of Director and DIN	No. of Board Meetings held	No. Board meeting entitled to attend	No. of Board meetings attended	Attendance at the last AGM.
1	Mr. Girraj Kishor Agrawal DIN:00290959	7	7	7	Yes
2	Mr. Amit Gulecha DIN: 06964404	7	7	5	Yes
3	Mr. Hardikkumar Kabariya DIN: 07566240	7	7	7	Yes
4	Mrs. Tanu Agarwal DIN: 00290966	7	7	7	Yes
5	Ms. Jyotsana Bhatt DIN: 07934126	7	7	5	No
6	Mr. Anubhav Maurya DIN: 08033584	7	4	4	No
7	Mr. Hitendrakumar Parmar DIN: 08515465	7	3	3	Yes

MEETING OF INDEPENDENT DIRECTORS:

The Company's Independent Directors met on February 14th, 2020 without the presence of the Managing Director and the Senior Management team. The meeting was attended by majority of Independent Directors and was conducted to enable the Independent Director to discuss matters prescribed under Schedule IV to the Act and Regulation 25(3) of the SEBI (LODR) Regulation, 2015.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR:

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

CODE OF CONDUCT:

The Company has adopted a Code of Conduct ("Code") which applies to all the Board members and Senior Management Personnel of the Company. Code of Conduct for the Board of Directors and Senior Management Personnel is in place and published on the website – www.banasfinance.com

3. AUDIT COMMITTEE AT GLANCE:

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

COMPOSITION:

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

Name	Category	Number of meetings during the financial year 2019-2020		
		Held	Entitled to attend	Attended
Mr. Hardikkumar Kabariya – Member	Independent, Non-Executive	4	4	4
Mr. Girraj Kishor Agrawal – Member	Executive Director	4	4	4
Mr. Anubhav Maurya – Chairman*	Independent, Non-Executive	4	2	2
Mr. Hitendrakumar Parmar-Chairman@	Independent, Non-Executive	4	2	2

* Mr. Anubhav Maurya resigned from directorship & Chairmanship with effect from 14/08/2019.
@ Mr. Hitendrakumar Parmar appointed as Additional Non-Executive Independent Director & Chairman with effect from 14/08/2019

During the year total 4 Audit Committee meetings were held and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows: 23/05/2019, 14/08/2019, 14/11/2019 & 14/02/2020. The necessary quorum was present for all the meetings.

4. NOMINATION AND REMUNERATION COMMITTEE AT GLANCE:

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

COMPOSITION:

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

Name	Category	Number of meetings during the financial year 2019-20		
		Held	Entitled to attend	Attended
Mrs. Tanu Agarwal	Non-Executive Director	1	1	1
Mr. Hardikkumar Kabariya – Member	Independent, Non-Executive	1	1	1
Mr. Anubhav Maurya – Chairman*	Independent, Non-Executive	1	0	0
Mr. Hitendrakumar Parmar-Chairman@	Independent, Non-Executive	1	1	1

* Mr. Anubhav Maurya resigned from directorship & Chairmanship with effect from 14/08/2019.
@ Mr. Hitendrakumar Parmar appointed as Additional Non-Executive Independent Director & Chairman with effect from 14/08/2019

During the year, one meeting of the nomination and remuneration committee were held on 14/02/2020. The necessary quorum was present for all the meetings.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

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

REMUNERATION PAID TO DIRECTORS DURING THE PERIOD ENDED 31ST MARCH, 2020:

Name of the Board members	Salary	Commission	Sitting Fees	Contribution to Various Funds	Total
Mr. Girraj Kishor Agrawal	-	-	-	-	**Nil**
Mr. Amit Gulecha	-	-	-	-	**Nil**
Mr. Hardikkumar kabariya	-	-	-	-	**Nil**
Mrs. Tanu Agarwal			-		**Nil**
Ms. Jyotsana Bhatt	-	-	24,000	-	**24,000**
Mr. Anubhav Maurya	-	-	-	-	**Nil**
Mr. Hitendrakumar Parmar	-	-	-	-	**Nil**

None of the other non-executive director holds any shares, convertible instruments or stock options in the company. As on 31st March 2020, there are no outstanding options granted to any of the Directors of the Company. The Criteria for making payments to Non-Executive Directors of the Company has been disclosed on the Company's website www.banasfinance.com.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE AT GLANCE:

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

The Stakeholders' Relationship Committee met twice during the financial year 2019-2020 as on 14/04/2019 & 14/02/2020.

Name	Category	Number of meetings during the financial year 2018-2019		
		Held	Entitled to attend	Attended
Mr. Hardikkumar Kabariya – Member	Independent, Non-Executive	2	2	2
Mr. Girraj Kishor Agrawal - Member	Executive Director	2	2	2
Mr. Anubhav Maurya – Chairman*	Independent, Non-Executive	2	0	0
Mr. Hitendrakumar Parmar- Chairman@	Independent, Non-Executive	2	2	2

* Mr. Anubhav Maurya resigned from directorship & Chairmanship with effect from 14/08/2019.
@ Mr. Hitendrakumar Parmar appointed as Additional Non-Executive Independent Director & Chairman with effect from 14/08/2019

Details of investor complaints received and redressed during the year 2019-20 are as follows:

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

6. GENERAL BODY MEETING:

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

Financial Year	Type of Meeting	Location	Meeting Date and Time	Special Resolution passed
2018-19	36th AGM	412, Hubtown, Solaris, Sai Wadi Andheri (East) Mumbai- 400069	30th September, 2019 at 02:00 p.m.	Re-appoint Mr. Amit Gulecha (DIN :06964404) as a Managing Director
2017-18	35th AGM	E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053	27th September 2018 at 3.30 p.m.	No Special Resolution passed.

2016-17	34th AGM	E/109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai: 400053	27th July 2017 At 11:00 a.m.	Consolidation of Face Value of Share.

b Extra Ordinary General Meeting was held as per NCLT, Mumbai Order for Merger Scheme on 08th January, 2020 under during the year.
c) During Financial year 2019-2020, no Postal ballot was held.

7. MEANS OF COMMUNICATION:

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

b) Newspapers wherein results normally published: Active Times and Mumbai Lakshadweep

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

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

8. GENERAL INFORMATION FOR MEMBERS

a) 37th Annual General Meeting:

Day & Date	Time	Venue
Tuesday, 29th September, 2020	3:00 P.M	**Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')**

b) Financial Calendar (2020-21):

Particulars	Period
Financial Year	April 1, 2020 to March 31 2021
For consideration of Unaudited/Audited Financial Results	
Results for quarter ending June 30, 2020	On or before 15th September, 2020 as per direction of SEBI Extension Circular.
Results for quarter ending September 30, 2020	On or before November 14, 2020
Results for quarter ending December 31, 2020	On or before February 14, 2021
Results for quarter ending March 31, 2021	On or before May 30, 2021
Annual General Meeting for the year ending March 31, 2020	On or before September 30, 2021

c) Book Closure Date:

The Company's Share Transfer Books and Register of Members of equity shares shall remain closed from the 24/09/2020 to 30/09/2020, (both days inclusive).

d) Share Transfer System

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

e) Dividend payment date: No Dividend paid during the year.
f) Listing of Equity Shares: Bombay Stock Exchange
g) Listing fees: duly paid to the Bombay stock exchange Limited as per SEBI (LODR) Regulation, 2015.
h) Stock code: BSE Scrip Code: 509053

i) **Demat ISIN Numbers in NSDL & CDSL INE521L01030 for Equity Shares:**

Distribution of shareholding as on 31st March, 2020:

No. of Shares held	Nos.	%	In Rs.	%
Up to 5000	1208	72.51	1386520	1.22
5,001 - 10,000	120	7.20	1007980	0.89
10,001 - 20,000	105	6.30	1642260	1.44
20,001 - 30,000	57	3.42	1438280	1.26
30,001 - 40,000	22	1.32	833450	0.73
40,001 - 50,000	14	0.84	649500	0.57
50,001 - 1,00,000	42	2.52	3249370	2.86
1,00,001 And Above	98	5.88	103552640	91.03
TOTAL	**1666**	**100**	**113760000**	**100**

Stock Market Data at BSE during the year 2019-20:

Month	High	Low	Close	No. of Shares traded
April 2019	3.40	3.40	3.40	776
May 2019	3.92	3.57	3.92	502
June 2019	6.33	4.10	5.45	96,367
July 2019	6.52	5.41	5.90	18,680
August 2019	6.74	5.07	6.72	1,198
Sept 2019	9.35	7.00	8.88	4,356
October 2019	8.45	4.72	4.72	175
Nov 2019	4.72	3.86	3.93	11630
Dec 2019	4.00	2.11	2.15	85,296
January 2020	2.31	2.03	2.31	21,506
February 2020	2.54	1.74	1.81	7,129
March 2020	1.85	1.11	1.11	25,676

Market Information

Shareholding Pattern of the Company as on 31st March, 2020

Category		No. of Shares held	%
A	Promoter's Holding		
1	Promoters		
	- Indian	14,50,000	12.75
	- Foreign	0	0
2	Persons acting in concert	0	0
	Sub – Total	14,50,000	12.75
B	Non-Promoter's Holding	0	0
3	Institutional Investors	0	0
a)	Mutual Funds and UTI	0	0
b)	Banks, Financial Institutions, Insurance Companies	0	0
	(Central/State Govt. Institutions/Non Government Institutions)		
C	FII's	0	0
	Sub – Total	0	0
4	Non-Institutions		
a)	Corporate Bodies	1302143	11.45
b)	Indian Public	8198804	72.07
c)	NRI's/OCB's - NRI	2487	0.02
d)	Clearing Member	278792	2.45
e)	Any Other (Please specify) – HUF & LLP	143774	1.26
Sub-Total		**99,26,000**	**87.25**
Grand Total		**1,13,76,000**	**100**

Dematerialization of Shares as on 31.03.2020:

Mode	No. of Shares	% Shares
Physical Form	42550	0.37
with NSDL	4114589	36.17
with CDSL	7218861	63.46
Total	**11376000**	**100%**

h) Share Transfer System

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

i) Share Capital Audit

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

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

k) Investor Correspondence

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

9. OTHER DISCLOSURES:

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

a) Details of Subsidiary and Associate Companies:

The Company does not have any Subsidiary and Associate Companies as on 31st March, 2020.

b) Preservation of documents

In accordance with Regulation 9 of SEBI Regulations, 2015, the Company has framed a Policy on preservation of documents approved by the Board of Directors of the Company. The Policy is intended to define preservation of documents and to provide guidance to the executives and employees working in the Company to make decisions that may have an impact on the operations of the Company. It not only covers the various aspects on preservation of the Documents, but also the safe disposal/destruction of the Documents.
The Policy have been uploaded on the Company's web-site at the following link https://banasfinance.files.wordpress.com/2016/09/preservation-of-documents_banas.pdf

c) Policy determining Material Subsidiaries
The Company has adopted the policy on determining material subsidiaries is hosted on its website at https://banasfinance.files.wordpress.com/2018/04/policy-on-material-subsidaries_banas.pdf.

d) Policy on Related Party Transactions

All material transactions entered into with related parties as defined under the Act and Regulation 23(1) of the SEBI (LODR) Regulations 2015; during the financial year 2019-20 were in the ordinary course of business. No materially significant related party transactions have been entered into during financial year 2018-19 having potential conflict with the interest of the Company at large. A list of related parties as per the Accounting Standard 18 and the transactions entered into with them in prescribed Form AOC-2 is given separately in this Annual Report under Annexure II of the Board Report as well as in the Notes to Accounts annexed to the Balance Sheet as at 31st March 2019 and Statement of Profit & Loss of the Company for the Financial Year ended on that date.

The Company's Policy on materiality of related party transactions is hosted on website at https://banasfinance.files.wordpress.com/2018/04/rpt_banas.pdf.

e) Policy for Prohibition of Insider Trading:

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the Directors and employees while in possession of unpublished price sensitive information in relation to the Company or its securities.
The Company has appointed the Compliance Officer to ensure compliance of the said Code by all the Directors, Senior Management Personnel and employees likely to have access to unpublished price sensitive information.

The policy is available at website of the company at the following link https://banasfinance.files.wordpress.com/2016/07/policy-of-insider-trading_18-07-2016.pdf

f) Vigil Mechanism/Whistle Blower Policy:

The Vigil Mechanism/Whistle Blower Policy has been adopted to provide appropriate avenues to the employees to bring to the attention of the management, the concerns about any unethical behavior, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. We affirm that no director or employee has been denied access to the Audit Committee during financial year 2019-20. The Policy provides that no adverse action shall be taken or recommended against an employee in retaliation to his/her disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This Policy protects such employees from unfair or prejudicial treatment by anyone in the Group. The policy is available at company's website https://banasfi- nance.files.wordpress.com/2018/04/whistle-blower-policy_banas-finance1.pdf

Purva Sharegistry (India) Pvt Ltd Unit
No. 9, Shiv Shakti Indl. Estate
J .R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (East), Mumbai 400 011

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

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

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

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), BSE as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name Of Directors	DIN	Date Of Appointment	Status of the Director
1	Girraj Kishor Agrawal	00290959	02/06/2010	Active
2	Tanu Giriraj Agarwal	00290966	13/10/2016	Active
3	Amit Gulecha	06964404	03/09/2014	Active
4	Hardikkumar Bharatbhai Kabariya	07566240	30/05/2016	Active
5	Jyotsana Bhatt	07934126	13/11/2017	Active
6	Hitendrakumar Kanjibhai Parmar	08515465	14/08/2019	Active

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

For Nitesh Chaudhary
Practicing Company Secretary
CP No.: 16275

Sd/-

Nitesh Chaudhary
Proprietor
FCS No. 10010

Place: Mumbai
Date: 31/08/2020

UDIN: F010010B000635019

Management Discussions and Analysis

The Management Discussion and Analysis Report for the year ended 31st March, 2020 as stipulated under Regulation 34 (2) (e) read with Schedule V of SEBI (LODR) Regulations 2015 have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI).

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

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

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

NAVIGATING THROUGH COVID-19:

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

THE COVID-19 PANDEMIC AND LOCKDOWN:

The COVID-19 pandemic has spread across the world — leading to well above 24,854,140 confirmed infections, over 838,924 deaths, huge human suffering and a full stop on almost all commercial and economic activities. Even India, apparently relatively fortunate up to now, has had 3,542,733 confirmed cases and 63,498 deaths as per COVID-19 Situation Report of World Health Organization (WHO) dated 30 August 2020. With lockdowns spreading across countries accounting for over 50% of the world's gross domestic product (GDP), COVID-19 has caused disruptions on an unimaginable scale. Nobody really knows how long the pandemic will last; whether it will increase in the winter of 2020-21 and if so how, and what will be its final toll on lives and livelihood. With the influence of this pandemic still to play out, the situation of eerily empty high streets, shut factories and stores, and plainly millions being rendered unemployed together point to a single outcome — extreme stress for the global economy of the kind not seen since the Great Unhappiness.

In India too, which implemented a lockdown since 25 March 2020, the pandemic has created shocks ripping through society and the world of business. The picture of millions of unemployed daily wage workers and their families trying to trudge back to their villages hundreds of kilometres away; shut factories and stores; empty construction sites; and a nation being deprived of its natural economic vigour are vignettes of this scourge. After a nationwide lockdown involving 1.35 billion people over 55 continuous days, the debate is now on how to gradually open the economy without seriously risking a major spike in infections —something that India's frail medical facility can ill cope with.

In response, Governments across the world have unleashed massive fiscal measures to protect economic activity and dramatically strengthen health services and testing. Central banks, too, have initiated multiple monetary and regulatory measures. India, too, has initiated relief measures.

The Government of India announced a slew of wide-ranging reforms across varied sectors amidst a comprehensive package aggregating Rs. 20 lakh crore — or approximately 10% of nominal GDP — which covered among others:

(i) direct cash transfers and food security for vulnerable sections of society, (ii) collateral free loans and concessional credit to farmers and street vendors, (iii) enhancement of systemic liquidity by the Reserve Bank of India (RBI), (iv) special liquidity and partial credit guarantee scheme to provide liquidity to NBFCs, HFCs, MFIs and mutual funds, (v) 100% credit guarantee scheme for aggregate Rs. 3 lakh crore of emergency credit lines by banks and NBFCs to their MSME borrowers and (vi) subordinated debt and equity support to MSMEs. The Government has also initiated compliance relief measures across various regulatory requirements. The RBI has also initiated several measures like reduction in policy rates, monetary transmission, credit flows to the economy and providing relief on debt servicing.

MACROECONOMIC ENVIRONMENT:

A brief summary of FY2020 and the emerging trends in the wake of COVID-19 pandemic are discussed below:

India's GDP growth in FY2020 began in Q1 FY19 with an expectation that the year would witness a slowdown in growth owing to a significant moderation in economic activity. The nation has been facing several structural stresses such as, sluggish private investment for more than six years, significant decline in savings rate for more than seven years and highest unemployment rate in the past 45 years, Identifying the economic headwinds, the Government of India started various measures to boost growth — which included a substantial tax relief to the corporate sector to boost investments. Even without the terrible effects of COVID-19, India's GDP growth was rapidly slowing down. A broad-based consumption breakdown further accentuated the slowdown. The COVID-19 induced lockdown/social distancing measures started in March 2020 and put 75% of the overall economic activity into standstill. It consequently hastened the downward trajectory of GDP growth in Q4FY20 to 3.1%. For FY20, India's GDP growth declined to 4.2% as compared to 6.1% in FY19.

Before the COVID-19 pandemic and lockdown, both the RBI and the Central Statistics Office (CSO) of the Government of India had revised the GDP growth rate downwards. The RBI changed its full year GDP growth estimate from an initial 7.2% to 5% in December 2019, and ascribed the tapering of growth to a tight credit market impacting fresh investments, weak capital expenditure and a slowdown in manufacturing. In a similar mood, the second advance evaluations of national income for FY2020 released by the CSO on 28 February 2020 was markedly lower: GDP growth for FY2020 was pegged at 5% — a decadal low — compared to 6.1% in the financial year 2018-19 (FY2019); and growth in gross value added was estimated at 4.9% in FY2020 versus 6% in FY2019.

GDP growth was 5.7% in January-March 2019; fell to 5.2% in April-June 2019; then yet again to 4.4% in July-September 2019; followed by 4.1% growth in October-December 2019 and 3.1% growth in January-March 2020.

The slowdown in GDP growth had an adverse impact on Government revenue collections and the COVID-19 induced lockdown further exacerbated the situation. While revenues have suffered, the government expenditures rose significantly on account of additional costs arising from the virus containment efforts and enforcing the lockdown. Thus, actual fiscal deficit of the central government widened to 4.6% of GDP in FY20 which was significantly higher than its revised fiscal deficit target of 3.8% of GDP.

GDP growth for FY2020 was 4.2% — worst in the last 11 years.

Table 1 gives the data on real GDP and gross value added (GVA) growth over the last four financial years.

TABLE 1: GROWTH IN REAL GDP AND GVA, INDIA:

Particulars	FY2017 (3rd RE)	FY2018 (2nd RE)	FY2019 (1st RE)	FY2020 (PE)
Gross Non-Performing Assets	9.3%	6.1%	9.3%	6.3%
Net Non-Performing Assets	3.8%	3.4%	3.7%	3.4%

Source: Reserve Bank of India, Financial Stability Report, dated 27 June 2019 and 27 December 2019.

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

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

Retail inflation, measured by the consumer price index (CPI), peaked in January 2020 and then fell by a full percentage point in February 2020 to 6.6%. Fuel inflation increased sharply in February 2020, only to plunge in March with international crude prices plummeting as never before, including the brief phenomenon of negative prices for May 2020 futures. If the reduction in oil prices is allowed to pass-through, it will help to keep inflation down for at least the first half of FY2021. However, cash-strapped central and state Governments may not do so.

In line with slowdown in economic growth in FY2020, bank credit recorded a dismal 6.1% year-on-year growth as of 27 March 2020 — largely driven by growth in personal loans. Credit growth to industry and services has been decelerating sharply.

INDUSTRY OVERVIEW:

The NBFC sector continued to grow its share in the financial services industry. Credit growth of scheduled commercial banks (SCBs) continued to moderate throughout FY2020. On 31 March 2019, growth in advances of SCBs was 13.2%. By 30 September 2019, this had reduced to 8.7% and on 27 March 2020, it was further down to 6.1%. SCBs also continued to face asset quality challenges in FY2020. Data

published by the RBI in its Financial Stability Report dated 27 December 2019 show that NBFCs have outperformed SCBs on asset quality, as the figures below indicate.

TABLE 2: COMPARISON OF ASSET QUALITY OF NBFCS AND SCBS:

Particulars	31 March 2019		30 September 2019	
Real GDP growth	8.3%	7.0%	6.1%	4.2%
Real GVA growth	8.0%	6.6%	6.0%	3.9%

While the importance of NBFCs in credit intermediation continued to grow, repayment default by a systemically important NBFC in September 2018 brought to focus asset-liability mismatches of the sector — where some NBFCs were more impacted than the others. To strengthen the asset-liability profile of the sector, RBI introduced a liquidity coverage ratio (LCR) requirement for all NBFCs with AUM of Rs. 5,000 crore and above. The LCR regulation mandates NBFCs to maintain a minimum level of high-quality liquid assets to cover expected net cash outflows in a stressed scenario. The regulation also stipulates that NBFCs should attain LCR of 100% in a phased manner over a period of four years starting December 2020. It is a welcome regulatory change and will significantly strengthen ALM profile of the NBFC sector. BFL's liquidity buffer management framework exceeds these requirements even today — and demonstrates its strong orientation towards liquidity management.

To ease liquidity pressure on NBFCs, the RBI has taken multiple actions including a Targeted Long-Term Repo Operation (TLTRO) for the sector of Rs. 50,000 crore and a special financing window through SIDBI, NABARD and National Housing Bank (NHB) of another H 50,000 crore to enable financing NBFCs. It remains to be seen whether the RBI will open a direct window to support the NBFC sector.

The Company Banas Finance Limited appreciate yet another strong year of performance aided by a Merger/amalgamation of 3 Companies of same management and the Company has reduced the burden and extra cost of operations and compliance by merging other same management companies which for batter operations/management and low cost of operation with greater working capital for the business., robust volume growth, efficient operating costs and effective risk management. With a standalone AUM of Rs. 116,102 crore and a consolidated AUM of Rs. 147,153 crore.

OUTLOOK FOR FY 2020-21:

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

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

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

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

Outlook on inflation remains subdued during FY21 due to adequate buffer stocks in cereals, good rabi harvest, record decline in global commodity prices including the crude oil prices, reduced pricing power of firms due to demand contraction and expectations of normal monsoon rains in FY21.

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

ECONOMIC OVERVIEW OF FINANCE INDUSTRY:

- **GLOBAL ECONOMY:**

The US economy was performing well prior to the COVID-19 outbreak, with job growth accelerating in January and February 2020, consumer spending holding up well with the support of broad-based strength in the services sector. The initial outlook for the ensuing year was for stronger growth, especially over the subdued 2019 economic performance, buoyed by favourable development on US-China trade negotiations, the UK transitioning to a new economic relationship with Europe by December 2020 and a healthy performance of emerging markets. However, 2020 saw a significantly changed scenario with the outbreak of the COVID-19 pandemic.

The International Monetary Fund (IMF) projects that world will slip into a recession in 2020 over COVID-19 induced global lockdown and the resulting suspension of economic activity. As per IMF's April World Economic Outlook, global growth will contract by 3.0% in 2020 compared to 2.9% growth in 2019, and further mark a V-shape normalisation to 5.8% growth in 2021, although half of it will come on a low base. Also, the global trade volume in goods and services will slip into a de-growth of 11.0% in 2020 from an already weak growth of 0.9% in 2019, before growing by 8.4% in 2021. COVID-19 has interrupted manufacturing supply chains and sharply reduced energy and commodity demand.

- **INDIAN ECONOMY:**

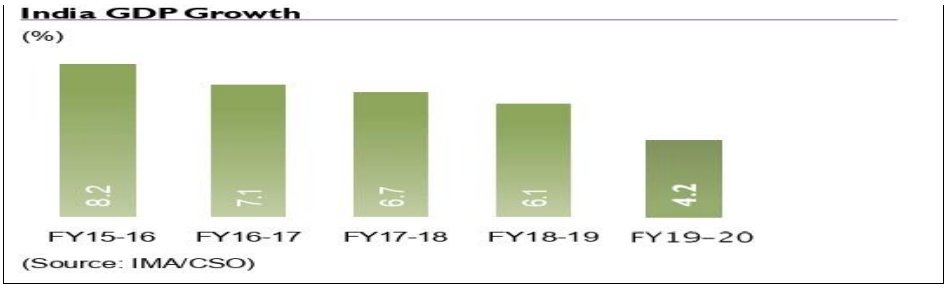
India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payments banks to be created recently thereby adding to the types of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64 per cent of the total assets held by the financial system.

In India, growth softened in 2019 as economic and regulatory uncertainty, together with concerns about the health of the non-banking financial sector, weighed on demand. The sluggish demand is attributed to the decline in consumption growth (tightening of credit terms and poor consumer sentiment), investment and exports. There was a strong hope of recovery in the last quarter of 2019-20. However, the COVID-19 pandemic made this recovery extremely difficult in the near to medium term.

The GDP growth for 2019-20 touched 4.2% vis-à-vis 6.1% in 2018-19. The pandemic has presented fresh challenges for the Indian economy now, causing severe disruptive impact on both demand and supply side elements.

THE RESERVE BANK OF INDIA (RBI) ANNOUNCED THE FOLLOWING MEASURES IN MARCH 2020 TO MITIGATE THE RISK OF ECONOMIC FALLOUT DUE TO COVID -19:

- Announced a Rs 3.74 lakh crore of liquidity package for Indian banking system to support financial markets hit by COVID-19.
- Slashed the Cash Reserve Ratio (CRR) by 100 basis points to 3% of bank deposits.
- Allowed banks to borrow an additional 1% from their investment of Statutory Liquidity Ratio (SLR) securities.
- Cut repo rate by 75 bps to 4.40%.
- Cut the reverse repo rate or the rate at which it accepts excess funds from banks by 90 basis points to 4% widening the existing policy rate corridor from 50 bps to 65 bps.
- Permitted all lending institutions to allow a moratorium of three months on repayment of instalments for term loans outstanding between March 1, 2020 and May 31, 2020.
- Permit ted all lending institutions to allow the deferment of three months on payment of interest with respect to all such working capital facilities outstanding as of March 1, 2020.



INDUSTRY STRUCTURE AND DEVELOPMENTS:

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

For several years, NBFCs have rapidly emerged as an important segment of the Indian Financial System. The sector is now being recognized as complementary to the banking sector due to the implementation of innovative marketing strategies, introduction of tailor made products, customer oriented services, attractive rates of return on deposits and simplified procedures. NBFCs in India have recorded marked growth in recent years. After their exis- tence, they are useful and successful

for the evolution of a vibrant, competitive and dynamic financial system in Indian money market. The success factors of their business has been by making the most of their ability to contain risk, adapt to changes and tap demand in markets that are likely to be avoided by the bigger players. Thus the need for uniform practices and level playing field for NBFCs in India is indispensable.

NBFCs:

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

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

KEY OPPORTUNITIES:

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

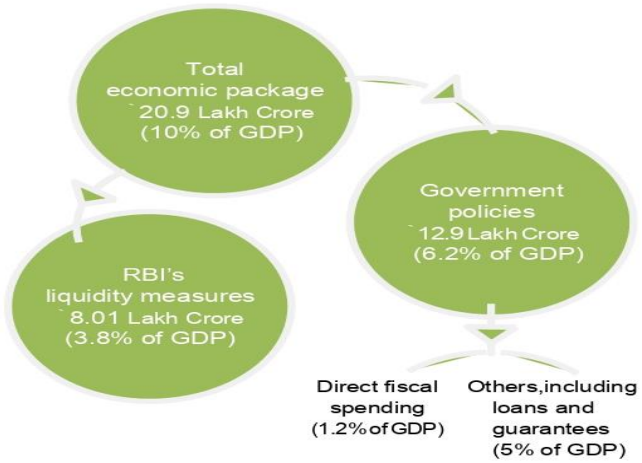
INITIATIVES LAUNCHED BY THE RBI TO SUPPORT NBFCs:

Measures	RBI guidelines	Impact
Increasing exposure limit	The RBI increased the counterparty exposure limit of banks to a single NBFC to 20% of Tier-I capital from 15%.	While the measure was intended to encourage banks to lend more to NBFCs, banks have been largely cautious and have refrained from making the best use of higher limits. Many banks are still below the former limit.
Priority sector classification	Loans given by banks to NBFCs for lending to agriculture, micro and small enterprises, and housing to be classified as Priority Sector Lending (PSL)	The measure has benefit some of the larger NBFCs and specialized NBFCs. However, it has not directly addressed the refinancing challenges of the NBFC sector.
Partial credit guarantee	GOI has created a mechanism whereby it will provide partial credit guarantee to banks for the purchase of NBFC assets, amounting to Re. 1 trillion during 2019-20. The guarantee will be provided on a one-time basis for six months for a public sector bank's first loss of up to 10%.	The measure is in the initial stages of implementation. Market participants are confident that the guarantee is adequate to cover typical losses. This could help some of the large and mid-sized NBFCs with their liquidity needs for about six months.
Co-origination model	The RBI released guidelines on co-origination of loans by banks and non-deposit taking NBFCs in the priority sector. NBFCs must take a minimum exposure of 20% with the remaining contribution by the participating bank	There are obvious benefits from this arrangement in terms of the liquidity support, especially for struggling NBFCs. The NBFCs are also likely to benefit from the risk sharing model and will be able to target a new customer base.
Securitization	The RBI guidelines on securitization allow NBFCs to securities their loans with original maturity of more than 5 years.	NBFCs would benefit from the liquidity generated by securitization of assets to address problems arising from asset liability mismatch.

UNION BUDGET 2020-21 HIGHLIGHTS:

- ♣ The limit for NBFCs to be eligible for debt recovery under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 is proposed to be reduced to an asset size of Rs. 100 crore from Rs. 500 crore or the loan size to Rs. 50 lakh from the existing Rs. 1 crore.
- ♣ Increase in the allocation under Pradhan Mantri Awas Yojana (PMAY) to Rs. 27,500 crore for 2020-21 from
- ♣ Rs. 25,328 crore for 2019-20; extra budgetary allocation of Rs. 10,000 crore each for PMAY-Urban and PMAY-Rural.
- ♣ Government will offer support by guaranteeing securities floated under the Partial Credit Guarantee Scheme to provide liquidity to NBFCs/HFCs.
- ♣ Equity support of Rs. 22,000 crore to India Infrastructure Finance Company Limited (IIFCL) and subsidiary of National Investment and Infrastructure Fund (NIIF) to cater to funding requirement of infrastructure projects under National Infrastructure Pipeline.

- ♣ Amendments to the Factor Regulation Act, 2011 to enable NBFCs to extend invoice financing to MSMEs through Trade Receivables Discounting System (TReDS).
- ♣ Expansion of National Bank for Agriculture and Rural Development (NABARD) refinance scheme for.



"THE FINANCIAL SECTOR IS LEVERAGING DIGITISATION TO INCREASE INTERNAL EFFICIENCIES PROVIDE VALUE-ADDED CUSTOMER SERVICES, MINIMISE RISK AND SUPPORT INDIA'S EXPANDING ECONOMY"

OPERATIONAL REVIEW:

Total Revenue/income from Operations is Rs. 89,492,879 for the FY 2019-20 comparison to FY 2018-19 Rs. 138,633,738.

SUBSIDIARY COMPANY:

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

SEGMENT-WISE PERFORMANCE:

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

OPPORTUNITIES AND THREATS:

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

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

RISKS AND CONCERNS:

NEW RISK MANAGEMENT FRAMEWORK

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

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

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

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

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

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

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

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

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

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

The key risks are:

i) Liquidity risk

ii) Interest rate risk

iii) Credit risk

iv) Business risk

v) Regulatory risk

vi) Pandemic risk.

INTERNAL CONTROL SYSTEM & ADEQUACY:

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

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

HUMAN RESOURCE:

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

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

FULFILLMENT OF RBI NORMS AND STANDARDS:

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

OUTLOOK:

The company is cautiously optimistic in its outlook for the year 2020-21. The outlook of the company for the year ahead is to diversify risk and stabilize its asset quality. The Corporate Finance Division will adopt a cautious approach and focus on customer relationships. This division will look to grow its supply chain, structured finance and leasing business.

Your company had successfully merged three listed entities with the company (Banas Finance Limited), namely; Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) by way of merger by absorption, leading to creation of a single unified lending entity, The Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) vide its order dated July 29, 2020 approved the Scheme. Pursuant thereto, the NCLT order was filed with the Registrar of Companies, Maharashtra on August 18, 2020, being the 'Effective Date effective on 18th August, 2020 to regulatory approvals.

Following the merger, our focus has been to revisit the organization design to align the structure, processes and performance management of the company to its strategic intent. Building a culture of performance orientation and accountability is an on-going priority, and I am confident that the initiatives taken up this year will result in increased revenues and profitability. Enhancing leadership capability at different levels is integral to the success of the strategy.

CAUTIONARY STATEMENT:

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

FOR & ON BEHALF OF THE BOARD

Sd/-
Amit Gulecha
Managing Director
DIN: 06964404

Sd/-
Girraj Kishor Agrawal
Director
DIN: 00290959

Place: Mumbai
Date: 02/09/2020

ANNEXURE- V

CFO CERTIFICATION

To the Members of
Banas Finance Limited

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

a. I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that to the best of my knowledge and belief; I state that:

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

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

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

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

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

Significant changes, if any, in internal control over financial reporting during the year;
i. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
ii. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Banas Finance Limited

Sd/-

Nemichand Saini
Chief Financial Officer

Date: 02/09/2020

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

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Banas Finance Limited Code of Business Conduct and Ethics for the year ended March 31, 2020.

For Banas Finance Limited

Sd/-
Girraj Kishor Agrawal
Director
DIN: 00290959
Dated: 2/09/2020

INDEPENDENT AUDITORS REPORT

To the Members of
M/s Banas Finance Limited

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of Banas Finance Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, the statement of profit and loss, statement of changes in equity and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act 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 (financial position) of the Company as at 31st March 2020, and profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

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

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended 31st March 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
(A) Transition to Ind AS from Indian GAAP	
The financial statements of the Company for the year ended March 31, 2020 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, 'First-Time Adoption of Indian Accounting Standards', with April 01, 2017 as the transition date and IGAAP as the previous GAAP. The transition to Ind AS has resulted in material changes in: • Classification and measurement of financial assets and financial liabilities	The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. Our audit procedures included: • Evaluating the accounting interpretations for compliance with Ind AS and testing the adjustments and disclosures made on transition. • The accounting policies reflected in the comparative information are consistent with those applied in the current period or, if there have been

• Measurement of loan losses (expected credit losses)	changes in accounting policies, whether those changes have been properly accounted for and adequately presented and disclosed. • Assessed that the areas of significant estimates and management judgment are in line with principles under Ind AS.
(B) Impairment of financial assets (expected credit losses)	
Ind AS 109 requires the Company to recognize impairment loss allowance towards its financial assets (designated at amortized cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including: • unbiased, probability weighted outcome under various scenarios; • time value of money; • impact arising from forward looking macro-economic factors and; • availability of reasonable and supportable information without undue costs. Applying these principles involves significant estimation in various aspects, such as: • grouping of borrowers based on homogeneity by using appropriate statistical techniques; • staging of loans and estimation of behavioral life; • determining macro-economic factors impacting credit quality of receivables; • estimation of losses for loan products with no/minimal historical defaults. Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.	• We read and assessed the Company's Accounting policies for impairment of financial assets and their compliance with Ind AS 109. • We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation. • Tested the ECL model, including assumptions and underlying computation. • Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults. • Audited disclosures included in the Ind AS financial statements in respect of expected credit losses.
(C) Accounting for the effects of the scheme of arrangement in respect of amalgamation	
The Company has entered into a scheme of amalgamation ("the scheme") with M/s. Proaim Enterprises Limited and M/s. Axon Ventures Limited and M/s. Rockon Enterprises Limited. The scheme has been approved by the National Company Law Tribunal, Special Bench, Mumbai ('NCLT) with appointed date of the scheme i.e.01st April, 2018. This is a key audit matter as the scheme has a pervasive impact on the financial statements of the Company.	Our audit procedures in this area included the following: • Inspected agreements related to the amalgamation in accordance with the scheme. • Agreed the balances acquired on amalgamation to the audited Ind AS financial statements of M/s. Proaim Enterprises Limited and M/s. Axon Ventures Limited and Rockon Enterprises Limited as on 01st April, 2018. • Tested the accounting entries for the amalgamation are in accordance with the scheme approved by NCLT.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind-AS Financial Statements, including the disclosures, and whether the Ind-AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

We draw an attention to the financial information of two amalgamating companies i.e. M/s. Rockon Enterprises Limited and M/s. Proaim Enterprises Limited, whose financial information reflect total assets of Rs. 43,00,76,938/-, total liabilities of Rs. 4,99,37,695/- and total other equity of Rs.8,85,25,737/- as at 31st March, 2020, have been audited by other auditors whose reports have been furnished to us, and our opinion on the Ind AS financial statements to the extent they have been derived from such financial statements is based solely on the report of such other auditors.

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

Securities held for trading of Rs. 3,27,11,527/- (Previous Year Rs. 2,98,74,806/-) is disclosed as other financial assets. Revenue from operation includes Rs. 52,33,140/- (Previous year Rs. 3,41,49,004/-) from sale of securities. Purchase of Rs. 69,68,060/- (Previous year 2,85,26,657/-) in statement of profit and loss account is of securities held for trading. Change in securities held for trading is disclosed in statement of profit and loss.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) the balance sheet, the statement of profit and loss, cash flow statement and statement of change in equity dealt with by this Report are in agreement with the books of account.

(d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;

(e) on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) with respect to adequacy of internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and

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

i. The Company does not have any pending litigations which would impact its financial position in the aforesaid Ind AS financial statements.

ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii. The company is not liable to transfer any amounts to the Investor Education and Protection Fund. Therefore, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

Sd/-
Nishant Sampat
Partner
Membership number: 134410

Place: Mumbai
Date: 26/08/2020

UDIN: 201344010AAAAAX3421

ANNEXURE- A TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The company has a regular programme of physical verification of fixed assets. No material discrepancy was noticed during physical verification.

(c) The company does not have any immovable property hence the clause is not applicable.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on such verification.

(iii)

(a) The Company has granted loans to one party covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') amount in involved is Rs. 1,05,00,000/-.

(b) In the case of the loans granted to any parties in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(ii) (b) of the order is not applicable to the Company in respect of repayment of the principal amount.

(c) There are no overdue amounts for period of more than ninety days in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.

(iv) The company has complied with the provisions of section 185 & 186 of the Act except company has granted loans to 18 cases interest charged is less than prevailing yield government security for relevant tenure. Amount of such loans as on 31st March, 2020 is Rs 3,08,95,433/-. In 68 cases no interest has been charged. Amount of such loans as on 31st March, 2020 is Rs. 8,09,76,231/-.

(v) The company has complied with the provisions of section 185 & 186 of the Act except company has granted loans to 18 cases interest charged is less than prevailing yield government security for relevant tenure. Amount of such loans as on 31st March, 2020 is Rs 3,08,95,433/-. In 68 cases no interest has been charged. Amount of such loans as on 31st March, 2020 is Rs. 8,09,76,231/-.

(vi) During the year, Company has not accepted any deposits from the public hence the clause is not applicable.

(vii) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(viii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities except professional tax. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, were in arrears as at 31 March, 2020 for a period of more than six months from the date they became payable except professional tax of Rs. 39,550/-.

(ix) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.

(x) The Company has not raised any money by way of initial public offer or further public offer during the year. The company has not taken any term loans during the year.

(xi) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

(xii) The company has paid managerial remuneration in accordance with provisions of the section 197 read with Schedule V of the Companies Act.

(xiii) The company is not a Nidhi Company hence the clause is not applicable.

(xiv) All the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the necessary details have been disclosed in the Financial Statements etc as required by the applicable accounting standards.

(xv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year,

(xvi) The company has not entered into any non-cash transactions with directors or persons connected with him.

(xvii) The company is required to be registered under section 45-IA of Reserve Bank of India Act, 1934 and it has obtained registration.

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

Sd/-
Nishant Sampat
Partner
Membership number: 134410

Place: Mumbai
26th August,2020

ANNEXURE- B TO THE INDEPENDENT

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

We have audited the internal financial controls over financial reporting of **M/s Banas Finance Limited** (the company) as of 31st March, 2020 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Not on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act,2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control-based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2020.

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

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

A 'material weaknesses' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
In our opinion, except for the effects / possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Chartered Accountants of India.
We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 financial statements of the Company, and the material weaknesses does not affect our opinion on the financial statements of the Company.

FOR PRAVIN CHANDAK & ASSOCIATES
Chartered Accountants
Firm's registration number: 116627W

Sd/-
Nishant Sampat
Partner
Membership number: 134410
Place: Mumbai
Date: 26/08/2020

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

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

As required by Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions 2016 issued by Reserve Bank of India, on the matters specifies in Para 3 and 4 of the said directions to the extent applicable to the company and according to the information and explanations given to us for the purpose of audit for the year ended 31st March 2019 we report that:

1. We hereby state that M/s Banas Finance Limited is engaged in the business of Non-Banking Financial Institution and it has obtained a Certificate of Registration from the Reserve Bank of India and no. 13.01152.

2. The company is entitled to hold such Certificate of Registration in terms of its assets/income pattern as on 31st March, 2020.

3) The company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

4). The Board of Directors has passed a resolution for non-acceptance of any public deposits in its meeting held on 24th April, 2018.

5). The company has not accepted any public deposits during the year ended 31st March, 2020.

6)The Company has not complied with few prudential norms as applicable to it in terms of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

For Pravin Chandak & Associates
Chartered Accountants
Firm's registration number: 116627W
Sd/-
Nishant Sampat
Partner
Membership number: 134410
Place: Mumbai
Date: 26/08/2020

BANAS FINANCE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2020

ASSETS	Note	As at March 31, 2020 Amount (Rs.)	As at March 31, 2019 Amount (Rs.)
Financial Assets			
Cash and cash equivalents	2	74,834,378	46,365,164
Bank balance other than cash and cash equivalents	3	1,088,767	1,000,000
Loans (At Amortised Cost)	4	576,219,023	632,264,024
Investments	5	206,422,721	152,779,453
Other financial assets	6	36,157,222	36,958,588
Total Financial Assets		**894,722,111**	**869,367,229**
Non-financial Assets			
Inventories		790,215	1,894,161
Deferred tax assets (net)	7	4,763,658	9,576,423
Property, plant and equipment	8	296,051	290,806
Other non-financial assets	9	20,489,064	17,559,294
Total Non-financial Assets		**26,338,988**	**29,320,685**
Total		**921,061,099**	**898,687,914**
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities			
Trade payables	10	744,038	3,798,858
Borrowings	11	106,069,664	96,588,987
Total Financial Liabilities		**106,813,702**	**100,387,845**
Non-financial liabilities			
Other Non Financial Liabilities	12	801,147	738,115
Deferred tax Liability	13	1,428,695	2,749,323
Total Non-Financial Liabilities		**2,229,842**	**3,487,438**
Equity			
Equity Share capital	14	113,760,000	113,760,000
Other equity	15	698,257,555	681,052,631
Total equity		**812,017,555**	**794,812,631**
Total		**921,061,099**	**898,687,914**
Significant Accounting Policies			
The accompanying notes are an integral part of financial statements		-	-

As per our Report of Even Date

For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No.116627W)

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

Girraj Kishor Agrawal
[Director]
DIN: 00290959

Tanu Agrawal
[Director]
DIN: 00290966

Nishant Sampat
Partner
Membership Number: 134410

Place: Mumbai
Date: 26/08/2020
UDIN:20134410AAAAX3421

Prajna Naik
[Company Secretary]

Nemichand Saini
[CFO]

BANAS FINANCE LIMITED

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

Particulars	Note	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Revenue from operations			
Revenue from operations	16	62,022,395	134,543,312
Other Income	17	27,470,484	4,090,426
Total Revenue		**89,492,879**	**138,633,738**
Expenses			
Purchases	18	7,293,832	82,009,985
Changes in inventories of stock in trade	19	5,744,060	-3,673,832
Employees benefits expense	20	4,250,173	4,977,873
Finance costs	21	5,102,814	4,182,143
Depreciation & Amortisation expenses		21,540	37,234
Impairment on financial instruments	22	37,239,342	42,347,421
Other Expenses	23	8,448,376	81,210,368
Total expenses		**68,100,137**	**211,091,192**
PROFIT BEFORE TAX		**21,392,742**	**-72,457,454**
Tax expenses			
Current Tax		177,000	44,996
Tax of earlier years		-	-15,859,108
Deferred Tax		3,492,138	-1,903,566
Total Tax expenses		**3,669,138**	**-17,717,678**
PROFIT FOR THE YEAR		**17,723,604**	**-54,739,777**
Total Comprehensive income for the year		**17,723,604**	**-54,739,777**
Earning per equity share:			
Basic		1.56	-4.81
Diluted		0.69	-2.13
Significant Accounting Policies			
The accompanying notes are an integral part of financial statements			

As per our Report of Even Date

For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No.116627W)

Nishant Sampat
Partner
Membership Number: 134410

Place: Mumbai
Date: 26/08/2020
UDIN:20134410AAAAX3421

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

Girraj Kishor Agrawal	**Tanu Agrawal**
[Director]	**[Director]**
DIN: 00290959	**DIN: 00290966**
Prajna Naik	**Nemichand Saini**
[Company Secretary]	**[CFO]**

BANAS FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019	
Cash Flow from Operating Activities				
Profit before tax		**21,392,742**		**-72,457,454**
Adjustment to reconcile profit before tax to net cash flows				
Depreciation	21,540		37,234	
Finance Cost	5,102,814		4,139,754	
Bad debts	11,234,652		31,805,276	
Loss on sale of Investment	11,360,218		12,769,645	
Discount Allowed	595,782		-	
Write off	29,490		-2	
Write back	-23,954		-	
Provision for Expected Credit loss	25,872,368		-6,285,559	
Income From Alternate Investment Fund	-1,601,334		-482,285	
Net Loss/(Gain) on fair value changes	-35,605,183	**16,986,393**	58,867,012	**100,851,075**
Operating Profit before Working Capital Changes		**38,379,135**		**28,393,621**
Working Capital adjustments				
(Increase)/Decrease in Loans	17,487,399		-1,010,309	
(Increase)/Decrease in Other financial assets	8,435,544		-5,005,003	
(Increase)/Decrease in Other non-financial assets	-2,295,571		-1,534,621	
Increase/(Decrease) in Trade payables	-3,030,866		3,343,929	
Increase/(Decrease) in Other Non Financial Liabilities	108,028	**20,704,533**	335,647	**-3,870,357**
Cash Generated From Operations		**59,083,668**		**24,523,264**
Income tax paid		976		-17,162,304
Net Cash from / (Used in) Operating Activities A		**59,082,692**		**41,685,568**
Cash Flow from Investing Activities B				
Proceed from sale of Investment	29,037,900		50,392,403	
Investment made during the year	-65,515,027		-57,137,356	
Purchase of Property Plant & Equipment	-26,785		-	
Income From Alternate Investment Fund	1,601,334		482,285	
Bank Deposits (More than 3 months & upto 12 months)	-88,767		-1,000,000	
Net Cash from Investing Activities B		**-34,991,344**		**-7,262,668**
Net Cash from Financial Activities C				
Finance cost	-5,102,814		-1,439,754	
Proceeds from borrowings	148,367,611		23,925,000	
Repayment of borrowings	-138,886,933		-26,115,000	
Net cash flow used in financing Activities		**4,377,864**		**-3,629,754**
NET (DECREASE)INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		**28,469,213**		**30,793,146**
Cash and Cash Equivalents-Opening Balance		**46,365,163**		**15,572,016**
Cash and Cash Equivalents-Closing Balance		**#REF!**		**#REF!**
		74,834,376		46,365,162
		#REF!		#REF!

As per our Report of Even Date

For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No.116627W)

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

Girraj Kishor Agrawal
[Director]
DIN: 00290959

Tanu Agrawal
[Director]
DIN: 00290966

Nishant Sampat
Partner
Membership Number: 134410

Place: Mumbai
Date: 26/08/2020
UDIN:20134410AAAAX3421

Prajna Naik
[Company Secretary]

Nemichand Saini
[CFO]

BANAS FINANCE LIMITED

STATEMENT 0F CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

A	**Equity Share Capital**	**Amount in Rs**	**Number of shares**
	As at 31st March, 2018		
	Changes in equity share capital during 2018-19	**113,760,000**	**11,376,000**
	As at 31st March, 2019	**-**	**-**
	Changes in equity share capital during 2019-20	**113,760,000**	**11,376,000**
	As at 31st March, 2020	**-**	**-**
		113,760,000	**11,376,000**

B Other Equity

	Reservers and Surplus						
Particulars	**Securities premium**	**General Reserves**	**Retained Earnings**	**Statutory Reserve**	**Share Pending Issuance**	**Capital Reserve**	**Total**
Balance at at April 01, 2018	**524,132,300**	**5,602,669**	**-170,627,313**	**234,810**	**-**	**5,196,530**	**364,538,996**
Amount for the year	-	-	-50,348,844	-	142,727,300	-	92,378,456
Deletion During the year	-	-	-1,127,751		-		-1,127,751
Add : Income Tax of earlier period	-	-	-2,276,411	-	-	-	-2,276,411
Transferred from Retained Earnings	-	-	-	2,276,411	-	-	2,276,411
Net loss on Sale of investments measured at Fair Value through Profit & Loss	-	-	-20,277				-20,277
Loss on Business combination	-	-	-			225,283,206	225,283,206
Balance at at March 31, 2019	**524,132,300**	**5,602,669**	**-224,400,597**	**2,511,221**	**142,727,300**	**230,479,736**	**681,052,629**
Profit for the year	-	-	17,723,606	-	-	-	17,723,606
Transferred from Retained Earnings	-	-	-	-	-	-	-
Net loss on Sale of investments measured at Fair Value through Profit & Loss			-518,680	-	-	-	-518,680
Balance as at 31st March, 2020	**524,132,300**	**5,602,669**	**-207,195,670**	**2,511,221**	**142,727,300**	**230,479,736**	**698,257,555**

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

Nishant Sampat
Partner
Membership Number: 134410

Place: Mumbai
Date: 26/08/2020
UDIN:20134410AAAAX3421

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

Girraj Kishor Agrawal — **Tanu Agrawal**
[Director] — **[Director]**
DIN: 00290959 — **DIN: 00290966**

Prajna Naik — **Nemichand Saini**
[Company Secretary] — **[CFO]**

BANAS FINANCE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR PERIOD 31.03.2020

Note: - 1

A) Basis of preparation of Financial Statements:
In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2016. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2020, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements".

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

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

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

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

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

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

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

H) Provisions, Contingent Liabilities and Contingent Assets
A provision is recognized when an enterprise has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.
Possible future obligations or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liabilities in the notes to accounts of Financial Statements.

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

Tangible Assets:

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

Intangible Assets

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

a) Depreciation

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

b) Impairment of assets

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

J) Investments

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

K) Taxation

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

L) Financial instruments

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

"(i) Financial assets

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

Initial measurement

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

"Subsequent measurement

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

All equity investments in scope of Ind AS 109 'Financial instruments' are measured at fair value. The company has strategic investments in equity for which it has elected to present subsequent changes in the fair value in OCI. The classification is made on initial recognition and is irrevocable.
All fair value changes of the equity instruments, excluding dividends, are recognised in OCI and not available for reclassification to profit or loss, even on sale of investments. Equity instruments at FVOCI are not subject to an impairment assessment."

"Impairment of financial assets

Expected credit loss (ECL) are recognised for financial assets held under amortised cost, and certain loan commitments.
Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. ECL is recognised for stage 2 and stage 3 financial assets.
In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('lifetime ECL').
Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery."

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

(a) Credit impaired (stage 3)

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

"(b) Significant increase in credit risk (stage 2)

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

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

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

"(d) Measurement of ECL

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

M) Revenue recognition

Interest and related income

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

Dividend income

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

Sale of Securities held for trading

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

N) Earnings per Share

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

Note No.	Particulars	As at March 31st, 2020	As at March 31st, 2019
2	***Cash and Cash equivalents***		
	Balance with banks		
	- Current Account	70,207,645	44,410,769
	Cash on Hand	1,906,338	1,787,029
	Bank deposit with maturity of less than 3 months	2,720,394	167,366
		74,834,378	**46,365,164**
3	***Bank balance other than cash and cash equivalents***		
	Bank Deposits (More than 3 months & upto 12 months)	1,088,767	1,000,000
		1,088,767	**1,000,000**
4	***Loans (At Amortised Cost)***		
	(A) Loans (Repayable on demand)		
	Loan Amount	620,411,884	665,213,928
	Less: Impairment Loss Allowance	-44,192,861	-32,949,903
		576,219,023	**632,264,024**
	(B) Out of above		
	(i) Secured	-	-
	(ii) Unsecured (Repayable on demand)		
	Loans considered Good	546,228,262	595,128,730
	(a)	546,228,262	595,128,730
	Loans considered Doubtful	74,183,622	70,085,198
	Less: Impairment Loss Allowance	-44,192,861	-32,949,903
	(b)	29,990,761	37,135,295
	Total (a + b)	576,219,023	632,264,024
	(C) Out of above		
	(i) Public Sector (c)	-	
	(ii) Others	620,423,957	665,213,928
	Less: Impairment Loss Allowance	-44,192,861	-32,949,903
	(d)	576,231,096	632,264,024
	Total (c + d)	576,231,096	632,264,024
		576,219,023	**632,264,024**

5	***Investments***		
	Investments in India (a)		
	Equity Instruments		
	(i) Quoted Shares	56,593,999	43,568,137
	(ii) Un-Quoted Shares	100,856,348	58,817,584
	Preferecne Instruments	9,712,000	19,600,000
	Alternate Investment Fund	29,618,664	24,941,334
	Gold	9,641,710	5,852,397
	Total	**206,422,721**	**152,779,453**
	Investments outside India (b)	**-**	-
	Total (a+b)	**206,422,721**	**152,779,453**
6	***Other financial assets***		
	Securities held for trading	32,711,527	29,874,806
	Other receivable	3,445,695	7,083,782
		36,157,222	**36,958,588**
7	***Deferred tax assets (net)***		
	The Balance Comprises Temprory difference attributable to		
	Tax Losses	2,471,749	4,164,243
	FV Change	2,291,909	5,412,181
		4,763,658	**9,576,423**
9	***Other non-financial assets***		
	Balance with statutory/government authorities	20,489,064	17,559,294
		20,489,064	**17,559,294**
10	***Trade Payables***		
	a) Total outstanding dues of micro and small enterprises	45,000	45,000
	b) Total outstanding dues of creditors other than micro and sm	699,038	3,753,858
		744,038	**3,798,858**
11	***Borrowings***		
	Secured Loan Repayable on Demand	-	-
	Unsecured Loan Repayable on Demand	106,069,664	96,588,987
		106,069,664	**96,588,987**
12	***Other Non Financial Liabilities***		
	Duties and Taxes payable	801,147	738,115
		801,147	**738,115**
13	***Deferred tax liabilty***		
	Accelerated depreciation	1,428,695	2,749,323
		1,428,695	**2,749,323**

Note No.	Particulars	2019-2020 Consolidated 2020	2018-2019 Consolidated 2019
14	**Equity Share capital**		
	Authorised Share Capital		
	5,13,00,000 Equity Shares of Rs. 10 each	513,000,000	513,000,000
		513,000,000	**513,000,000**
	Issued,Subscribed and Paid up		
	1,13,76,000 Equity Shares of Rs. 10 each	113,760,000	113,760,000
	Total Issued, Subscribed And Fully Paid Up Share Capital	**113,760,000**	**113,760,000**

a) Reconciliation of equity share capital

Particular	As at 31st March 2020		As at 31st March 2019	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
At the beginning of the period	11,376,000	113,760,000	11,376,000	113,760,000
Issued during the year	-	-	-	-
Bought back during the period	-	-	-	-
*Converted From Re. 1 to Rs. 10 Face Value each	-	-	-	-
Outstanding at the end of the period	**11,376,000**	**113,760,000**	**11,376,000**	**113,760,000**

*The F.V. of equity shares were consolidated from Rs.1 per share to Rs. 10 per share on 29th Aug, 2017

b) Terms and rights attached to equity shares

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

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

Name of the Shareholders	As at 31st March 2020			
	No. of Shares	% of holding	No. of Shares	% of holding
Handful Investrade Private Limited	1,450,000	12.75%	1,450,000	12.75%
Total	**1,450,000**	**12.75%**	**1,450,000**	**12.75%**

8. PROPERTY, PLANT & EQUIPMENTS

PARTICULARS	GROSS CARRING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	1st April 2019	Addition	Deletion	31st March 2020	1st April 2019	Expenses for the year	Disposal	31st March 2020	As at 31st March 2020	As at 31st March 2019
Computers	1,318,743	-	-	1,318,743	1,096,837	12,032	-	1,108,869	209,874	221,906
Air Conditioner	30,860	-	-	30,860	2,074	2,056	-	4,130	26,730	28,786
Mobile	45,000	26,785	-	71,785	42,980	7,452	-	50,432	21,353	2,020
Equipments	37,077	-	-	37,077	-	-	-	-	37,077	37,077
Laptop	20,349	-	-	20,349	19,332	-	-	19,332	1,017	1,017
Total	**1,452,029**	**26,785**	**-**	**1,478,814**	**1,161,223**	**21,540**	**-**	**1,182,763**	**296,051**	**290,806**

15	***Other Equity***		
	Capital Reserve		
	Balance as per last financial statements	230,479,736	5,196,530
	Less: Utilized for bonus issue/fresh equity shares	-	-
	Add: Loss on Business Combination	-	225,283,206
	Closing balance	**230,479,736**	**230,479,736**
	General Reserves		
	Opening Balance (As per the last Balance sheet)	5,602,669	5,602,669
		5,602,669	**5,602,669**
	Securities Premium reserve		
	Balance as per last financial statements	524,132,300	524,132,300
	Add: New Equity shares issued during the year at premium	-	-
	Closing balance	**524,132,300**	**524,132,300**
	Statutory Reserves		
	Balance as per last financial statements	2,511,221	234,810
	Add: Transferred from statement of Profit and Loss	-	2,276,411
	Closing balance	**2,511,221**	**2,511,221**
	Surplus/(Deficit) in the Statement of Profit and Loss	-	-
	Balance as per last financial statements	224,400,595	170,627,313
	Profit/ (loss) for the year	17,723,604	- 50,348,843
	Less: Net loss on Sale of investments measured at Fair Value through Profit & Loss	- 518,680	- 20,277
	Less: Transfer to statutory reserve	-	- 2,276,411
	Less: Deletion during the year	-	- 1,127,751
	Closing balance	**- 207,195,671**	**- 224,400,595**
	Others		
	Share Pending Issuance	142,727,300	142,727,300
		142,727,300	**142,727,300**
	Total Other Equity	**698,257,555**	**681,052,631**

Notes forming part of the Accounts for the year ended 31st March 2020

Note No.	Particulars	For the Year ended 31st March 2020	For the Year ended 31st March 2019
16	**Revenue from Operations**		
	Sale of Securities	5,233,140	34,149,004
	Commodity Sales	1,475,711	54,110,554
	Interest Income	55,313,543	46,283,754
	Total	**62,022,395**	**134,543,312**
17	**Other Income**		
	Interest Income	235,026	390,310
	Interest on Income Tax Refunds	93,276	3,208,416
	Income From Alternate Investment Fund	1,601,334	482,285
	Gain on Forex rate difference	24,877	-
	Consultancy fees	1,080,000	-
	Net Gain on fair value changes	24,435,971	-
	Other miscellaneous Income	-	9,415
	Total	**27,470,484**	**4,090,426**
18	**PURCHASE OF STOCK-IN-TRADE**		
	Other Direct expenses	41,420	5,181,344
	Commodity Purchase	284,351	48,301,984
	Purchase of Securities	6,968,060	28,526,657
	Total	**7,293,832**	**82,009,985**
19	**CHANGES IN INVENTORIES OF STOCK IN TRADE**		
	Changes in Securities held for trading	4,640,114	-1,779,671
	Changes in inventories of Stock-in-Trade	1,103,946	-1,894,161
		5,744,060	**-3,673,832**
20	**EMPLOYEES BENEFITS EXPENSES**		
	Salaries, Wages and Bonus	4,116,717	4,637,043
	Directors remuneration	104,000	228,316
	Staff Welfare Expenses	2,456	34,514
	Director sitting fees	27,000	78,000
	Total	**4,250,173**	**4,977,873**
21	**Finance Cost**		
	Interest Expenss	5,101,263	4,103,980
	Bank Charges	1,551	78,163
	Total	**5,102,814**	**4,182,143**

22	**Impairment on financial instruments**		
	Expected Credit Loss	25,872,368	-6,285,559
	Bad Debts	11,366,974	48,632,980
	Total	**37,239,342**	**42,347,421**
23	**Other Expenses**		
	Listing Fees	1,200,000	1,436,220
	Depository/Share Transfer Charges	551,330	670,806
	Power & Fuel	19,990	71,320
	Rent, Rates & Taxes	134,664	163,525
	Insurance	-	2,000,000
	Income/Loss From FNO	191,006	454,605
	Printing & Stationary	299,873	152,322
	Sales Promotion	252,448	1,659,125
	Processing Charges	-	200,000
	Communication expenses	32,881	11,250
	Payment to Statutory Auditor	359,000	409,000
	Legal & Professional	781,409	842,860
	Membership Charges	26,164	15,450
	Alternate Investment Fund Expenses	58,697	29,803
	Miscellaneous expenses	445,132	422,802
	SEBI fees	-	1,025,948
	Discount Allowed	595,782	-
	Brokerage/Commission	3,500,000	-
	Net Loss on fair value changes	-	71,645,332
	Total	**8,448,376**	**81,210,368**

NOTE 24: FINANCIAL RISK MANAGEMENT:

(a) Risk Management Framework

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

(b) Credit Risk

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

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:
Stage 1: unimpaired and without significant increase in credit risk since initial recognition;
Stage 2: a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised;
Stage 3: objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk. The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD) along with an adjustment considering forward macro economic conditions [for a detailed note for methodology of computation of ECL please refer to significant accounting policies note no 1(L) to the financial statements.
The table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for loan portfolio :

As at 31 March 2020

Particulars	Unsecured		
	Stage 1	Stage 2	Stage 3
Gross Carrying Value	546,228,262	36,742,178	37,441,444
Allowance for Expected credit loss	-	6,751,418	37,441,444
Expected credit loss Coverage ratio	0.00%	18.38%	100.00%

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

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

(c) Liquidity Risk management

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

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

NOTE 25:- FAIR VALUE MEASUREMENTS

a) Financial instruments by category

PARTICULARS	March,31, 2020			March,31, 2019		
	Fair value through Profit and Loss Account	Fair value through Other Comprehen sive Income	Amortised cost	Fair value through Profit and Loss Account	Fair value through Other Compreh ensive Income	Amortised cost
Financial Assets						
Investments	95,854,373	-	110,568,348	74,361,869	-	78,417,584
Loans	-	-	576,219,023	-	-	632,264,024
Cash and cash equivalents	-	-	74,834,378	-	-	46,365,164
Bank balance other than cash and cash equivalents	-	-	1,088,767	-	-	1,000,000
Other Financial Assets	32,711,527	-	3,445,695	29,874,806	-	7,083,782
Total	**128,565,900**	-	**766,156,211**	**104,236,675**	-	**765,130,554**
Financial Liabilities						
Trade Payables	-	-	744,038	-	-	3,798,858
Borrowings	-	-	106,069,664	-	-	96,588,987
Total	**-**	**-**	**106,813,702**	**-**	**-**	**100,387,845**

NOTE 26:- FAIR VALUE HIERARCHY

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

Financial assets and liabilities measured at fair value:

PARTICULARS	March,31, 2020			March,31, 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets						
Investments	95,854,373	-	110,568,348	74,361,869	-	78,417,584
Loans	-	-	576,219,023	-	-	632,264,024
Cash and cash equivalents	-	-	74,834,378	-	-	46,365,164
Bank balance other than cash and cash equivalents	-	-	1,088,767	-	-	1,000,000
Other Financial Assets	32,711,527	-	3,445,695	29,874,806	-	7,083,782
Total	**128,565,900**	**-**	**766,156,211**	**104,236,675**	**-**	**765,130,554**
Financial Liabilities						
Trade Payables	-	-	744,038	-	-	3,798,858
Borrowings	-	-	106,069,664	-	-	96,588,987
Total	**-**	**-**	**106,813,702**	**-**	**-**	**100,387,845**

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

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

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

(c) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments includes:
- the use of quoted market prices or dealer quotes for similar instruments

- the fair value of forward foreign exchange contracts is determinated using forward exchange rate at the balance sheet date.

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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

(d) Fair value Estimations

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

necessarily indicative of the amount the Company could realise in a market exchange from the sale of its full holding or a particular instrument.

Dividend/Interest-bearing investments

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

Trade & other receivable / Payables

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

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

NOTE 27:- RELATED PARTY TRANSACTIONS

a) List of Related Parties & Relationship:-

Sr.No.	Name of the Related Party	Relation
1	Agrawal Bullion Limited	Group Company
2	Amit Gulecha	Director
3	Anubhav Maurya	Independent Director
4	Axon Ventures Ltd	Group Company
5	Girraj Kishor Agrawal	Director
6	Girraj Kishor Agrawal HUF	Relative of Director
7	Handful Investrade Pvt Ltd	Promoter
8	Hardikkumar Kabariya	Independent Director
9	Jyotsana Bhatt	Independent Director
10	Kajal Tak	Compnay Secretary**
11	Kayaguru Capital Market Pvt Ltd	Group Company
12	Nikita Joshi	Compnay Secretary*
13	Proaim Enterprises Ltd	Group Company
14	Rockon Enterprises Ltd	Group Company
15	Rockon Capital Market Pvt Ltd	Group Company
16	Tanu Giriraj Agarwal	Non independent Director
17	Tilak Ventures Limited	Group Company
18	Vibhuti Vadia	CFO**
NOTE: RESIGNATION* APPOINMENT**		

b) Transaction with Related Parties:-

Sr. No.	Name of the Related Party	Nature of Transaction	Sum of Transaction during the year 2019-20	Sum of Transaction during the year 2018-2019
1	**Agrawal Bullion Limited**	Interest Paid	288,937	-
		Interest Received	-	36,560
		Loan Given	-	2,400,000
		Loan Given	-	1,000,000
		Loan Given Repaid	-	2,500,000
		Loan Repaid	45,550,000	900,000
		Loan Taken	45,550,000	-
		Shares Sales	-	4,475,000
2	**Amit Gulecha**	Advance Given	-	-
		Remuneration	-	145,316
3	**Anubhav Maurya**	Remuneration	-	30,000
4	**Axon Ventures Limited**	Interest Received	4,734	-
		Loan Given	1,500,000	-
		Loan Given Repaid	1,500,000	-
		Loan Repaid	1,900,000	-
		Loan Taken	1,900,000	-
		Shares Sales	-	2,304,000
5	**Girraj Kishor Agrawal**	Other expenses paid on behalf of the company	40,200	19,574
		Rent paid	30,000	120,000
6	**Girraj Kishor Agrawal HUF**	Other expenses paid on behalf of the company	600	600
7	**Handful Investrade Pvt Ltd**	Interest Paid	325,753	-
		Interest Received	8,932	130,860
		Loan Given	2,250,000	8,700,000
		Loan Given Repaid	1,075,000	3,925,000
		Loan Repaid	32,900,000	3,700,000
		Loan Taken	30,650,000	-
		Shares Purchase	-	5,100,000
		Shares Sales	-	2,000,000

8	**Jyotsna Bhatt**	Sitting Fees	24,300	-
9	**Kajol Tak**	Salary	16,926	745,750
10	**Kayaguru Capital Market Pvt. Ltd**	Interest Paid	-	283,785
		Loan Repaid	-	6,600,000
		Loan Taken	-	6,600,000
		Shares Purchase	5,500,000	-
		Shares Sales	2,500,000	2,280,000
11	**Kirti Kumar Patel**	Director Remuneration	-	212,600
12	**Nikita Joshi**	Salary	-	3,000
13	**Prajna Naik**	Salary	-	39,267
14	**Proaim Enterprises Ltd**	Interest Received	16,166	1,111
		Loan Given	6,700,000	560,000
		Loan Given Repaid	6,700,000	560,000
		Loan Repaid	975,000	-
		Loan Taken	975,000	-
		Shares Purchase	-	19,249,000
15	**Rockon Capital Market Pvt Ltd**	Interest Paid	-	13,628
		Loan Given	-	390,000
		Loan Given Repaid	-	390,000
		Loan Repaid	-	3,100,000
		Loan Taken	-	3,100,000
16	**Rockon Enterprises Ltd**	Interest Paid	7,393	6,213
		Loan Given	100,000	-
		Loan Given Repaid	25,000	-
		Loan Repaid	2,425,000	3,800,000
		Loan Taken	2,350,000	3,800,000
		Shares Sales	-	4,290,000
17	**Tanu Agrawal**	Interest Paid	143,825	-
		Loan Given	6,400,000	-
		Loan Given Repaid	6,400,000	-
		Loan Repaid	11,000,000	-
		Loan Taken	11,000,000	-
18	**Tilak Ventures Limited**	Interest Paid	21,681	11,515
		Loan Given	-	3,800,000
		Loan Given Repaid	-	3,800,000
		Loan Repaid	31,180,000	9,900,000
		Loan Taken	31,180,000	9,900,000
		Shares Purchase	-	3,800,000

NOTE 28:- EARNING PER SHARES (EPS)

Particulars	As at 31.03.20 Amount in (Rs.)	As at 31.03.19 Amount in (Rs.)
Profit for the year attributable to Equity Shareholders	1,77,23,604	(5,47,39,777)
Weighted Average Number of Equity Shares Outstanding During The Year (Nos.)	1,13,76,000	1,13,76,000
Add: Weighted average number of potential equity shares on account equity shares issued on amalgamation	1,42,72,730	1,42,72,730
Weighted average number of equity shares outstanding for dilutive EPS	2,56,48,730	2,56,48,730
Basic Per Share (Rs.)	1.56	(4.81)
Diluted Earnings Per Share (Rs.)	0.69	(2.13)
Nominal Value of Equity Share (Rs.)	10.00	10.00

NOTE 29- EMPLOYEE BENEFITS

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

NOTE 30:- LOANS AND ADVANCES

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

In 18 cases interest charged is less than prevailing yield government security for relevant tenure. Amount of such loans as on 31st March, 2020 is Rs 3,08,95,433/-. In 68 cases no interest has been charged. Amount of such loans as on 31st March, 2019 is Rs. 8,09,76,231/-.

NOTE 31:- SEGMENT REPORTING

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

NOTE 32:- MICRO, SMALL AND MEDIUM ENTERPRISES

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

33. BUSINESS COMBINATION

A. The National Company Law Tribunal Special Bench, Mumbai (NCLT) vide order dated 29th July, 2020 sanctioned the Scheme of Amalgamation of Proaim Enterprises Limited (First Transferor Company), Axon Ventures Limited (Second Transferor Company), Rockon Enterprises Limited (Third Transferor Company) with Banas Finance Limited (Transferee Company) under section 230 to 232 of the Companies Act, 2013 from the appointed date i.e. April 01, 2018. The Scheme became effective on 18th August, 2020.

B. The accounting effect of this amalgamation in the financial statements has been given as under:-

1) In terms of the said Scheme, Transferee Company shall issue and allot equity shares in following manner to the Shareholders of Transferor Companies:

- First Transferor Company (50 Shares of Transferee Company for every 100 shares of First Transferor Company) ,
- Second Transferor Company (48 Shares of Transferee Company for every 100 shares of Second Transferor Company),
- Third Transferor Company (26 Shares of Transferee Company for every 100 shares of Third Transferor Company)

Issuance and allotment of equity shares as mentioned above are pending and hence, it is accounted under 'Other Equity' as 'Share Pending Issuance'.
The amalgamation, being a common control transaction, has been accounted for under the 'Pooling of interest' method as prescribed by Ind AS 103 on Business Combinations.

2) The share capital of Transferor Companies as on the Appointed Date shall stand cancelled.

3) The Transferee Company has recorded all assets and liabilities of Transferor Companies vested in it pursuance to the scheme, at the respective book values thereof, as appearing in the books of accounts of Transferor Companies immediately before the appointed date and in accordance with requirements of relevant Ind AS..

4) The inter-company balances between Transferee Company and Transferor Companies, if any, in the books of accounts of Transferee Company and Transferor Companies stand cancelled.

5) The difference between assets, liabilities and reserves transferred and the value of the new equity shares to be issued on amalgamation by the Transferee Company is transferred to capital reserves of Transferee Company.

6) Transferor Companies are in the process of transferring the title of the assets and liabilities received under the Composite Scheme as on the reporting date.

7) As scheme of amalgamation, given effect from appointed date i.e. April 01, 2018, accordingly Financial Statements for the year ended March 31, 2019 has been restated incorporating the effect of scheme of amalgamation.

C. Consideration to be transferred:

Particulars	**Proaim Enterprises Limited**	**Axon Ventures Limited**	**Rockon Enterprises Limited**	**Total**
a. Cash	-	-	-	-
a. Equity Shares	6,32,62,450	3,66,72,000	4,27,92,850	14,27,27,300
Purchase Consideration (a+b)	**6,32,62,450**	**3,66,72,000**	**4,27,92,850**	**14,27,27,300**

D. A summary of the assets, liabilities and reserves acquired and incorporated as at appointed date (i.e. April 1, 2018) is as follows:

Particulars	**Proaim Enterprises Limited**	**Axon Ventures Limited**	**Rockon Enterprises Limited**	**Total**
a. Total of Assets	29,24,96,382	13,62,19,581	16,84,13,570	59,71,29,533
b. Total of Liabilities	3,44,83,500	40,10,510	1,05,93,925	4,90,87,935
c. Total of Other Equity	13,15,79,277	5,58,09,071	(73,57,256)	18,00,31,092
Net Identifiable Assets acquired as at April 01, 2018 (a-b-c)	**12,64,33,605**	**7,64,00,000**	**16,51,76,901**	**36,80,10,506**

E. Capital Reserve arising on amalgamation

Particulars	**Proaim Enterprises Limited**	**Axon Ventures Limited**	**Rockon Enterprises Limited**	**Total**
a. Purchase Consideration	6,32,62,450	3,66,72,000	4,27,92,850	14,27,27,300
a. Book value of net identifiable assets acquired	12,64,33,605	7,64,00,000	16,51,76,901	36,80,10,506
Capital Reserve (a-b)	**(6,31,71,155)**	**(3,97,28,000)**	**(12,23,84,051)**	**(22,52,83,206)**

BANAS FINANCE LIMITED
Notes Forming Part of the Financial Statement As At 31st March, 2020
Note: 34
In compliance to IND AS 108

Sr. No	PARTICULARS	Quarter Ended			Year Ended	
		31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	**Segment Revenue**					
	(a) Income from Commodity/Trading Business	18,28,140	6,72,000	95,47,106	67,08,852	8,82,59,558
	(b) Income From Finance Business	65,29,000	48,19,000	21,16,342	5,53,13,543	4,62,83,754
	(c) Other Operating Income	1,63,000	58,92,000	2,16,807	3,86,49,551	41,02,443
	Total Income from Operation	**85,20,140**	**1,13,83,000**	**1,18,80,255**	**10,06,71,946**	**13,86,45,755**
	Less: Inter Segment Revenue		-		-	-
	Net sales/Income From Operations	**85,20,140**	**1,13,83,000**	**1,18,80,255**	**10,06,71,946**	**13,86,45,755**
2	**Segment Results**					
	Profit/ Loss Before Tax and Interest from Each Segment					
	(a) Segment- Commodity/ Trading Business	(9,33,860)	2,39,000	75,06,106	(63,29,040)	99,23,405
	(b) Segment- Finance Business	(1,54,29,000)	(2,66,000)	1,17,21,342	1,29,78,198	(1,67,647)
	Total	**(1,63,62,860)**	**(27,000)**	**1,92,27,448**	**66,49,158**	**97,55,758**
	Less: (i) Interest					
	(ii) Other unallocable Expenditure net off	9,77,000	6,06,000	3,24,89,000	2,39,05,966	8,63,15,655
	(iii) Un-allocable income	1,63,000	58,92,000	2,16,807	3,86,49,551	41,02,443
	Total Profit Before Tax	**(1,71,76,860)**	**52,59,000**	**(1,30,44,745)**	**2,13,92,743**	**(7,24,57,454)**
3	**Capital Employed**					
	(Segment Assts-Segment Liabilities)					
	(a) Commodity/Trading Business	-	-	-	3,62,03,399	3,50,53,891
	(b) Finance Business	31,34,14,000	33,02,87,003	32,32,19,000	67,65,72,080	68,84,54,490
	(c) Other Unallocable	-	-	-	9,92,42,076	7,13,04,250
	Total Capital Employed	**31,34,14,000**	**33,02,87,003**	**32,32,19,000**	**81,20,17,555**	**79,48,12,631**

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

Sd/-

Nishant Sampat
Partner
Membership Number: 134410

Place: Mumbai

Date: 28/08/2020
20134410AAAAX3421

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

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

Sd/-
Tanu Agrawal
[Director]
DIN: 00290966

Sd/-
Prajna Naik
[Company Secretary]

Sd/-
Nemichand Saini
[CFO]