No.: 3/2022-2023
Addressed to: UNIFI AIF

PLACEMENT MEMORANDUM / PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

BERAR FINANCE LIMITED ("Issuer" / "Company")

A public limited company incorporated under the Companies Act, 1956

Placement Memorandum for issue of Debentures on a private placement basis
Dated: September 13, 2022

Issue of 300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) on a private placement basis (the "Issue").

PART A: DISCLOSURES AS PER SEBI DEBT LISTING REGULATIONS:

** *Please refer pages 1-4 for all information required to be placed on the front page of a placement memorandum as per Schedule II of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.*

Please see below the disclosures as required under the terms of the SEBI Debt Listing Regulations (as defined below):

S.no	Particulars	Relevant Disclosure
1.	**Corporate Identity Number of the Issuer:**	U65929MH1990PLC057829
2.	**Permanent Account Number of the Issuer:**	AAACB5861B
3.	**Date and place of Incorporation of the Issuer:**	Date of incorporation: August 22, 1990 Place of incorporation: Nagpur, India
4.	**Latest registration / identification number issued by any regulatory authority which regulates the Issuer (in this case the RBI):**	13.01109
5.	**Registered Office address of the Issuer:**	Avinisha Tower, Mehadia Chowk, Dhantoli Nagpur, Maharashtra - 440012, India
6.	**Corporate Office address of the Issuer:**	Avinisha Tower, Mehadia Chowk, Dhantoli Nagpur, Maharashtra - 440012, India
7.	**Telephone No of the Issuer:**	0712-666 3999
8.	**Details of Compliance officer of the Issuer:**	Name: Ms Deepali Balpande Telephone Number: +9146033554 Email address: Deepali.balpande@gmail.com

BERAR FINANCE LIMITED NAGPUR

9.	**Details of Company Secretary of the Issuer:**	Name: Ms Deepali Balpande Telephone Number: +9146033554 Email address: Deepali.balpande@gmail.com
10.	**Details of Chief Financial Officer of the Issuer:**	Name: Yogesh Tahalyani Telephone Number: 7045363546 Email address: yogesh.tahalyani@berarfinance.com
11.	**Details of Promoters of the Issuer:**	Name: Maroti Jawanjar Telephone Number: +91 9011014966 Email address: maroti.jawanjar@berarfinance.com Name: Sandeep Jawanjal Telephone Number: +91 9922200096 Email address: sandeep.jawanjal@berarfinance.com
12.	**Website address of the Issuer:**	www.berarfinance.com
13.	**Email address of the Issuer:**	investor.relations@berarfinance.com
14.	**Details of debenture trustee for the Issue:**	Name: IDBI Trusteeship Services Limited Address: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400001, Maharashtra, India. Logo: IDBI trustee IDBI Trusteeship Services Ltd Telephone Number: (91) (22) 40807068 Email address: naresh.sachwani@idbitrustee.com Contact person: Mr. Naresh Sachwani
15.	**Details of credit rating agency for the Issue:**	Name: CARE Ratings Limited Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400022, Maharashtra, India Logo: CareEdge RATINGS Telephone Number: +91-22-6754 3456 Email address: care@careedge.in Contact person: Geeta Chainani
16.	**Date of placement memorandum / Placement Memorandum**	September 13,2022
17.	**Type of placement memorandum / Placement Memorandum**	This Placement Memorandum is being issued in relation to the private placement basis of Debentures (which are being issued under the terms hereof in a single series).
18.	**The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable**	300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore). Green Shoe: N.A
19.	**The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities**	Not applicable.

BERAR FINANCE LIMITED NAGPUR

	made through the shelf placement memorandum;	
20.	**Details of Registrar to the Issue:**	Name: BigShare Services Private Limited Address: Office no S6-2, 6th floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai-400093, Maharashtra, India. Logo: Bigshare Services Pvt. Ltd. Telephone Number: 022-6263 8200 Fax number: N.A. Website: www.bigshareonline.com Email address: investor@bigshareonline.com
21.	**Issue Schedule**	Date of opening of the Issue: September 13,2022 Date of closing of the Issue: September 16, 2022 Date of earliest closing of the Issue (if any): N.A.
22.	**Credit Rating of the Issue**	The Rating Agency has vide its letter and rating rationale dated August 30, 2022 assigned a rating of "CARE BBB+ (pronounced as "CARE Triple B plus") in respect of the Debentures. Please refer to **Annexure II** of this Placement Memorandum for the letter dated August 30, 2022 and rating rationale dated September 1, 2022 from the Rating Agency assigning the credit rating abovementioned and the press release by the Rating Agency in this respect.
23.	**All the ratings obtained for the private placement of Issue**	Please refer to S.no 22 (*Credit Rating of the Issue*) above. No other ratings have been obtained for the purposes of this Issue.
24.	**The name(s) of the stock exchanges where the securities are proposed to be listed**	The Debentures are proposed to be listed on the wholesale debt market of the BSE Limited / Bombay Stock Exchange ("**BSE**").
25.	**The details about eligible investors;**	The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("**Eligible Investors**"): (a) Mutual Funds (b) NBFCs (c) Provident Funds and Pension Funds (d) Corporates (e) Banks (f) Foreign Institutional Investors (FIIs) (g) Qualified Foreign Investors (QFIs) (h) Foreign Portfolio Investors (FPIs) (i) Insurance Companies (j) Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures. All potential investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

BERAR FINANCE LIMITED NAGPUR

		Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.
26.	**Coupon rate, coupon payment frequency, redemption date, redemption amount and details of debenture trustee**	In respect of the coupon rate, the coupon payment frequency, the redemption date and redemption amount in respect of the Debentures, please refer to Section 5.37 (*Issue Details*) of this Placement Memorandum. The details of Debenture Trustee are provided under S. No. 14 above.
27.	**Nature and issue size, base issue and green shoe option, if any, shelf or tranche size, each as may be applicable**	300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore). Green Shoe: N.A
28.	**Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters:**	Not applicable.
29.	**Inclusion of a compliance clause in relation to electronic book mechanism and details pertaining to the uploading the placement memorandum on the Electronic Book Provider Platform, if applicable.**	Not applicable
30.	**Specific declaration requested by BSE: non-equity regulatory capital**	This issue of Debentures does not form part of non-equity regulatory capital mentioned under Chapter V of the SEBI ILNCS Regulations. The face value of each Debenture is INR 10,00,000 (Indian Rupees Ten Lakh).

BERAR FINANCE LIMITED NAGPUR

Background
This Placement Memorandum (as defined below) is related to the Debentures to be issued by Berar Finance Limited (the "**Issuer**" or "**Company**") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Placement Memorandum has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on September 21, 2019 and the Board of Directors of the Issuer on September 5, 2022, and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated September 21, 2019 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to raise funds, by way of issuance of non-convertible debentures, upon such terms and conditions as the Board may think fit for aggregate amounts not exceeding INR 2000,00,00,000 (Indian Rupees Two Thousand Crore). The present issue of Debentures in terms of this Placement Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

Issuer's Absolute Responsibility
The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Placement Memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

Issue Schedule	
Particulars	**Date**
Issue Opening Date	September 13,2022
Issue Closing Date	September 16, 2022
Pay In Date	September 16, 2022
Deemed Date of Allotment	September 16, 2022

BERAR FINANCE LIMITED NAGPUR

TABLE OF CONTENTS

SECTION 1: DEFINITIONS AND ABBREVIATIONS 7
SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS 17
SECTION 3: RISK FACTORS 20
SECTION 4: FINANCIAL STATEMENTS 26
SECTION 5: REGULATORY DISCLOSURES 27
SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT 85
SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS 86
SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS 105
SECTION 9: UNDERTAKING 113
SECTION 10: FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER 118
SECTION 11: DECLARATION BY THE DIRECTORS 137
ANNEXURE I: TERM SHEET 138
ANNEXURE II: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENCY 139
ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE 140
ANNEXURE IV: APPLICATION FORM 141
ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS 145
ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS 148
ANNEXURE VII: DUE DILIGENCE CERTIFICATE 150
ANNEXURE VIII: TERMS AND CONDITIONS OF DEBENTURE TRUSTEE AGREEMENT 151
ANNEXURE IX: IN-PRINCIPLE APPROVAL RECEIVED FROM BSE 152
ANNEXURE X: LENDING POLICY 153
ANNEXURE XI: ALM STATEMENTS 154
ANNEXURE XII: BOARD RESOLUTION 155
ANNEXURE XIII: SHAREHOLDERS RESOLUTION 156
ANNEXURE XIV: GUARANTEE 157

BERAR FINANCE LIMITED NAGPUR

SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Placement Memorandum.

Act	means the Companies Act, 2013, and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Allot/Allotment/Allotted	The allotment of the Debentures pursuant to this Issue.
Applicable Law	means all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof
Applicable Accounting Standards	means the generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable, and includes IND AS.
Applicant	means a person who has submitted a completed Application Form to the Issuer.
Application Form	The form used by the recipient of this Placement Memorandum, to apply for subscription to the Debentures, which is in the form annexed to this Placement Memorandum and marked as **Annexure IV**.
Application Money	means the subscription amounts paid by the Applicant at the time of submitting the Application Form.
Assets	means, for any date of determination, the assets of the Issuer on such date as the same would be determined in accordance with Applicable Accounting Standards
Beneficial Owners	means the holders of the Debentures in dematerialised form whose name is recorded as such with the Depository in the Register of Beneficial Owners.
Board / Board of Directors	The Board of Directors of the Issuer.
BSE	means the BSE Limited.
Business Day	means any day (other than a Sunday or a public holiday under Section 25 of the Negotiable Instruments Act, 1881) on which the commercial banks are open for business in Mumbai, India. For the purpose of this definition, in respect of: (a) Announcement of issue period: Business Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business. (b) The time period between the Issue Closing Date and the listing of the Debentures on the BSE: Business Day shall mean all trading days of the stock exchanges for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.
Capital Adequacy Ratio	means the ratio of (a) the Tier I Capital and the Tier II Capital of the Issuer, to (b) the aggregate of the risk weighted assets on-balance sheet and the risk adjusted value of off-balance sheet items of the Issuer

BERAR FINANCE LIMITED NAGPUR

CDSL	Central Depository Services (India) Limited.
CERSAI	means the Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Change of Control	means the shareholders of the Issuer (as on the Effective Date) ceasing to: (a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (i) cast, or control the casting of, more than 51% (fifty one percent) of the shareholding (on a fully diluted basis) of the Issuer; (ii) appoint or remove all or majority of the directors or the "key managerial personnel" (as defined in the Act) of the Issuer; or (iii) control the management or policy decisions of the Issuer, OR (b) hold at least 51% (fifty one percent) of the shareholding (on a fully diluted basis) of the Issuer.
Change of Control Event	means any event, including without limitation, the issuance of any shares (whether equity or convertible into equity), or any transfer, sale, creation of security interest (including pledge) or encumbrance over any shares (whether equity or convertible into equity), which by itself, or together with other actions (including the conversion of any convertible instruments into equity shares) may result in a Change of Control.
Client Loan	means each loan made by the Issuer as a lender.
Company/Issuer	Berar Finance Limited, a public limited company incorporated under the Companies Act, 1956 having corporate identity number U65929MH1990PLC057829 and registered as a non-banking financial company with the Reserve Bank of India, having its registered office at Avinisha Tower, Mehadia Chowk, Dhantoli Nagpur - 440012, Maharashtra, India.
Conditions Precedent	means the conditions precedent set out under the heading in Section 5.37 (*Issue Details*) of this Placement Memorandum.
Conditions Subsequent	means the conditions subsequent set out in Section 5.37 (*Issue Details*) of this Placement Memorandum.
Constitutional Documents	means the certificate of incorporation of the Issuer, the memorandum of association and articles of association of the Issuer and the certificate of registration issued by the RBI to the Issuer.
Control	has the meaning given to it in the Act.
Crore	means ten million
Debentures/NCDs	300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore).

BERAR FINANCE LIMITED NAGPUR

Debenture Holders / Investors	means each person who is: (a) registered as a Beneficial Owner; and (b) registered as a debenture holder in the Register of Debenture Holders, (a) and (b) shall be deemed to include transferees of the Debentures registered with the Issuer and the Depository from time to time, and in the event of any inconsistency between (a) and (b) above, (a) shall prevail.
Debenture Trust Deed/DTD	means the trust deed executed / to be executed by and between the Debenture Trustee and the Issuer which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer.
Debenture Trustee	IDBI Trusteeship Services Limited
Debenture Trustee Agreement	means the agreement executed / to be executed by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trustees Regulations	means the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
Debt Disclosure Document	means this Placement Memorandum
Deed of Hypothecation	has the meaning given to it in the Section 5.37 (*Issue Details*).
Deemed Date of Allotment	September 16, 2022
Default Interest	shall have the meaning assigned to such term in Section 5.37 (*Issue Details*) of this Placement Memorandum.
Demat	means dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	means the depositories with which the Issuer has made arrangements for dematerialising the Debentures, being NSDL and CDSL, and "**Depository**" means any one of them.
Depository	means a Depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 2018, as amended from time to time.
Depository Participant / DP	A depository participant as defined under the Depositories Act
Director(s)	Director(s) of the Issuer.
DP ID	Depository Participant Identification Number.
Due Date	means the date on which any interest, any additional interest, any liquidated damages, any Redemption Payment, any premature redemption amount and/or any other amounts payable, are due and payable, including but not limited to the Redemption Dates, and any other date on which any payment is to be made by the Issuer under the Transaction Documents.
Early Redemption Date	means the occurrence of any one of more of the following events:

BERAR FINANCE LIMITED NAGPUR

	(a) the rating of the Debentures is downgraded to below "BBB-" (or its equivalent rating) by the Rating Agency, or any other rating agency; or (b) any other such event as may be agreed between the Issuer and the Debenture Holders.
Early Redemption Exercise Period	has the meaning given to it in the Section 5.37 (*Issue Details*).
Early Redemption Option Date	has the meaning given to it in the Section 5.37 (*Issue Details*).
Early Redemption Option Notification	has the meaning given to it in the Section 5.37 (*Issue Details*).
Effective Date	means the date of execution of the DTD.
EFT	Electronic Fund Transfer
Eligible Investors	Shall have the meaning specified in S.no 25 of Part A (*Disclosures*) above.
Event of Default	means the events of default set out in Section 5.37 (*Issue Details*) of this Placement Memorandum.
Final Redemption Date	means March 16, 2025 (being a date occurring on the expiry of 30 (thirty) months from the Deemed Date of Allotment).
Final Settlement Date	means the date on which all Secured Obligations have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders.
Financial Indebtedness	means any indebtedness for or in respect of: (a) moneys borrowed; (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent; (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, loan stock or any similar instrument; (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Applicable Accounting Standards, be treated as a finance or capital lease; (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);

BERAR FINANCE LIMITED NAGPUR

	(h) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee; (i) any obligation under any put option in respect of any securities; (j) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; (k) any corporate/personal guarantee, a letter of comfort or any other similar contractual comfort issued or incurred in respect of a liability incurred by any other third person; and (l) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.
Financial Year/ FY	means each period of 12 (twelve) months commencing on April 1 of any calendar year and ending on March 31 of the subsequent calendar year.
Governmental Authority	means any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department, agency or authority including any stock exchange or any self-regulatory organization, established under any Applicable Law.
Gross Loan Portfolio	means the outstanding principal amounts of all Client Loans originated by the Issuer on its own books and the Off Balance Sheet Portfolio.
Hypothecated Assets	has the meaning given to it in the Section 5.37 (*Issue Details*).
Interest Payment Dates	means the dates on which interest in respect of the Debentures is required to be paid, as more specifically set out in Annexure VI of this Placement Memorandum.
Interest Rate	means 11.50% (eleven decimal five zero percent) per annum (fixed), payable monthly.
Issue	means the private placement of the Debentures.
Issue Closing Date	September 16, 2022
Issue Opening Date	September 13,2022
Listing Period	has the meaning given to it in Section 5.37 (*Issue Details*).
Listed NCDs Operational Circular	means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 (as updated on April 13, 2022) on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", as amended, modified, or restated from time to time.
LODR Regulations or SEBI LODR Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, modified or restated from time to time.
Majority Debenture	means such number of Debenture Holders collectively holding

PERAR FINANCE LIMITED NAGPUR

Holders	more than 50% (fifty percent) of the value of the Outstanding Principal Amounts of the Debentures.
Majority Resolution	means a resolution approved by the Majority Debenture Holders who are present and voting or if a poll is demanded, by the Majority Debenture Holders who are present and voting in such poll.
Material Adverse Effect	means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on: (a) the financial condition, business or operation of the Issuer where the Net Worth of the Issuer erodes by more than 10% (ten percent); (b) the ability of the Issuer or the Personal Guarantors to perform its obligations under the Transaction Documents; or (c) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
NBFC	Non-banking financial company
NBFC Directions	means the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 and/or the Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016 (each as amended, modified or restated from time to time) as may be applicable read with the RBI's circular no. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on "*Implementation of Indian Accounting Standards*".
N.A.	Not Applicable
Net Worth	has the meaning given to it in the Act
NSDL	National Securities Depository Limited
Off Balance Sheet Portfolio	means the outstanding principal balance of all Client Loans securitised, assigned, originated on behalf of other institutions in respect of which the Issuer has provided credit enhancements in any form or manner whatsoever including Client Loans originated on behalf of other entities by entering into partnership agreements but not included on the Issuer's own book.
Outstanding Amounts	means, on any date, the Outstanding Principal Amounts together with any interest, additional interest, default interest, costs, fees, charges, and other amounts payable by the Issuer in respect of the Debentures.
Outstanding Principal Amount	means, at any date, the principal amount outstanding under the Debentures.
Personal Guarantees	means, collectively, the unconditional and irrevocable personal guarantees dated on or about the Deemed Date of Allotment provided by each of the Personal Guarantors in favour of the

BERAR FINANCE LIMITED NAGPUR

	Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders), guaranteeing the Secured Obligations, and "**Personal Guarantee**" shall be construed accordingly.
Personal Guarantors	means, collectively: (a) Mr. Maroti G. Jawanjar, an Indian citizen holding passport number L7827224 and currently residing at 19, Process Server Society, Swawlambi Nagar, Nagpur - 440022, Maharashtra, India; and (b) Mr. Sandeep M. Jawanjal, an Indian citizen holding passport number L9314669 and currently residing at 19, Process Server Society, Swawlambi Nagar, Nagpur - 440022, Maharashtra, India, and "**Personal Guarantor**" shall be construed accordingly.
Portfolio at Risk Over 90 Days	shall mean, in a district or a branch or on the Gross Loan Portfolio at any point of time, as the case may be, the outstanding principal value of the Issuer's portfolio that has one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 (ninety) days or more and includes restructured loans.
PAN	Permanent Account Number
Placement Memorandum/Offer Document	means this placement memorandum issued by the Issuer for the issue of the Debentures on a private placement basis in accordance with Applicable Laws.
Private Placement Offer cum Application Letter/PPOA	The offer cum application letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoters	has the meaning given to it under the Act
Purpose	means for the ongoing business operations of the Company
Quarterly Date	means each of March 31, June 30, September 30 and December 31 of a calendar year, and "**Quarterly Dates**" shall be construed accordingly.
Rating	CARE BBB+ (Pronounced as CARE Triple B plus")
Rating Agency	means CARE Ratings Limited, being a credit rating agency registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended from time to time and having its registered office at 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400022, Maharashtra, India
RBI	Reserve Bank of India.
Record Date	mean the date being 15 (Fifteen) calendar days prior to each Due Date or any other payment date by acceleration.
Recovery Expense Fund/REF	means the recovery expense fund established/to be established and maintained by the Issuer in accordance with the provisions of the SEBI Recovery Expense Fund Circular.

BERAR FINANCE LIMITED NAGPUR

Redemption Dates	means the Final Redemption Date and the dates on which a Redemption Payment is required to be made as more particularly set out in Annexure VI (*Illustration of Bond Cash Flows*) and any other date on which a Redemption Payment is to be made and "**Redemption Date**" means any one of them.
Redemption Payment	means the payment of the Outstanding Principal Amounts of the Debentures on the Redemption Dates (including the Final Redemption Date) or any other date in accordance with the DTD.
Register of Beneficial Owners	means the register of beneficial owners of the Debentures maintained in the records of the Depositories.
Register of Debenture Holders	means the register of debenture holders maintained by the Issuer in accordance with Section 88 of the Act.
Registrar/R&T Agent	means the registrar and transfer agent appointed for the issue of Debentures, being BigShare Services Private Limited having its registered office at Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Maharashtra, India.
Related Party	has the meaning given to it in the Act.
ROC	means the jurisdictional registrar of companies
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
SEBI Centralized Database Requirements	means the requirements prescribed in Chapter IV *(Centralized Database for corporate bonds/ debentures)* of the Listed NCDs Operational Circular
SEBI Defaults (Procedure) Circular	means the SEBI's circular bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "*Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities*" as amended, modified, or restated from time to time.
SEBI DLT Monitoring Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2022/3 dated March 29, 2022 on "*Operational guidelines for 'Security and Covenant Monitoring' using Distributed Ledger Technology (DLT)*".
SEBI Due Diligence Circular	means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "*Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)*" read with the SEBI circular bearing reference number SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/106 dated August 4, 2022 on "*Enhanced guidelines for debenture trustees and listed issuer companies on security creation and initial due diligence*", each as amended, modified, or restated from time to time.
SEBI ILNCS Regulations/ SEBI NCS Regulations/SEBI Debt Listing Regulations	The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 together with the Listed NCDs Operational Circular, as amended from time to time.
SEBI Listing Timelines Requirements	means the requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on*

BERAR FINANCE LIMITED NAGPUR

	a private placement basis) of the Listed NCDs Operational Circular.
SEBI Monitoring Circular	means the SEBI circular bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/23 dated November 12, 2020 on "*Monitoring and Disclosures by Debenture Trustee(s)*" read with SEBI's circular bearing reference number SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 on "*Revised format of security cover certificate, monitoring and revision in timelines*", each as amended, modified or restated from time to time.
SEBI REF Circular/SEBI Recovery Expense Fund Circular	means the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "*Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund*" issued by SEBI
Secured Obligations	means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) of the Issuer to the Debenture Holders or the Debenture Trustee under the Transaction Documents, including without limitation, the making of payment of any interest, redemption of principal amounts, default interest, additional interest, liquidated damages and all costs, charges, expenses and other amounts payable by the Issuer in respect of the Debentures.
Security Cover	has the meaning given to it in the Section 5.37 (*Issue Details*).
Special Majority Debenture Holders	means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
Special Resolution	means resolution approved by the Special Majority Debenture Holders who are present and voting or if a poll is demanded, by the Special Majority Debenture Holders who are present and voting in such poll.
Stressed Assets Framework	means the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "*Prudential Framework for Resolution of Stressed Assets*", as may be amended, modified or restated from time to time.
Tax	means any present or future tax, levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter, imposed pursuant to any Applicable Law or by any Governmental Authority and as maybe applicable in relation to the payment obligations of the Issuer under the Debenture Trust Deed.
TDS	Tax Deducted at Source.
Terms & Conditions	The terms and conditions pertaining to the Issue as outlined in the Transaction Documents.
Tier I Capital	has the meaning given to it in the NBFC Directions.
Tier II Capital	has the meaning given to it in the NBFC Directions
Total Assets	means, for any date of determination, the total assets of the Issuer on such date
Transaction Documents	means: (a) the Debenture Trust Deed; (b) the Debenture Trustee Agreement; (c) the Deed of Hypothecation;

BERAR FINANCE LIMITED NAGPUR

	(d) the Personal Guarantees; (d) the Debt Disclosure Document; (e) the letters issued by the, and each memorandum of understanding/agreement entered into with, the Rating Agency, the Debenture Trustee and/or the Registrar; (f) each tripartite agreement between the Issuer, the Registrar and any Depository; and (g) any other document that may be designated as a Transaction Document by the Debenture Trustee or the Debenture Holders, and "**Transaction Document**" means any of them.
Transaction Security	has the meaning given to it in the Section 5.37 (*Issue Details*).
Voluntary Redemption Exercise Period	means the exercise period of 3 (three) Business Days commencing from the date the Majority Debenture Holders provide/grant their approval for any request for voluntary redemption and expiring on the date that occurs 3 (three) Business Days after the aforementioned date.
WDM	Wholesale Debt Market segment of the BSE
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

BERAR FINANCE LIMITED NAGPUR

SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS

2.1 ISSUER'S DISCLAIMER

This Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. The issue of the Debentures to be listed on the WDM segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This Placement Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general.

As per the applicable provisions, it is not necessary for a copy of this Placement Memorandum to be filed or submitted to the SEBI for its review and/or approval. This Placement Memorandum has been prepared in conformity with the SEBI Debt Listing Regulations as amended from time to time and applicable RBI regulations governing private placements of debentures by NBFCs. This Placement Memorandum has been prepared solely to provide general information about the Issuer to Eligible Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Placement Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Placement Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Placement Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Placement Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Placement Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Placement Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having being authorized by the Issuer. The Issuer certifies that the disclosures made in this Placement Memorandum and/or the Private Placement Offer cum Application Letter are adequate and in conformity with the SEBI Debt Listing Regulations and the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Placement Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Placement Memorandum would be doing so at its own risk.

This Placement Memorandum, the Private Placement Offer cum Application Letter and the respective contents hereof respectively, are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Placement Memorandum and/or the Private Placement Offer cum Application

BERAR FINANCE LIMITED NAGPUR

Letter are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom Application Forms along with this Placement Memorandum and/or the Private Placement Offer cum Application Letter being issued have been sent. Any application by a person to whom the Placement Memorandum and/or the Private Placement Offer cum Application Letter has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Placement Memorandum and/or the Private Placement Offer cum Application Letter shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Placement Memorandum and/or the Private Placement Offer cum Application Letter may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Placement Memorandum) without retaining any copies hereof. If any recipient of this Placement Memorandum and/or the Private Placement Offer cum Application Letter decides not to participate in the Issue, that recipient must promptly return this Placement Memorandum and/or the Private Placement Offer cum Application Letter and all reproductions whether in whole or in part and any other information statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Placement Memorandum and/or the Private Placement Offer cum Application Letter to reflect subsequent events after the date of Placement Memorandum and/or the Private Placement Offer cum Application Letter and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Placement Memorandum and/or the Private Placement Offer cum Application Letter nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Placement Memorandum and/or the Private Placement Offer cum Application Letter does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Placement Memorandum and/or the Private Placement Offer cum Application Letter in any jurisdiction where such action is required. Persons into whose possession this Placement Memorandum and/or the Private Placement Offer cum Application Letter comes are required to inform themselves of, and to observe, any such restrictions. The Placement Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.

2.2 DISCLAIMER CLAUSE OF STOCK EXCHANGES

As required, a copy of this Placement Memorandum has been filed with the BSE in terms of the SEBI Debt Listing Regulations. It is to be distinctly understood that submission of this Placement Memorandum to the BSE should not in any way be deemed or construed to mean that this Placement Memorandum has been reviewed, cleared, or approved by the BSE; nor does the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Placement Memorandum, nor does the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does the BSE take any responsibility for the soundness of the financial

BERAR FINANCE LIMITED NAGPUR

and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer.

2.3 DISCLAIMER CLAUSE OF RBI

The company is having a valid certificate of registration issued by the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for repayment of deposits/ discharge of liability by the company.

2.4 DISCLAIMER CLAUSE OF SEBI

As per the provisions of the SEBI Debt Listing Regulations, it is not stipulated that a copy of this Placement Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Placement Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Placement Memorandum.

2.5 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the paragraph titled "Eligible Investors" of this Placement Memorandum, who shall be/have been identified upfront by the Issuer. This Placement Memorandum and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at Chennai, India. This Placement Memorandum and/or the Private Placement Offer cum Application Letter does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.6 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.7 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depositary participant. The Issuer will make the Allotment to the Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

BERAR FINANCE LIMITED NAGPUR

SECTION 3: RISK FACTORS

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential Investors should carefully consider all the risk factors stated in this Placement Memorandum and/or the Private Placement Offer cum Application Letter for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures. Potential Investors should also read the detailed information set out elsewhere in this Placement Memorandum and/or the Private Placement Offer cum Application Letter and reach their own views prior to making any investment decision.

3. GENERAL RISKS

3.1 RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES:

(a) Repayment is subject to the credit risk of the Issuer.

Potential Investors should be aware that receipt of the principal amount, (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer whereby the Investor(s) may or may not recover all or part of the funds in case of default by the Issuer. Potential Investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

(b) The secondary market for non-convertible securities may be illiquid.

The non-convertible securities may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the non-convertible securities, it is not likely to provide significant liquidity. Potential Investors may have to hold the Debentures until redemption to realize any value.

(c) Credit Risk & Rating Downgrade Risk

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential Investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

BERAR FINANCE LIMITED NAGPUR

(d) Changes in interest rates may affect the price of Debentures.

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

(e) Tax Considerations and Legal Considerations:

Special tax considerations and legal considerations may apply to certain types of investors. Potential Investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

(f) Accounting Considerations:

Special accounting considerations may apply to certain types of taxpayers. Potential Investors are urged to consult with their own accounting advisors to determine implications of this investment.

(g) Material changes in regulations to which the Issuer is subject could impair the Issuer's ability to meet payment or other obligations.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

3.2 RISKS IN RELATION TO THE SECURITY CREATED IN RELATION TO THE DEBT SECURITIES. FURTHER, ANY RISKS IN RELATION TO MAINTENANCE OF SECURITY COVER OR FULL RECOVERY OF THE SECURITY IN CASE OF ENFORCEMENT

In the event that the Company is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of security documents, and other related documents executed in relation to the Debentures. The Debenture Holder(s)' recovery in relation to the Debentures will be subject to (i) the market value of such Security (ii) finding willing buyers for the Security at a price sufficient to repay the Debenture Holder(s)' amounts outstanding under the Debentures. There is a risk that the value realised from the enforcement of the Security may be insufficient to redeem the Debentures.

3.3 REFUSAL IN LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD:

As of date, the Issuer has not been refused in listing of any security during the last 3 years by any of the stock exchanges in India or abroad and therefore, this would not be applicable.

3.4 LIMITED OR SPORADIC TRADING OF NON-CONVERTIBLE SECURITIES OF THE ISSUER ON STOCK EXCHANGES:

As of date, we are not aware of any limited or sporadic trading of the non-convertible securities of the Issuer on stock exchanges and therefore, this would not be applicable.

FINANCE LIMITED NAGPUR

3.5 IN CASE OF OUTSTANDING DEBT INSTRUMENTS OR DEPOSITS OR BORROWINGS, ANY DEFAULT IN COMPLIANCE WITH THE MATERIAL COVENANTS SUCH AS CREATION OF SECURITY AS PER TERMS AGREED, DEFAULT IN PAYMENT OF INTEREST, DEFAULT IN REDEMPTION OR REPAYMENT, NON-CREATION OF DEBENTURE REDEMPTION RESERVE, DEFAULT IN PAYMENT OF PENAL INTEREST WHEREVER APPLICABLE

As of date, the Issuer has not defaulted in compliance with any material covenants agreed to by the Issuer and therefore, this would not be applicable.

3.6 RISKS RELATED TO THE BUSINESS OF THE ISSUER

(a) ***If the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.***

There is uncertainty on the client's ability to fulfil its loan obligations and therefore it can be difficult to verify all client details and assess the risk. Such non-performing or low credit quality loans can negatively impact our results of operations.

The Issuer has various procedures and process controls in place to mitigate the risk.

As on March 31, 2022, the gross NPA was INR 25.55 crore on a gross portfolio of INR 831.97 crore (including managed / securitized portfolio of INR 12.36 crore)

(b) ***The Issuer cannot assure that it will be able to effectively control and reduce the level of the NPAs of its Client Loans. The amount of its reported NPAs may increase in the future as a result of growth of Client Loans, and also due to factors beyond its control, such as over-extended member credit that it is unaware of. If the Issuer is unable to manage NPAs or adequately recover its loans, the results of its operations will be adversely affected.***

The current loan loss reserves of the Issuer may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of Client Loans. As a result, if the quality of its total loan portfolio deteriorates the Issuer may be required to increase its loan loss reserves, which will adversely affect its financial condition and results of operations.

The borrowers might be vulnerable if economic conditions worsen or growth rates decelerate in India, or if there are natural disasters such as floods and droughts in areas where the Issuer's members live. Moreover, there is no precise method for predicting loan and credit losses, and the Issuer cannot assure that its monitoring and risk management procedures will effectively predict such losses or that loan loss reserves will be sufficient to cover actual losses. If the Issuer are unable to control or reduce the level of its NPAs or poor credit quality loans, its financial condition and results of its operations could be materially and adversely affected.

(c) ***The Issuer's business operates through a large number of rural and semi urban branches and is exposed to operational risks including fraud***

The Issuer is exposed to operational risks, including fraud, petty theft and embezzlement, as it handles a large amount of cash due to high volume of small transactions. This could harm its operations and its financial position.

As the Issuer handles a large amount of cash through a high volume of small transactions taking place in its network, the Issuer is exposed to the risk of fraud or other misconduct by its employees or outsiders. These risks are further compounded due to the high level of delegation of power and responsibilities that the Issuer's business model requires. Given the high volume of transactions processed by the Issuer, certain instances of fraud and

BERAR FINANCE LIMITED NAGPUR

misconduct may go unnoticed before they are discovered and successfully rectified. Even when the Issuer discovers such instances of fraud or theft and pursue them to the full extent of the law or with its insurance carriers, there can be no assurance that the Issuer will recover any such amounts. In addition, the Issuer's dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect.

The Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a strong MIS system that has a wide range of data that can be used to monitor financial and operational performance.

To mitigate the above risk, the Issuer maintains an internal audit process to ensure the operations team follows the defined procedures and reports any deviations to the operations staff and management team. The Issuer also has a MIS system able to generate data analysis that can be used to monitor financial and operational performance.

(d) ***The Issuer is exposed to certain political, regulatory and concentration of risks***

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigant to this is to expand its geographical reach and may consequently expand its operations other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular, the Issuer's senior management has significant experience in the banking and financial services industries. The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time. The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

(e) ***The Issuer's business and results of operations would be adversely affected by strikes, work stoppages or increased wage demands by employees***

The employees are not currently unionized. However, there can be no assurance that they will not unionize in the future. If the employees unionize, it may become difficult to maintain flexible labour policies, and could result in high labour costs, which would adversely affect the Issuer's business and results of operations.

(f) ***The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position***

GERAR FINANCE LIMITED NAGPUR

There are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are uninsurable. A successful assertion of such large claims against the Issuer that exceeds it's available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations. Such risks are normally minimized through strong Risk Management practices of the Company.

(g) ***Issuer requires certain statutory and regulatory approvals for conducting business and failure to obtain or retain them in a timely manner, or at all, may adversely affect operations.***

NBFCs in India are subject to strict regulation and supervision by the RBI. Pursuant to guidelines issued by the RBI (including the NBFC Directions) the Issuer is required to maintain its status as a NBFC in order to be eligible for categorization as priority sector advance for bank loans. The Issuer requires certain approvals, licenses, registrations and permissions for operating its business, including registration with the RBI as a NBFC. Further, such approvals, licenses, registrations and permissions must be maintained/renewed over time, applicable requirements may change and the Issuer may not be aware of or comply with all requirements all of the time. Additionally, the Issuer may need additional approvals from regulators to introduce new insurance and other fee based products to its members. In particular, the Issuer is required to obtain a certificate of registration for carrying on business as a NBFC that is subject to numerous conditions. In addition, its branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishments laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If the Issuer fails to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, its business may be adversely affected. If the Issuer fails to comply, or a regulator claims that it has not complied, with any of these conditions, the Issuer's certificate of registration may be suspended or cancelled and it shall not be able to carry on such activities. If the Issuer fails to comply with the NBFC Directions and fails to maintain the status of NBFC, it will not be eligible for priority sector loans from the Indian banking sector and may also attract penal provisions under the RBI Act, 1934 for non-compliance.

(h) ***The economic fallout from the spread of the COVID-19 virus may impact the Issuer's business prospects, financial condition, result of operations and credit risk***

The spread of the COVID-19 virus has affected millions across the globe and the same coupled with measures taken by the governments including lockdowns/ curfew has not only affected day to day lives of people but has also given a hard blow to the supply chain of factories, with trade routes being disturbed and slowing down of the industry, trade, commerce and business activities across all sectors.

The COVID-19 virus pandemic is adversely affecting, and is expected to continue to adversely affect, our operations, business, liquidity and cashflows, and the Issuer has experienced and expect to continue to experience unpredictable reductions in demand for certain of our products and services.

However, the extent of negative financial impact cannot be reasonably estimated at this time but a sustained economic slowdown may significantly affect our business, financial condition, liquidity, cashflows and results of operations and the same will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the COVID-19 virus and the actions to contain the COVID-19 virus or treat its impact, among others. Consequently, there may be a negative effect on the Company's ability to service the obligations in relation to the Debentures.

BERAR FINANCE LIMITED NAGPUR

3.7 POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

3.8 ANY OTHER RISK FACTORS

Legality of Purchase

Potential Investors in the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of their incorporation or the jurisdiction in which they operate or for compliance by that potential Investor with any law, regulation or regulatory policy applicable to it.

BERAR FINANCE LIMITED NAGPUR

SECTION 4: FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the year ended March 31, 2022, March 31, 2021, and March 31, 2020 are set out in **Annexure V** hereto.

BERAR FINANCE LIMITED NAGPUR 26

SECTION 5: REGULATORY DISCLOSURES

The Placement Memorandum is prepared in accordance with the provisions of SEBI Debt Listing Regulations and in this section, the Issuer has set out the details required as per Schedule II of the SEBI Debt Listing Regulations.

5.1 Documents Submitted to the Exchanges

The following documents have been / shall be submitted along with the listing application to the BSE and with the Debenture Trustee:

(a) This Placement Memorandum;
(b) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
(c) Copies of the resolutions passed by the shareholders of the Company at the Annual General Meeting held on September 21, 2019 authorising the Company to borrow, upon such terms as the Board may think fit, up to an aggregate limit of INR 2000,00,00,000/- (Indian Rupees Two Thousand Crore Only)
(d) Copy of the resolution passed by the Board of Directors of the Company dated September 5, 2022 authorizing the issuance of the Debentures and the list of authorized signatories;
(e) Copy of last 3 (three) years audited Annual Reports;
(f) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
(g) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc. and the same would be uploaded on the website of the BSE, where such debt securities are proposed to be listed.
(h) Where applicable, an undertaking that permission/consent from the prior creditor for a second or *pari passu* charge being created, in favor of the trustees to the proposed issue has been obtained;
(i) Any other particulars or documents that the recognized stock exchange may call for as it deems fit; and
(j) Due diligence certificates from the Debenture Trustee as per the format specified in Annexure B of the SEBI Due Diligence Circular and Schedule IV of the SEBI ILNCS Regulations.

The following documents have been / shall be submitted to BSE at the time of filing the draft of this Placement Memorandum:

(k) Due diligence certificates from the Debenture Trustee as per the format specified in Annexure A of the SEBI Due Diligence Circular and Schedule IV of the SEBI ILNCS Regulations.

5.2 [INTENTIONALLY LEFT BLANK]

5.3 Details of Promoters of the Issuer:

S.no	Details of Promoter	Description
1.	Name of promoter	Maroti Jawanjar
2.	Date of Birth	October 20, 1951
3.	Age	71
4.	Personal Address	19, Process Server Society, Swawlambi Nagar, Nagpur - 440022
5.	Education Qualifications	M.Com, LLB & Company Secretary
6.	Experience in the business or employment	40 years

BEAR FINANCE LIMITED NAGPUR

7.	Positions/posts held in the past by the promoter	Company Secretary at Bajaj Plastics Limited
8.	Directorships held by the promoter	-
9.	Other ventures of the promoter	-
10.	Special achievements	-
11.	Business and financial activities of the promoter	-
12.	Photograph	
13.	Permanent Accountant Number	ABDPJ8457E
14.	Other Details	-

S.no	Details of Promoter	Description
1.	Name of promoter	Sandeep Marotrao Jawanjal
2.	Date of Birth	February 03, 1984
3.	Age	38
4.	Personal Address	19, Process Server Society, Swawlambi Nagar, Nagpur - 440022
5.	Education Qualifications	Graduate in Commerce
6.	Experience in the business or employment	16 years
7.	Positions/posts held in the past by the promoter	-
8.	Directorships held by the promoter	-
9.	Other ventures of the promoter	-
10.	Special achievements	-
11.	Business and financial activities of the promoter	-
12.	Photograph	
13.	Permanent Accountant Number	AFQPJ0768M
14.	Other Details	-

Declaration
The Issuer confirms that the Permanent Account Number, Aadhaar Number, Driving License Number, Bank Account Number(s) and Passport Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non-convertible securities are proposed to be listed, at the time of filing the draft offer document

5.4 Details of specific entities in relation to the Issue:

S.no	Particulars	Details
1.	Debenture Trustee to the Issue	Name: IDBI Trusteeship Services Limited Logo: IDBI trustee IDBI Trusteeship Services Ltd Address: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400001, Maharashtra, India Website: www.idbitrustee.com Email address: naresh.sachwani@idbitrustee.com Telephone Number: (91) (22) 40807068 Contact Person: Mr. Naresh Sachwani
2.	Credit Rating Agency for the Issue	Name: CARE Ratings Limited Logo: CareEdge RATINGS Address: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400022, Maharashtra, India Website: www.careratings.com Email address: care@careedge.in Telephone Number: +91-22-6754 3456 Contact Person: Geeta Chainani
3.	Registrar to the Issue	Name: BigShare Services Private Limited Logo: Bigshare Services Pvt. Ltd. Address: Office no S6-2, 6th floor, pinnacle business park, next to Ahura centre, Mahakali caves road, Andheri (East), Mumbai-400093, Maharashtra, India. Website: www.bigshareonline.com Email address: investor@bigshareonline.com Telephone Number: 022-6263 8200 Contact Person: Mr. Babu Rapheal
4.	Statutory Auditors	Name: M/s. Pravin Dhiran & Co Logo: N.A. Address: "Manish Sadan", Opp. Raman Cycle Industries, Krishna Nagar, Wardha - 442001, Maharashtra, India Website: www.pdcca.in Email address: pravin.dhiran@gmail.com Telephone Number: (07152) 242724; 9823592016 Contact Person: CA Pravin Dhiran

BEAR FINANCE LIMITED NAGPUR

5.	Legal Counsel (if any)	Name: N.A. The Issuer has been advised by its in-house legal and compliance team. Logo: N.A Address: N.A. Website: N.A. Email address: N.A. Telephone Number: N.A. Contact Person: N.A.
6.	Guarantor	Name: Mr. Maroti G. Jawanjar Logo: N.A. Address: 19, Process Server Society, Swawlambi Nagar, Nagpur - 440022 Website: N.A. Email address: maroti.jawanjar@berarfinance.com Telephone Number: +91 9011014966 Contact Person: N.A. Name: Sandeep M. Jawanjal Logo: N.A. Address: 19, Process Server Society, Swawlambi Nagar, Nagpur - 440022 Website: N.A. Email address: sandeep.jawanjal@berarfinance.com Telephone Number: +91 9922200096 Contact Person: N.A.
7.	Arrangers, if any	Name: N.A. Logo: N.A. Address: N.A. Website: N.A. Email address: N.A. Telephone Number: N.A. Contact Person: N.A.

5.5 About the Issuer: A brief summary of business / activities of the Issuer and its subsidiaries with the details of branches or units if any and its line of business containing at least the following information:

(a) **Overview of the business of the Issuer**

Berar Finance Limited ("**Berar**" or "**BFL**") is a Nagpur based public, debt listed, deposit-taking NBFC (Asset Financing Company registered with RBI), primarily into the business of financing of two-wheelers since 1990. The company was incorporated 22 August 1990, and received a certificate of registration from the RBI on 24 November 1998. The Company operates in six states through a network of 114 branches.

Berar Finance is promoted by Mr. M.G. Jawanjar, a first generation entrepreneur. He is Company Secretary by qualification and has 40 years' experience in finance. Prior to founding the Company in 1990 he was professor in several colleges and was Company Secretary in Bajaj Plastics Limited, a Nagpur based company. Mr. Sandeep Jawanjal his son is now actively involved in the operations of the Company and looks after the IT infrastructure and debt raising from other NBFCs and Banks. Its operations are concentrated in Maharashtra and have expanded to five other states in central India i.e. Chhattisgarh,

BERAR FINANCE LIMITED NAGPUR

Madhya Pradesh, Gujarat, Telangana and Karnataka. During FY 2022, Berar reported a PAT of Rs. 17.42 crore on a total income base of Rs. 175.60 Crores with a gearing of 2.92 and a total asset base of Rs. 1038.43 crore as on March 31, 2022 as per audited FY 2022 numbers. It operates in the IRR Range of 21% to 23% for 2W.

Branch details:

As of the date of this Placement Memorandum, the Company has 115 branches across 6 states.

Subsidiary details:

As of the date of this Placement Memorandum, the Company does not have any subsidiaries.

(b) **Corporate Structure of the Issuer:**

The graphic description/organogram of the corporate structure of the issuer is as follows:

BOARD OF DIRECTORS

↓

CHAIRMAN

↓

Managing Director

↓

BUSINESS DEVELOPEMENT	ACCOUNTS & PUBLIC DEPOSITS	Loan Against Property	OPERATIONS	COLLECTION	CAR FINANCE	Secretarial Dept.
HEAD: BUSINESS DEVELOPEMENT	HEAD: ACCOUNTS & LIABILITIES	1 AREA MANAGER 1 CREDIT MANAGER	HEAD: OPERATION	HEAD: COLLECTION	HEAD: CAR FINANCE	COMPANY SECRETARY
02 ZONAL MANAGERS 04 B.D.O'S 3 CREDIT OFFICERS 10 SALES EXECUTIVES	05 SR. OFFICERS 05 OFFICERS 01 Area Sales Manager 20 EXECUTIVES	1 CREDIT OFFICER 1 EXECUTIVE LAP	2 OPERATION OFFICERS 30 OPERATIONS EXECUTIVE	8 Cluster Head 38 Collection Managers 26 Collection Officer 40 Calling Executives 08 Recovery & Seizing Agent	2 CREDIT OFFICERS 4 COLLECTION EXECUTIVES	2 Assistant CS 1 Deputy Manager

REFINANCE & PERSONAL LOAN	HR DEPARTMENT	NOC DEPARTMENT	IT DEPARTMENT	LEGAL	INTERNAL AUDIT
MANAGER- PL & REFINANCE	01 Senior Manager 01 HR Manager 02 HR Executives	HEAD: NOC	02 Senior Managers 03 Team Leaders 01 Software Engineer	01 LEGAL OFFICER 02 LEAGL EXECUTIVE	HEAD: INTERNAL AUDIT
04 SENIOR OFFICERS 03 CREDIT OFFICERS 06 REFINANCE EXECUTIVES		1 MANAGER 2 OFFICERS 8 EXECUTIVES	03 System Engineer 02 System Support Executives		02 OFFICERS 12 EXECUTIVES

(c) **Project cost and means of financing, in case of funding of new projects**

Not Applicable

BERAR FINANCE LIMITED NAGPUR

5.6 Key Operational and Financial Parameters for the last 3 audited years on a consolidated basis (wherever available) else on a standalone basis:

(INR in crores)

	31-Mar-20	31-Mar-21	31-Mar-22
	Audited	Audited	Audited
Balance Sheet			
Net Fixed Assets	16.79	17.22	17.95
Loans (Net)	460.12	659.48	819.34
Current Assets	-	-	-
Other Financial Assets	72.69	206.82	190.62
Non-Current Assets	-	-	-
Other Non-Financial Assets	6.31	7.92	10.53
Total Assets	555.91	891.44	1038.43
Non-Current Liabilities (including maturities of long-term borrowings and short-term borrowings)	-	-	-
Non-Financial Liabilities (including maturities of borrowings, Debts and Deposits)	425.94	721.88	753.53
Financial (borrowings, trade payables, and other financial liabilities)	14.06	18.46	18.64
Provisions	1.78	2.09	3.60
Deferred tax liabilities (net)	-	-	-
Current tax liabilities (net)	0.00	0.74	1.41
Other non-current liabilities	-	-	-
Other non-financial liabilities	3.11	1.84	2.10
Current Liabilities (including maturities of long-term borrowings) Financial (borrowings, trade payables, and other financial liabilities) Provisions Current tax liabilities (net) Other current liabilities	-	-	-
Equity (equity and other equity)	9.67	10.01	12.34
Total equity and liabilities	101.35	136.42	246.81
Total Liabilities	555.91	891.44	1038.43
Profit and Loss			
Total revenue from operations	104.83	134.85	175.50
Other income	0.02	0.00	0.09
Total Expenses	84.62	114.31	153.22
Total comprehensive income	-	-	-
Tax	5.59	5.18	4.95
Profit / loss	14.64	15.38	17.42
Other comprehensive income	-0.07	0.00	-0.92
Profit / loss after tax	14.57	15.38	16.49
Earnings per equity share: (a) basic	17.97	16.01	17.28
Earnings per equity share: (b) diluted	17.85	15.91	17.18

BERAR FINANCE LIMITED NAGPUR

	31-Mar-20	31-Mar-21	31-Mar-22
	Audited	Audited	Audited
Continuing operations - PAT	14.57	15.38	16.49
Discontinued operations - PAT	0.00	0.00	0.00
Total Continuing and discontinued	14.57	15.38	16.49
Cash Flow			
Net cash generated from operating activities	-90.72	-186.25	-148.58
Net cash used in / generated from investing activities	-3.47	-70.07	26.22
Net cash used in financing activities	105.10	320.09	125.70
Cash and cash equivalents	-31.87	-20.96	42.81
Balance as per statement of cash flows	-20.96	42.81	46.15
Additional information			
Net Worth	111.02	146.42	259.14
Cash and Cash equivalents	44.78	169.54	138.79
Current investments	9.49	11.77	15.62
Assets Under Management	460.12	659.48	819.34
Off balance sheet assets	0.00	0.00	0.00
Total Debts to Total assets	77.64	81.72	72.96
Debt Service Coverage Ratios	2.16	2.32	2.09
Interest Income	92.08	121.04	158.89
Interest Expense	47.51	67.53	90.21
Interest service coverage ratio	1.43	1.30	1.25
Provisioning & write Offs	6.77	12.03	9.64
Bad debts to Account receivable ratio	0.92	1.01	1.04
Gross NPA (%)	2.71	2.51	3.07
Net NPA (%)	2.36	1.72	2.22
Tier I Capital Adequacy Ratio (%)	23.47	19.56	28.51
Tier II Capital Adequacy Ratio (%)	0.36	0.90	0.33

Columnar Representation of audited financial statements of the last three years:

Balance Sheet as at March 31, 2022

(₹ in Lakhs)

	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	9,507.52	9,479.25	3,762.56
(b) Bank Balances other than cash and cash equivalents	4,371.89	7,474.86	715.67
(c) Derivative financial instruments			
(d) Receivables			
(I) Trade Receivables			
(II) Other Receivables			
(c) Loans	81,933.84	65,948.35	46,012.04

BERAR FINANCE LIMITED NAGPUR

(d) Investments	1,562.29	1,177.09	948.52
(e) Other Financial assets	3,619.80	2,550.32	1,842.61
Non-financial Assets			
(a) Inventories			
(a) Current Tax assets (Net)	-	-	37.31
(b) Deferred tax assets (Net)	672.69	471.65	364.98
(c) Property, Plant and Equipment	1,794.81	1,722.16	1,679.77
(d) Capital Work in Progress	21.99	9.00	
(g) Goodwill			
(e) Other Intangible assets	71.85	81.32	108.62
(f) Right of use assets	271.61	215.29	110.00
(g) Other non-financial assets	14.40	14.46	8.43
Total Assets	**103,842.69**	**89,143.75**	**55,590.52**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Payables			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	462.55	425.34	240.59
(II) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-.00	0.00
Debt Securities	12,224.08	12,066.02	0.00
Borrowings (Other than Debt Securities)	48,064.97	48,803.49	33,906.80
Deposits	15,064.14	11,318.39	8,687.67
Other financial liabilities	1,401.56	1,420.80	1,165.50
Non-Financial Liabilities			
Current Tax liabilities (Net)	140.66	74.08	0.00
Deferred tax liabilities (Net)			
Provisions	360.26	209.01	177.56
Other non-financial liabilities	210.28	184.23	310.53
EQUITY			
Equity Share capital	1,233.68	1,000.78	966.67
Other Equity	24,680.51	13,641.61	10,135.28

BERAR FINANCE LIMITED NAGPUR

Total Liabilities and Equity	**103,842.69**	**89,143.75**	**55,590.52**

Statement of Profit and Loss for the year ended 31 March 2022

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operations			
Interest Income	15,888.76	12,104.33	9,207.93
Dividend Income	0.05	0.47	1.15
Fee & Commission Income	1,630.48	1,184.61	0.00
Net gain on fair value changes	8.73	88.13	0.00
Other operating Income	22.29	107.79	1,273.98
Total Revenue from operations	**17,550.31**	**13,485.33**	**10,483.06**
Other Income	9.59	0.86	2.37
Total Income	**17,559.90**	**13,486.19**	**10,485.43**
Expenses			
Finance Costs	9,021.06	6,752.88	4,751.49
Fees and Commission Expenses		0.00	0.00
Net (Gain)/loss on fair value changes	0.00	0.00	42.60
Impairment on financial instruments	964.44	1,203.28	677.55
Employee Benefits Expenses	2,638.91	1,719.40	1,484.27
Depreciation, amortization and impairment	237.04	190.55	133.70
Other expenses	2,461.04	1,564.42	1,372.49
Total Expenses	**15,322.49**	**11,430.52**	**8,462.10**
Profit before tax	**2,237.41**	**2,055.67**	**2,023.33**
Tax Expense:			
- Current Tax	715.00	625.00	600.00
- Prior period income tax	-	-	15.37
- Deferred Tax	(219.56)	(107.01)	-56.52
Profit for the year	**1,741.97**	**1,537.67**	**1,464.48**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans	(73.61)	1.33	-10.29

BERAR FINANCE LIMITED NAGPUR

Income tax impact	(18.53)	(0.34)	3.00
Other Comprehensive Income for the year	(92.14)	0.99	-7.29
Total Comprehensive Income for the year (Comprising Profit and other comprehensive income for the year)	**1,649.83**	**1,538.66**	**1,457.19**
Earnings per equity share			
Basic (INR)	17.28	16.01	17.97
Diluted (INR)	17.18	15.91	17.85

Statement of Cash Flows for the year ended March 31, 2022

(₹ in Lakhs)

	Year ended March 31, 2022	**Year ended March 31, 2021**	**Year ended March 31, 2020**
A. Cash flow from operating activities			
Profit before tax	2,237.41	2,055.66	2,023.33
Adjustments for:			
Depreciation and amortisation expense	237.04	190.55	133.70
ESOP expense	40.62	48.30	14.09
Provision for Defined Benefit Obligation	33.65	25.58	22.16
Finance cost	377.45	124.57	130.57
Interest Income on Security Deposit	(4.99)	3.65	2.64
Amortization impact of Processing fees and commission on Loans	-	(634.08)	(621.09)
Interest income on investment	(86.20)	(73.99)	(58.14)
Net gain on fair value changes in Investment	(2.02)	37.30	32.19
Profit on sale of investment	(6.71)	(75.85)	2.90
Gain on termination of lease	(4.33)	(0.01)	(0.02)
Income on Mutual Funds	0.24	-	-.00
Impairment on financial instruments	964.44	1,203.28	677.55
Profit on sale of property, plant and equipment (Net)	(0.19)	(0.14)	(1.25)

BERAR FINANCE LIMITED NAGPUR

Operating profit before working capital changes	**3,786.41**	**2,904.82**	**2,352.81**
Changes in working capital			
Increase/ (decrease) in trade payables	37.21	184.75	59.61
Increase/ (decrease) in other financial liabilities	(83.31)	145.37	379.07
Increase/ (decrease) in provisions and other liabilities	70.04	(119.10)	30.61
(Increase)/ decrease in other financial assets	(1,070.46)	(716.26)	(357.96)
(Increase)/ decrease in Loans	(16,949.93)	(20,505.52)	(10,802.01)
(Increase)/ decrease in other assets	0.06	(6.03)	5.39
Cash generated from/(used in) operations	**(14,209.98)**	**(18,111.97)**	**(8,332.48)**
Income tax paid	(648.42)	(513.61)	(738.81)
Net cash used in operating activities (A)	**(14,858.40)**	**(18,625.58)**	**(9,071.28)**
B. Cash flow from Investing activities			
Payment for property, plant and equipment, intangible assets and Capital Work-in-progress	(191.83)	(131.84)	(186.65)
Change in Other Bank balances not available for Immediate use	3,102.97	(6,759.20)	(114.41)
Proceeds from sale of property plant and equipment	0.34	0.19	2.00
Purchase of investment	(400.42)	(331.80)	(125.12)
Proceeds from sale of Investments	20.55	146.11	24.28
Interest received	90.00	69.67	53.06
Net cash used in investing activities (B)	**2,621.61**	**(7,006.87)**	**(346.83)**
C. Cash flow from Financing activities			
Proceeds from Bank & Financial Institution Borrowing (Net of Repayments)	(740.79)	15,352.61	6,532.08
Debt Securities issued	123.80	12,165.85	- .00
Deposits taken (Net of Repayments)	3,745.75	2,630.72	1,271.09
Capital raised	232.90	34.12	166.67
Premium received on issue of shares	9,767.10	1,965.89	2,833.33
Expenses related to Issue of Shares	(318.59)	-	(123.78)

BERAR FINANCE LIMITED NAGPUR

Dividend Paid	(100.06)	(46.51)	(96.44)
Repayment of lease liabilities	(139.01)	(93.88)	(73.19)
Net cash used generated from financing activities (C)	**12,571.10**	**32,008.80**	**10,509.75**
Net increase in cash and cash equivalents (A+B+C)	334.31	6,376.35	1,091.64
Cash and cash equivalents at the beginning of the year	4,280.54	(2,095.81)	(3,187.46)
Cash and cash equivalents at the end of the year	**4,614.84**	**4,280.54**	**(2,095.82)**

Cash & Cash Equivalents included in the Statement of Cash Flow includes the following

(₹ in Lakhs)

	Year ended March 31, 2022	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Balances with banks			
In current accounts	3,968.60	7,610.80	1,691.99
In fixed deposits (with original maturity less than 3 months)	5,495.88	1,754.60	2,006.62
Cash Credit from Banks	(4,892.68)	(5,198.71)	(5,858.38)
Cash in Hand	43.04	113.85	63.95
	4,614.84	**4,280.54**	**(2,095.82)**

5.7 Debt: Equity Ratio of the Company:

Before the issue	2.75
After the issue	2.86

Calculations

As on June 30, 2022, debt-to-equity ratio is calculated as follows:

Debt	722.37
Equity	262.90
Debt/Equity	2.75

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:

Debt	752.37
Equity	262.90
Debt/Equity	2.86

BERAR FINANCE LIMITED NAGPUR

5.8 Details of any other contingent liabilities of the Issuer based on the last audited financial statements including amount and nature of liability:

The Company is contesting the demand to the tune of ₹ 7.46 lakhs (31 March 2021: ₹ 7.46 lakhs) in respect of income tax matter relating to Assessment Year 2017-18 before the Commissioner of Income Tax (Appeals). Based on interpretation of the relevant provisions of the Income Tax Act, the company has been legally advised that the impugned demand is likely to be deleted and accordingly no provision is considered necessary.

5.9 A brief history of Issuer since its incorporation giving details of its following activities:

(a) **Details of Share Capital as on last quarter end, i.e., June 30, 2022:**

Share Capital	Amount (INR)
Authorised Share Capital	
1,45,00,000 Equity shares of Rs. 10/- each	14,50,00,000
5,00,000 Cumulative Compulsorily Convertible Participating Preference shares of Rs. 10/- each	50,00,000
TOTAL	15,00,00,000
Issued, Subscribed and Paid-up Share Capital	
1,23,36,846 Equity Shares of Rs. 10/- each	12,33,68,460
TOTAL	12,33,68,460

(b) **Changes in its capital structure as on last quarter end i.e., June 30, 2022 for the last three years:**

Date of Change (AGM/EGM)	Particulars
N.A.	N.A.

(c) **Equity Share Capital History of the Company, for the last three years:**

						Cumulative Paid Up Capital			Remarks
Date of Allotment	**No. of Equity Shares**	**Face Value (in INR)**	**Issue Price (in Rs)**	**Consideration (Cash, other than cash etc.)**	**Nature of Allotment**	**No of Equity Shares**	**Equity Share Capital (INR in Crore)**	**Equity Share Premium (INR In Crore)**	
20/02/2020	11,11,111	10	180	Cash	Private Placement	91,11,111	9,11,11,110	18,88,88,870	Nil
20/02/2020 *	5,55,556	10	180	Cash	Private Placement	96,66,667	9,66,66,670	28,33,33,390	Nil
27/10/2020	5,71,428	10	210	Cash	Private Placement	1,02,38,095	10,23,80,950	39,76,18,990	Nil
27/10/2020 *	3,80,953	10	210	Cash	Private Placement	1,06,19,048	10,61,90,480	47,38,09,590	Nil

BERAR FINANCE LIMITED NAGPUR

30/03/2021	3,25,259	10	-	-	Conversion of CCPS into Equity	10007798	10,00,77,980	-	Nil
21/03/2022	2,329,048	10	429.36	Cash	Private Placement	12336846	12,33,68,460	1,45,05,19,159	Nil

* Cumulative Compulsorily Convertible Participating Preference shares (CCPS)

5.10 Details of any Acquisition or Amalgamation with any entity in the last 1 (one) year:

There has been no acquisition or amalgamation in the last 1 (one) year.

5.11 Details of any Reorganization or Reconstruction in the last 1 (one) year:

There has been no reorganization or reconstruction in the last 1 (one) year.

Type Of Event	Date Of Announcement	Date Of Completion	Details
N.A.	N.A.	N.A.	N.A.

5.12 Details of the shareholding of the Company as on the latest quarter end, i.e., June 30, 2022:

(a) **Shareholding pattern of the Company as on last quarter end, i.e. June 30, 2022 as per the format specified under the listing regulations:**

Sr No	Name of Equity Shareholder	Total No of Equity Shares	Total Shareholding as a % of total no of equity shares	Number of shares in demat form
1.	Promoter & Promoter Group	42,04,300	33.43	42,04,300
2.	Institutional Investors	43,36,846	34.48	43,36,846
3.	Corporates	10,250	0.08	10,250
4	Public (including Directors and relatives)	37,80,900	30.07	15,70,545
5	Others (Including Non-Resident Indians) *	2,44,550	1.94	4,550
	Total:	**1,25,76,846**	**100**	1,01,26,491

*Includes shares transferred to IEPF 4550 and options outstanding as part of the Employees Stock option plan 2019 of the Company.

(b) **List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e. June 30, 2022:**

Sr. No.	Name of the Shareholder / Particulars	Total Number of equity shares	Percentage of Total Shareholding (%)	Number of shares held in Demat Form
1.	AMICUS CAPITAL PRIVATE EQUITY I LLP	21,28,263	17.25	21,28,263
2.	MAJ INVEST FINANCIAL INCLUSION FUND III K/S	19,79,691	16.05	19,79,691
3.	AVINO CAPCONS PVT LTD	14,88,484	12.07	14,88,484

BERAR FINANCE LIMITED NAGPUR

4.	MAROTI GENDARU JAWANJAR	10,22,894	8.29	10,22,894
5.	MAROTI JAWANJAR(HUF)	8,68,954	7.04	8,68,954
6.	SANDEEP MAROTRAO JAWANJAL	3,29,318	2.67	3,29,318
7.	JYOTI MAROTI JAWANJAR	2,74,550	2.23	2,74,550
8.	RAVINDRA KACHORE	2,33,484	1.89	2,33,484
9.	AMICUS CAPITAL PARTNERS INDIA FUND I	2,28,892	1.86	2,28,892
10.	NARENDRA GHANSHYAM KACHORE	1,98,482	1.61	1,98,482

5.13 Following details regarding the directors of the Company:

(a) **Details of the current directors of the Company:**

This table sets out the details regarding the Company's Board of Directors as on date of this Placement Memorandum:

Name of the Directors	Designation	Age	Address	DIN	Date of appointment	Details of other directorship	Whether willful defaulter (Yes/ No)
CS. Maroti Gendaru Jawanjar	Executive Chairman	71	19,Process Server Society, Swawlambi Nagar, Nagpur-440022	00379916	22-08-1990	-	No
Mr. Sandeep Marotrao Jawanjal	Managing Director	38	19,Process Server Society, Swawlambi Nagar, Nagpur-440022	01490054	01-04-2007	-	No
Mr. Vishwas Bhaskarrao Pathak	Independent Director	71	28, Suyash Apartments, NIT Layout, Swawlambi Nagar, Nagpur – 440 022	00452917	01-09-1990	-	No
Mr. Shantaram Krishnarao Mahakalkar	Non-Executive	69	93, Shastri Layout,	00379988	25-09-2002	-	No

BERAR FINANCE LIMITED NAGPUR

	Director		Khamla, Nagpur – 440 025				
Mr. Atul Dilip Sarda	Independent Director	39	87, Wardhaman Nagar, Nagpur – 440 008	0216 1209	05-04-2008	-	No
Ms. Rashmi Sagar Mitkary	Independent Director	37	Plot No.11, Panchadeep Nagar,Somalwada, Nagpur-440025	0896 0192	13-11-2020	-	No
Mr. Avishek Gautam Addy	Non-Executive Director	42	C-1401, Salarpuria Serenity, 5th Main Road, HSR Layout Sector-7,Bangalore - 560 102	0797 3542	19-01-2021	Opendoors Fintech Private Limited D2C Insurance Broking Private Limited ; and Altum Credo Home Finance Private Limited	No
Mr. Harishchandra Namaji Sukhdeve	Non-Executive Director	69	Capitol Heights Tower 3 Apartment 702, Rambagh Road, Trillium Mall, Medical Square, Ajni, Nagpur Maharashtra, India 440003	0928 9094	23-08-2021	-	No
Mr.Siva Vadivel Alagan	Non-Executive Director	30	HIG 1685, TNHB Layout,	0824 2283	21-03-2022	SAVE Solutions	No

BERAR FINANCE LIMITED NAGPUR

			Avadi, Chennai (600054), Tamil Nadu , India			Private Limited ; SAVE Microfinance Private Limited ; and SAVE Financial Services Private Limited	

(b) **Details of change in directors since last three years:**

Name	Designation	DIN	Date of Appointment	Date of Cessation, if applicable	Date of resignation, if applicable	Remarks
Mr. Mahesh Parasuraman	Non - Executive Director	00233782	20-02-2020	01-10-2020	01-10-2020	Resigned on his own will
Ms. Rashmi Mitkary	Independent Director	08960192	13-11-2020	-	-	Appointed as a director in the capacity of Independent Director
Mr. Avishek Addy	Non – Executive Director	07973542	19-01-2021	-	-	Appointed as a director
Mr. Ashok Kachore	Non – Executive Director	00380102	30-01-2002	08-07-2021	08-07-2021	Resigned on his own will
Mr. Harishchandra Sukhdeve	Non – Executive Director	09289094	23-08-2021	-	-	Appointed as a director
Mr. Dattatraya Prabhakar Dalal	Non – Executive Director	00380199	25-09-2002	09-03-2022	09-03-2022	Resigned on his own will
Mr. Siva Vadivel Alagan	Non – Executive Director	08242283	21-03-2022	-	-	Appointed as a director

BERAR FINANCE LIMITED NAGPUR

5.14 Following details regarding the auditors of the Company:

(a) **Details of the auditor of the Company:**

Name of the Auditor	Address	Auditor since	Remarks
Pravin Dhiran & CO.	Manish Sadan, Opp. Raman Cycle Industries, Krishna Nagar, Wardha, Maharashtra -442001	21/09/2019	Appointed as a statutory auditor of the Company at 29th Annual General Meeting (AGM) held on 21st September, 2019 for a period of 5 years from conclusion of 29th AGM until conclusion of 34th AGM.

(b) **Details of change in auditors since last three years:**

There has been no change in the auditor of the Company since the last three years.

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of resignation, if applicable
N.A.	N.A.	N.A.	N.A.	N.A.

5.15 Details of the following liabilities of the issuer, as at the end of the last quarter, i.e. June 30, 2022, or if available, a later date:

(a) **Details of Outstanding Secured Loan Facilities (as on June 30, 2022):**

Name of Lender	Type of Facility	Amount Sanctioned (INR in Crore)	Principal Amount Outstanding (INR in Crore)	Repayment Date / Schedule	Security
Sundaram Finance Limited 15th	Term Loan	20.00	12.63	Monthly	15%
Hinduja Leyland Finance Ltd 7th	Term Loan	14.00	2.69	Monthly	10%
Hinduja Leyland Finance Ltd 8th	Term Loan	17.00	8.85	Monthly	20%
Hinduja Leyland Finance Ltd 9th	Term Loan	14.50	12.46	Monthly	20%
IDFC First Bank Ltd 6th	Term Loan	25.00	9.82	Monthly	10%
IDFC First Bank Ltd 7th	Term Loan	20.00	0.83	Monthly	10%
IDFC First Bank Ltd 8th	Term Loan	20.00	7.50	Monthly	10%
IDFC First Bank Ltd 9th	Term Loan	30.00	30.00	Monthly	10%
MAS Financial Services Ltd 9th	Term Loan	3.00	0.08	Monthly	10%
MAS Financial Services Ltd 10th	Term Loan	3.00	0.08	Monthly	10%

BERAR FINANCE LIMITED NAGPUR

MAS Financial Services Ltd 11th	Term Loan	4.00	0.11	Monthly	10%
MAS Financial Services Ltd 12th	Term Loan	5.00	0.70	Monthly	10%
MAS Financial Services Ltd 13th	Term Loan	5.00	0.70	Monthly	10%
MAS Financial Services Ltd 14th	Term Loan	5.00	0.69	Monthly	10%
MAS Financial Services Ltd 15th	Term Loan	5.00	0.83	Monthly	10%
MAS Financial Services Ltd 16th	Term Loan	5.00	2.51	Monthly	10%
MAS Financial Services Ltd 17th	Term Loan	5.00	4.19	Monthly	10%
MAS Financial Services Ltd 18th	Term Loan	5.00	4.46	Monthly	10%
Northern ARC Capital Ltd 6th	Term Loan	10.00	1.98	Monthly	0%
Northern ARC Capital Ltd 7th	Term Loan	15.00	7.08	Monthly	0%
Northern ARC Capital Ltd 8th	Term Loan	15.00	5.02	Monthly	0%
Northern ARC Capital Ltd 9th	Term Loan	10.00	4.13	Monthly	10%
Northern ARC Capital Ltd 10th	Term Loan	15.00	4.60	Monthly	10%
Northern ARC Capital Ltd 11th	Term Loan	10.00	3.79	Monthly	10%
Northern ARC Capital Ltd 12th	Term Loan	25.00	22.29	Monthly	10%
Northern ARC Capital Ltd 13th	Term Loan	25.00	8.90	Monthly	10%
Au Small Finance Bank Ltd 6th	Term Loan	10.00	0.28	Monthly	20%
Au Small Finance Bank Ltd 7th	Term Loan	15.00	4.55	Monthly	20%
Au Small Finance Bank Ltd 8th	Term Loan	5.00	2.69	Monthly	20%
Au Small Finance Bank Ltd 9th	Term Loan	20.00	15.48	Monthly	20%
Indusind Bank Ltd	Term Loan	15.00	3.79	Monthly	15%
Nabsamruddhi Finance Ltd 2nd	Term Loan	10.00	4.60	Monthly	10%
Profectus Capital Finance Pvt Ltd 3rd	Term Loan	2.90	0.54	Monthly	5%
Profectus Capital Finance Pvt Ltd 4th	Term Loan	8.30	5.80	Monthly	10%
Vivriti Capital Pvt Ltd 1st	Term Loan	10.00	1.62	Monthly	10%
Vivriti Capital Pvt Ltd 2nd	Term Loan	10.00	3.83	Monthly	10%
Vivriti Capital Pvt Ltd 3rd	Term Loan	5.00	2.65	Monthly	10%

BERAR FINANCE LIMITED NAGPUR

Vivriti Capital Pvt Ltd 4th	Term Loan	10.00	7.26	Monthly	10%
Hiranandani Financial Services Pvt Ltd 2nd	Term Loan	3.00	0.28	Monthly	10%
Growth Source Technical finance Pvt Ltd	Term Loan	5.00	0.47	Monthly	10%
Ujjivan Small Finance Bank Ltd TL 1st	Term Loan	15.00	5.83	Monthly	10%
Ujjivan Small Finance Bank Ltd TL 2nd	Term Loan	15.00	13.06	Monthly	10%
Ambit Finvest Pvt Ltd	Term Loan	5.00	2.05	Monthly	20%
Jana Small Finance Bank 1st	Term Loan	20.00	7.47	Monthly	20%
Jana Small Finance Bank 2st	Term Loan	5.00	2.20	Monthly	20%
IKF FINANCE LTD 1st	Term Loan	5.00	2.31	Monthly	15%
IKF FINANCE LTD 2nd	Term Loan	3.00	1.39	Monthly	15%
Shine Star Build Cap Pvt Ltd	Term Loan	20.00	4.68	Monthly	20%
Moneywise Financial Services Pvt LTD 1ST	Term Loan	5.00	2.22	Monthly	10%
Moneywise Financial Services Pvt LTD 2ND	Term Loan	6.75	5.81	Monthly	10%
State Bank of India	Term Loan	40.00	21.07	Monthly	25%
InCred Financial Services Ltd	Term Loan	15.00	7.69	Monthly	10%
DCB Bank Limited TL 3RD	Term Loan	10.00	2.91	Monthly	25%
DCB Bank Limited TL 4TH	Term Loan	10.00	10.00	Monthly	25%
Federal Bank Ltd	Term Loan	10.00	5.83	Quarterly	10%
Suryoday Small Finance Bank	Term Loan	5.00	2.69	Monthly	20%
KISETSU SAISON FINANCE	Term Loan	20.00	14.07	Monthly	10%
Bajaj Finance Ltd	Term Loan	10.00	5.83	Monthly	20%
ESAF Small Finance Ltd	Term Loan	5.00	3.86	Monthly	15%
UTKARSH SFB	Term Loan	10.00	7.87	Monthly	15%
ELECTRONICA FINANCE LTD	Term Loan	4.90	4.22	Monthly	0%

BERAR FINANCE LIMITED NAGPUR

CHOLAMANDALAM INVEST	Term Loan	5.00	4.21	Monthly	20%
CAPITAL SMALL FINANCE BANK LTD	Term Loan	15.00	13.00	Monthly	10%
CAPRI GLOBAL CAPITAL LTD	Term Loan	10.00	8.04	Monthly	15%
KOTAK MAHINDRA BANK	Term Loan	20.00	17.93	Monthly	15%
HDFC BANK LTD	Term Loan	15.00	15.00	Monthly	15%
TATA CAPITAL FINAN SERVICES	Term Loan	10.00	10.00	Monthly	15%
Total		774.35	412.04		

(b) **Details of Outstanding Unsecured Loan Facilities (as on June 30, 2022):**

Name of Lender	Type of Facility	Amount Sanctioned (INR in Crore)	Principal Amount Outstanding (INR in Crore)	Repayment Date / Schedule
N.A.	**Fixed Deposits from retail depositors**	**N.A.**	**160.19**	**N.A.**
Total				

(c) **Details of Outstanding Non-Convertible Securities (as on June 30, 2022):**

Series of Non-Convertible Securities	Tenor / Period of Maturity	Coupon	Amount (INR in Crore)	Date of allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
DCB Bank Ltd – TLTRO	3 years	12.50%	10	June 22, 2020	June 22, 2023	[ICRA] BBB (Stable)	Secured	Receivables
IFMR Finance Freedom Fund III	3 years	14%	10	September 11, 2020	September 11, 2023	[ICRA]BBB(Stable)	Secured	Receivables
IFMR Finance Freedom Fund III with	29 months	13.75%	15	November 18, 2020	March 30, 2023	[ICRA]BBB(Stable)	Secured	Receivables

BERAR FINANCE LIMITED NAGPUR

IFMR Fimpact Long Term Credit Fund								
VIVRITI Samarth Bond Fund	3 years	13.75%	15	December 23, 2020	December 23, 2023	[ICRA]BBB(Stable)	Secured	Receivables
UNIFI AIF and others	36 Months	13.18% p.a. payable monthly.	18	February 24, 2021	February 24, 2024	[ICRA]BBB(Stable)	Secured	Receivables
Creation Investments FPI, LLC	46 months and 12 days(Forty Six months and twelve days) from the Deemed Date of Allotment	(i)commencing from the deemed date of allotment of the Debentures until 15th June 2021, 15% (fifteen percent) per annum per month; (ii)commencing from 15th June 2021 until15th September, 2021, 14.5% (fourteen decimal five percent) per annum per month; (iii)commencing from 15th September, 2021 until 15th December,2021- 14% (fourteen percent)	34	March 24, 2021	February 05,2025	[ICRA]BBB(Stable)	Secured	Receivables

BERAR FINANCE LIMITED NAGPUR

		per annum per month; (iv)Commencing from 15th December, 2021until the maturity of the Debentures, 13.9069% (Thirteen decimal Nine Zero Six Nine percent) per annum per month.						
Northern Arc Income Builder Trust (Series II) with Northern Arc Income Builder Fund (Series II) as its scheme	Tranche I- 38 (thirty eight) months Tranche II- 39 (thirty nine) months	BSE Sensex Linked	25	September 17, 2021	October 31st, 2024 for tranch 1 and November 30th, 2024 for tranch 2	PP-MLD[ICRA]BBB(Stable)	Secured	Receivables
Total			127					

5.16 List of top 10 holders of non-convertible securities in terms of value (in cumulative basis)

Sr. No.	Name of holders of Non-convertible Securities	Amount (INR)	% of total NCS outstanding
1	DCB Bank Ltd – TLTRO	10	8.19
2	IFMR FINANCE FREEDOM FUND III	10	8.16
3.	IFMR FINANCE FREEDOM FUND III with IFMR FIMPACT LONG TERM CREDIT FUND	15	12.24
4.	VIVRITI Samarth Bond Fund	15	12.24
5.	Unifi AIF and others	18	8.18
6.	Creation Investments FPI, LLC	34	27.89
7.	N-ARC INCOME BUILDER FUND	25	23.11

5.17 Details of outstanding Commercial Paper as at the end of the last quarter (as on June 30, 2022) in the following format:

Sr. No.	ISIN of Commercial Paper	Maturity Date	Amount outstanding
1.	N.A.	N.A.	N.A.

5.18 Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares):

Name of Party (in case of facility) / Name of Instrument	Type of facility / Instrument	Amount sanctioned / issued	Principal Amount outstanding	Date of Repayment / Schedule	Credit Rating	Secured / Unsecured	Security
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

5.19 Details of any outstanding borrowing taken / debt securities issued for consideration other than cash. This information shall be disclosed whether such borrowing / debt securities have been taken / issued: (i) in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not

Nil

5.20 Where the Issuer is a non-banking finance company or housing finance company, the following disclosures on Asset Liability Management (ALM) shall be provided for the latest audited financials:

A. Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement) by NBFC including details regarding the following

(a) **Lending Policy: Should contain overview of origination, risk management, monitoring and collections:**

Please refer to the lending policy set out in Annexure X.

(b) **Classification of Loans given to associate or entities related to Board, Senior management, promoters, etc.:**

Particulars	2021-2022	2020-2021
S.M. Jawanjal	Rs 7.21 Lakhs	Rs. 16.10 Lakhs
D.R. Balpande	-	Rs. 2.79 Lakhs

(c) **Classification of loans according to type of loans, denomination of loan outstanding by loan to value, sectors, denomination of loans outstanding by ticket size, geographical classification of borrowers, maturity profile etc.:**

Please refer to paragraph (J) below of this table below.

(d) **Aggregated exposure to the top 20 borrowers with respect to the concentration of advances, exposures to be disclosed in the manner as prescribed by RBI in its stipulations on Corporate Governance for NBFCs or HFCs, from time to time;**

(Amount in ₹)

Sr. No.	Borrowers Name	Purpose	Disbursement Date	Disbursed Amount	O/s Balance	Overdues (in Days)
1	JADHAV SANDIP HANUMANT	Car Loan	10-Sep-18	1500000	621422	60
2	GORAD SOMNATH VITTHAL	Car Loan	5-Feb-19	1000000	497335	30
3	THAKARE PRAMOD RAMBHAU	Car Loan	13-Sep-19	1000000	805122	60
4	SHUKLA SHREYA SWAPNIL	Car Loan	30-Dec-19	450000	424770	690
5	WAGHCHOURE NANA RAMBHAU	Car Loan	19-Dec-18	1500000	613423	0
6	JAMBHULKAR DHARMSHILA MANOHAR	Car Loan	6-Aug-20	600000	476933	0
7	WANKAR SANJAY RAMJI	Car Loan	6-Nov-18	750000	451807	0
8	PATIL ADDITYA SANJAY	Car Loan	16-Jul-20	600000	498202	30
9	SAHU POKHANLAL JAGATRAM	Car Loan	24-Feb-22	500000	490802	0
10	PREMCHAND AMEET BHAGWANDAS	Car Loan	29-Jun-21	900000	759857	0

11	UKEY NILENDRA BALKRISHNA	Car Loan	21-Jul-21	500000	456191	0
12	ROKADE VISHAL VILAS	Car Loan	30-Nov-21	500000	477504	0
13	KAVIRAJWAR SHRINIWAS MUKUNDAM	Car Loan	31-Jan-22	600000	569659	30
14	HUSSAIN ABBAS SAJID	Car Loan	8-Apr-22	510000	509164	0
15	SONWANE PRITI VASANT	Car Loan	8-Apr-22	610000	601759	0
16	SUSHIL PRABHAKAR GAWAI	Car Loan	19-May-22	500000	494599	0
17	NIRANJAN VITTHAL BANTE	Car Loan	11-May-22	900000	890471	0
18	SHRIKRUSHNA GAJANAN MORKHADE	Car Loan	31-May-22	650000	639959	0
19	MANGESH MADHUSUDAN GHODAM	Car Loan	11-Jun-22	470000	470000	0
20	KISHOR MAROTRAO CHAUKADE	Car Loan	29-Jun-22	500000	500000	0

(e) **Details of loans, overdue and classified as non-performing assets (NPA) in accordance with RBI stipulations:**

Please refer to paragraph (K) of this table below

B. Details of borrowings made by NBFC

(a) **A portfolio summary with regard to industries/ sectors to which borrowings have been made:**

Please refer to paragraph (J) in this table below including sub-paragraph (c) therein.

(b) **NPA exposures of the Issuer for the last three financial years (both gross and net exposures) and provisioning made for the same as per the last audited financial statements of the Issuer:**

Please refer to paragraph (K) of this table below.

(c) **Quantum and percentage of secured vis-à-vis unsecured borrowings made; and**

Type of Borrowings	Outstanding as at March 31, 2022 (INR) (in Crore)	%
Secured Borrowings	602.89	79.57%
Unsecured Borrowings	154.80	20.43%
Total	757.69	100%

BERAR FINANCE LIMITED NAGPUR

C. Details of change in shareholding

(a) Any change in promoters' holdings during the last financial year beyond the threshold, as prescribed by RBI:

Nil

D. Disclosure of Assets Under Management

(a) Segment wise breakup:

Please refer to sub-paragraph (c) of paragraph (J) in this table below.

(b) Type of Loans

Please refer to sub-paragraph (a) of paragraph (J) in this table below.

E. Details of borrowers

(a) Geographical location wise

Please refer to sub-paragraph (e) of paragraph (J) in this table below.

F. Details of Gross NPA

(a) Segment wise:

Please refer to sub-paragraph (c) of paragraph (K) in this table below.

G. Details of Assets and Liabilities

(a) Residual maturity profile wise into several bucket:

Please refer to paragraph (L) in this table below.

H. Additional details of loans made by housing finance company

Given that the Issuer is not a housing finance company, this is not applicable.

I. Disclosure of latest ALM statements to stock exchange

Please refer to the ALM statements set out in Annexure XI.

J. Classification of loans according to

(a) Type of Loans:

Details of types of loans

Sl. No.	Types of loans	Rs. crore
1	Secured	819.34
2	Unsecured	0.00
	Total assets under management (AUM)^^	819.34

**Information required at borrower level (and not by loan account as customer may have multiple loan accounts); ^^Issuer is also required to disclose off balance sheet items;*

(b) Denomination of loans outstanding by loan-to-value:

Details of LTV

Sl. No.	LTV (at the time of origination)	Percentage of AUM
1	Up to 40%	0.55%
2	40-50%	1.78%
3	50-60%	6.09%
4	60-70%	13.77%
5	70-80%	38.02%
6	80-90%	36.59%
7	>90%	3.19%

PERAR FINANCE LIMITED NAGPUR

	Total	100.00%

(c) Sector Exposure

Details of sectoral exposure

Sl. No.	Segment-wise break-up of AUM	Percentage of AUM
1	**Retail**	
A	Mortgages (home loans and loans against property)	0.00%
B	Gold loans	0.00%
C	Vehicle finance	100.00%
D	MFI	0.00%
E	MSME	0.00%
F	Capital market funding (loans against shares, margin funding)	0.00%
G	Others	0.00%
2	**Wholesale**	
A	Infrastructure	0.00%
B	Real estate (including builder loans)	0.00%
C	Promoter funding	0.00%
D	Any other sector (as applicable)	0.00%
E	Others	0.00%
	Total	100%

(d) Denomination of loans outstanding by ticket size*:

Details of outstanding loans category wise

Sl. No.	Ticket size (at the time of origination)	Percentage of AUM
1	Up to Rs. 2 lakh	98.63%
2	Rs. 2-5 lakh	0.99%
3	Rs. 5 - 10 lakh	0.38%
4	Rs 10 - 25 lakh	-
5	Rs. 25 - 50 lakh	-
6	Rs. 50 lakh - 1 crore	-
7	Rs. 1 - 5 crore	-
8	Rs. 5 - 25 crore	-
9	Rs. 25 - 100 crore	-
10	>Rs. 100 crore	-
	Total	100%

** Information required at the borrower level (and not by loan account as a customer may have multiple loan accounts);*

(e) Geographical classification of borrowers:

Top 5 states borrower wise

Sl. No.	Top 5 states	Percentage of AUM
1	Maharashtra	51.14%
2	Chhattisgarh	20.07%
3	Madhya Pradesh	13.50%
4	Telangana	9.68%
5	Karnataka	3.10%
	Total	97.49%

K. Details of loans, overdue and classified as non-performing assets (NPA) in accordance with RBI stipulations

(a) Movement of Gross NPA

Movement of gross NPA*	Rs. crore
Opening gross NPA	16.84
- Additions during the year	67.34
- Reductions during the year	49.98
Closing balance of gross NPA	34.20

BERAR FINANCE LIMITED NAGPUR

	**Please indicate the gross NPA recognition policy (Day's Past Due):* As per the recent Circular No. RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22, issued by the RBI as on November 12, 2021, there is a significant upgradation of the assets classified as NPA. Earlier, NPA's where considered as "Standard" asset upon payment of only interest dues or partial dues etc. But according to the circular, those NPA's will be upgraded as "Standard Assets" only after discharging the entire arrears of interest and principal

(b) Movement of provisions for NPA

Movement of provisions for NPA	Rs. crore
Opening balance	34.20
- Provisions made during the year	7.25
- Write-off/ write-back of excess provisions	8.64
Closing balance	18.31

(c) Segment wise gross NPA

Sl. No.	Segment-wise gross NPA	Gross NPA (%)
1	**Retail**	
A	Mortgages (home loans and loans against property)	0.00%
B	Gold loans	0.00%
C	Vehicle finance	100.00%
D	MFI	0.00%
E	MSME	0.00%
F	Capital market funding (loans against shares, margin funding)	0.00%
G	Others	0.00%
2	**Wholesale**	
A	Infrastructure	0.00%
B	Real estate (including builder loans)	0.00%
C	Promoter funding	0.00%
D	Any other sector (as applicable)	0.00%
E	Others	0.00%
	Total	100.00%

L. Residual maturity profile of assets and liabilities (in line with the RBI format):

Residual maturity profile of assets and liabilities

(as per Audited Financial as on March 31, 2022) INR (in Crore)

Category	Up to 30 / 31 days	>1 months – 2 months	>2 months – 3 months	>3 months – 6 months	>6 months – 1 year	>1 years – 3 years	>3 years – 5 years	> 5 years	Total
Deposit	17.99	4.87	6.21	11.75	36.00	67.62	10.36	0.00	154.80
Advances	49.03	36.93	35.02	93.96	220.94	366.64	3.92	0.00	806.44
Investments	0.00	0.93	0.00	0.00	0.00	2.48	1.14	11.08	15.63
Borrowings	22.62	22.24	23.12	65.65	207.17	238.25	23.84	0.00	602.89
FCA*	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

BERAR FINANCE LIMITED NAGPUR

	FCL*	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00
	FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities;								

5.21 Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past 3 years including the current financial year:

Nil

5.22 [INTENTIONALLY LEFT BLANK]

5.23 Financial Information

(a) **A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the draft offer document or offer document or issue opening date, as applicable**
The above financial statements shall be accompanied with the Auditor's Report along with the requisite schedules, footnotes, summary etc.

Please refer to Annexure V for the financial statements for the financial year ending March 31, 2022 along with the auditor's report along with the requisite schedules, footnotes, summary etc.

However, if the issuer being a listed REIT/listed InvIT has been in existence for a period less than three completed years and historical financial statements of such REIT/InvIT are not available for some portion or the entire portion of the reporting period of three years and interim period, then the combined financial statements need to be disclosed for the periods when such historical financial statements are not available.

N. A

(b) **Listed issuers (whose debt securities or specified securities are listed on recognised stock exchange(s)) in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, may disclose unaudited financial information for the stub period in the format as prescribed therein with limited review report in the placement memorandum, as filed with the stock exchanges, instead of audited financial statements for stub period, subject to making necessary disclosures in this regard in placement memorandum including risk factors.**

Please refer to Annexure V for the financial statements for the financial year ending March 31, 2022.

(c) **Issuers other than unlisted REITs / unlisted InvITs desirous of issuing debt securities on private placement basis and who are in existence for less than three years may disclose financial statements mentioned at (a) above for such period of existence, subject to the following conditions:**

BERAR FINANCE LIMITED NAGPUR

The issue is made on the EBP platform irrespective of the issue size; and
The issue is open for subscription only to Qualified Institutional Buyers.

Not Applicable as the Issuer has been in existence for a period of more that 3 (three) years prior to the date of this Placement Memorandum.

5.24 Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of Issue which may affect the Issue or the investor's decision to invest / continue to invest in the debt securities.

The Issuer hereby declares that there has been no material event, development or change on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue, which may affect the Issue or the Investor's decision to invest/ continue to invest in the debt securities of the Issuer.

5.25 Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the Company;

N.A.

5.26 Details of default and non-payment of statutory dues

Nil

5.27 The name(s) of the debentures trustee(s) shall be mentioned with statement to the effect that debenture trustee(s) has given its consent for appointment along with copy of the consent letter from the debenture trustee.

The Debenture Trustee of the proposed Debentures is IDBI Trusteeship Services Limited. IDBI Trusteeship Services Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Placement Memorandum and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in **Annexure III** of this Placement Memorandum.

5.28 Details of credit rating, along with the latest press release of the Credit Rating Agency in relation to the issue and declaration that the rating is valid as on the date of issuance and listing. Such press release shall not be older than one year from the date of opening of the issue.

The Rating Agency has assigned a rating of "CARE BBB+" (pronounced as "CARE Triple B plus") to the Debentures. The rating letter from the Rating Agency, the rating rationale from the Rating Agency and the detailed press release is provided in **Annexure II** of this Placement Memorandum.

5.29 If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and

BERAR FINANCE LIMITED NAGPUR

receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

The Debentures shall be guaranteed by way of unconditional and irrevocable personal guarantees to be provided by each of the Personal Guarantors pursuant to the respective Personal Guarantees in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders). The indicative draft of the deed of guarantee is set out in Annexure XIV of this Placement Memorandum.

5.30 Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention

(a) ***The day count convention for dates on which the payments in relation to the non-convertible securities which need to be made:***

(i) Interest and all other charges shall accrue based on an actual/actual basis for a year comprising 365 (three hundred and sixty five) days.

(ii) If any Due Date on which any interest or additional interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.

(iii) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.

(iv) If the Final Redemption Date falls on a day which is not a Business Day, the payment of any amounts in respect of any interest and the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.

(b) ***Procedure and time schedule for allotment and issue of securities:***

Please refer to the column on "*Issue Timing*" under Section 5.37 (*Issue Details*) of this Placement Memorandum; and

(c) ***Cash flows emanating from the non-convertible securities shall be mentioned in the Placement Memorandum, by way of an illustration:***

The cashflows emanating from the Debentures, by way of an illustration, are set out under **Annexure VI** (*Illustration of Bond Cashflows*) of this Placement Memorandum.

5.31 Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The issuer shall specify the stock exchange where the recovery expense fund is being/has been created as specified by the Board:

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the listing agreement for debt securities to the extent applicable to it on a continuous basis.

The Issuer has obtained the in-principle approval for the listing of the Debentures from BSE and the same is annexed in **Annexure IX** hereto. The Issuer shall also be creating the recovery expense fund as per the applicable SEBI regulations with BSE.

BEARING FINANCE LIMITED NAGPUR

The Debentures are not proposed to be listed on more than one stock exchange.

5.32 Other details:

(a) **Creation of Debenture Redemption Reserve ("DRR") – relevant legislations and applicability:**

(i) It is hereby clarified that as on the Effective Date, pursuant to the Companies (Share Capital and Debenture Rules), 2014, non-banking financial companies registered with the RBI are exempted from the requirement to maintain a debenture redemption reserve ("**DRR**") in case of privately placed debentures. As the Company is a non-banking financial company registered with the RBI, it is as on the Effective date, exempted from the requirement to maintain a DRR.

(ii) The Company hereby agrees and undertakes that, if required under Applicable Law, it will create a DRR in accordance with the provisions of the Act (and the rules and regulations made thereunder) and the guidelines issued by the relevant Governmental Authorities.

(iii) If during the tenor of the Debentures, any guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of the DRR, the Company shall abide by such guidelines and shall do all deeds, acts and things as may be required by the Debenture Trustee.

(iv) Where applicable, the Company shall submit to the Debenture Trustee a certificate duly certified by a chartered accountant certifying that the Company has transferred the required amount to the DRR at the end of each Financial Year.

(v) In addition to the foregoing, to the extent required by Applicable Law, the Company shall invest or deposit amounts up to such thresholds, and in such form and manner and within the time periods, as may be prescribed by Applicable Law, in respect of any amounts of the Debentures maturing in any Financial Year.

(b) **Issue / instrument specific regulations - relevant details (Companies Act, Reserve Bank of India guidelines etc.):**

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act including the relevant notified rules thereunder, the SEBI Debt Listing Regulations, the LODR Regulations the NBFC Directions, the NCD Issuance Directions and the applicable guidelines and directions issued by the RBI and SEBI.

(c) **Default in payment**:

The Company agrees to pay a default interest at 2% (two percent) per annum over the Interest Rate in respect of the Debentures, on the Outstanding Principal Amounts from the date of the occurrence of any Event of Default until such Event of Default is cured. Such amounts shall be payable on each Interest Payment Date occurring during the aforementioned period.

(d) **Delay in listing**:

In the event there is any delay in listing of the Debentures beyond the Listing Period, the Company will:

(i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed; and

(ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

(e) **Delay in allotment of securities**:

(i) The Issuer shall ensure that the Debentures are allotted to the respective Debenture Holders and are credited into the demat accounts of the relevant Debenture Holders within the timelines prescribed under the SEBI Listing Timelines Requirements.

(ii) If the Issuer fails to allot the Debentures to the Applicants within 60 (sixty) calendar days from the date of receipt of the Application Money ("**Allotment Period**"), it shall repay the Application Money to the Applicants within 15 (fifteen) calendar days from the expiry of the Allotment Period ("**Repayment Period**").

(iii) If the Issuer fails to repay the Application Money within the Repayment Period, then Issuer shall be liable to repay the Application Money along with interest at the Interest Rate or 12% (twelve percent) per annum, whichever is higher, from the expiry of the Allotment Period.

(f) **Issue details**:

Please refer to Section 5.37 (*Issue Details*) of this Placement Memorandum

(g) **Application process:**

The application process for the Issue is as provided in Section 8 of this Placement Memorandum.

(h) **Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any**:

All disclosures under Form No. PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 have been set out in Section 10.

(i) **Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project**:

Not applicable

5.33 A statement containing particulars of the dates of, and parties to all material contracts, agreements:

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than 2 (Two) years before the date of this Placement Memorandum, which are or may be deemed material, have been entered into by the Company.

BEAR FINANCE LIMITED NAGPUR

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Registered Office of the Company between 10.00 am to 4.00 pm on working days.

S. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer.
2	Board Resolution dated September 5, 2022 authorizing the issue of Debentures offered under the terms of this Disclosure Document.
4	Shareholder Resolution dated September 21, 2019 authorizing the borrowing by the Company and the creation of security.
5	Copies of Annual Reports of the Company for the last three financial years.
6	Credit rating letter from the Rating Agency dated August 30, 2022, rating rationale from the Rating Agency dated September 1, 2022 along with detailed press release.
7	Letter from IDBI Trusteeship Services Limited dated September 5, 2022 giving its consent to act as Debenture Trustee.
8	Letter for Register and Transfer Agent.
9	Certified true copy of the certificate of incorporation of the Company.
10	Certified true copy of the tripartite agreement between the Company, the Registrar & Transfer Agent and the NSDL/CDSL.
11	Copy of application made to BSE for grant of in-principle approval for listing of Debentures.
12	Debenture Trustee Agreement to be executed by the Issuer and the Debenture Trustee.
13	Debenture Trust Deed to be executed by the Issuer and the Debenture Trustee.
14	Deed of Hypothecation to be executed by the Issuer and the Debenture Trustee.

5.34 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount of INR 30,00,00,000 (Indian Rupees Thirty Crore) by issue of rated, senior, secured, listed, transferable, redeemable, non-convertible debentures, on a private placement basis.

For further details of the Debentures, please refer to the terms and conditions of the debentures set out in Section 5.37 (*Issue Details*) of this Placement Memorandum.

5.35 Issue Size

The aggregate issue size for the Debentures is of INR 30,00,00,000 (Indian Rupees Thirty Crore).

5.36 Utilization of the Issue Proceeds

(a) The funds raised by the Issue shall be utilized by the Company for the ongoing business operations of the Company ("**Purpose**").

(b) The funds raised by the Issue shall be utilised by the Company solely for the Purpose and the Company shall not use the proceeds of the Issue towards:

(i) any capital market instrument such as equity, debt, debt linked, and equity linked instruments or any other capital market related activities (whether directly or indirectly);

BERAR FINANCE LIMITED NAGPUR

(ii) any speculative purposes;

(iii) investment in the real estate sector/real estate business (including the acquisition/purchase of land); and

(iv) in contravention of Applicable Law (including without limitation, any guidelines, rules or regulations of the RBI and SEBI).

5.37 Issue Details

Security Name (*Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year*)	11.50% BFL 2025
Issuer	Berar Finance Limited
Type of Instrument	Rated, senior, secured, listed, transferable, redeemable, non-convertible debentures
Nature of Instrument (Secured or Unsecured)	Rated, senior, secured, listed, transferable, redeemable, non-convertible debentures
Seniority (Senior or subordinated)	Senior
Eligible Investors	Please refer Section 8.14 (*Eligible Investors*).
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	(a) The Issuer shall submit all duly completed documents to the BSE, SEBI, ROC or any other Governmental Authority, as are required under Applicable Law and obtain the listing of the Debentures within the SEBI Listing Timelines Requirements ("**Listing Period**"). (b) The Issuer shall ensure that the Debentures continue to be listed on the wholesale debt market segment of the BSE. (c) In the event there is any delay in listing of the Debentures beyond the Listing Period, the Issuer will: (i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the Debentures until the listing of the Debentures is completed; and (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).
Rating of Instrument	"CARE BBB+" (pronounced as "CARE Triple B plus") by CARE Ratings Limited

BERAR FINANCE LIMITED NAGPUR

Issue Size	INR 30,00,00,000 (Indian Rupees Thirty Crore)
Minimum subscription	The minimum application size for the Issue shall be 10 (ten) Debentures and in multiples of 1 (one) Debenture thereafter.
Option to retain oversubscription (Amount)	N.A.
Objects of the Issue / Purpose for which there is requirement of funds	To raise secured debt to the extent up to INR 30,00,00,000 (Indian Rupees Thirty Crore) and 100% (One Hundred Percent) of the issue proceeds will be utilized for the ongoing business operations of the Issuer.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format:	Not Applicable. The proceeds raised from the Issue will be used solely for the Purpose.
Details of the utilization of the Proceeds	100% (One Hundred Percent) of the issue proceeds will be utilized for the ongoing business operations of the Issuer
Coupon Rate	11.50% (eleven decimal five zero percent) per annum (fixed), payable monthly. The indicative cash flows are set out in Annexure VI (*Illustration of Bond Cashflows*) below.
Step Up/ Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Interest shall accrue and be payable by the Issuer to the Debenture Holders at the Interest Rate on a monthly basis in accordance with Annexure VI (*Illustration of Bond Cash Flows*)
Coupon Payment Dates	Interest shall accrue and be payable by the Issuer to the Debenture Holders at the Interest Rate on a monthly basis in accordance with Annexure VI (*Illustration of Bond Cash Flows*)
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	N.A.
Day Count Basis (Actual / Actual)	Actual / 365

BERAR FINANCE LIMITED NAGPUR

Interest on Application Money	(a)	Interest at the Interest Rate, subject to deduction of tax at source in accordance with Applicable Law, will be paid by the Issuer on the Application Money to the Applicants from the date of receipt of such Application Money up to 1 (one) day prior to the Deemed Date of Allotment, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable.
	(b)	Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit.
	(c)	Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.
Default Interest Rate	(a)	The Issuer agrees to pay a default interest at 2% (two percent) per annum over the Interest Rate in respect of the Debentures, on the Outstanding Principal Amounts from the date of the occurrence of any Event of Default until such Event of Default is cured. Such amounts shall be payable on each Interest Payment Date occurring during the aforementioned period.
	(b)	Without prejudice to paragraph (a) above, the Issuer agrees to pay additional interest at 2% (two percent) per annum over the Interest Rate in respect of the Debentures, on the Outstanding Principal Amounts, if the Issuer (i) fails to create the Transaction Security within the timelines prescribed in the Transaction Documents and/or in the manner prescribed in the Transaction Documents, calculated for the period from the Deemed Date of Allotment until the date on which the Transaction Security is created, (ii) fails to maintain the Security Cover, calculated for the period from the date the Security Cover is reduced below the prescribed thresholds until the date on which the Security Cover is restored, or (iii) fails to furnish the hypothecated assets report within the timelines prescribed in the Deed of Hypothecation calculated for the period from the date on which the relevant hypothecated assets report was due, until the date on which the hypothecated assets report is actually provided. Such amounts shall be payable on each Interest Payment Date occurring during the aforementioned period.
	(c)	Without prejudice to paragraph (a) above, the Issuer agrees to pay additional interest at 1% (one percent) per annum over the Interest Rate in respect of the Debentures, on the Outstanding Principal Amounts, if the Issuer is in breach of any of the financial covenants set out in this Section 7.3.4 (*Financial Covenants*) until such breach is cured. Such amounts shall be payable on each Interest Payment Date occurring during the aforementioned period.

BERAR FINANCE LIMITED NAGPUR

Tenor	30 (thirty) months from the Deemed Date of Allotment
Redemption Date / Maturity Date	March 16, 2025, being 30 (thirty) months from the Deemed Date of Allotment.
Redemption Amount	INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture in the manner set out in **Annexure VI** (*Illustration of Bond Cash Flows*) hereto.
Redemption Premium/ Discount	Not Applicable
Early Redemption	**Early Redemption** (a) On occurrence of an Early Redemption Event, , subject to Applicable Law , the Debenture Trustee shall have the option (but not the obligation) to require the Issuer to redeem the Debentures and all other Outstanding Amounts within 30 (thirty) calendar days from the date of receipt by the Issuer of the notice regarding the occurrence of an Early Redemption Event ("**Early Redemption Option Date**") from the Debenture Trustee, wherein: (i) the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) shall provide a notice to the Issuer at least 30 (thirty) calendar days prior to the last date of the exercise period commencing on the date that is 3 (three) Business Days prior to the Early Redemption Option Date and expiring on the Early Redemption Option Date ("**Early Redemption Exercise Period**") informing the Issuer of the requirement to redeem the Debentures and all other Outstanding Amounts ("**Early Redemption Option Notification**"); and (ii) following the providing of the Early Redemption Option Notification, the Issuer shall redeem the Debentures on the Early Redemption Option Date by making payment of all Outstanding Amounts in respect of the Debentures to the Debenture Holders by no later than the Early Redemption Option Date. (b) Any notice given by Debenture Trustee in accordance with the above is irrevocable (c) No prepayment penalty or prepayment premium will be applicable to any redemption in accordance with this provision. **Voluntary Redemption** (a) On any date prior to the relevant Final Settlement Date, subject to compliance with Applicable Law (including without limitation, the NBFC Directions), and the consent of the Majority Debenture Holders, the Issuer may voluntarily prematurely redeem the Debentures, in part or in full. (b) For the purposes of voluntarily prematurely redeeming the Debentures,

	the Issuer shall: (i) provide the Debenture Trustee and the Debenture Holders written notice of at least 30 (thirty) calendar days prior to the date of the meeting of the Debenture Holders where the consent for the voluntary redemption is proposed to be sought; (ii) following the providing/granting of approval for any request for voluntary redemption, the Issuer shall redeem the Debentures on the date occurring on the expiry of the Voluntary Redemption Exercise Period. (c) The Issuer shall pay a premature redemption premium of 2% (two percent) on such part of the Outstanding Principal Amounts of the respective Debentures that are proposed to be prematurely redeemed. (d) Any notice to the Debenture Trustee of voluntary redemption given by the Issuer in accordance with the above, to which the Majority Debenture Holders have accorded their consent as above, will be irrevocable. (e) The Issuer shall not redeem (or prematurely redeem) the Debentures in any manner other than in accordance with the terms of the DTD.
Issue Price	INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Put Date	N.A.
Put Price	N.A.
Call Date	N.A.
Call Price	N.A.
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	N.A.
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	N.A.
Face Value	INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture
Minimum Application and in	The minimum application size for the Issue shall be 10 (ten) Debentures and in multiples of 1 (one) Debenture(s) thereafter.

BERAR FINANCE LIMITED NAGPUR

multiples of thereafter	
Issue Timing	Issue Opening Date: September 13, 2022 Issue Closing Date: September 16, 2022 Date of earliest closing of the Issue, if any: N.A Pay-in Date: September 16, 2022; and Deemed Date of Allotment: September 16, 2022
Settlement mode of the Instrument	RTGS
Depositories	NSDL and CDSL
Disclosure of Interest / Dividend / Redemption Dates	On the dates set out in **Annexure VI** (*Illustration of Bond Cash Flows*) (subject to adjustments for Business Day Convention).
Record Date	The date being 15 (Fifteen) calendar days prior to the due date on which any Payments are to be made to the Debenture Holder(s) in accordance with the terms of the Debentures on the basis of which the determination of the persons entitled to receive redemption of principal, Coupon, and other Payments, if any, as the case may be, in respect of the Debentures shall be made.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	**Representations and Warranties** Please refer Section 7.2 of this Placement Memorandum. **Affirmative Covenants** Please refer Section 7.3.1 of this Placement Memorandum. **Negative Covenants** Please refer Section 7.3.2 of this Placement Memorandum. **Reporting Covenants** Please refer Section 7.3.3 of this Placement Memorandum. **Financial Covenants** Please refer Section 7.3.4 of this Placement Memorandum.
Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of	**Security** (a) The Debentures shall be secured by way of (i) a first ranking exclusive and continuing charge to be created pursuant to an unattested deed of hypothecation, dated on or about the Effective Date, executed or to be executed and delivered by the Issuer in a form acceptable to the Debenture Trustee ("**Deed of Hypothecation**") over the book debts/loan receivables of the Issuer as described therein (the "**Hypothecated Assets**"), and (ii) such other security interest as may be agreed between the Issuer and the Debenture Holders ((i) and (ii) above are collectively referred to as the "**Transaction Security**"). (b) The charge over the Hypothecated Assets shall at all times until the

BERAR FINANCE LIMITED NAGPUR

security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the placement memorandum.	Final Settlement Date, be (i) at least 1.10 (one decimal one zero) times the value of the Outstanding Amounts; and (ii) the principal receivables of the Client Loans comprising the Hypothecated Assets shall be at least 1.10 (one decimal one zero) times the value of the Outstanding Amounts (collectively, the "**Security Cover**"). (c) The value of the Hypothecated Assets for this purpose (for both initial and subsequent valuations) shall be the amount reflected as the value thereof in the books of accounts of the Issuer. (d) The Issuer shall create the charge over the Hypothecated Assets on or prior to the Deemed Date of Allotment and perfect such security by filing Form CHG-9 with the ROC and by ensuring and procuring that the Debenture Trustee files Form I with CERSAI in respect thereof, each within 30 (thirty) calendar days from the date of execution of the Deed of Hypothecation. The Issuer shall provide such information and assistance that the Debenture Trustee requires for the purposes of making the relevant filings and/or registrations under Applicable Law, including with CERSAI and any information utility. **Guarantee** The Debentures shall be guaranteed by way of unconditional and irrevocable personal guarantees to be provided by the Personal Guarantors pursuant to the Personal Guarantees, in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) to be executed in a form and manner satisfactory to the Debenture Trustee. **Others** The Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows: (i) the Debentures shall be secured by a first ranking exclusive and continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders; (ii) the Debentures shall be guaranteed/credit enhanced by the Personal Guarantees provided/to be provided by the Personal Guarantors, in favour of the Debenture Trustee for the benefit of the Debenture Holders; (iii) all the Hypothecated Assets that will be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Issuer specifically appropriated to the Transaction Security and be dealt with only under the directions of the Debenture Trustee; (iv) the Issuer shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice this Security; (v) the Debenture Trustee shall be at liberty to incur all costs and expenses

BERAR FINANCE LIMITED NAGPUR

	as may be necessary to preserve the Transaction Security and to maintain the Transaction Security undiminished and claim reimbursement thereof; (vi) to create the security over the Hypothecated Assets as contemplated in the Transaction Documents by executing the duly stamped Deed of Hypothecation; (vii) to register and perfect the security interest created thereunder by filing Form CHG-9 with the concerned ROC and ensuring and procuring that the Debenture Trustee files the prescribed Form I with CERSAI reporting the charge created to the CERSAI in relation thereto, as soon as practicable and in any case no later than 30 (thirty) calendar days after the date of execution of the Deed of Hypothecation; (viii) until the Final Settlement Date, the Issuer shall, on a quarterly basis, at the time periods set out in the Deed of Hypothecation, provide a list of specific loan receivables/identified book debts to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover; (ix) to keep the Application Money in a separate bank account in the event the Debenture Trust Deed and the other Transaction Documents are not executed on or before the Deemed Date of Allotment; (x) the Issuer shall, within the timelines prescribed under the Deed of Hypothecation, add fresh receivables/Client Loans to the Hypothecated Assets so as to ensure that the Security Cover is maintained or replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the Transaction Documents. Without prejudice to the foregoing, the Issuer will replace all book debts/loan receivables comprising the Hypothecated Assets that are overdue by 90 (ninety) days or more with fresh book debts/loan receivables that fulfil the eligibility criteria prescribed in the Transaction Documents promptly and in no case later than 15 (fifteen) Business Days of any book debts/loan receivables becoming overdue by 90 (ninety) days or more; (xi) the Issuer shall, on a half yearly basis, as and when required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time; (xii) furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee in respect of the Hypothecated Assets; (xiii) furnish and execute all necessary documents to give effect to the Hypothecated Assets; (xiv) the security interest created on the Hypothecated Assets shall be a continuing security; and (xv) the Hypothecated Assets shall fulfil the eligibility criteria set out in

	the Deed of Hypothecation. **SPECIFIC DISCLOSURES** **Type of security**: Receivables/book debts, rights in underlying contracts, fixed deposits, mutual fund units (i.e., movable assets). **Type of charge**: Hypothecation. **Date of creation of security/ likely date of creation of security**: On or prior to the Deemed Date of Allotment). **Minimum security cover**: The charge over the Hypothecated Assets shall at all times until the Final Settlement Date, be (i) at least 1.10 (one decimal one zero) times the value of the Outstanding Amounts; and (ii) the principal receivables of the Client Loans comprising the Hypothecated Assets shall be at least 1.10 (one decimal one zero) times the value of the Outstanding Amounts **Revaluation**: N. A. **Replacement of security**: To be set out in detail in the Deed of Hypothecation. **Interest over and above the coupon rate**: (a) The Issuer agrees to pay a default interest at 2% (two percent) per annum over the Interest Rate in respect of the Debentures, on the Outstanding Principal Amounts from the date of the occurrence of any Event of Default until such Event of Default is cured. Such amounts shall be payable on each Interest Payment Date occurring during the aforementioned period. (b) Without prejudice to paragraph (a) above, the Issuer agrees to pay additional interest at 2% (two percent) per annum over the Interest Rate in respect of the Debentures, on the Outstanding Principal Amounts, if the Issuer (i) fails to create the Transaction Security within the timelines prescribed in the Transaction Documents and/or in the manner prescribed in the Transaction Documents, calculated for the period from the Deemed Date of Allotment until the date on which the Transaction Security is created, (ii) fails to maintain the Security Cover, calculated for the period from the date the Security Cover is reduced below the prescribed thresholds until the date on which the Security Cover is restored, or (iii) fails to furnish the hypothecated assets report within the timelines prescribed in the Deed of Hypothecation calculated for the period from the date on which the relevant hypothecated assets report was due, until the date on which the hypothecated assets report is actually provided. Such amounts shall be payable on each Interest Payment Date occurring during the aforementioned period.
Transaction Documents	Shall be as set out in Section 7.1 below

BEAR FINANCE LIMITED NAGPUR

Conditions Precedent to Disbursement	The Issuer shall fulfil the following conditions precedent, to the satisfaction of the Debenture Trustee/the Applicants, prior to the Deemed Date of Allotment, and shall submit and provide to the Debenture Trustee/the Applicants: (a) a copy of resolution of the Issuer's board of directors/committee of the Issuer's board of directors authorising the execution, delivery and performance of the Transaction Documents certified as correct, complete and in full force and effect by an appropriate officer of the Issuer; (b) (if applicable) a copy of the resolution of the shareholders of the Issuer under Section 42 of the Act, certified as correct, complete and in full force and effect by an appropriate officer of the Issuer; (c) a copy of a special resolution of the shareholders of the Issuer in accordance with Section 180(1)(c) of the Act approving the borrowing contemplated under the Transaction Documents OR a certificate of an authorised person of the Issuer confirming the non-applicability of Section 180(1)(c) of the Act; (d) a copy of a special resolution of the shareholders of the Issuer in accordance with Section 180(1)(a) of the Act approving the creation of security over the Hypothecated Assets OR a certificate of an authorised person of the Issuer confirming the non-applicability of Section 180(1)(a) of the Act; (e) a copy of the Constitutional Documents certified as correct, complete and in full force and effect by the appropriate officer; (f) execution, delivery and stamping of the Transaction Documents in a form and manner satisfactory to the Debenture Trustee; (g) a copy of the rating letter and/or the rating rationale issued by the Rating Agency in relation to the Rating; (h) a copy of the consent from the Debenture Trustee to act as the debenture trustee for the Issue; (i) a copy of the consent from the Registrar to act as the registrar and transfer agent for the Issue; (j) copies of the tripartite agreement(s) executed between the Issuer, the Registrar and each Depository; (k) evidence that all 'know your customer' requirements to the satisfaction of the Debenture Trustee/the Applicants has been provided; (l) the audited financial statements of the Issuer for the Financial Year ended March 31, 2022; (m) a certificate from the authorised signatories of the Issuer addressed to the Debenture Trustee confirming as on the Deemed Date of Allotment/the date of the certificate: (i) the persons authorised to sign the Transaction Documents and

BERAR FINANCE LIMITED NAGPUR

any document to be delivered under or in connection therewith, on behalf of the Issuer, together with the names, titles and specimen signatures of such authorised signatories;

(ii) the Issuer has the necessary power under the Constitutional Documents to borrow monies by way of the issuance of the Debentures and create the Transaction Security to secure such Debentures;

(iii) the issuance of the Debentures and the creation of security over the Hypothecated Assets will not cause any limit, including any borrowing or security providing limit binding on the Issuer to be exceeded;

(iv) no consents and approvals are required by the Issuer from its creditors or any Governmental Authority or any other person for the issuance of the Debentures and creation of security under the Deed of Hypothecation;

(v) the representations and warranties contained in the Debenture Trust Deed are true and correct in all respects;

(vi) no Event of Default has occurred or is subsisting;

(vii) no Material Adverse Effect has occurred; and

(viii) no investor or shareholder consent/approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents/instruments entered into by the Issuer and its shareholders and investors, is required for the Issuer to enter into or perform its obligations under the Transaction Documents;

(n) a certificate from each Personal Guarantor confirming as on the Deemed Date of Allotment/the date of the certificate, *inter alia*:

(i) each copy document relating to it provided by the Personal Guarantor or on behalf of the Personal Guarantor is correct, complete and in full force and effect as at a date no earlier than the date of the Debenture Trust Deed /the Deemed Date of Allotment;

(ii) the representations and warranties contained in the relevant Personal Guarantee are true and correct in all material respects as on the date of the certificate;

(iii) no Material Adverse Effect has occurred in respect of the Personal Guarantor;

(iv) the Personal Guarantor is a resident of India and a "person resident in India" within the meaning given to that term under the Foreign Exchange Management Act, 1999 and all applicable guidelines, notifications and circulars issued by the RBI thereunder;

BERAR FINANCE LIMITED NAGPUR

	(v) the Personal Guarantor is competent to contract for the purposes of Applicable Law; (vi) the Personal Guarantor is of sound mind and is not disqualified from contracting under Applicable Law; and (vii) no consents or approvals are required by the Personal Guarantor from its creditors or any Governmental Authority or any other person for the providing of the relevant Personal Guarantee; (o) a copy of the in-principle approval provided by the BSE in respect of the listing of the Debentures; and (p) such other information, documents, certificates, opinions and instruments as the Debenture Holders may reasonably request.
Conditions Subsequent to Disbursement	The Issuer shall fulfil the following conditions subsequent, to the satisfaction of the Debenture Trustee: (a) the Issuer shall ensure that the Debentures are allotted within the SEBI Listing Timelines Requirements, and ensure and procure that the Debentures are credited into the demat accounts of the Debenture Holders within 2 (two) Business Days from the Deemed Date of Allotment; (b) the Issuer shall, on or prior to the utilisation of the Application Money received by the Issuer, or within 15 (fifteen) calendar days of the allotment of Debentures, whichever is earlier, file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC along with a list of the Debenture Holders and with the prescribed fee; (c) the Issuer shall, in respect of the Deed of Hypothecation, file a copy of Form CHG-9 with ROC and shall ensure and procure that the Debenture Trustee files the prescribed Form I with CERSAI, each within 30 (thirty) days from the date of execution of the Deed of Hypothecation; (d) the Issuer shall make the application for listing of the Debentures and obtain listing of the Debentures within the time period prescribed under the SEBI Listing Timelines Requirements; and (e) comply with such other condition and provide such other information and documents as the Debenture Holders may reasonably request or as may be required under Applicable Law.
Events of Default (including manner of voting /conditions of joining Inter Creditor	**Events of Default** (a) **Payment Defaults** The Issuer does not pay on the Due Date any amount payable pursuant to the Debenture Trust Deed and the Debentures at the place and in the

BENAR FINANCE LIMITED NAGPUR

Agreement)	currency in which it is expressed to be payable, unless the failure to pay is caused by a technical error and the payment is made within 3 (three) calendar day of the Due Date. (b) **Insolvency/Inability to Pay Debts** (i) The Issuer is unable or admits in writing its inability to pay its debts as they mature and/or fall due, or suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to restructuring or rescheduling any of its Financial Indebtedness. (ii) Any resolution is passed resolving or to consider resolving that the Issuer be wound up voluntarily, or any order for winding up of the Issuer is made by any competent court or tribunal, other than for the purposes of any amalgamation or reconstruction of the Issuer entered into with the prior approval of the Debenture Trustee in accordance with the provisions of the Debenture Trust Deed. (iii) The Issuer commits any act or undertakes any action which may result in the insolvency/liquidation of the Issuer. (iv) The Issuer being determined as insolvent under the Insolvency and Bankruptcy Code, 2016 (read with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations framed thereunder from time to time). (c) **Business** (i) The Issuer without obtaining the prior consent of the Majority Debenture Holders ceases or threatens to cease to carry on its business or gives notice of its intention to do so. (ii) The passing of any order of a competent court or tribunal ordering, restraining or otherwise preventing the Issuer from conducting all or any material part of its business. (iii) The Issuer's organizational status or any licenses or franchise is revoked or suspended by any Governmental Authority, and the Issuer has exhausted all remedies and appeals relating thereof. (d) **Misrepresentation** Any representation or warranty made by the Issuer in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Issuer shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

BERAR FINANCE LIMITED NAGPUR

(e) **Material Adverse Effect**

The occurrence of a Material Adverse Effect, in the sole determination of the Debenture Trustee (acting on the instructions on the Debenture Holders).

(f) **Cross Default**

The Issuer:

(i) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created;

(ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or

(iii) any Financial Indebtedness of the Issuer is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment (whether or not such right shall have been waived), prior to the stated maturity thereof.

(g) **Liquidation or Dissolution of the Issuer / Appointment of Receiver or Liquidator**

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

(i) the suspension of payments, a moratorium of any Financial Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer, or other protection from the Issuer's creditors is declared or imposed in respect of any Financial Indebtedness of the Issuer;

(ii) a composition, compromise, assignment or arrangement with any creditor of the Issuer or its creditors generally;

(iii) the appointment, or the permission/allowance of the appointment, of a liquidator, receiver, provisional liquidator, administrative receiver, administrator, compulsory manager, resolution professional, trustee, supervisor or other similar officer in respect of the Issuer or any of its assets or any part of the undertaking of the Issuer

(iv) a petition for reorganization, arrangement, adjustment, winding up or composition of debts of the Issuer is filed by the Issuer

BERAR FINANCE LIMITED NAGPUR

(voluntary or otherwise) or any other person, or such a petition has been admitted, and such proceedings are not dismissed within 15 (fifteen) days of filing;

(v) the Issuer, in respect of any reference or enquiry or proceedings commenced, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework);

(vi) the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 read together with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time, or under any other Applicable Law, in respect of the Issuer;

(vii) enforcement of any security over any Assets of the Issuer or any analogous procedure or step is taken in any jurisdiction; or

(viii) any other event occurs or proceeding instituted under any applicable Law that would have an effect analogous to any of the events listed in paragraphs (i) to (vii) above.

(h) **Creditors' Process and Expropriation**

(i) Any expropriation, attachment, garnishee, sequestration, distress or execution affects the Hypothecated Assets, or any part of the Assets of the Issuer.

(ii) All or a material part of the undertaking, assets, rights or revenues of the Issuer are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of all or substantial part of the business or operations of the Issuer (including operations, properties and other assets), or shall have taken any action for the dissolution of the Issuer, or any action that would prevent the Issuer, their members, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Governmental Authority.

(i) **Judgment Defaults**

One or more judgments or decrees entered against the Issuer involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 10% (ten percent) of the Total Assets of the Issuer, provided such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (thirty) calendar days.

(j) **Transaction Documents; Authorisations**

(i) The Debenture Trust Deed or any other Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be in full force or no longer constitutes valid, binding and enforceable obligations of the Issuer.

(ii) The withdrawal, failure of renewal, or failure by the Issuer to obtain any Authorisation or any other statutory or regulatory approval in any relevant jurisdiction for the issuance of the Debentures or the providing of the Transaction Security.

(k) **Unlawfulness**

It is or becomes unlawful or illegal for the Issuer to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Issuer under any Transaction Document are not or cease to be valid, binding or enforceable.

(l) **Repudiation**

The Issuer repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(m) **Security in Jeopardy**

In the opinion of the Debenture Trustee any Hypothecated Asset(s) are in jeopardy.

(n) **Security and Personal Guarantees**

(i) The value of the Hypothecated Assets is insufficient to maintain the Security Cover or the Issuer fails to maintain the Security Cover (including by way of providing additional/alternate security to the satisfaction of the Debenture Trustee) within the time period prescribed under the Deed of Hypothecation.

(ii) The Personal Guarantees are not provided by the Personal Guarantors in favour of the Debenture Holders and/or the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders).

(iii) Any of the Transaction Documents fails to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests fail to have the priority contemplated under the Transaction Documents, or the security interests become unlawful, invalid or unenforceable.

(iv) The Issuer creates or attempts to create any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect, over the Hypothecated Assets, without the prior

consent of the Debenture Trustee.

(v) The Issuer fails to create and perfect the security over the Hypothecated Assets within the timelines prescribed by under the Transaction Documents (including in respect of the filing of Form-CHG 9 with the ROC).

(o) **Fraud and Embezzlement**

Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the funds of the Issuer or the Promoters, or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer, or key managerial person (as defined in the Act) of the Issuer.

(p) **Merger or Acquisition**

The Issuer takes or permits to be taken any action for reduction of its capital, the re-organisation of its capital or any rearrangement, merger or amalgamation without the prior approval of the Debenture Holders.

(q) **Promoter Defaults**

(i) The managing director(s) or any key managerial personnel (as defined in the Act) of the Issuer are declared as wilful defaulters by any bank of financial institution.

(ii) Any Promoter and/or the directors of the Issuer or any key managerial personnel (as defined in the Act) of the Issuer are accused of, charged with, arrested or convicted of a criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of such Promoters and/or directors, including any accusations, charges and/or convictions of any offence relating to bribery.

(r) **Erosion of Net Worth**

The Net Worth of the Issuer erodes by 50% (fifty percent) or more, on or after September 30, 2022.

(s) [INTENTIONALLY LEFT BLANK]

(t) **Change of Control**

Any Change of Control or a Change of Control Event occurs, other than in accordance with the terms of the Debenture Trust Deed.

(u) **Breach of Certain Covenants**

Any breach of:

(i) any of the covenants set out in Section 7.3.1(e) (Preserve corporate status), (f) (Pay stamp duty), (g)(v) (Redressal of grievances), (g)(vi) (Comply with Investor Education and Protection Fund requirements), (g)(vii) (Corporate

BERAR FINANCE LIMITED NAGPUR

Governance; Fair Practices Code), and (i) (Filings; Compliance with BSE requirements), and (m) (Books and Records), which is not cured within 30 (thirty) calendar days of occurrence;

(ii) any of the covenants set out in Section 7.3.2 (a) (Change of Business), (b) (Dividend), (d) (Promoter Covenants; Control);

(iii) any of the covenants or undertakings set out in Section 7.3.4 (Financial Covenants) (other than Section 7.3.4 (b)) which is not cured within 60 (sixty) calendar days of occurrence; and

(iv) the covenant set out in Section 7.3.4 (b) which is not cured within 1 (one) month of occurrence.

(v) **Breach of Other Covenants**

Any breach of any covenant or undertaking of the Issuer in the Transaction Documents (other than Paragraphs (a) to (u) above) which is not remedied (if capable of being remedied) within such time period as may be prescribed by the Debenture Holders in their sole discretion (if any).

Consequences and Remedies of an Event of Default

If one or more events specified in the Events of Default occur(s), the Debenture Trustee may, in its discretion, and, upon request, in writing, of the Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in Schedule II of the Debenture Trust Deed, by a notice in writing to the Issuer initiate the following course of action:

(a) require the Issuer to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest and other costs, charges and expenses incurred under or in connection with the Debenture Trust Deed and the other Transaction Documents;

(b) accelerate the redemption of the Debentures and declare all or any of the Debentures to be immediately due and payable, whereupon it shall become immediately due and payable;

(c) enforce the security interest created under the Transaction Documents (including in respect of the Transaction Security) in accordance with the terms of the Transaction Documents;

(d) invoke/enforce the Personal Guarantees provided by the Personal Guarantors or any other guarantee provided pursuant to the Debenture Trust Deed and the Transaction Documents in accordance with the terms thereof;

(e) appoint any independent agency to inspect and examine the working of the Issuer and give a report to the Debenture Holders/the Debenture Trustee. The Issuer shall provide its full co-operation and necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other

BERAR FINANCE LIMITED NAGPUR

	expenses; (f) take any actions in respect of the SEBI Defaults (Procedure) Circular in accordance with the provisions of the Debenture Trust Deed (including paragraph 21A of Schedule II of the Debenture Trust Deed); (g) take all such other action as is expressly permitted under the Debenture Trust Deed or in the other Transaction Documents or permitted under Applicable Law; and/or (h) exercise any other right that the Debenture Trustee and/or the Debenture Holders may have under the Transaction Documents or under Applicable Law.
Creation of recovery expense fund	**Details and purpose of the recovery expense fund** (a) The Issuer shall create and maintain the Recovery Expense Fund up to the amounts prescribed under the SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular. (b) The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Transaction Documents. (c) The amounts in the Recovery Expense Fund shall be utilised in the manner as may be prescribed by the Debenture Holders by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents. (d) On the occurrence of an Event of Default, if the Security is proposed to be enforced, the Debenture Trustee shall follow the procedure set out in the SEBI REF Circular for utilisation of the Recovery Expense Fund.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	Please refer sections named "Default Interest Rate" and "Events of Default".

BERAR FINANCE LIMITED NAGPUR

Provisions related to Cross Default Clause	The Issuer: (i) defaults in any payment of any Financial Indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such Financial Indebtedness was created; (ii) defaults in the observance or performance of any agreement or condition relating to any Financial Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (with the giving of notice or the passage of time or both would permit or cause) any such Financial Indebtedness to become due prior to its stated maturity; or (iii) any Financial Indebtedness of the Issuer is declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment (whether or not such right shall have been waived), prior to the stated maturity thereof.
Role and Responsibilities of Debenture Trustee	The Debenture Trustee shall comply with all its roles and responsibilities as prescribed under Applicable Law and the Transaction Documents, including: (a) the Debenture Trustee may, in relation to the DTD and the other Transaction Documents, act on the opinion or advice of or any information obtained from any solicitor, counsel, advocate, valuer, surveyor, broker, auctioneer, qualified accountant or other expert whether obtained by the Issuer or by the Debenture Trustee or otherwise; (b) the Debenture Trustee shall be the attorney of the Issuer and shall have the right to execute, sign and do any deeds, documents, assurances, acts and things in the name and on behalf of the Issuer, which shall in the opinion of the Debenture Trustee be necessary or expedient that the Issuer should execute, sign and do for the purpose of carrying out any of the trusts or obligations declared or imposed upon the Debenture Trustee; (c) subject to the approval of the Debenture Holders by way of a Special Resolution passed at a meeting of the Debenture Holders held for determining the liability of the Debenture Trustee, the Debenture Trustee shall, as regards all trusts, powers, authorities and discretions, have the discretion as to the exercise thereof and to the mode and time of exercise thereof. In the absence of any fraud, gross negligence, willful misconduct or breach of trust the Debenture Trustee shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the aforementioned exercise or non-exercise thereof. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such

BERAR FINANCE LIMITED NAGPUR

request or direction;

(d) with a view to facilitating any dealing under any provisions of the DTD or the other Transaction Documents, subject to the Debenture Trustee obtaining the consent of the Majority Debenture Holders, the Debenture Trustee shall have (i) the power to consent (where such consent is required) to a specified transaction or class of transactions (with or without specifying additional conditions); and (ii) to determine all questions and doubts arising in relation to the interpretation or construction any of the provisions of the DTD;

(e) the Debenture Trustee shall not be responsible for the amounts paid by the Applicants for the Debentures;

(f) the Debenture Trustee shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture Holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture Holders;

(g) the Debenture Trustee and each receiver, attorney, manager, agent or other person appointed by it shall, subject to the provisions of the Act, is entitled to be indemnified by the Issuer in respect of all liabilities and expenses incurred by them in the execution or purported execution of the powers and trusts thereof;

(h) subject to the approval of the Debenture Holder(s) by way of a Special Resolution passed at a meeting of Debenture Holder(s) held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee shall not be liable for any of its actions or deeds in relation to the Transaction Documents;

(i) subject to the approval of the Debenture Holder(s) by way of Special Resolution passed at a meeting of Debenture Holders held for determining the liability of the Debenture Trustee and in the absence of fraud, gross negligence, willful misconduct or breach of trust, the Debenture Trustee, shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained herein or in enforcing the covenants contained herein or in giving notice to any person of the execution hereof or in taking any other steps which may be necessary, expedient or desirable or for any loss or injury which may be occasioned by reason thereof unless the Debenture Trustee shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid given in writing by the Majority Debenture Holder(s) or by a Majority Resolution duly passed at a meeting of the Debenture Holders. The Debenture Trustee shall not be bound to act at the request or direction of the Debenture Holders under any provisions of the Transaction Documents unless sufficient amounts shall have been provided or provision to the satisfaction of the Debenture Trustee has been made for providing such amounts and the Debenture Trustee is indemnified to its satisfaction against all further costs, charges, expenses and

BERAR FINANCE LIMITED NAGPUR

	liability which may be incurred in complying with such request or direction; (j) notwithstanding anything contained to the contrary in the DTD, the Debenture Trustee shall before taking any action on behalf of the Debenture Holders or providing any consent on behalf of the Debenture Holders, obtain the written consent of the Majority Debenture Holders; (k) the Debenture Trustee shall forward to the Debenture Holders copies of any information or documents from the Issuer pursuant to the DTD within 2 (two) Business Days of receiving such information or document from the Issuer; and (l) the Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Recovery Expense Fund Circular. Please also refer to **Annexure VIII** of this Placement Memorandum for the terms and conditions of the debenture trustee agreement.
Risk factors pertaining to the issue	Please refer to Section 3 (*Risk Factors*) of this Placement Memorandum
Governing Law	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the exclusive jurisdiction of the courts in Chennai, India and as more particularly provided for in the Debenture Trust Deed. Notwithstanding anything stated earlier, the Debenture Trustee has the right to commence proceedings before any other court or forum in India.
Additional Disclosures (Security Creation)	In the event of any delay in the execution of any Transaction Documents (including the DTD or the Deed of Hypothecation or the Personal Guarantees), the Issuer will, at the option of the Debenture Holders, either: (i) refund the Application Money together with interest at the Interest Rate/discharge the Secured Obligations to the Debenture Holders; or (ii) pay to the Debenture Holders penal interest at the rate of 2% (two percent) per annum charged on the Outstanding Principal Amounts in addition to the Interest Rate till the relevant Transaction Documents (as the case may be) are duly executed to the satisfaction of the Debenture Holders.
Additional Disclosures (Default in Payment)	The Issuer agrees to pay an additional interest rate of 2% (two percent) per annum over the Interest Rate in respect of the Debentures, on the Outstanding Principal Amounts from the date of the occurrence of any Event of Default until such Event of Default is cured. Such amounts shall be payable on each Interest Payment Date occurring during the aforementioned period.
Additional Disclosures (Delay in Listing)	In the event there is any delay in listing of the Debentures beyond the Listing Period, the Company will: (i) pay to the Debenture Holders, penal interest of 1% (one percent) per annum over the Interest Rate, from the date of allotment of the

BERAR FINANCE LIMITED NAGPUR

	Debentures until the listing of the Debentures is completed; and (ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the stock exchange(s).

Note:

1. If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.

2. The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.

3. While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of Placement Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

4. The Issuer shall provide granular disclosures in this Placement Memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".

BERAR FINANCE LIMITED NAGPUR

SECTION 6: DISCLOSURES PERTAINING TO WILFUL DEFAULT

The following disclosures shall be made if the issuer or its promoter or director is declared wilful defaulter:

(A) **Name of the bank declaring the entity as a Wilful Defaulter**: NIL

(B) **The year in which the entity is declared as a Wilful Defaulter**: N.A

(C) **Outstanding amount when the entity is declared as a Wilful Defaulter**: N.A

(D) **Name of the entity declared as a Wilful Defaulter**: N.A

(E) **Steps taken, if any, for the removal from the list of wilful defaulters**: N.A

(F) **Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions**: N.A

(G) **Any other disclosure as specified by SEBI:** N.A

BERAR FINANCE LIMITED NAGPUR

SECTION 7: TRANSACTION DOCUMENTS AND KEY TERMS

7.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("**Transaction Documents**"):

(a) Debenture Trustee Agreement, which will confirm the appointment of IDBI Trusteeship Services Limited as the Debenture Trustee ("**Debenture Trustee Agreement**");

(b) Debenture Trust Deed, which will set out the terms upon which the Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer ("**Debenture Trust Deed**");

(c) Deed of Hypothecation whereby the Issuer will create an exclusive first charge by way of hypothecation over the Hypothecated Property in favour of the Debenture Trustee to secure its obligations in respect of the Debentures ("**Deed of Hypothecation**"); and

(d) Such other documents as agreed between the Issuer and the Debenture Trustee.

7.2 Representations and Warranties of the Issuer

The Issuer makes the representations and warranties set out hereunder to the Debenture Trustee for the benefit of the Debenture Holders as on the Effective Date, which representations shall be true and valid on each day until the Final Settlement Date.

(a) **Status**

(i) It is a company, duly incorporated, registered and validly existing under Applicable Law.

(ii) It is a non-banking financial company registered with the RBI.

(iii) It has the power to own its Assets and carry on its business as it is being conducted.

(b) **Binding obligations**

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(c) **Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by the Transaction Documents do not and will not conflict with, or constitute a default under:

(i) any Applicable Law;

(ii) the Constitutional Documents;

(iii) any judgement, decree, order or award; or

(iv) any agreement or instrument binding upon it or any of its Assets.

(d) **Power and authority; Illegality**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by such Transaction Documents. It is not unlawful or illegal for the Issuer to perform any of its obligations under the Transaction Documents.

(e) **Validity and admissibility in evidence**

All approvals, authorisations, consents, permits (third party, statutory or otherwise) required or desirable:

(i) to enable it to lawfully enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party;

(ii) to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and

(iii) for it to carry on its business, and which are material,

have been obtained or effected and are in full force and effect.

(f) **No default**

(i) No Event of Default has occurred and is continuing or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.

(ii) No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Issuer or any of its Assets or which might have a Material Adverse Effect.

(g) **Pari passu ranking**

The payment obligations of the Issuer under the Transaction Documents shall be at least pari passu with the claims of all of its other senior secured creditors, except for obligations mandatorily preferred by Applicable Law applying to companies generally.

(h) **No proceedings pending**

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been threatened or commenced against the Issuer, which if determined adversely, may have or which purport to have a Material Adverse Effect.

(i) **No misleading information**

All information provided by the Issuer to the Debenture Trustee/Debenture Holders is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated and is not misleading due to omission of material

BRAR FINANCE LIMITED NAGPUR

fact or otherwise.

(j) **Compliance**

(i) The Issuer has complied with Applicable Law.

(ii) There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority issued or outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated against the Issuer which would have a Material Adverse Effect.

(iii) No notice or other communication (official or otherwise) from any Governmental Authority has been issued or is outstanding or to the best of the Issuer's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such Applicable Law or requiring them to take or omit any action.

(iv) The Issuer shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to the SEBI, the BSE, CERSAI and the ROC and obtain all consents and approvals required for the completion of the Issue.

(k) **Assets**

(i) Except for the security interests and encumbrances created and recorded with the ROC, the Issuer has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(ii) Without prejudice to paragraph (i) above, the Issuer is the sole owner of all Assets shown on its financial statements provided to the Debenture Holders, other than specifically set out in the aforementioned financial statements.

(l) **Financial statements**

(i) Its audited financial statements most recently provided to the Debenture Trustee as of March 31, 2022 were prepared in accordance with Applicable Accounting Standards consistently applied save to the extent expressly disclosed in such financial statements.

(ii) Its audited financial statements as of March 31, 2022 provided to the Debenture Trustee, give an accurate, true and fair view and represent its financial condition and operations during the Financial Year save to the extent expressly disclosed in such financial statements.

(m) **Solvency**

(i) The Issuer is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of Applicable Law, nor will it become unable to pay its debts for the purposes of Applicable Law as a consequence of entering into the

GERAR FINANCE LIMITED NAGPUR

Debenture Trust Deed or any other Transaction Document.

(ii) The Issuer is solvent and is capable of paying/meeting its obligations as and when they become due.

(iii) The Issuer, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its Financial Indebtedness.

(iv) The value of the Assets of the Issuer is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.

(v) The Issuer has not taken any corporate action nor has it taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

(vi) No insolvency or bankruptcy process has commenced under Applicable Law in respect of the Issuer (including pursuant to the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time).

(vii) No reference has been made, or enquiry or proceedings commenced, in respect of the Issuer, before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the Stressed Assets Framework).

(n) **Hypothecated Assets**

(i) The Hypothecated Assets are the sole and absolute property of the Issuer and are free from any other mortgage, charge or encumbrance and are not subject to any lis pendens, attachment, or other order or process issued by any Governmental Authority.

(ii) None of the Client Loans comprising the Hypothecated Assets have been previously hypothecated, sold, transferred or assigned to any other bank or financial institution.

(iii) The Transaction Documents executed or to be executed constitute legal, valid and enforceable security interest in favour of the Debenture Trustee and for the benefit of the Debenture Holders on all the assets thereby secured and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of such security have been obtained.

(o) **Material Adverse Effect**

(i) No fact or circumstance, condition, proceeding or occurrence exists that has a Material Adverse Effect.

(ii) No Material Adverse Effect has occurred or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures.

BERAR FINANCE LIMITED NAGPUR

(p) **Confirmations**

No investor or shareholder consent/approval, pursuant to the articles of association of the Issuer or any shareholders' agreements or other documents/instruments entered into by the Issuer and its shareholders and investors, is required for the Issuer to enter into or perform its obligations under the Transaction Documents.

7.3 COVENANTS OF THE ISSUER

7.3.1. AFFIRMATIVE COVENANTS

The Issuer shall:

(a) **Use of Proceeds**

use the proceeds of the Issue only for the Purpose and in accordance with the Debenture Trust Deed and within 45 (forty five) days from the Deemed Date of Allotment;

(b) **Loss or damage by uncovered risks**

promptly inform the Debenture Trustee of any material loss or significant damage which the Issuer may suffer due to any force majeure circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Issuer may not have insured its properties;

(c) **Costs and expenses**

pay all reasonable costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of the Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Issuer before they are incurred and shall not include any foreign travel costs;

(d) **Payment of Rents, etc.**

pay all rents, royalties, taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Issuer as and when such amounts are payable;

(e) **Preserve corporate status**

(i) diligently preserve and maintain its corporate existence and status and all rights, privileges, and concessions now held or hereafter acquired by it in the conduct of its business;

(ii) comply with all acts, authorisations, consents, permissions, rules, regulations, orders and directions of any Governmental Authority;

(iii) promptly obtain, comply with all necessary authorisations, licenses, consents and approvals required under Applicable Law to enable it to perform its obligations under the Transaction Documents, to ensure the legality, validity, enforceability or admissibility of the Transaction Documents; and



(iv) not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be terminated or whereby payment of the Outstanding Amounts might or would be hindered or delayed;

(f) **Pay stamp duty**

pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay according to the applicable state laws. In the event the Issuer fails to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee shall be at liberty (but shall not be bound) to pay such amounts and the Issuer shall reimburse the aforementioned amounts to the Debenture Trustee on demand;

(g) **Furnish information to trustee**

(i) provide to the Debenture Trustee or its nominee(s)/agent(s) such information/copies of relevant extracts as they may require on any matters relating to the business of the Issuer or to investigate the affairs of the Issuer;

(ii) allow the Debenture Trustee to make such examination and investigation as and when deemed necessary and shall furnish the Debenture Trustee with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation;

(iii) furnish quarterly report to the Debenture Trustee (as may be required in accordance with Applicable Law) containing the following particulars:

(A) updated list of the names and addresses of the Debenture Holders;

(B) details of the interest due, but unpaid and reasons thereof;

(C) the number and nature of grievances received from the Debenture Holders and resolved and unresolved by the Issuer along with the reasons for the same; and

(D) a statement that the Hypothecated Assets are sufficient to discharge the claims of the Debenture Holders as and when they become due;

(iv) inform and provide the Debenture Trustee with applicable documents in respect of the following:

(A) notice of any Event of Default or potential Event of Default;

(B) any and all information required to be provided to the Debenture Holders under Applicable Law and the listing agreement to be entered into between the Issuer and the BSE; and

(C) any and all orders, directions, notices, of any court or tribunal affecting or likely to affect the Hypothecated Assets;

(v) **Redressal of Grievances**

promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Issuer further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard,

BERAR FINANCE LIMITED NAGPUR

from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance;

(vi) **Comply with Investor Education and Protection Fund requirements**

comply with the provisions of the Act relating to transfer of unclaimed/ unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund ("**IEPF**"), if applicable to it. The Issuer hereby further agrees and undertakes that until the Final Settlement Date it shall abide by the regulations, rules or guidelines/listing requirements if any, issued from time to time by the Ministry of Corporate Affairs, RBI, SEBI or any other competent Governmental Authority;

(vii) **Corporate Governance; Fair Practices Code**

comply with any corporate governance requirements applicable to the Issuer (as may be prescribed by the RBI, SEBI, any stock exchange, or any Governmental Authority) and the fair practices code prescribed by the RBI;

(viii) **Further assurances**

(A) provide details of any litigation, arbitration, legal action or administrative proceedings that if determined adversely could have a Material Adverse Effect on the Issuer;

(B) comply with any monitoring and/or servicing requests from Debenture Holders and the Debenture Trustee;

(C) execute and/or do, at its own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Applicable Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;

(D) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and perform its obligations under the Debenture Trust Deed or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Debenture Trust Deed;

(E) comply with:

(1) all Applicable Law (including but not limited to all environmental, social and taxation related laws), as applicable in respect of the Debentures and obtain such regulatory approvals as may be required from time to time;

(2) the Debenture Trustees Regulations as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 of the Debenture Trustees Regulations in performance of their duties in accordance

BERAR FINANCE LIMITED NAGPUR

therewith to the extent applicable to the Debentures;

(3) the provisions of the Act in relation to the Issue;

(4) procure that the Debentures are rated and continue to be rated until the Final Settlement Date;

(5) ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Issuer shall do so in the manner that is most tax efficient for the Debenture Holders but without, in any way requiring the Issuer to incur any additional costs, expenses or taxes and the Issuer shall avail of all the benefits available under any treaty applicable to the Issuer and/or the Debenture Holders; and

(6) if so required, the terms of Chapter XI (Operational framework for transactions in defaulted debt securities post maturity date/ redemption date) of the Listed NCDs Operational Circular, and provide all details/intimations to the Debenture Trustee, the Depositories, and BSE (as the case may be) in accordance with therein; and

(h) **Security and the Personal Guarantees**

the Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:

(i) the Debentures shall be secured by a first ranking exclusive and continuing security by way of a first ranking exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;

(ii) the Debentures shall be guaranteed/credit enhanced by the Personal Guarantees provided/to be provided by the Personal Guarantors, in favour of the Debenture Trustee for the benefit of the Debenture Holders;

(iii) all the Hypothecated Assets that will be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Issuer specifically appropriated to the Transaction Security and be dealt with only under the directions of the Debenture Trustee;

(iv) the Issuer shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice this Security;

(v) the Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve the Transaction Security and to maintain the Transaction Security undiminished and claim reimbursement thereof;

(vi) to create the security over the Hypothecated Assets as contemplated in the Transaction Documents by executing the duly stamped Deed of Hypothecation;

FOR FINANCE LIMITED NAGPUR

(vii) to register and perfect the security interest created thereunder by filing Form CHG-9 with the concerned ROC and ensuring and procuring that the Debenture Trustee files the prescribed Form I with CERSAI reporting the charge created to the CERSAI in relation thereto, as soon as practicable and in any case no later than 30 (thirty) calendar days after the date of execution of the Deed of Hypothecation;

(viii) until the Final Settlement Date, the Issuer shall, on a quarterly basis, at the time periods set out in the Deed of Hypothecation, provide a list of specific loan receivables/identified book debts to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Security Cover;

(ix) to keep the Application Money in a separate bank account in the event the Debenture Trust Deed and the other Transaction Documents are not executed on or before the Deemed Date of Allotment;

(x) the Issuer shall, within the timelines prescribed under the Deed of Hypothecation, add fresh receivables/Client Loans to the Hypothecated Assets so as to ensure that the Security Cover is maintained or replace such Hypothecated Assets that do not satisfy the eligibility criteria prescribed in the Transaction Documents. Without prejudice to the foregoing, the Issuer will replace all book debts/loan receivables comprising the Hypothecated Assets that are overdue by 90 (ninety) days or more with fresh book debts/loan receivables that fulfil the eligibility criteria prescribed in the Transaction Documents promptly and in no case later than 15 (fifteen) Business Days of any book debts/loan receivables becoming overdue by 90 (ninety) days or more;

(xi) the Issuer shall, on a half yearly basis, as and when required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time;

(xii) furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee in respect of the Hypothecated Assets;

(xiii) furnish and execute all necessary documents to give effect to the Hypothecated Assets;

(xiv) the security interest created on the Hypothecated Assets shall be a continuing security;

(xv) the Hypothecated Assets shall fulfil the eligibility criteria set out in the Deed of Hypothecation;

(xvi) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Issuer to the Debenture Trustee and/ or the Debenture Holders;

(xvii) the Debenture Holders shall have a beneficial interest in the Hypothecated Assets of the Issuer which have been charged to the Debenture Trustee to

DERAR FINANCE LIMITED NAGPUR

the extent of the Outstanding Amounts of the Debentures under the Debenture Trust Deed; and

(xviii) to forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;

(i) **Filings; Compliance with BSE requirements**

the Issuer hereby further agrees, declares and covenants with the Debenture Trustee as follows:

(A) the Issuer shall comply with the relevant provisions of the SEBI LODR Regulations (as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021) applicable to listed entities which have listed their non-convertible securities, including (to the extent applicable), the provisions of Chapter II (Principles governing disclosures and obligations of listed entity), Chapter III (Common obligations of listed entities), Chapter IV (Obligations of a listed entity which has listed its specified securities and non-convertible debt securities), and Chapter V (Obligations of listed entity which has listed its non-convertible securities) of the SEBI LODR Regulations.

(B) it will provide all such assistance to the Debenture Trustee as may be required by it, to carry out the necessary due diligence and monitor the asset cover/security cover in the manner as may be specified by SEBI from time to time. In this regard, in accordance with the SEBI Monitoring Circular, the Issuer undertakes and agrees to provide all relevant documents/information, as applicable, to enable the Debenture Trustee to submit the following reports/certifications to BSE in accordance with the SEBI Monitoring Circular:

(1) an asset cover/security cover certificate on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than the last quarter of financial year) and within 90 (ninety) days of the end of the financial year or such other timelines as may be prescribed under Applicable Law in the format prescribed in the SEBI Monitoring Circular;

(2) (to the extent applicable) a statement of the value of the pledged securities on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than the last quarter of financial year) and within 90 (ninety) days of the end of the financial year or such other timelines as may be prescribed under Applicable Law in the format prescribed in the SEBI Monitoring Circular;

(3) (to the extent applicable) a statement of the value of the debt service reserve account or any other form of security offered on a quarterly basis, within 75 (seventy five) days from each Quarterly Date (other than the last quarter of financial year) and within 90 (ninety) days of the end of the financial year or such other timelines as may be prescribed under Applicable Law in the format prescribed in the SEBI Monitoring Circular;

(4) (to the extent applicable) a net worth certificate of the guarantor who has provided a personal guarantee in respect of the Debentures on a half yearly basis, within 60 (sixty) days from the end of each financial half-year;

(5) (to the extent applicable) the financials/value of guarantor prepared on the basis of audited financial statement etc. of the guarantor who has provided a corporate guarantee in respect of the Debentures on an annual basis, within 75 (seventy five) days from the end of each financial year; and

(6) (to the extent applicable) the valuation report and title search report for the immovable/movable assets, as applicable, once in three years, within 75 (seventy five) days of the end of the financial year or such other timelines as may be prescribed under Applicable Law in the format prescribed in the SEBI Monitoring Circular.

(C) it will submit to the BSE, on a periodical basis and/or on an 'as and when' basis (depending upon the occurrence of any event), such information as prescribed under the SEBI Centralized Database Requirements, in such format as may be prescribed by the BSE;

(D) it will provide/fill all such information as prescribed under the SEBI Centralized Database Requirements at the time of allotment of the International Securities Identification Number (ISIN) in respect of the Debentures;

(E) it will submit to the Debenture Trustee, on a half yearly basis, a certificate from the statutory auditor of the Issuer giving the value of receivables/book debts including compliance with the covenants set out in the Placement Memorandum in such manner as may be specified by SEBI from time to time;

(F) (if so required) it will submit to the Debenture Trustee, on an annual basis, a certificate from the statutory auditor of the Issuer in relation to the value of the book debts/receivables comprising the Hypothecated Assets; and

(G) it will provide such assistance as may be required by the Debenture Trustee to, prior to the creation of charge to secure the Debentures, exercise independent due diligence to ensure that such security is free from any encumbrance or that the necessary consent(s) from other charge-holders (if applicable) have been obtained in the manner as may be specified by the SEBI from time to time;

(j) **Execution of Transaction Documents**

in the event of any delay in the execution of any Transaction Documents (including the Debenture Trust Deed or the Deed of Hypothecation or the Personal Guarantees), the Issuer will, at the option of the Debenture Holders, either:

(i) refund the Application Money together with interest at the Interest Rate/discharge the Secured Obligations to the Debenture Holders; or

(ii) pay to the Debenture Holders penal interest at the rate of 2% (two percent) per annum charged on the Outstanding Principal Amounts in addition to the Interest Rate till the relevant Transaction Documents (as the case may be)



are duly executed to the satisfaction of the Debenture Holders;

(k) **Internal Control**

the Issuer shall maintain internal control for the purpose of:

(i) preventing fraud on amounts lent by the Issuer; and

(ii) preventing money being used for money laundering or illegal purposes;

(l) **Audit and Inspection**

the Issuer shall permit visits and inspection of books of records, documents and accounts to the Debenture Trustee and the Debenture Holders and their representatives, as and when required by them;

(m) **Books and Records**

the Issuer shall maintain its accounts and records in accordance with Applicable Law;

(n) **Access; Periodic Portfolio Monitoring**

the Issuer shall provide the Debenture Trustee and the Debenture Holders and any of their representatives, professional advisers and contractors with relevant data/information and access to and/or permit them to, at the cost of the Issuer:

(i) examine and inspect the books and records, office premises, and the premises of the Issuer;

(ii) portfolio data in the format prescribed by the Debenture Holders from time to time;

(iii) discuss the affairs, finances and accounts of the Issuer with, and be advised as to the same, by the relevant officers; and

(o) **Post-dated Cheques and Undated Cheques**

procure and deliver to the Debenture Trustee duly filed post-dated cheques and/or undated cheques in favor of the Debenture Trustee for all payments of installments under the Debenture Trust Deed in respect of the Secured Obligations (including payments of interest on the Interest Payment Dates and the Outstanding Principal Amounts on the Redemption Dates).

7.3.2. NEGATIVE COVENANTS

The Issuer shall not take any action in relation to the items set out hereunder without the prior written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders).

(a) **Change of business**

(i) change the general nature of its business from that which is permitted as a non-banking financial company registered with the RBI; and/or

(ii) any changes/amendments/modifications to the Constitutional Documents

FINANCE LIMITED NAGPUR

where such change/amendment/modification has a Material Adverse Effect;

(b) **Dividend**

declare or pay any dividend or make any distributions on its equity or preference shares or other shares compulsorily convertible into equity shares, unless the proposed payment or distribution is out of the net income of the current Financial Year (excluding any amount resulting from the revaluation of any of the Issuer's assets). PROVIDED THAT no dividend or any distributions can be made by the Issuer if an Event of Default has occurred and is then continuing, or could occur or is reasonably likely to occur, as a result of such payment or declaration of any dividend or distribution and after giving effect to any such action;

(c) **Merger, consolidation, etc.**

(i) enter into any merger, acquisition, re-structuring, or amalgamation, in excess of 10% (ten percent) of the Issuer's Net Worth; or

(ii) other than as set out in paragraph (i) above, enter into any merger, de-merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or restructuring.

PROVIDED THAT consent from the Debenture Trustee/Debenture Holders would not be required in the event the compliance with this paragraph (c) would result in non-compliance of the Issuer with any of its payment obligations in respect of the Debentures under the Transaction Documents;

(d) **Shareholding; Change of Control**

(i) permit any change to the Promoters of the Issuer, from that subsisting as on the Effective Date;

(ii) permit the occurrence of any Change of Control, or any Change of Control Event, other than pursuant to issuance of any employee stock options by the Issuer; and

(iii) no Specified Change shall be permitted to occur, nor shall the Issuer take any action in respect of a Specified Change, without seeking the prior written consent of the Debenture Trustee. If the Debenture Trustee fails to provide its consent or rejection within 7 (seven) days from receipt of notice from the Issuer by the Debenture Trustee seeking consent for a Specified Change, the Issuer may proceed with any action in respect of the Specified Change. For the purposes of this paragraph, the term "**Specified Change**" means (A) any change in the Issuer's shareholding structure pursuant to the issuance of further equity share capital of the Issuer, or (B) any transfer of shares of the Issuer (other than inter-se transfers among the shareholders of the Issuer), and the consequent change in the composition of the board of directors of the Issuer pursuant to the occurrence of (A) or (B) above;

(e) **Loans and Guarantees**

the Issuer shall not:

(i) provide any advances or loans, or place any deposits with, or provide any other form of Financial Indebtedness to, any single person, where such

BERAR FINANCE LIMITED NAGPUR

advances, loans, deposits or Financial Indebtedness (as the case maybe) is in excess of 10% (ten percent) of the Issuer's Net Worth;

(ii) give or issue any guarantee, indemnity, bond or letter of credit to or for the benefit of any person;

(iii) permit to subsist any guarantee in respect of any Financial Indebtedness of any other person; or

(iv) invest in the share capital of any other person;

(f) **Related Party Transactions**

enter into any transactions with any Related Party (other than in the ordinary course of business) or any transactions that are classified as "related party transactions" for the purposes of the Applicable Accounting Standards except in accordance with Applicable Law, or enter into any transaction(s):

(i) whereby the overall outstanding amounts owed to the Issuer under all such transactions exceed 10% (ten percent) of the Issuer's Net Worth;

(ii) whereby the overall expenses incurred in respect of such transactions in any Financial Year exceed 10% (ten percent) of the Issuer's net profit; or

(iii) in respect of providing any guarantee for any Financial Indebtedness of a Related Party.

It is clarified that the Debenture Trustee shall be provided access to such additional information that it may deem necessary for the purposes of monitoring and evaluating the compliance of the Issuer with the provisions of this paragraph (f);

(g) **Disposal of Assets**

(i) sell, assign, transfer, or otherwise dispose of in any manner whatsoever any Assets, business or division of the Issuer (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than any securitisation/portfolio sale of assets undertaken by the Issuer in its ordinary course of business;

(ii) without prejudice to (i) above, any sale of assets or business or division of the Issuer that has the effect of exiting or re-structuring of the existing business of the Issuer; and

(iii) without prejudice to (i) and (ii) above, sell, assign, mortgage or otherwise dispose off any of the Hypothecated Assets;

(h) **Anti-money Laundering**

permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organisations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering;

BEPAR FINANCE LIMITED NAGPUR

(i) **Change in Capital Structure**

(A) permit or undertake any change in capital structure that would lead to a reduction in the paid-up capital or authorised capital of the Issuer; and

(B) purchase, redeem, buyback, defease, retire, return or pay any of its issued shares or reduce its share capital or resolve to do any of the foregoing;

(j) **Change in Financial Year**

change its Financial Year end from March 31 of each year to any other date, unless such change is required pursuant to Applicable Law; and

(k) **Business**

undertake any new businesses except in relation to financial services or or diversify its business outside the financial services sector.

7.3.3. REPORTING COVENANTS

The Issuer shall provide or cause to be provided to the Debenture Trustee and to the Debenture Holders (including on any online reporting platform notified by the Debenture Trustee or any Debenture Holder), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

(a) as soon as available, and in any event within 180 (one hundred and eighty) calendar days after the end of each Financial Year of the Issuer:

(i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed Financial Year, prepared in accordance with the Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow.

All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of operation and changes in cash flow and a list comprising all material financial liabilities of the Issuer whether absolute or contingent as of the date thereof;

(ii) a certificate from a Director or a Chief Financial Officer of the Issuer confirming that there is no existing potential Event of Default or Event of Default; and

(iii) a copy of all annual information/reports submitted to the RBI;

(b) within 45 (forty five) calendar days after each Quarterly Date:

(i) certified copies of its un-audited consolidated and non-consolidated (if any) quarterly financial statements for the preceding financial quarter, prepared in accordance with the Applicable Accounting Standards including its balance sheet, income statement and statement of cash flow;

(ii) a certificate signed by either a director or the chief financial officer of the Issuer stating that the Issuer is in compliance with all the financial covenants prescribed in Section 7.3.4 (*Financial Covenants*);

(iii) details of the latest asset liability management of the Issuer;

BERAR FINANCE LIMITED NAGPUR

(iv) any change in the Issuer's shareholding structure from that subsisting as on the Effective Date;

(v) any change in the composition of the board of directors of the Issuer from that subsisting as on the Effective Date;

(vi) any changes to the accounting policy of the Issuer from that subsisting as on the Effective Date;

(vii) any changes to the senior management officials of the Issuer (CXO or equivalent);

(viii) list of the lenders/providers of Financial Indebtedness of the Issuer (together with the details of the debt availed by the Issuer from such lenders/providers of Financial Indebtedness, including in the form of non-convertible debt securities); and

(ix) details of the portfolio cuts, including information/data in respect of the portfolio at risk, in such format as may be mutually agreed between the Debenture Trustee and the Issuer;

(c) as soon as practicable, and in any event within 10 (ten) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

(d) as soon as practicable, and in any event within 10 (ten) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, arbitration, investigation or other proceeding affecting the Issuer or its property or operations, which if adversely determined, could result in a Material Adverse Effect;

(e) as soon as practicable, and in any event within 10 (ten) Business Days after the Issuer obtains or reasonably should have obtained actual knowledge thereof obtains or reasonably, notice of the occurrence of any Event of Default or potential event of default including any steps taken to cure such event;

(f) as soon as practicable, and in any event within 10 (ten) Business Days, any prepayment, or the receipt of notice of any Financial Indebtedness of the Issuer declared to be due and payable or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof;

(g) as soon as practicable, and in any event within 10 (ten) Business Days after such default, notice of any default in the observance or performance of any agreement or condition relating to any Financial Indebtedness by the Issuer or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Financial Indebtedness to cause (determined without regard to whether any notice is required) any such Financial Indebtedness to become due prior to its stated maturity in respect of the Issuer;

(h) as soon as practicable, and in any event within 10 (ten) Business Days, inform the Debenture Trustee if it has received (A) any notice of any application for winding up or insolvency process or any statutory notice of winding up or insolvency process under the provisions of the Act or any other Applicable Law (including the (Indian) Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy (Insolvency



and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, and any other rules and regulations made thereunder from time to time), or (B) any other notice under any other statute relating to the commencement/initiation of winding up or insolvency process or otherwise of any suit or other legal process against the Issuer;

(i) within 21 (twenty one) days from the end of each calendar month, details of the Issuer's asset-liability-management (ALM) in such form as may be agreement with the Debenture Holders/Debenture Trustee;

(j) as soon as practicable and in any event within 10 (ten) Business Days of the occurrence of the following events, the details of:

(i) the occurrence of any fraud amounting to more than 2% (two percent) of Gross Loan Portfolio;

(ii) any change in the Constitutional Documents; and

(iii) any change in the composition of the board of directors of the Issuer from that subsisting as on the Effective Date;

(k) without prejudice to paragraph (b), within 60 (sixty) calendar days after each Quarterly Date, a certification from either a director or the chief financial officer of the Issuer confirming compliance with the financial covenants set out in Section 7.3.4 (*Financial Covenants*);

(l) within such timelines as may be prescribed by the Debenture Trustee, provide all relevant information required by the Debenture Trustee for the effective discharge of its duties and obligations under the Transaction Document, including but not limited to the copies of all reports, balance sheets and the profit and loss account of the Issuer;

(m) on an annual basis, provide to the Debenture Trustee a certificate from the statutory auditor of the Issuer providing/confirming the value of the book debts/receivables;

(n) within such timelines as may be prescribed by the Debenture Trustee, provide a certificate from the Issuer's statutory auditor in respect of the utilisation of funds, containing such details and information as may be required by the Debenture Trustee;

(o) the Issuer shall provide the such documents and certificates to the Debenture Trustee in respect of the Security Cover being maintained by the Hypothecated Assets as may be required by the Debenture Trustee from time to time;

(p) without prejudice to paragraph (q) below, as soon as practicable and in any event within 30 (thirty) calendar days of receipt of a request, such additional documents or information as the Debenture Trustee or the Debenture Holders, may reasonably request from time to time; and

(q) as soon as practicable and in any event within the timelines prescribed by the Debenture Trustee (and Applicable Law), such other information, notifications, details, documents, reports, statements and certificates (including from chartered accountants, auditors and/or directors of the Issuer) as may be required by the Debenture Trustee from time to time, to ensure compliance with the provisions of the Applicable Law, including but not limited to the Debenture Trustees Regulations and the Companies (Share Capital and Debentures) Rules, 2014.

BERAR FINANCE LIMITED NAGPUR

7.3.4. FINANCIAL COVENANTS

Until the Final Settlement Date, the Issuer shall:

(i) maintain a Capital Adequacy Ratio of 18% (eighteen percent) or such other higher threshold as may be prescribed by the RBI from time to time.

For the purpose of calculation of the Capital Adequacy Ratio:

(i) the first loss credit enhancements provided by the Issuer in respect of any securitization transactions entered into by it shall be reduced from the Tier I Capital and the Tier II Capital without any ceiling; and

(ii) the credit enhancements provided by the Issuer in respect of loans originated by it on behalf of other institutions shall be reduced from the Tier I Capital and the Tier II Capital without any ceiling.

The deduction shall be made at 50% (fifty percent) from the Tier I Capital and 50% (fifty percent) Tier II Capital. It is also clarified that in computing the amount of subordinated debt eligible for inclusion under Tier II Capital, the relevant subordinated debt shall be subject to discounting as prescribed by the RBI;

(ii) ensure that the cumulative mismatch/difference in the asset-liability management statement in all time buckets for up to 1 (one) year (determined in accordance with the NBFC Directions) is positive to the extent of at least 10% (ten percent). For the purposes of any calculations and determinations for this financial covenant, no more than 50% (fifty percent) of the Issuer's working capital facilities (including cash credit facilities and overdraft facilities) that are taken into account for the time buckets for up to 1 (one) year (determined in accordance with the NBFC Directions) will be assumed to have been renewed;

(iii) maintain a ratio of A:B of 4% (four percent), where A is the Portfolio at Risk over 90 Days and write-off net of provisions (on the entire portfolio of the Issuer including receivables sold or discounted on a non-recourse basis), and B is the Gross Loan Portfolio, multiplied by 100, and followed by the "%" symbol. For the purposes of this paragraph (c), the write-offs shall be calculated for the trailing twelve months; and

(iv) comply with such other financial covenants as may be agreed between the Issuer and the Debenture Holders from time to time.

The financial covenants set out in this Section 7.3.4 (*Financial Covenants*) shall be tested, until the Final Settlement Date, on a quarterly basis, on the basis of consolidated and standalone financial statements of the Issuer. The first date of testing in respect of the covenants set out herein shall be September 30, 2022.

It is further clarified that the Debenture Trustee shall be provided access to such additional information that it may deem necessary for the purposes of monitoring and evaluating the compliance of the financial covenants set out in this Section 7.3.4 (*Financial Covenants*).

BEAR FINANCE LIMITED NAGPUR

7.4 EVENTS OF DEFAULT

Please refer Section 5.37 (*Issue Details*) of this Placement Memorandum.

7.5 CONSEQUENCES OF EVENTS OF DEFAULT

Please refer Section 5.37 (*Issue Details*) of this Placement Memorandum.

Please note that the capitalised terms used in this section, but not defined herein, shall have the meaning as assigned to such term in the Debenture Trust Deed.

SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Placement Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

8.1 Mode of Transfer/Transmission of Debentures

The Debentures shall be transferable freely; however, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL and CDSL and the relevant DPs of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

8.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/EFT/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

8.3 Debenture Trustee for the Debenture Holder(s)

The Issuer has appointed IDBI Trusteeship Services Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee have entered/intend to enter into the Debenture Trustee Agreement and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and coupon thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement and the Debenture Trust Deed, at the cost of the Issuer. No Debenture Holder shall be entitled to proceed directly against the Issuer unless the Debenture Trustee, having become so bound to proceed, fails to do so. The Debenture Trustee



Agreement and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

8.4 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

8.5 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

8.6 Modification of Debentures

The Debenture Trustee and the Issuer will agree to make any modifications in the Placement Memorandum which, in the opinion of the Debenture Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

Any other change or modification to the terms of the Debentures shall require approval by the Majority Debenture Holders.

8.7 Right to accept or reject Applications

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

8.8 Notices

Any notice in respect of the Debentures may be served by the Issuer upon the Debenture Trustee/Debenture Holders in accordance with the terms of the Transaction Documents.

8.9 Issue Procedure

Only Eligible Investors as given hereunder may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The Applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account as per the details mentioned in the Application Form.

BERAR FINANCE LIMITED NAGPUR

8.10 Application Procedure

Potential Investors will be invited to subscribe by way of the Application Form prescribed in the Placement Memorandum during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

8.11 Fictitious Applications

All fictitious applications will be rejected.

8.12 Basis of Allotment

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to potential investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

8.13 Payment Instructions

The Application Form should be submitted directly. The entire amount of INR 10,00,000/- (Indian Rupees Ten Lakh) per Debenture is payable along with the making of an application. Applicants can remit the application amount on the Pay-in Date through RTGS to the following account:

Beneficiary Name:	Berar Finance Limited
Bank Account No.	60362127360
SWIFT Code	MAHBINBBNGP
IFSC Code	MAHB0000005
Bank Name	Bank of Maharashtra
Branch Address:	172, Mahabank Building, Abhyankar Rd, Sitabuldi Nagpur 440012, Maharashtra, India

8.14 Eligible Investors

The following categories of investors, when specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form ("**Eligible Investors**"):

(a) Mutual Funds
(b) NBFCs
(c) Provident Funds and Pension Funds
(d) Corporates
(e) Banks
(f) Foreign Institutional Investors (FIIs)
(g) Qualified Foreign Investors (QFIs)
(h) Foreign Portfolio Investors (FPIs)
(i) Insurance Companies
(j) Any other person (not being an individual or a group of individuals) eligible to invest in the Debentures.

BERAR FINANCE LIMITED NAGPUR

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential investors in the Issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

8.15 Procedure for Applying for Dematerialised Facility

(a) The applicant must have at least one beneficiary account with any of the DP's of NSDL and CDSL prior to making the application.

(b) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".

(c) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.

(d) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.

(e) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.

(f) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.

(g) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.

(h) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

8.16 Depository Arrangements

The Issuer shall make necessary arrangement with CDSL and NSDL for issue and holding of Debentures in dematerialised form.

8.17 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

8.18 Application under Power of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

8.19 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The Application Forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

(a) SEBI registration certificate
(b) Resolution authorizing investment and containing operating instructions
(c) Specimen signature of authorized signatories

8.20 Documents to be provided by Investors

Investors need to submit the following documents, as applicable:

(a) Memorandum and Articles of Association or other constitutional documents
(b) Resolution authorising investment
(c) Certified true copy of the Power of Attorney to custodian
(d) Specimen signatures of the authorised signatories
(e) SEBI registration certificate (for Mutual Funds)
(f) Copy of PAN card
(g) Application Form (including EFT/RTGS details)

8.21 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through cheque/EFT/RTGS.

BERAR FINANCE LIMITED NAGPUR

8.22 Succession

In the event of winding up of a Debenture Holder (being a company), the Issuer will recognise the legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such legal representative as having title to the Debenture(s), unless they obtains legal representation, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of such legal representation, in order to recognise any person as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on the production of sufficient documentary proof and an indemnity.

8.23 Mode of Payment

All payments must be made through cheque(s) demand draft(s), EFT/RTGS as set out in the Application Form.

8.24 Effect of Holidays

(i) If any Due Date on which any interest or additional interest is payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the succeeding Business Day.

(ii) If any Due Date on which any Outstanding Principal Amounts are payable falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the preceding Business Day.

(iii) If the Final Redemption Date falls on a day which is not a Business Day, the payment of any amounts in respect of any interest and the Outstanding Principal Amounts to be made shall be made on the preceding Business Day.

8.25 Tax Deduction at Source

(i) All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction pursuant to Applicable Law.

(ii) The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.

(iii) If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.

(iv) Within the earlier of (A) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (B) 60 (sixty) days of each Due Date, the Company shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

8.26 Letters of Allotment

N. A. In accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended from time to time, read together with the



requirements in respect of the timelines for listing of debt securities issued on a private placement basis prescribed in Chapter VII (*Standardization of timelines for listing of securities issued on a private placement basis*) of the Listed NCDs Operational Circular, the Issuer shall ensure that the Debentures are credited into the demat accounts of the Debenture Holders of the Debentures within 2 (two) Business Days from the Deemed Date of Allotment.

8.27 Deemed Date of Allotment

All the benefits under the Debentures will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is September 16, 2022 by which date the Investors would be intimated of allotment.

8.28 Record Date

The Record Date will be 15 (Fifteen) calendar days prior to any Due Date.

8.29 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the R&T Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

8.30 Interest on Application Money

(a) Interest at the Interest Rate, subject to deduction of tax at source in accordance with Applicable Law, will be paid by the Issuer on the Application Money to the Applicants from the date of receipt of such Application Money up to 1 (one) day prior to the Deemed Date of Allotment, within 5 (five) Business Days from the Deemed Date of Allotment. Where pay-in date of the Application Money and the Deemed Date of Allotment are the same, no interest on Application Money will be payable.

(b) Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount to the bank account of the Applicant as described in the Application Form by electronic mode of transfer such as (but not limited to) RTGS/NEFT/direct credit.

(c) Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the Applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like RTGS/NEFT/direct credit. Details of allotment will be sent to every successful Applicant.

8.31 PAN Number

Every applicant should mention its Permanent Account Number ("**PAN**") allotted under Income Tax Act, 1961, on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

8.32 Payment on Redemption

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose

BERAR FINANCE LIMITED NAGPUR

names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL and CDSL and accordingly the account of the Debenture Holder(s) with NSDL and CDSL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

Disclaimer: Please note that only those persons to whom this Placement Memorandum has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to, revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Provisions in respect of investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/ guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

SECTION 9: UNDERTAKING

(1) UNDERTAKINGS IN RELATION TO THE ISSUER BEING ELIGIBLE UNDER THE SEBI ILNCS REGULATIONS

The Issuer hereby undertakes and confirms that the following (as set out in Regulation 5 of the SEBI ILNCS Regulations) are not applicable to the Issuer as on the date of this Placement Memorandum:

(a) the Issuer, any of its promoters, promoter group or directors are debarred from accessing the securities market or dealing in securities by the Board;

(b) any of the promoters or directors of the Issuer is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by the Board;

(c) the Issuer or any of its promoters or directors is a wilful defaulter;

(d) any of the promoters or whole-time directors of the issuer is a promoter or whole-time director of another company which is a wilful defaulter;

(e) any of its promoters or directors is a fugitive economic offender; or

(f) any fine or penalties levied by the Board /Stock Exchanges is pending to be paid by the Issuer at the time of filing this Offer Document.

(2) UNDERTAKING ON CREATION OF SECURITY PURSUANT TO REGULATION 48(2) OF THE SEBI ILNCS REGULATIONS

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures to meet the Security Cover are free from any encumbrances. The Issuer further undertakes that the charge proposed to be created is a first ranking exclusive charge and therefore no permission or consent to create a second or pari-passu charge on the assets of the Issuer is required to be obtained from any creditor (whether or not existing) of the Issuer.

(3) UNDERTAKING PURSUANT TO PARAGRAPH 2.3.24 of SCHEDULE II OF THE SEBI ILNCS REGULATIONS

The Issuer undertakes and states as follows:

(a) investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of 'Risk factors' given on page number 21 under the section 'GENERAL RISKS AND RISKS IN RELATION TO THE NON-CONVERTIBLE SECURITIES';

(b) the Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the issuer and the issue, that the information contained in this Offer Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no

BERAR FINANCE LIMITED NAGPUR

other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect; and

(c) the Issuer has no side letter with any debt securities holder except the one(s) disclosed in this Offer Document/Placement Memorandum. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed.

(4) DISCLOSURES PURSUANT TO THE SEBI DUE DILIGENCE CIRCULAR

(a) **Details of assets, movable property and immovable property on which charge is proposed to be created**

Movable assets comprising receivables from loans provided by the Issuer.

(b) **Title deeds (original/ certified true copy by issuers/ certified true copy by existing charge holders, as available) or title reports issued by a legal counsel/ advocates, copies of the relevant agreements/ Memorandum of Understanding**

No title deeds are applicable or available for movable assets comprising receivables from loans provided by the Issuer over which security is proposed to be created by the Issuer. The details of the underlying loan agreements will be set out in the Deed of Hypothecation.

(c) **Copy of evidence of registration with Sub-registrar, Registrar of Companies, Central Registry of Securitization Asset Reconstruction and Security Interest (CERSAI) etc**

The details of the charge created over the movable assets comprising receivables from loans provided by the Issuer over which security is proposed to be created by the Issuer under the Deed of Hypothecation will be reported to the relevant registrar of companies and the Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI) within the timelines prescribed under Applicable Law. As the charge is being created over movable assets, no filings are required to be made with any sub-registrar.

(d) **For unencumbered assets, an undertaking that the assets on which charge is proposed to be created are free from any encumbrances**

The Issuer hereby undertakes that the assets on which charge is proposed to be created as security for the Debentures are free from any encumbrances.

(e) **For encumbered assets, on which charge is proposed to be created, the following consents along-with their validity as on date of their submission:**

(i) Details of existing charge over the assets along with details of charge holders, value/ amount, copy of evidence of registration with Sub-registrar, Registrar of Companies, CERSAI, Information Utility (IU) registered with Insolvency and Bankruptcy Board of India (IBBI) etc. as applicable: Not applicable

(ii) Consent/ No-objection certificate (NOC) from existing charge holders for further creation of charge on the assets or relevant transaction documents wherein existing charge holders have given conditional consent/ permission to the Issuer to create further charge on the assets, along-with terms of such conditional consent/ permission, if any: Not applicable

GERAR FINANCE LIMITED NAGPUR

(iii) Consent/ NOC from existing unsecured lenders, in case, negative lien is created by Issuer in favour of unsecured lenders: Not applicable

(f) **In case of personal guarantee or any other document/letter with similar intent is offered as security or a part of security**:

(i) Details of guarantor viz. relationship with the Issuer: Promoters

(ii) Net worth statement (not older than 6 months from the date of debenture trustee agreement) certified by a chartered accountant of the guarantor: Attached separately.

(iii) List of assets of the guarantor including undertakings/ consent/ NOC as per para (d) and (e) above: As per Net worth statement.

(iv) Conditions of invocation of guarantee including details of put options or any other terms and conditions which may impact the security created: As set out in the indicative draft of the deed of guarantee is set out in Annexure XIV of this Placement Memorandum.

(v) Executed copies of previously entered agreements for providing guarantee to any other person, if any: Attached separately.

(g) **In case securities (equity shares etc.) are being offered as security then a holding statement from the depository participant along-with an undertaking that these securities shall be pledged in favour of debenture trustee(s) in the depository system:** Not Applicable

(h) **Details of any other form of security being offered viz. Debt Service Reserve Account etc.**: N. A.

(i) **Any other information, documents or records required by debenture trustee with regard to creation of security and perfection of security**: Not applicable.

(j) **Declaration**: The Issuer declares that debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

(k) **Terms and conditions of debenture trustee agreement including fees charged by debenture trustees(s)**: Please refer the consent letter of the Debenture Trustee for terms and conditions of the appointment of the Debenture Trustee and fee of the Debenture Trustee.

(l) **Details of security to be created**: Please refer section named "*Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)*" in Section 5.37 (*Issue Details*).

(m) **Process of due diligence carried out by the debenture trustee**: The Debenture Trustee has carried out due diligence in accordance with the manner prescribed in the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "*Creation of Security in issuance of listed debt securities and 'due diligence' by debenture*

BERAR FINANCE LIMITED NAGPUR

trustee(s)". The due diligence broadly includes the following:

(i) A chartered accountant appointed by the Debenture Trustee will be conducting an independent due diligence as per scope provided by the Debenture Trustee and the information provided by the Issuer in respect of the security being provided by the Issuer in respect of the Debentures.

(ii) The chartered accountant will verify and ensure that the assets provided by the Issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.

(iii) Periodical due diligence will be carried out by the Debenture Trustee in accordance with the SEBI (Debenture Trustees) Regulations, 1993 and the relevant circulars issued by SEBI from time to time (including the SEBI Due Diligence Circular) as per the nature of security provided by the Issuer in respect of the Debentures.

(iv) The Debenture Trustee will issue such necessary certificate(s) in relation to the due diligence carried out by it and such certificate(s) will be available on Stock Exchanges from time to time for information of the Debenture Holders.

Even though the Debentures are to be secured to the extent of at least 100% of the principal and interest amount or as per the terms of this Placement Memorandum, in favor of the Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Due diligence will be carried out for maintenance of the prescribed security cover depending on information provided by the Issuer and the chartered accountant appointed by the Debenture Trustee or the Debenture Trustee will not be responsible for misinformation provided by Issuer.

(n) **Due diligence certificate as per the format specified in Annexure A of the SEBI Due Diligence Circular**: Enclosed as Annexure VII.

(o) **Due diligence certificate as per the format specified in Schedule IV of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021**: Enclosed as Annexure VII.

(5) OTHER UNDERTAKINGS

The Issuer hereby confirms that:

(a) the Issuer is eligible and in compliance with Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, to make the private placement of debt instruments;

(b) (to the extent applicable) the Issuer or its promoters or whole-time directors are not in violation of the provisions of Regulation 24 of the SEBI Delisting Regulations, 2009;

(c) neither the Issuer nor any of its promoters or directors is a willful defaulter as defined under Regulation 2 (1) (ss) of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; and

BERAR FINANCE LIMITED NAGPUR

(d) the Issuer, its promoters, its directors are not in violation of the restrictions imposed by SEBI under SEBI circular no. SEBI/HO/ MRD/DSA/CIR/P/2017/92 dated August 01, 2017.

For **BERAR FINANCE LIMITED**



Authorised Signatory

Name: Deepali Balpande
Title: Company Secretary
Date: September 16,2022

SECTION 10: FORM NO. PAS-4 - PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Addressed to: UNIFI AIF
Serial No: 3/2022-2023

FORM NO PAS-4 PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER ("PPOA")

[Pursuant to Section 42 of the Companies Act, 2013 and Rule 14(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014]

Note: This Form No PAS-4 is prepared in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014.

Issue of 300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) on a private placement basis (the "Issue").

10.1 General Information:

(a) **Name, address, website, if any, and other contact details of the Company, indicating both registered office and the corporate office:**

Issuer / Company:	Berar Finance Limited (the "**Issuer**" or "**Company**" or "**Berar**")
Registered Office:	Avinisha Tower, Mehadia Chowk, Dhantoli, Nagpur, Maharashtra – 440012, India
Corporate Office:	Avinisha Tower, Mehadia Chowk, Dhantoli, Nagpur, Maharashtra – 440012, India
Telephone No.:	0712-666 3999
Website:	https://berarfinance.com/
Fax:	N.A.
Contact Person:	Deepali Balpande
Email:	deepali.balpande@berarfinance.com

(b) **Date of Incorporation of the Company:**

August 22, 1990

(c) **Business carried on by the Company and its subsidiaries with the details of branches or units, if any;**

Berar is a Nagpur based public, debt listed, deposit-taking non-banking financial company ("NBFC") (Asset Financing Company registered with Reserve Bank of India ("RBI")), primarily into the business of financing of two-wheelers since 1990. The company was incorporated on 22 August 1990 and received a certificate of Registration from the RBI on 24 November 1998.

Berar is promoted by Mr. M.G. Jawanjar, a first generation entrepreneur. He is Company Secretary by qualification and has 40 years' experience in finance. Prior to founding Company in 1990 he was professor in several colleges and was Company Secretary in Bajaj Plastics Limited a Nagpur based company. Mr. Sandeep Jawanjal, his son is now actively

BERAR FINANCE LIMITED NAGPUR

involved in the operations of the firm and looks after the IT infrastructure and debt raising from NBFCs and banks. Its operations are concentrated in Maharashtra and have expanded to five other states in central India i.e. Chhattisgarh, Madhya Pradesh, Telangana, Gujarat and Karnataka. During FY 2022, Berar reported a PAT of Rs. 17.42 crore on a total income base of Rs. 175.60 Crores with a gearing of 2.92 and a total asset base of Rs. 1038.43 crore as on March 31, 2022 as per audited FY 2022 numbers. It operates in the IRR Range of 21% to 23% for 2W.

Branch details:

As of the date of the Placement Memorandum/PPOA, the Company has 115 branches.

Subsidiary details:

As of the date of the Placement Memorandum/PPOA, the Company does not have any subsidiaries.

(d) **Brief particulars of the management of the Company:**

Name	Designation	Associated with Berar for	Description
Sevak Bhisikar	Business Head – 2W	9 yrs	• MBA (Finance & HR) from Nagpur university having 9 years of overall experience • In-charge of 2W business. Manages dealer & sub-dealer network, branch expansion, marketing schemes and overall business of the Company • Past organization include Sanvijay Rolling Ltd
Someshwar Dhonge	Collection Head	12 yrs	• M.com & P.G.D.B.M from Nagpur university having 9 years of experience • Looks after entire 2W refinance business operations. • Has earlier worked with a CA firm (V. K. Surana) in Audit function
Rahul Lonkar	Accounts Head	12 yrs	• B. Com and M.Com from Nagpur University having 11 years of experience in finance • Handles all financial aspects at Berar. Also, in-charge of accounts, taxation, reporting and other compliances. • Experience with Soni Investments & Financial
Deepali Balpande	Company Secretary	19 yrs	• She handles all compliance work of the company. Also, handles all regulatory compliances with RBI.
Faisal Farooqui	Senior Manager-IT	9 months	• MBA, General Management from University of Sunderland – London, UK • Over 15+ years of national & international experience across Information Technology, Financial Services (Personal, Auto, Business

			loan, LAP etc.) domains and associated with NBFC industry for last 5 Years approx. • Responsible to automate Berar's internal business operation processes and establishing Applicant support team managing FinnOne Production Support in all aspect.
Yogesh Tahalyani	CFO	1 year	• Chartered Accountant and having experience 5 years in NBFC • Instrumental in raising funds from FI's/Banks and foreign funds.
Aamer Khan	SR Manager - HR	7 months	• MBA and MPA in General from La Trobe University Australia, having 5 years of overall experience. • In-charge of HR department; looking after entire HR operations such as managing sourcing and recruitment of candidates for open positions.

(e) **Name, addresses, Director Identification Number (DIN) and occupations of the directors:**

S. No.	Name	Designation	DIN	Address	Occupation
1	CS. Maroti Gendaru Jawanjar	Executive Chairman	00379916	19, Process Server Society, Swawlambi Nagar, Nagpur-440022	Business
2	Mr. Sandeep Marotrao Jawanjal	Managing Director	01490054	19, Process Server Society, Swawlambi Nagar, Nagpur-440022	Business
3	Mr. Vishwas Bhaskarrao Pathak	Independent Director	00452917	28, Suyash Apartments, NIT Layout, Swawlambi Nagar, Nagpur – 440 022	Retired
4	Mr. Shantaram Krishnarao Mahakalkar	Non-Executive Director	00379988	93, Shastri Layout, Khamla, Nagpur – 440 025	Retired
5	Mr. Atul Dilip Sarda	Independent Director	02161209	87, Wardhaman Nagar, Nagpur – 440 008	Business
6	Ms. Rashmi Sagar Mitkary	Independent Director	08960192	Plot No.11, Panchadeep Nagar,Somalwada, Nagpur-440025	Business
7	Mr. Avishek Gautam Addy	Non-Executive Director	07973542	C-1401, Salarpuria Serenity, 5th Main Road, HSR Layout Sector-7, Bangalore - 560 102	Business

BERAR FINANCE LIMITED NAGPUR

8	Mr. Harishchandra Namaji Sukhdeve	Non-Executive Director	09289094	Capitol Heights Tower 3 Apartment 702, Rambagh Road, Trillium Mall, Medical Square, Ajni, Nagpur Maharashtra, India 440003	Retired
9	Mr.Siva Vadivel Alagan	Non-Executive Director	08242283	HIG 1685, TNHB Layout, Avadi, Chennai (600054), Tamil Nadu, India	Business

10.2 MANAGEMENT PERCEPTION OF RISK FACTORS:

Please refer to Section 3 of the Placement Memorandum.

10.3 RISKS RELATED TO THE BUSINESS OF THE ISSUER

Please refer to Section 3 of the Placement Memorandum.

10.4 Details of defaults, if any, including therein the amount involved, duration of default, and present status, in repayment of:

(i) Statutory Dues: Nil
(ii) Debentures and interest thereon: Nil
(iii) Deposits and interest thereon: Nil
(iv) Loan from any bank or financial institution and interest thereon: Nil

10.5 Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company, if any, for the private placement offer process:

Name: Deepali Balpande
Designation: Company Secretary
Address: Avinisha Tower, Mehadia Chowk, Dhantoli, Nagpur-440012
Phone No.: 9146033554
Email: deepali.balpande@berarfinance.com

10.6 Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:

Nil

10.7 Particulars of the Offer:

Financial position of the Company for the last 3 (three) financial years	Please refer to **CHAPTER A** of this Private Placement Offer cum Application Letter.
Date of passing of Board Resolution	Board resolution dated September 5, 2022.
Date of passing of resolution in the general meeting, authorizing the offer of securities	Shareholders resolutions under Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013 dated September 21, 2019.

BERAR FINANCE LIMITED NAGPUR

Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures, non-convertible debentures having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) on a private placement basis (the "**Issue**").
Price at which the security is being offered, including premium if any, along with justification of the price	The Debentures are being offered at face value of INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture
Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Not Applicable as the Debentures are being offered at face value of INR 10,00,000 (Indian Rupees Ten Lakh) per Debenture
Relevant date with reference to which the price has been arrived at [Relevant Date means a date at least 30 days prior to the date on which the general meeting of the Company is scheduled to be held]	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 10,00,000 (Indian Rupees Ten Lakh).
The class or classes of persons to whom the allotment is proposed to be made	Please refer to '*Eligible Investors*' under Section 8.14 of the Placement Memorandum.
Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) [Not required in case of issue of non-convertible debentures]	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 10,00,000 (Indian Rupees Ten Lakh).
The proposed time within which the allotment shall be completed	The Debentures will be deemed to be allotted on September 16, 2022 ("**Deemed Date of Allotment**"), and the Company will ensure that the Debentures are credited into the demat accounts of the holders of the Debentures ("**Debenture Holders**") within 2 (two) Business Days from the Deemed Date of Allotment, each in accordance with the debenture trust deed ("**DTD**") to be entered into between the Company and the debenture trustee ("**Debenture Trustee**").
The names of the proposed allottees and the percentage of post private placement capital that may be held by them [Not applicable in case of issue of non-convertible debentures]	Not applicable as the Debentures are non-convertible debt instruments which is being issued at face value of INR 10,00,000 (Indian Rupees Ten Lakh).

BEERAR FINANCE LIMITED NAGPUR

The change in control, if any, in the company that would occur consequent to the private placement	No change in control would occur consequent to this private placement as the Debentures are non-convertible debt instruments.
The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of securities as well as price	No listed instrument has been allotted during the year.
The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value of INR 10,00,000 (Indian Rupees Ten Lakh).
Amount, which the Company intends to raise by way of proposed offer of securities	Up to INR 30,00,00,000 (Indian Rupees Thirty Crore)
Terms of raising of securities:	

Duration, if applicable:	30 (thirty) months from the Deemed Date of Allotment. The proposed interest payment and redemption schedules are set out in Annexure VI (*Illustration of Bond Cash Flows*) of the Placement Memorandum.
Rate of Interest or Coupon:	11.50% (eleven decimal five zero per cent) per annum Please refer to the row titled 'Coupon Rate' in Section 5.37 (*Issue Details*) of the Placement Memorandum.
Mode of Payment	Cheque(s)/ demand draft/ electronic clearing services (ECS)/credit through RTGS system/funds transfer. wherein the subscription amounts on the Debentures issued by the Issuer should be paid into the account details set out in Section 8.9 of the Placement Memorandum.
Mode of Repayment	All interest, principal repayments, penal interest and other amounts, if any, payable by the Company to the Debenture Holders shall be paid to the Debenture Holders by way of cheque(s) or electronic mode of transfer like RTGS/NEFT/direct credit to such bank account within India as the Debenture Holders' inform the Company in writing and which details are available with the Registrar.



Proposed time schedule for which the Issue/Offer Letter is valid	Issue Open Date: September 13, 2022 Issue Closing Date: September 16, 2022 Pay-in Date: September 16, 2022 Deemed Date of Allotment: September 16, 2022
Purpose and objects of the Issue/Offer	To raise debt to the extent up to INR 30,00,00,000 (Indian Rupees Thirty Crore) and 100% (One Hundred Percent) of the issue proceeds will be utilized for ongoing business operations of the Issuer.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Nil.
Principal terms of assets charged as security, if applicable	Please refer section named "*Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)*" in Section 5.37 (*Issue Details*) of the Placement Memorandum.
The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations	Nil.

The pre-issue and post-issue shareholding pattern of the Company in the following format: (As on June 30,2022)

S. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage (%) of shareholding	No. of Shares held	% of share holding
A	**Promoters' holding**	4204300	33.43	4204300	33.43
	Indian				
1	Individual	2715816	21.60	2715816	21.60
	Bodies Corporate	1488484	11.83	1488484	11.83
	Sub-total	**4204300**	**33.43**	**4204300**	**33.43**
2	**Foreign promoters**	-	-	-	-
	Sub-total (A)	**4204300**	**33.43**	**4204300**	**33.43**
B	**Non-promoters' holding**				
1.	Institutional Investors	4336846	34.48	4336846	34.48
2.	Non-Institutional Investors	0	**0**	0	0

PERAR FINANCE LIMITED NAGPUR

	Private Corporate Bodies including Foreign Companies	10250	0.08	10250	0.08
	Directors and relatives	-	-	-	-
	Indian public	3780900	30.07	3780900	30.07
	Others (including Non-resident Indians and Non-Promotor- Non Public shareholding)*	244550	1.94	244550	1.94
	Sub-total (B)	**8372546**	**66.57**	**8372546**	**66.57**
	GRAND TOTAL	**12576846**	**100**	**12576846**	**100**

* Includes shares transferred to IEPF 4550 and options outstanding as part of the Employees Stock option plan 2019 of the Company.

10.8 Mode of payment for subscription:

( ) Cheque
( ) Demand Draft
(x) Other Banking Channels

10.9 Disclosure with regard to interest of directors, litigation, etc:

Any financial or other material interest of the directors, promoters or key managerial personnel in the offer/ Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company	Nil

<table>
<tr><td>during the last 3 (three) years immediately preceding the year of the issue of this private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed</td><td></td></tr>
<tr><td>Remuneration of directors (during the current year and last 3 (three) financial years)</td><td>
<table>
<tr><th>Name of the Director</th><th>F.Y 2022-23 (Current Year) (as on date)</th><th>F.Y 2021-22</th><th>FY 2020-21</th><th>FY 2019-20</th></tr>
<tr><td>Mr. Shantaram Mahakalkar</td><td>16,000</td><td>46,000</td><td>36,000</td><td>24,000</td></tr>
<tr><td>Mr.Vishwas Pathak</td><td>16,000</td><td>66,000</td><td>62,000</td><td>38,000</td></tr>
<tr><td>Mr.Atul Sarda</td><td>28,000</td><td>58,000</td><td>48,000</td><td>28,000</td></tr>
<tr><td>Ms. Rashmi Mitkary</td><td>16,000</td><td>44,000</td><td>14,000</td><td>-</td></tr>
<tr><td>Mr. Harishchandra Sukhdeve</td><td>14,000</td><td>22,000</td><td>0</td><td>0</td></tr>
<tr><td>Mr.Maroti Jawanjar</td><td>10,50,000</td><td>1,05,07,100</td><td>8,665,000</td><td>87,68,846</td></tr>
<tr><td>Mr.Sandeep Jawanjal</td><td>8,71,200</td><td>92,67,900</td><td>7,583,415</td><td>74,29,888</td></tr>
</table>
</td></tr>
<tr><td>Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided</td><td>Please refer to CHAPTER C of this Private Placement Offer cum Application Letter.</td></tr>
<tr><td>Summary of reservations or qualifications or</td><td>Nil</td></tr>
</table>

adverse remarks of auditors in the last 5 (five) financial years immediately preceding the year of issue of this private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	
Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last 3 (three) years immediately preceding the year of circulation of this private placement offer cum application letter in the case of the Company and all of its subsidiaries and if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (three)	Nil

BERAR FINANCE LIMITED NAGPUR

years immediately preceding the year of this private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries	
Details of acts of material frauds committed against the Company in the last 3 (three) years, if any, and if so, the action taken by the company	Nil

10.10 Financial Position of the Company:

The capital structure of the company in the following manner in a tabular form:

The authorized, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value)	**Share Capital**	**Aggregate Nominal Value (as on March 31, 2022) (in Rs.)**
	Authorised 1,45,00,000 equity shares at ₹10/- each	14,50,00,000
	5,00,000 Cumulative Compulsorily Convertible Participating Preference shares at ₹10/- each	50,00,000
	TOTAL	15,00,00,000
	Issued, Subscribed and Fully Paid- up Equity shares, ₹10/- each: 1,23,36,846 Equity shares fully paid-up	12,33,68,460
	TOTAL	**12,33,68,460**
Size of the Present Offer	INR 30,00,00,000 (Indian Rupees Thirty Crore).	
Paid-up Capital: **a. After the offer:** **b. After the conversion of convertible instruments (if applicable)**	INR 12,33,68,460 Not applicable as each Debenture is a non-convertible debt instrument which is being issued at face value.	

BEAR FINANCE LIMITED NAGPUR

Share Premium Account:	
a. Before the offer:	INR 1,41,23,93,721
b. After the offer:	INR 1,41,23,93,721

Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Date of Allotment	No of Shares allotted	Face Value (in Rs.)	Issue Price (in Rs.)	Total Consideration (in Rs.)	Nature of Allotment	Equity Share Premium	Form of Consideration
22/08/1990	500	10	10	5,000	-	-	Cash
30/12/1990	13,900	10	10	1,39,000	Preferential allotment	-	Cash.
31/03/1992	5,600	10	10	56,000	Existing members and employees	-	Cash
01-02-1993	30,200	10	15	4,53,000	Existing members and employees	1,51,000	Cash
25/01/1994	1,04,800	10	15	15,72,000	Preferential allotment	6,75,000	Cash
23/01/1995	1,05,000	10	15	15,75,000	Right Issue	12,00,000	Cash
26/01/1997	40,000	10	15	6,00,000	Right Issue	14,00,000	Cash
20/03/2001	2,00,000	10	15	30,00,000	Preferential allotment	24,00,000	Cash
17/05/2003	3,00,000	10	13	37,50,000	Scheme of amalgamation	31,50,000	Cash
10/11/2003	2,25,500	10	15	33,82,500	Right issue	42,77,500	Cash
28/11/2005	6,09,500	10	15	91,42,500	Preferential allotment	73,25,000	Cash
25/11/2006	13,28,000	10	15	1,99,20,000	Right issue	1,39,65,000	Cash
31/03/2007	1,37,000	10	-	-	Conversion of debenture	1,39,65,000	Conversion of debenture into equity

BERAR FINANCE LIMITED NAGPUR

					into equity		
12/10/2007	31,00,000	10	-	-	Bonus issue	-	Bonus issue
22/09/2008	8,00,000	10	10	80,00,000	Preferential allotment	-	Cash
24/09/2011	10,00,000	10	10	1,00,00,000	Preferential allotment	-	Cash
20/02/2020	11,11,111	10	180	19,99,99,980	Private Placement	18,88,88,870	Cash
20/02/2020**	5,55,556	10	180	10,00,00,080	Private Placement	28,33,33,390	Cash
27/10/2020	5,71,428	10	210	11,99,99,880	Private Placement	39,76,18,990	Cash
27/10/2020**	3,80,953	10	210	8,00,00,130	Private Placement	47,38,09,590	Cash
30/03/2021	3,25,259	10	--	--	--	--	Conversion of CCPS into equity
21/03/2022	2,329,048	10	419.36	100,00,00,051	Private Placement	97,67,09,571	Cash

*Equity Shares allotted to shareholders of Berar Housing Finance Limited on amalgamation of it into Berar Finance Limited
**CCPS

The number and price at which each of allotments were made by the Company in the last 1 (one) year preceding the date of this placement offer cum application letter separately indicating the allotments made for consideration other than cash and details of the consideration in each case	No allotments were made by the Issuer in the last one year preceding the date of this PPOA for consideration other than cash and details of the consideration in each case. The details of allotments made in the previous year are set out above.
Profits of the Company, before and after making provision for tax, for the 3 (three) financial years immediately preceding the date of circulation of this private placement offer cum application letter	
Dividends declared by the Company in respect of the said 3 (three) financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)	

FY	PBT (in Rs. Cr)	PAT (in Rs. Cr)
FY 2021- 2022	22.37	17.42
FY 2020 - 2021	20.56	15.38
FY 2019 - 2020	20.23	14.64

Year	2021 - 2022	2020 - 2021	2019 - 2020
Dividend Declared	-	1,00,07,798	46,52,532
Interest Coverage Ratio	1.27	1.33	1.45

BERAR FINANCE LIMITED NAGPUR

A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this private placement offer cum application letter	Please refer **CHAPTER A** of this Private Placement Offer cum Application Letter.
Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this private placement offer cum application letter	Please refer **CHAPTER B** of this Private Placement Offer cum Application Letter.
Any change in accounting policies during the last 3 (three) years and their effect on the profits and the reserves of the Company	The Company has prepared its financials till March 31, 2020 as per I-GAAP and with effect from September 30, 2020 has started prepared its financials as per IND –As it became a debt listed Company with effect from August 14, 2020. The profits and the reserves of the Company would need to be determined accordingly.

BERAR FINANCE LIMITED NAGPUR

10.11 PART B (To be filed by the Applicant)

(i) Name: [__]

(ii) Father's name: [__];

(iii) Complete Address including Flat / House Number, Street, Locality, Pin Code: [__];

(iv) Phone number; if any: [__]

(v) Email ID, if any: [__]

(vi) PAN Number: [__]; and

Bank Account details:

Bank Name	[__]
SWIFT Code	[__]
IFSC Code	[__]
Address	[__]
Account in Corresponding Bank	[__]

(vii) **Tick whichever is applicable:**

(a) The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.-☐ ;

(b) The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith.- ☐ .

_____

Signature

_____

Initial of the Officer of the Company designated to keep the record



10.12 DECLARATION (To be provided by the Directors)

A. The Company has complied with the provisions of the Companies Act, 2013 and the rules made hereunder;

B. The compliance with the Companies Act, 2013 and the rules made thereunder do not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

C. the monies received under the offer shall be used only for the purposes and objects indicated in this private placement offer cum application letter;

I am authorized by the Board of Directors of the Company *vide* resolution number 10 dated September 5, 2022 to sign this private placement offer cum application letter and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this private placement offer cum application letter and matters incidental thereto have been complied with. Whatever is stated in this private placement offer cum application letter and in the attachments thereto is true, correct and complete and no information material to the subject matter of this private placement offer cum application letter has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For **BERAR FINANCE LIMITED**

Authorised Signatory
Name: Deepali Balpande
Title: Company Secretary
Date: September 13, 2022

Enclosed
Chapter A - A summary of the financial position of the Company as in the 3 (three) audited balance sheets immediately preceding the date of circulation of this Offer Letter
Chapter B - Audited Cash Flow Statement for the 3 (three) years immediately preceding the date of circulation of this Offer Letter
Chapter C - Related party transactions entered during the last 3 (three) financial years immediately preceding the year of issue of this private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided
Optional Attachments, if any

BERAR FINANCE LIMITED NAGPUR

CHAPTER A: FINANCIAL POSITION OF THE COMPANY AS IN THE 3 (THREE) AUDITED BALANCE SHEETS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Attached separately



CHAPTER B: AUDITED CASH FLOW STATEMENT FOR THE 3 (THREE) YEARS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THIS PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Attached separately

BERAR FINANCE LIMITED NAGPUR

CHAPTER C- RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST 3 (THREE) FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF THIS PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

Attached separately

BERAR FINANCE LIMITED NAGPUR

SECTION 11: DECLARATION BY THE DIRECTORS

Each of the directors of the Company hereby confirm and declare that:

A. the Issuer is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;

B. the compliance with the Companies Act, 2013 and the rules does not imply that payment of dividend or interest or repayment of non-convertible securities, if applicable, is guaranteed by the Central Government;

C. the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Memorandum; and

D. whatever is stated in this Placement Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Placement Memorandum has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

General Risk
Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section 3 of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

I am authorized by the Board of Directors of the Company vide resolution number 10 dated September 5, 2022 sign this Placement Memorandum and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this Placement Memorandum and matters incidental thereto have been complied with.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

For **BERAR FINANCE LIMITED**



Authorised Signatory
Name: Sandeep Jawanjal
Title: Managing Director
Date: September 12, 2022

ANNEXURE I: TERM SHEET

As provided in Section 5.37 above.

ANNEXURE II: RATING LETTER, RATING RATIONALE AND DETAILED PRESS RELEASE FROM THE RATING AGENCY

Attached separately

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

Attached separately

BERAR FINANCE LIMITED NAGPUR

ANNEXURE IV: APPLICATION FORM

BERAR FINANCE LIMITED

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: August 22, 1990

Registered Office: Avinisha Tower, Mehadia Chowk, Dhantoli Nagpur, Maharashtra - 440012, India

Telephone No.: 01726663999

Website: https://www.berarfinance.com/

CIN: U65929MH1990PLC057829

E-mail: info@berarfinance.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO.										

Issue of 300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) on a private placement basis (the "Issue").

DEBENTURE SERIES APPLIED FOR:

Number of Debentures: ____In words: _____-only

Amount INR_____/-In words Indian Rupees :_____Only

DETAILS OF PAYMENT:

Cheque / Demand Draft / RTGS
No. _____ Drawn on_____

Funds transferred to **Berar Finance Limited**
Dated _____

Total Amount Enclosed
(In Figures) INR_/- (In words) _Only

APPLICANT'S NAME IN FULL (CAPITALS) **SPECIMEN SIGNATURE**

APPLICANT'S ADDRESS

ADDRESS																			
STREET																			
CITY																			
PIN							**PHONE**								**FAX**									

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT ____

BERAR FINANCE LIMITED NAGPUR

I AM/ WE ARE ( ) COMPANY ( ) OTHERS ( ) SPECIFY _____

We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the placement memorandum dated September 13,2022 ("**Placement Memorandum**") issued by the Issuer and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Debenture Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's Signature:

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	**NSDL/CDSL**
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account: (Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Placement Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) we must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason

BERAR FINANCE LIMITED NAGPUR

whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

Applicant's
Signature

FOR OFFICE USE ONLY
DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

----------(TEAR HERE)----------

ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) **SERIAL NO.**									

Received from _____

Address _____

_____

Cheque/Draft/UTR # _____ Drawn on _____ for INR _____ on account of application of _____ Debenture

BERAR FINANCE LIMITED NAGPUR

INSTRUCTIONS

1. Application form must be completed in full, IN ENGLISH.

2. Signatures must be made in English or in any of the Indian languages. Thumb Impressions must be attested by an authorized official of the Bank or by a Magistrate/Notary Public under his/her official seal.

3. Application form, duly completed in all respects, must be submitted with the respective Collecting Bankers. The payment is required to be made to the following account:

Beneficiary A/C Name:	Berar Finance Limited
Beneficiary account no.	60362127360
Beneficiary address	172, Mahabank Building, Abhyankar Road, Sitabuldi Nagpur 440012, Maharashtra, India
Beneficiary bank	Bank of Maharashtra
IFSC CODE:	MAHB0000005
Account type	Current account

The Company undertakes that the application money deposited in the above-mentioned bank account shall not be utilized for any purpose other than
a) for adjustment against allotment of securities; or
b) for the repayment of monies where the company is unable to allot securities.

4. Receipt of applicants will be acknowledged by the Company in the "Acknowledgement Slip" appearing below the application form. No separate receipt will be issued.

5. All applicants should mention their Permanent Account No. or their GIR No. allotted under Income Tax Act, 1961 and the Income Tax Circle/Ward/District. In case where neither the PAN nor the GIR No. has been allotted, the fact of non-allotment should be mentioned in the application form in the space provided. Income Tax as applicable will be deducted at source at the time of payment of interest including interest payable on application money.

6. The application would be accepted as per the terms of the manner outlined in the transaction documents for the private placement.

BERAR FINANCE LIMITED NAGPUR

(This Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS

BALANCE SHEET AS ON 31.03.2022

BERAR FINANCE LIMITED

Balance Sheet as at 31 March 2022

(₹ in Lakhs)

	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	5	9,507.52	9,479.25
(b) Bank Balances other than cash and cash equivalents	6	4,371.89	7,474.86
(c) Loans	7	81,933.84	65,948.35
(d) Investments	8	1,562.29	1,177.09
(e) Other Financial assets	9	3,619.80	2,550.32
Non-Financial Assets			
(a) Current Tax assets (Net)	10	-	-
(b) Deferred tax assets (Net)	11	672.69	471.65
(c) Property, Plant and Equipment	12	1,794.81	1,722.16
(d) Capital Work in Progress		21.99	9.00
(e) Other Intangible assets	13	71.85	81.32
(f) Right of use assets	14	271.61	215.29
(g) Other non-financial assets	15	14.40	14.46
Total Assets		1,03,842.69	89,143.75
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Trade Payables			
(I) total outstanding dues of micro enterprises and small enterprises	16	-	-
(II) total outstanding dues of creditors other than micro enterprises and small enterprises	16	462.55	425.34
Debt Securities	17	12,224.08	12,066.02
Borrowings (Other than Debt Securities)	18	48,064.97	48,803.49
Deposits	19	15,064.14	11,318.39
Other Financial liabilities	20	1,401.56	1,420.80
Non-Financial Liabilities			
Current Tax liabilities (Net)	21	140.66	74.08
Provisions	22	360.26	209.01
Other non-financial liabilities	23	210.28	184.23
EQUITY			
Equity Share capital	24	1,233.68	1,000.76
Other Equity	25	24,686.51	13,641.61
Total Liabilities and Equity		1,03,842.69	89,143.75

The accompanying notes are an integral part of the financials statements

As per our Report of even date attached

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133654W

Pravin Dhiran
M.No. 119569

Place : Nagpur
Date : 30/05/2022

On Behalf of Board of Directors

M.G.Jawanjar
Executive Chairman
DIN: 00379916

S.M.Jawanjal
Managing Director
DIN: 01490054

Y.M. Tahatyani
Chief Financial Officer

D.R.Balpande
Company Secretary

PRAVIN DHIRAN & CO. FRN 133654 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

BERAR FINANCE LIMITED NAGPUR

(This Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2022

Statement of Profit and Loss for the year ended 31 March 2022

(₹ in Lakhs)

	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations			
Interest Income	26	15,888.76	12,104.33
Dividend Income	27	0.05	0.47
Fee & Commission Income	28	1,630.48	1,184.61
Net gain on fair value changes	29	8.73	88.13
Other operating Income	30	22.29	107.79
Total Revenue from operations		17,550.31	13,485.33
Other Income	31	9.59	0.86
Total Income		17,559.90	13,486.19
Expenses			
Finance Costs	32	9,021.06	6,752.88
Impairment on financial instruments	33	964.44	1,203.28
Employee Benefits Expenses	34	2,628.91	1,719.40
Depreciation, amortization and impairment	35	237.04	199.55
Other expenses	36	2,461.04	1,564.42
Total Expenses		15,322.49	11,439.53
Profit before tax		2,237.41	2,046.66
Tax Expense:			
- Current Tax	11	715.00	625.00
- Prior period income tax	11	-	-
- Deferred Tax	11	(219.56)	(107.01)
Profit for the year		1,741.97	1,537.67
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(73.61)	1.33
Income tax impact		(18.53)	(0.34)
Other Comprehensive Income for the year		(92.14)	0.99
Total Comprehensive Income for the year (Comprising Profit and other comprehensive Income for the year)		1,649.83	1,538.66
Earnings per equity share			
Basic (INR)		17.28	16.01
Diluted (INR)		17.18	15.91

The accompanying notes are an integral part of the financials statements.

As per our Report of even date attached

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

Pravin Dhiran
M.No 115580

Place : Nagpur
Date: 30/09/2022

PRAVIN DHIRAN & CO. FRN 133656 W Wardha CHARTERED ACCOUNTANTS

On Behalf of Board of Directors

M.G.Jawanjal
Executive Chairman
DIN: 00379916

S.M.Jawanjal
Managing Director
DIN: 01490094

Y.M. Tahaliyani
Chief Financial Officer

D.R.Balpande
Company Secretary

BERAR FINANCE LIMITED NAGPUR

BERAR FINANCE LIMITED NAGPUR

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31.03.2022

Statement of Cash Flows for the year ended 31 March 2022

(₹ in Lakhs)

		Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities			
	Profit before tax	2,337.41	2,[illegible]
	Adjustments for:		
	Depreciation and amortisation expense	287.04	199.35
	ESOP expense	40.00	45.30
	Provision for Defined Benefit Obligation	37.65	25.38
	Finance cost	277.45	134.97
	Interest income on Security Deposit	(4.99)	2.65
	Amortisation impact of Processing fees and capitalisation on Loans	-	(634.58)
	Interest income on Investment	(66.39)	(72.90)
	Net gain on fair value changes in investment	(2.80)	37.30
	Profit on sale of investments	(6.74)	(75.85)
	Gain on cancellation of lease	(4.33)	(0.06)
	Income on Mutual Funds	(0.24)	-
	Impairment on financial instruments	964.44	1,[illegible].20
	Profit on sale of property, plant and equipment (Net)	(0.19)	(0.14)
	Operating profit before working capital changes	3,784.41	2,954.82
	Changes in working capital		
	Increase/ (decrease) in trade payables	37.21	184.73
	Increase/ (decrease) in other financial liabilities	(83.30)	145.37
	Increase/ (decrease) in provisions and other liabilities	78.04	(139.30)
	(Increase)/ decrease in other financial assets	(1,[illegible].45)	(716.25)
	(Increase)/ decrease in Loans	(16,549.93)	([illegible],525.33)
	(Increase)/ decrease in other assets	0.06	(6.03)
	Cash generated from/(used in) operations	(14,106.98)	(18,111.97)
	Income tax paid	(849.43)	([illegible].65)
Net cash used in operating activities (A)		(14,956.40)	(18,125.62)
B. Cash flow from investing activities			
	Payment for property, plant and equipment, intangible assets and	(195.82)	([illegible].84)
	Change in Other Bank balances not available for immediate use	3,[illegible].97	(6,[illegible].30)
	Proceeds from sale of property, plant and equipment	0.34	0.19
	Purchase of investment	(400.00)	(321.90)
	Proceeds from sale of investments	30.00	146.11
	Interest received	90.00	69.67
Net cash used in investing activities (B)		2,420.51	(7,006.87)
C. Cash flow from Financing activities			
	Proceeds from Bank & Financial Institution Borrowing (Net of Repayments)	(740.79)	(5,[illegible].61)
	Debt securities issued	103.80	12,[illegible].35
	Deposits taken (Net of Repayments)	3,745.75	2,[illegible].72
	Capital raised	220.70	34.12
	Premium received on issue of shares	9,[illegible].00	1,[illegible].39
	Expenses related to issue of Shares	(315.99)	-
	Dividend Paid	(100.00)	(46.51)
	Repayment of lease liabilities	(130.98)	(43.48)
Net cash used generated from financing activities (C)		12,571.10	32,008.90
Net increase in cash and cash equivalents (A+B+C)		334.31	6,[illegible].35
	Cash and cash equivalents at the beginning of the year	4,280.54	(2,[illegible].81)
	Cash and cash equivalents at the end of the year	4,614.84	4,280.54

Notes:

1. Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows" as specified in the Companies(Indian Accounting Standard Rules), 2015

2. Cash receipts and payments for transaction in which the turnover is quick, the amounts are large, and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows

3. Cash & Cash Equivalents included in the Statement of Cash Flow include the following

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Balances with Banks		
In current accounts	3,[illegible].05	7,[illegible].50
In fixed deposits (with original maturity less than 3 months)	5,[illegible].96	1,751.60
Cash Credit from Banks	(4,[illegible].68)	(5,[illegible].71)
Cash in Hand	40.04	113.95
	4,614.84	4,280.54

The accompanying notes are an integral part of the financials statements

As per our Report of even date attached

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

Pravin Dhiran
M.No: 118560

Place : Nagpur
Date: 26/05/2022

PRAVIN DHIRAN & CO. FRN 133656 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

On Behalf of Board of Directors

M. G. Jaiswal
Executive Chairman
DIN: 00037666

S.M. Jaiswal
Managing Director
DIN: 01499154

V. M. Tatkare
Chief Financial Officer

D.R. Balpande
Company Secretary

BERAR FINANCE LIMITED NAGPUR

ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	Berar Finance Limited
Face Value (per security)	INR 10,00,000 (Indian Rupees Ten Lakh)
Issue Date / Date of Allotment	Issue Opening Date: September 13, 2022 Deemed Date of Allotment: September 16, 2022
Redemption Date / Maturity Date	Redemption Date / Maturity Date: 30(thirty) months from the Deemed Date of Allotment, i.e, March 16, 2025
Coupon Rate	Please refer Section 5.37 (*Issue Details*).
Frequency of the Coupon Payment with specified dates	Please refer Section 5.37 (*Issue Details*). Please also see below.
Day Count Convention	Actual/Actual

INTEREST PAYMENT SCHEDULE

INTEREST PAYMENT DATE(S)	INTEREST AMOUNTS (IN INR)
16 October 2022	28,35,600
16 November 2022	29,30,100
16 December 2022	28,35,600
16 January 2023	26,37,123
16 February 2023	26,37,123
16 March 2023	23,81,918
16 April 2023	23,44,110
16 May 2023	22,68,493
16 June 2023	23,44,110
16 July 2023	19,84,932
16 August 2023	20,51,096
16 September 2023	20,51,096
16 October 2023	17,01,370
16 November 2023	17,58,082
16 December 2023	17,01,370
16 January 2024	14,65,068
16 February 2024	14,65,068
16 March 2024	13,70,548
16 April 2024	11,72,055
16 May 2024	11,34,247
16 June 2024	11,72,055
16 July 2024	8,50,685
16 August 2024	8,79,041
16 September 2024	8,79,041
16 October 2024	5,67,123
16 November 2024	5,86,027
16 December 2024	5,67,123
16 January 2025	2,93,014
16 February 2025	2,93,014
16 March 2025	2,64,658

BERAR FINANCE LIMITED NAGPUR

REDEMPTION SCHEDULE

REDEMPTION DATE(S)	PRINCIPAL AMOUNTS (IN INR)
16 December 2022	3,00,00,000
16 March 2023	3,00,00,000
16 June 2023	3,00,00,000
16 September 2023	3,00,00,000
16 December 2023	3,00,00,000
16 March 2024	3,00,00,000
16 June 2024	3,00,00,000
16 September 2024	3,00,00,000
16 December 2024	3,00,00,000
16 March 2025	3,00,00,000

ANNEXURE VII: DUE DILIGENCE CERTIFICATES

Attached separately

ANNEXURE VIII: TERMS AND CONDITIONS OF DEBENTURE TRUSTEE AGREEMENT

Attached separately.

BERAR FINANCE LIMITED NAGPUR

ANNEXURE IX: IN-PRINCIPLE APPROVAL RECEIVED FROM BSE

Attached separately

ANNEXURE X: LENDING POLICY

Attached separately

ANNEXURE XI: ALM STATEMENTS

Attached separately

ANNEXURE XII: BOARD RESOLUTION

Attached separately

ANNEXURE XIII: SHAREHOLDERS RESOLUTION

Attached separately

BERAR FINANCE LIMITED NAGPUR

ANNEXURE XIV: GUARANTEE

Attached separately

BERAR FINANCE LIMITED NAGPUR

NORTHERN ARC

Privileged and confidential

INDICATIVE TERM SHEET

The terms and conditions given below are indicative only and are not exhaustive and subject to change.

PARTIES INVOLVED IN THE ISSUE	
Issuer / Company	Berar Finance Limited ("Berar")
Debenture Trustee	IDBI Trusteeship Services Limited
Subscriber(s)/investor	Unifi AIF
Depository	NSDL and CDSL
Registrar and transfer agent	BigShare Services Pvt Ltd.
Rating Agency	CARE Ratings Limited
Structurer and Arranger	Northern Arc Capital
Legal Counsel	Pheonix Legal
THIRD PARTY OBLIGORS	
Guarantor(s)	Mr. Maroti G. Jawanjar and Mr. Sandeep M. Jawanjal
Credit Enhancer(s)	None
Other obligator(s)	None
DETAILS OF THE INSTRUMENT	
Type of instrument	Non-convertible debentures
Nature of instrument	Rated Senior Secured Listed Transferable Redeemable Non-convertible debentures
Ranking	Each Debenture issued by the Issuer will constitute direct and secured obligations of the Issuer. The claims of the Debenture Holders shall be superior to the claims of investors / lenders of Tier I & Tier II Capital and all unsecured & subordinated debt and shall rank paripassu to all senior, secured indebtedness of the Issuer. Each of the Debenture Holders shall inter-se rank paripassu in relation to their rights and benefits in relation to the Debentures, without any preference or privilege.
Security requirements	Debentures shall be secured as per the terms and conditions stipulated under the heading 'Security Creation' hereunder.
Listing requirements	The Debentures shall be listed on the Wholesale Debt Market segment of the [NSE / BSE] within a period of 4 (Four) trading days from the Issue closing date/ Deemed Date of Allotment.

This [illegible] to be an offer, or an invitation to offer, or a promise to do any transaction. We have sent you this document in connection with a proposal [illegible] at arm's length. We are not acting as your [illegible] and accordingly [illegible] any liability in respect of this proposal. Before entering into any transaction with us you should take such independent [illegible] as you consider necessary or appropriate in all the circumstances to assess the merits and risks of the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own objectives and circumstances including the possible risks and benefits of entering into such transaction. You should not rely on this proposal document in making this assessment.

BERAR FINANCE LIMITED NAGPUR

UNIFI AIF Chennai-600 006

	In the event that: (i) the Debentures are not listed on the [NSE / BSE] within a period of 4 (Four) trading days from the Issue closing date; and/ or (ii) the debentures are delisted for a continuous period of 1 month, the Company shall pay default interest calculated at the rate of 1% (One Percent) per annum on the outstanding principal amount of the Debentures over and above the Coupon Rate for the period commencing from the Deemed Date of Allotment and expiring on the date the Debentures are listed on the WDM of the [NSE / BSE].
Rating	CARE BBB+ or above
ISSUE DETAILS	
Mode of Issue	Dematerialised, Private Placement
Form of issue	Debentures will be issued in digital form.
Issue size	INR. 30,00,00,000 /- (Indian Rupees Thirty Crores only)
Tenor	30 months (Thirty months). Principal repayment to be made on quarterly basis as per Annexure 1.
Face value	INR. 10,00,000 /- (Indian Rupees Ten Lakh only)
Number of Debentures Issued	300
Issue price	Debentures will be issued at par.
Issue Schedule	Issue Opening Date: 13-September-2022 Issue Paying Date: 16-September-2022 Issue Closing Date: 16-September-2022 Deemed Date of Allotment: 16-September-2022
Trading mode of the Instrument	Demat only
Settlement mode of the Instrument	RTGS
Objects of the issue	The Issue proceeds will be utilized for ongoing business operations of the Company.
Utilization of issue proceeds	The Company shall utilise the amounts received from the subscription of the Debentures for the aforesaid objects of the issue. No part of the proceeds from the Issue will be used towards: i. any capital market instrument such as equity and equity linked instruments or any other capital market related activities; ii. any speculative purposes;

This [illegible] is an offer, or [illegible] to offer, a commitment [illegible] to enter into any transaction. We have based this [illegible] on publicly available information that we consider reliable, but we do not represent that it is accurate or complete. We may trade or [illegible] as principal or agent in the securities mentioned herein or in securities of issuers that may be mentioned or in derivatives thereof. Past performance is not necessarily a guide to future performance. Income from investments may fluctuate. The price or value of the investments to which this [illegible] relates, either directly or [illegible], may rise or fall. Each recipient of this [illegible] must make its own independent decisions regarding any transaction and any investment mentioned herein. We are acting for you as a principal and not as your agent or fiduciary. In preparing this [illegible], we have not taken into account your investment objectives, financial situation or particular needs. Before entering into any transaction, you should take steps to ensure that you understand and have independently determined the appropriateness for you of the transaction in the light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. You should also consult your own advisers in making this assessment.

BERAR FINANCE LIMITED NAGPUR

UNIFI AIF Chennai-600 006

	iii. investment in the real estate sector; or iv. in contravention of any applicable law.
REDEMPTION	
Redemption Amount	Each Debenture shall be redeemed at par.
Scheduled Redemption	Debentures shall be redeemed on a pro rata basis as set out in **Schedule 1** *(Redemption Schedule)* hereto and shall be fully redeemed by the Final Redemption Date.
Final Redemption Date	March 16, 2025
Early Redemption	Not applicable.
Put Option	Not applicable.
Call Option	Not applicable.
Early Redemption Premium	Not applicable.
COUPON PAYMENT	
Coupon Type	Fixed
Coupon Rate	11.50% (Eleven decimal Five Zero per cent) per annum gross of applicable tax payable at such frequency as set out below against the heading 'Coupon Payment Frequency' and on such dates as set out below against the heading 'Coupon Payment Dates'.
Coupon Payment Frequency	Monthly
Coupon Payment Dates	As set out in **Schedule 1**
Step-up Coupon	Not Applicable.
Step-down Coupon	Not Applicable.
Default interest	Coupon Rate plus 2.0% (Two Percent)
CONVENTIONS	
Day Count Basis	Actual/365
Record Date	Means the date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 15 days prior to any Due Date.
Business Day	Means any day, other than a Saturday or public holiday under Section 25 of the Negotiable Instruments Act, 1881 or a Sunday, on which banks are open for general business in Mumbai;

This document does not constitute an offer, or an invitation to offer, or a recommendation to enter into any transaction. We have sent you this document in our capacity as a potential counterparty, acting at arm's length. We are not acting as your financial adviser or in any fiduciary capacity in respect of this proposal or any transaction arising out of it. You should obtain such financial, legal, tax and other advice as you deem appropriate before entering into any transaction with us. Please ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in light of your own circumstances, including the possible risks and benefits of entering into the transaction. You should not rely on any information in this document as constituting any recommendation or as containing all the information necessary or appropriate for your decision to enter into any transaction.

BERAR FINANCE LIMITED NAGPUR

UNIFI AIF Chennai-600 006

Date Convention	If any Due Date falls on a day which is not a Business Day, the payment shall be made on the immediately preceding Business Day.
Interest on Application Money	Interest at the rate of 11.50% p.a. (subject to deduction of tax at source at the rate prevailing from time to time under the provisions of the Income Tax Act, 1961) will be paid on Application Money to the Applicants from the date of realization of the cheques / drafts or credit through RTGS / NEFT / direct credit upto one day prior to the Deemed Date of Allotment. This is applicable for all valid applications within 5 (five) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refund orders or through RTGS / NEFT / direct credit to the bank account of the Applicant as described in the Application Form.
SECURITY CREATION	
Hypothecation	The Debentures shall be secured by way of a first ranking exclusive, and continuing charge on receivables (**"Hypothecated Receivables"**) created pursuant to the agreement of hypothecation to be executed between the Company and the Debenture Trustee as described herein. The Hypothecated Receivables shall consist of loans originated from the proceeds of the issue within the Portfolio Origination Period, and at all times shall be equal to the value of the outstanding principal amount of the Debentures. The Issuer undertakes: • to maintain the value of security at all times equal to 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) the aggregate amount of principal outstanding of the Debentures where at least 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) of the security cover is from principal receivables ("Security Cover"); • to pay a penal interest of 2.0% (Two Percent) p.a. in case there is any delay in the creation, registration and perfection of the security over the Hypothecated Assets; • to provide on a quarterly basis, book debts to the Debenture Trustee over which the charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) ("Hypothecated Asset Report") • to add fresh loan assets to the Security Cover to ensure that the value of the Hypothecated Assets is equal to 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) the aggregate amount of principal outstanding of the Debentures where at least 1.10 (one decimal point one zero) time or 110% (one hundred and ten percent) of the security cover is from principal receivables. • to create and register the Hypothecated Assets as contemplated above on or before the Deemed Date of Allotment by executing a duly stamped deed of hypothecation ("Deed of Hypothecation") and filing CHG-9 within the time period applicable; Perfection of the security over the Hypothecated Assets needs to be done as per the stipulated timelines as applicable under the relevant regulation and Law • The charge will be subsequently modified on a quarterly basis and a copy of the latest stock statement will be filed with the ROC

This document does not constitute an offer, or an invitation to offer, or a recommendation to enter into any transaction. We have sent you this document in our capacity as a potential counterparty acting at arm's length. We are not acting as your financial advisor or in a fiduciary capacity in respect of this proposal transaction or any other transaction with you unless otherwise expressly agreed by us in writing. Before entering into any transaction, you should ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own circumstances, including the risks involved. You should also seek such independent professional advice as you deem appropriate, including as to accounting, legal, regulatory, tax, credit and other matters relating to the transaction.

	• the Company shall also provide such Information sought by the Debenture Trustee for the purpose of filing the prescribed forms and particulars with the Central Registry and Information Utility in connection with the Debentures and the Security Interest over the Hypothecated Assets. • to replace Hypothecated Receivables that have been overdue for more than 90 days with current receivables. Such replacement shall be affected within 15 (Fifteen) Business Days of the Hypothecated Receivables becoming overdue (by more than 90 days). Eligibility Criteria for the Hypothecated Receivables: • the receivables are current at the time of selection and have not been terminated or pre-paid. • the receivables have not been restructured or rescheduled. • all "Know Your Customer" norms have been complied with as prescribed by the Reserve Bank of India. • Every loan originated from the issue proceeds should be originated by the Issuer and not loans purchased from a third party. • Loans constituting the Portfolio must be loans directly originated by the Company and not loans purchased from a third party. • Loans originated from the portfolio should not be provided to individuals who have had a history of late payments or overdues.
Portfolio Origination Period	45 days
Security Cover	1.1 X (One point One Zero times)
Prepayment and Prepayment Penalty	Any full or part of Prepayment shall be subject to the consent of the Majority of all Debenture Holders. In case of early redemption of the Debentures, at the instance of the Issuer and post consent of majority debenture holders, on any date other than the Maturity Date and not arising due to an Event of Default, the issuer shall pay a penalty of 2% (Two Percent) on the principal amount repaid. The issuer shall give the Debenture Trustee and the Debenture Holders at least 30 (Thirty) Calendar Days written notice prior to the date of such meeting where Debenture Holders consent for prepayment shall be sought.
Pledge	None.
Mortgage	None
OTHER COVENANTS	
Debenture Redemption Reserve	If so applicable for the Issue, the Issuer shall create debenture redemption reserve in accordance with the Companies Act, 2013 (and Rules thereunder) and in terms thereof earmark an amount not less than 15% of the amount maturing during the year ending on the 31st day of

BERAR FINANCE LIMITED NAGPUR

UNIFI AIF Chennai-600 006

	March of the next year by way of investment and deposits in specified securities on or before the 30th day of April in each year.
Related Party Transactions	Without prior written intimation to the Lender, the Borrower shall not enter into or perform any transaction(s) with a related party except as allowed in normal course of business. Without prejudice to the foregoing, the Borrower shall not without the prior written consent of the Lender (i) enter into any transaction(s) whereby the overall outstanding amount owed to the Borrower under all such transactions exceeds 10.00% (Ten Point Zero Zero percent) of its net worth, (ii) whereby the overall expense incurred through such transactions during any financial year exceeds 10.00% (Ten Point Zero Zero percent) of its net profit, or (iii) provide any guarantee for any indebtedness of a related party. The Lender shall be granted access to any additional information that it deems necessary to monitor and evaluate this covenant. For the purposes of this clause, the terms 'net worth' and 'related party' shall respectively have the meaning ascribed to them in sections 2 (57) and 2 (76) of the Companies Act, 2013 (and the Rules framed thereunder).
Affirmative Covenants	1. To comply with corporate governance, fair practices code prescribed by the RBI 2. Notification of any potential Event of Default or Event of Default; 3. Obtain, comply with and maintain all licenses / authorizations 4. Provide details of any material litigation, arbitration or administrative proceedings (materiality threshold to be finalized during documentation) 5. Maintain internal control for the purpose of (i) preventing fraud on monies lent by the Company; and (ii) preventing money being used for money laundering or illegal purposes 6. Permit visits and inspection of books of records, documents and accounts to debenture holders as and when required by them. 7. Comply with any monitoring and/or servicing requests from Debenture Holders 8. To utilise the proceeds of this issue in accordance with applicable laws and regulations And as set out in greater detail in the Debenture Trust Deed
Negative Covenants	The Company shall not without the prior written permission of the Debenture Trustee (acting on the instruction of the majority debenture holders), do or undertake to do any of the following: 1. Change in promoter or control (excluding Employee Stock Option) in issuer due to new equity raise. If there is no response within 7 calendar days, it will be deemed as consent given by Debenture Holders. However, any other changes in control not due to new equity raise will have to be formally approved by Debenture holders and deemed consent window is not applicable. 2. Mergers and Acquisitions, restructuring, amalgamation without approval of majority Debenture Holders over and above 10% of the Net worth of the Issuer in a financial year

This document does not constitute an offer, or an invitation to offer, or a recommendation to enter into, any transaction. We have sent you this document in response to your request. We do not regularly notify you of changes to it. We are not acting as your fiduciary or financial adviser or in any other capacity in respect of this proposal, transaction or any other transaction with you unless otherwise expressly agreed by us in writing. Before entering into any transaction, you should take steps to ensure that you understand it and the risks it may involve and make an independent assessment of the appropriateness of the transaction in the light of your own circumstances, including the potential risks and benefits of entering into such transaction. You should also consider seeking advice from such of your own advisers as you consider necessary in relation to the transaction.

BERAR FINANCE LIMITED NAGPUR

UNIFI AIF Chennai-600 006

	3. The Issuer shall not, without the prior approval of Debenture Holders, enter into any transaction of merger, de-merger, consolidation, reorganization, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; provided however that this restriction shall not apply in the event that the compliance with this restriction would result in the Issuer defaulting in relation to any of its payment obligations in relation to the Debentures. 4. The Issuer will not purchase or redeem any of its issued shares or reduce its share capital without the majority Debenture Holders' prior written consent; 5. Issuer shall not amend or modify clauses in its Memorandum of Association and Article of Association, where such amendment would have a Material Adverse Effect as defined earlier, without prior consent of the Debenture Trustee. 6. Unless mandated by law, Issuer shall not change its financial year-end from 31st March (or such other date as may be approved by Debenture Holders) without prior consent of the Debenture Trustee 7. Any sale of assets/business/division that has the effect of exiting the business or re-structuring of the existing business, to be with the prior consent of the majority debenture holder 8. The issuer shall not declare dividend or do buy back of equity shares, if an Event of Default has occurred and is subsisting. 9. The issuer shall not undertake any new major new business outside financial services or any diversification of its business outside financial services, without approval of majority NCD holders
Rating Covenant	If any time during the tenor of the debentures, the rating of the instrument is downgraded to below BBB-, the debenture trustee, shall have the right, but not an obligation, to require the issuer to redeem the debentures within a period of 30 days.
Events of Default	Following Events would be construed as Events of Default - 1. Non-payment of any of the dues under this Issuance, with a grace period of 3 (Three) calendar days in case of delays due to technical reasons 2. Default or trigger of event of default on any other indebtedness (cross default) 3. Misrepresentation or misleading information in any of the Transaction Documents 4. Issuer is unable or admits in writing its inability to pay its debts as they mature or suspends making payment of any of its debts, by reason of actual or anticipated financial difficulties or proceedings for taking it into liquidation have been admitted by any competent court or a moratorium or other protection from its creditors is

This document does not constitute an offer, or an invitation to offer, or a recommendation to enter into any transaction. We have sent you this document in our capacity as a potential counterparty acting at arm's length. We are not acting as your financial adviser or in a fiduciary capacity in respect of this proposed transaction or any other transaction with you unless otherwise explicitly agreed by us in writing. Before entering into any transaction, you should ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. You should not enter into this transaction unless you are willing to assume the risks of such transaction.

	declared or imposed in respect of any indebtedness of the Company; 5. Event of Insolvency, winding up, liquidation 6. A receiver or liquidator, provisional liquidator, supervisor, receiver, administrative receiver, administrator, compulsory manager, trustee or other similar officer in respect of the Company or any of its assets is appointed or allowed to be appointed of all or any part of the undertaking of the Company; 7. If an attachment or expropriation or restraint of act of sequestration is levied on the Hypothecated Assets or any part thereof; 8. Creditors' processes initiated against the company 9. Repudiation of Transaction Documents 10. Cessation of business 11. Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of the Issuer / Promoter funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer 12. The Company has taken or suffered to be taken any action for reduction of its capital or any rearrangement, merger or amalgamation without the prior written approval of the Debenture Holders; 13. Promoters or key management personnel of the Company being declared willful defaulter. 14. The promoter/s and/or the directors of the Company are convicted of criminal offence involving moral turpitude, dishonesty or which otherwise impinges on the integrity of the promoter/s and/or director, including any accusations, charges and/or convictions of any offence relating to bribery; 15. Erosion of 50% or more of the Company's net worth starting September 30, 2022; 16. All or a material part of the undertaking, assets, rights or revenues of the Company are condemned, seized, nationalized, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Company, or shall have taken any action for the dissolution of the Company, or any action that would prevent the Company, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority; 17. Occurrence of a Material Adverse Effect (defined below) as determined by the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders; 18. Change in management control without prior written consent from the majority Debenture Holders. Any new equity raising which results in change in the existing shareholding pattern and related change in board composition would be communicated to Debenture Holders and consent would be sought. If there is no response within 7 calendar days, it will be deemed as consent given by Debenture Holders;

BERAR FINANCE LIMITED NAGPUR

UNITI LAW Chennai-600 005

	19. Any Transaction Document once executed and delivered, ceases to be in full force or becomes unlawful, invalid and unenforceable; 20. A petition for the reorganization, arrangement, adjustment, winding up or composition of debts of the Company is filed on the Company (voluntary or otherwise) or have been admitted or makes an assignment for the benefit of its creditors generally and such proceeding is not contested by the company for staying, quashing or dismissed within 15 (Fifteen) days; 21. Breach of the following covenants: Affirmative Covenants – (i) Preserve corporate status; authorizations, (ii) Payment of Stamp Duty, (iii) Handling Investor grievances, (iv) Compliance with Investor Education and Protection Fund requirements, (v) Regulatory Filings, (vi) Regulatory requirements in case of a Foreign Investor, (vii) Maintenance of Books of Account and (viii) Corporate Governance; Where such breach is not cured within 30 (thirty) calendar days. a) Negative Covenants - (i) Change of business, (ii) Change of Managing Director and (iii) Dividend distribution in case of default b) Financial Covenants where such breach is not cured within 60 (Sixty) calendar days. Upon occurrence of any of the aforesaid event of default, the Debenture Trustee may by a notice in writing to the Company initiate actions as may be contemplated in the Transaction Documents including the following: (a) require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, and other costs, charges and expenses incurred under or in connection with this Deed and other Transaction Documents, (b) Declare all or any part of the Debentures to be immediately (or on such dates as the Debenture Trustee may specify) due and payable, whereupon it shall become so due and payable immediately 'Material Adverse Effect' shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect on (i) the financial condition, business or operation of the Issuer where net worth erodes by more than 10%; (ii) the ability of the Issuer to perform their obligations under the Transaction Documents; or (iii) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder).
Reporting Covenants	a) Monthly Reports - Month end ALM table in the agreed format within 21 calendar days from the end of the month.

This term sheet does not constitute an offer, or agreement to offer, or an invitation to offer, or solicitation of any kind, by us or on our behalf to you or any other person to subscribe for or purchase any of the securities mentioned herein. We have sent you this document to enable you to understand the terms on which we may, at our discretion, offer to issue the securities mentioned herein. Unless and until we enter into a definitive agreement with you in relation to the securities mentioned herein, this term sheet does not create any binding obligation on us or you. You should not rely on this term sheet in connection with any purchase or sale of the securities mentioned herein. Any such purchase or sale will be subject to the terms of the definitive agreement to be entered into between us and you, and will be subject to the risk factors, investment considerations and conflicts of interest described in such definitive agreement. Please do not treat the contents of this term sheet as investment, legal, accounting or tax advice and you should consult your own counsel, accountant and other advisors as to the risks associated with any purchase or sale of the securities mentioned herein.

	b) QUARTERLY REPORTS - within 45 (Forty-Five) Calendar days after the end of each calendar quarter: 1) Unaudited Financial Statements 2) Financial covenant compliance certificate signed by a Director or the Chief Financial Officer 3) Latest ALM details 4) Change in Shareholding structure 5) Change in Board composition 6) Changes in accounting policy 7) Change in senior management officials (any CXO or equivalent) 8) List of Lenders and Loan / NCD profile 9) Portfolio cuts including PAR data in the agreed format c) ANNUAL REPORTS – within 180 (One Hundred and Eighty) Calendar days after the end of each fiscal year (i) Audited financial statements d) EVENT BASED REPORTS – within 10 (Ten) business days of event occurring (i) Any fraud amounting to more than 2% of Gross Loan Portfolio (ii) Change in the Constitutional Documents of the Company; (iii) Material Adverse Effect. (iv) Any dispute, litigation, investigation or other proceeding which could result in a Material Adverse Effect. (v) Winding up proceedings (vi) Any Event of Default or Potential Default, and any steps taken / proposed to remedy the same.
Financial Covenants	• Minimum capital ratio of Tier I Capital and Tier II Capital to aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet items shall not be less than 18.00% (Eighteen Point Zero Zero percent) or as per the regulatory minimum prescribed by the Reserve Bank of India under the NBFC Master Directions, whichever is higher.For the purpose of calculation of minimum capital ratio: (i) first loss credit enhancements provided by the Borrower on securitization shall be reduced from Tier I Capital and Tier II Capital without any ceiling. (ii) credit enhancements provided by the Borrower on loans originated on behalf of other institutions shall be reduced from Tier I Capital and Tier II Capital without any ceiling. The deduction shall be made at 50 per cent from Tier I Capital and 50 per cent from Tier II Capital. (iii) It is also clarified that in computing the amount of subordinated debt eligible for inclusion in Tier II Capital, the aforementioned subordinated debt shall be subject to discounting as prescribed by RBI. • Cumulative Asset Liability mismatch should always be positive in all the buckets upto 1 year to the extent of 10%. If the said

This document does not constitute an offer, or an invitation to offer, or a recommendation to enter into any transaction. We have sent you this document in our capacity as a potential counterparty acting at arm's length. We are not acting as your financial advisor or in a fiduciary capacity in respect of this proposed transaction or any other transaction with you unless otherwise expressly agreed by us in writing. Before entering into any transaction you should take steps to ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. You should also consider seeking advice from such advisors as you deem necessary in making this assessment.

BGFINANCE LIMITED NAGPUR

UNIFI AIF Chennai-600 006

	covenant is breached then the company will have a curing period of 1 month to set right the same. • Maximum permissible ratio of sum of the Par > 90 and write-offs net of provisions (on the Borrower's entire portfolio including receivables sold or discounted on a non-recourse basis) to Gross Loan Portfolio shall be 4.00% (Four Point Zero Zero percent), write-offs would be calculated for trailing twelve months. ** - Not more than 50% of the CC / OD / Working capital borrowings that are captured in the less than 1 year bucket will be assumed to be renewed for the purpose of this cumulative ALM mismatch covenant. **Portfolio at Risk greater than 90 days or PAR > 90** shall mean, in a district or a branch or on the Borrower's Gross Loan Portfolio at any point of time, as the case may be, the outstanding principal value of the Borrower's portfolio that has one or more instalments of principal, interest, penalty interest, fee or any other expected payments overdue for 90 days or more and includes restructured loans. **Tangible Networth** means, with respect to any person, the amount paid up on such person's issued equity share capital, compulsorily convertible instruments and any amount standing to the credit of its reserves, less equity or equity-like investments, goodwill, deferred tax assets and other intangible assets **Gross Loan Portfolio** means and includes the outstanding principal amounts of the loans originated by the Borrower on its own books, securitized portfolio as well as loans originated on behalf of other entities by entering into partnership agreements but not included on the Borrower's own book **NBFC Master Directions** means the master directions issued by the RBI on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 or Non-Banking Financial Company Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 as may be applicable for the Borrower (as amended or modified or restated from time to time). **Tier I Capital** shall have the meaning given to it in the NBFC Master Directions. **Tier II Capital** shall have the meaning given to it in the NBFC Master Directions. The Lender shall be granted access to any additional information that it deems necessary to monitor and evaluate compliance with the aforementioned Financial Covenants. All covenants would be tested on quarterly basis i.e. as on 31st March, 30th June, 30th September, 31st December every year, starting from 30th

This term sheet does not constitute an offer or an agreement to offer or a commitment to enter into any transaction. We have sent you this term sheet in confidence on a privileged and strictly private basis. We are not acting as your financial advisor or fiduciary in respect of this proposal and by accepting this term sheet you acknowledge that we are not your financial advisor or fiduciary. You should consult your own financial, legal, tax, accounting and other advisors before you enter into any transaction. You should not rely on us for any such advice. We do not make any recommendation as to the advisability of entering into any transaction. Any transaction between us will be on an arm's length basis and the relationship between us will be solely that of seller and buyer. We do not have any duty to you arising out of any transaction contemplated by this term sheet.

	September 2022, on consolidated and standalone balance sheet till the redemption of the NCDs. Without prejudice to its other rights under the Facility Documents, Lender reserves the right to levy a penalty of a sum equivalent to 1% (One percent) of the amount outstanding under the Facility on the borrower in the event of breach of any of the Financial Covenants ("Penalty for Breach"). In such an event, the Borrower shall pay the Penalty for Breach to the Lender within 30 calendar days from the date of such breach. The covenants shall be certified by the Company within 60 (Sixty) calendar days from the end of each financial quarter.
Additional Covenants	On the Deemed Date of Allotment, the Company shall deliver to the Debenture Trustee duly filled post-dated cheques or undated cheques in favour of the Debenture Trustee for all instalmentsof principal and coupon payable in terms of the Redemption Schedule.
Transaction documents	The Issuer shall execute the documents including but not limited to the following, as required, in connection with the Issue as per latest SEBI guidelines / Companies Act 2013 (as applicable) for issuance of NCDs through Private Placement: Letter appointing Trustees to the Debeture Holders, Debenture Trustee Agreement, Debenture Trust Deed, Deed of Hypothecation, Information Memorandum, Private Placement Offer Letter (Form PAS 4), Board Resolution authorizing this Issuance, Applicable Shareholder Resolutions under the Companies Act 2013, Rating Agreement with the aforesaid Rating Agency(ies) with respect to this Issuance, Tripartite Agreements with the Depository(ies) and Registrar & Transfer Agent Personal Guarantee of Mr Sandeep Jawanjal and Mr. Maroti Jawanjar(along with CA certified Networth Statement).
Conditions Precedent to Disbursement	The Company will fulfil the following conditions precedent, to the satisfaction of the Debenture Trustee, prior to the Deemed Date of Allotment: 1. submit to the Debenture Trustee, a copy of resolution of the Company's board of directors authorizing the execution, delivery and performance of the Transaction Documents 2. submit to the Debenture Trustee, copies of the relevant resolutions of the shareholders of the Company in relation to the borrowing limits of the Company 3. submit to the Debenture Trustee, a copy of the Company's constitutional documents 4. provide such other information, documents, certificates, opinions and instruments as the Debenture Holder may reasonably request; 5. execution, delivery and stamping of the Transaction Documents in a form and manner satisfactory to the Debenture Trustee; 6. receipt and submission of the rating letter issued by the Rating Agency in relation to the Debentures; 7. receipt of consent from the Debenture Trustee to act as the debenture trustee for the issue of Debentures; 8. submission of all 'know your customer' requirements to the satisfaction of the Debenture Trustee;

This document does not constitute an offer, or an invitation to offer, or a recommendation to enter into any transaction. We have sent it to you in our capacity as a prospective investor, solely at your request. We are not acting as your financial adviser or in a fiduciary capacity in respect of this proposal or any other transaction with you. You should not rely on it or any prior oral statements made by us in relation to it. Before entering into any transaction you should ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own objectives and circumstances, including the potential risks and benefits of entering into such transaction. You should also consider seeking such advice as you consider necessary.

	9. Submit to the Debenture Trustee, the audited financial statements of the Company for the Financial Year ended March 31, 2022and provisional quarterly financial statements for the period ended September 30, 2022.
Conditions Subsequent to Disbursement	The Company shall fulfill the following conditions subsequent, to the satisfaction of the Debenture Trustee, pursuant to the Deemed Date of Allotment: (a) The Issuer shall ensure that the Debentures are credited into the demat accounts of the Debenture Holders of each series of Debentures within 2 Business Days from the Deemed Date of Allotment; (b) The Issuer shall file a return of allotment of securities under Form PAS-3 under Section 42 of the Companies Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) calendar days of the Deemed Date of Allotment along with a list of the Debenture Holders and with the prescribed fee; (c)(c) To create and register the security over the Hypothecated Assets no later than the Deemed Date of Allotment or as applicable under relevant regulation and Law, whichever is earlier. Perfection of the securityover the Hypothecated Assets needs to be done as per the stipulated timelines as applicable under the relevant regulation and Law. (d) Receive final listing approval from the BSE within 4(four)trading daysfrom the Deemed Date of Allotment (e) The Issuer shall ensure compliance with SEBI / Companies Act 2013 (as applicable) for issuance of NCDs.
Roles and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders.
Debenture Redemption Reserve	Not applicable
Other Expenses	Any expenses that may be incurred towards executing of this transaction including NCD issuance, custodial services, payment of stamp duty, fees for legal , accounting , due diligence and others shall be borne by the Issuer.
Other Costs & Conditions	The Issuer shall bear the costs and expenses incurred in connection with the transactions contemplated hereby including stamp duty and registration fee (if applicable) on the Transaction Documents (and the Debentures), appointment of the Debenture trustee, legal advisors expenses and expenses incurred in the preparation for the Transaction Documents.
Transaction Costs	The Issuer shall bear all transaction related costs incurred by the Debenture Holders with respect to legal counsel, valuers and auditors/consultants. Such costs include: 1. Trustee fees 2. Listing fees 3. Rating 4. Any other reasonable transaction related expense incurred by the Debenture Holders 5. Stamping and registration in relation to all Transaction Documents.
Taxes, Duties, Costs and Expenses	1. Relevant taxes, duties and levies are to be borne by the Issuer. 2. The charges / fees and any amounts payable under this Debentures by the Issuer as mentioned herein do not include any applicable taxes, levies

This document does not constitute an offer, or an invitation to offer, or a recommendation to enter into any transaction. We have sent you this document in connection with a proposed transaction solely for the purpose of providing you with a description of the key terms and risks of that transaction. We are not acting as your fiduciary or financial adviser in relation to any proposed transaction or any other transaction with us, unless otherwise expressly agreed by us in writing. Before entering into any transaction, you should ensure that you understand the transaction and have made an independent assessment of the appropriateness of the transaction in the light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction. You should also consider seeking advice from such advisers as you deem necessary in making this assessment.

	including service tax etc. and all such impositions shall be borne by the Issuer additionally.
Place of Execution	Chennai
Governing Law and Jurisdiction	Indian Law with jurisdiction of the courts and tribunals of Chennai
Representations & Warranties	1. The Company is registered with the RBI as an NBFC 2. No Event of Default has occurred and is continuing on the date of this transaction 3. The Debentures under this Issuance shall rank pari passu amongst themselves, and with all other **secured** creditors. 4. Binding obligation of Transaction Documents 5. No conflict with other obligations / constitutional documents 6. No Material Adverse Change in business, condition or operations of the Issuer 7. Company has the power and authority to issue Debentures and such Transactions Documents are valid and admissible in evidence 8. Absence of any pending or threatened litigation, investigation or proceedings that may have a material adverse effect on the business condition (financial or otherwise), operations, performance or prospects of the Issuer or that purports to affect the Facility And as set out in greater detail in the Debenture Trust Deed.
Indemnification	The Issuer will indemnify, and hold harmless the Debenture Holders from and against any claim, liability, demand, loss, damage, judgment or other obligation or right of action which may arise as a result of breach of this Term Sheet by the Issuer or its Promoter/s.
Confidentiality	The terms and conditions described in this Term Sheet, including its existence, shall be confidential information and shall not be disclosed to any third party except to each Party's advisors and counsel. Provided however that if any of the Parties is required by law to disclose information regarding this Term Sheet or to file this Term Sheet with any regulatory body, it shall, at a reasonable time after making any such disclosure or filing, informing the other Parties.

This document does not constitute an offer, or an invitation to offer, or any commitment to provide any financial...

UNIFI AIF Chennai-600 006

Schedule 1

Redemption Instalments	Redemption Date	Interest per Debenture (in INR)	Amount to be redeemed per Debenture (in INR)
1	16-Oct-22	9,452	-
2	16-Nov-22	9,767	-
3	16-Dec-22	9,452	1,00,000
4	16-Jan-23	8,790	-
5	16-Feb-23	8,790	-
6	16-Mar-23	7,940	1,00,000
7	16-Apr-23	7,814	-
8	16-May-23	7,562	-
9	16-Jun-23	7,814	1,00,000
10	16-Jul-23	6,616	-
11	16-Aug-23	6,837	-
12	16-Sep-23	6,837	1,00,000
13	16-Oct-23	5,671	-
14	16-Nov-23	5,860	-
15	16-Dec-23	5,671	1,00,000
16	16-Jan-24	4,884	-
17	16-Feb-24	4,884	-
18	16-Mar-24	4,568	1,00,000
19	16-Apr-24	3,907	-
20	16-May-24	3,781	-
21	16-Jun-24	3,907	1,00,000
22	16-Jul-24	2,836	-
23	16-Aug-24	2,930	-
24	16-Sep-24	2,930	1,00,000
25	16-Oct-24	1,890	-
26	16-Nov-24	1,953	-
27	16-Dec-24	1,890	1,00,000
28	16-Jan-25	977	-
29	16-Feb-25	977	-
30	16-Mar-25	882	1,00,000

CareEdge RATINGS

No. CARE/HO/RL/2022-23/2177

Mr. Sandeep Jawanjal
Managing Director
Berar Finance Limited
Avinisha Tower, Mehadia Square,
Dhantoli,
Nagpur-440012
Maharashtra.

August 30, 2022

Confidential

Dear Sir,

Credit rating for Non-Convertible Debenture issue

On the basis of recent developments including operational and financial performance of your Company for FY22 (Audited) and Q1FY23 (Unaudited), our Rating Committee has reviewed the following ratings:

Sr. No.	Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
1.	Non-Convertible Debentures	172.00 (Enhanced from 40.00)	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	Reaffirmed
	Total Instruments	172.00 (Rs. One Hundred Seventy-Two Crore Only)		

2. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

3. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly

4. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

5. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd.

[1]Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications.

warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.

6. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

7. Users of this rating may kindly refer our website www.careedge.in for latest update on the outstanding rating.

8. CARE Ratings Ltd. ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

Mahima Chhabra

Mahima Chhabra
Analyst
Mahima.Chhabra@careedge.in

Geeta Chainani

Geeta Chainani
Assistant Director
Geeta.Chainani@careedge.in

Encl.: As above

Disclaimer

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating.
Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

CareEdge RATINGS

Annexure – 1

Details of the rated facilities

1. Non-Convertible Debentures

ISIN	Name of the lender	Type of facility	Sanctioned Amount (Rs. Cr.)
INE998Y07014	DCB Bank Ltd - TLTRO	NCD	10.00
INE998Y07048	IFMR FINANCE FREEDOM FUND III	NCD	10.00
INE998Y07055	IFMR FIMPACT LONG TERM CREDIT FUND	NCD	15.00
INE998Y07063	VIVRITI Samrth Bond Fund	NCD	15.00
INE998Y07071	UNIFI AIF	NCD	18.00
INE998Y07089	Creation Investment FPI, LLC	NCD	34.00
INE998Y07113	SK Finance Limited	NCD	20.00
INE998Y07113	MAS Financial Services Limited	NCD	5.00
INE998Y07121	MAS Financial Services Limited	NCD	15.00
Total			**142.00**
Proposed			30.00
NCD given for rating			**172.00**

Total Non-Convertible: Rs. 172.00 crore

Total Facilities (1.): Rs. 172.00 crore

Berar Finance Limited (Revised)

September 01, 2022

Rating

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	500.00 (Enhanced from 50.00)	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	Reaffirmed
Total Bank Facilities	**500.00 (₹ Five Hundred Crore Only)**		
Market Linked Debentures	25.00	CARE PP-MLD BBB+; Stable (Principal Protected-Market Linked Debentures Triple B Plus; Outlook: Stable)	Assigned
Non-Convertible Debentures	172.00 (Enhanced from 40.00)	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	Reaffirmed
Total Long-Term Instruments	**197.00 (₹ One Hundred Ninety-Seven Crore Only)**		
Fixed Deposit	170.00	CARE BBB+; Stable (Triple B Plus; Outlook: Stable)	Assigned
Total Medium-Term Instruments	**170.00 (₹ One Hundred Seventy Crore Only)**		

Details of instruments/facilities in Annexure-1.

Detailed rationale and key rating drivers

The rating assigned to the bank facilities of Berar Finance Limited (BFL) factors in its long track record of operations, healthy capitalization levels supported by its comfortable financial flexibility, presence of institutional investors, diversified resource base, and adequate liquidity. The rating is however constrained by risks inherent in two-wheeler financing business, moderate profitability & asset quality indicators, geographic & product concentration and evolving IT & MIS systems.

Rating sensitivities

Positive factors – Factors that could lead to positive rating action/upgrade:

- Significant and sustained increase in scale of business with geographical and portfolio diversification
- Increase in profitability metrics with Return on assets (RoA) increasing above 3% on a sustainable basis
- Maintaining adequate capitalization profile with gearing below 3 times on a steady basis

Negative factors – Factors that could lead to negative rating action/downgrade:

- Weakness in profitability, asset quality and/or capitalization profile with gearing rising above 5 times
- Moderation in the asset quality with GNPA more than 4%, on a sustained basis
- Lack of significant scale up in loan book over medium term

Outlook: Stable

Detailed description of the key rating drivers

Key rating strengths

Long track record & business growth: BFL started its operations with 2W disbursements in 1990. Although the company has completed 32 years of operations the business has scaled up significantly since 2016.

Owing to higher disbursements, BFL's portfolio has grown from Rs. 364 crores as on March 31, 2019, to Rs. 850 crores as on March 31, 2022 [P.Y.: Rs. 684.40 Cr.]. The disbursements have grown from Rs. 344 Crore during FY19, to Rs. 740 Crore during FY22 [P.Y.: Rs. 585 Cr.]. Two-wheeler product segment comprised of 95% of the total portfolio as on March 31, 2022, whereas the remaining 5% of the portfolio consisted of refinance of 2W, used car, and personal loans amongst others.

[1]Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Experienced Board and management: Mr. M.G. Jawanjar who is Executive Chairman – Founder & Director has over 36 years of experience. He has prior experience in academics as well as in finance industry and is a Company Secretary by qualification. The day-to-day operations of the company are headed by Mr. Sandeep Jawanjal who is the Managing Director & second-generation promoter and has been associated with the company since 2006. The Board of Directors of BFL comprises of nine directors, of which three directors are independent and two are nominee directors, one each from Amicus Capital Partners and Maj Invest. The company is expected to benefit from presence of institutional investors on its Board from the point of view of strengthening of risk management & operations as well as business diversification. The company has recently appointed Mr. Ashok Krishnamurthy, Ex- ED of Repco Home Finance, as a consultant for developing LAP portfolio.

Healthy capitalisation levels: Berar Finance Ltd. had a healthy capital adequacy ratio of 28.84% (PY: 20.46%) at the end of March 2022, with Tier I CAR at 28.51% (PY: 19.56%). Since FY20, the company has collectively raised Rs. 150 crores in multiple tranches from institutional investors namely Amicus Capital Partners & Maj Invest. Post infusion, the institutional investors hold 34% stake in the company, the promoter family holds 33% and remaining 33% is held by others (friends & family).
Consequently, the company's capital structure has improved, with tangible net worth at Rs. 249 crore (PY: 139 crore) and gearing of 3.03x (PY: 5.20x times) as on March 31, 2022. The company is adequately positioned to support its business growth in the near to medium term. Further, the management intends to cap its gearing at 4x on steady state basis.
CAR stood at 27.78% as on June 30, 2022, vis-à-vis 22.43% as on June 30, 2021.

Diversified resources raising: Berar has a diversified borrowing profile comprising Term Loans (56%), NCDs (16%), Cash Credit (6%), Deposits (20%) and Securitization (2%). The company had 43 lenders as of March 31, 2022, encompassing NBFCs, Public Sector banks, Private Banks, Small Finance Banks, and debt funds.
Despite declining interest rate scenario during FY22, the company's cost of borrowings increased from 11.77% in FY21 to 12.23% in FY22. The company raised high-cost borrowings during FY21, bulk of which were raised during Q4, consequently, the full impact of which is visible during FY22.

Key rating weaknesses

Moderate profitability: During FY22, the company reported PAT of Rs. 17 Cr. [P.Y.: Rs. 15 Cr.] on total income of Rs. 176 Cr. [P.Y.: Rs. 135 Cr.] NIM decreased by 43 basis points from 7.60% during FY21 to 7.17% during FY22, on account of decreased yield on portfolio by 33 bps and increased cost of borrowings by 46 bps. While the company disbursed new loans at lower rates of interest, in line with competition, its cost of borrowings continued to remain high, thereby impacting margins. Borrowings done in FY 20-21 were at the higher cost considering the Covid scenario. Further a bulk of borrowings were done during Q4FY21, the impact of which is visible during FY22.
Opex recorded a steady rise from 25.76% as on March 31, 2021, to 30.39% as on March 31, 2022, on account of increase in branches, employees' expansion, and IT upgradation. The company has hired approximately 336 employees in FY 22 across collection, audit and other verticals as well as has added 10 more branches to its network. Over the last 2 years, the company has ramped up its collection team by 120 employees, wherein 60 members look after the 0-90 DPD bucket and the remaining 60 members look after the 90+DPD bucket. Credit cost decline of 67 bps during FY22 was primarily on account of some reduction in provisions as well as increase in loan portfolio from Rs. 659 crores in FY 2021 to Rs. 819 crores in FY 2022. Despite increase in the overall loan portfolio, ROTA has declined from 2.14% as on March 31, 2021, to 1.82% as on March 31, 2022, on account of higher opex and declining margins. The company's major source of income and business comes from the two-wheeler segment. The company is planning to expand into a new segment – SME backed by residential property in FY23; CARE will monitor the development on the same and its impact on the profitability in the medium term.
For Q1FY23, PAT stood at Rs. 4 Cr. on total income of Rs. 47 Cr., whereas, for Q1FY22, PAT stood at Rs. -2 Cr. on total income of Rs. 37 Cr.

Geographic and Product Concentration: BFL has high reliance on monoline product segment. Out of the total portfolio of Rs. 850 Cr., 95% is constituted by the two-wheeler segment and the remaining 5% comprises of refinance of 2W, used car, and personal loans amongst others. Further, BFL's portfolio & presence is majorly concentrated in the state of Maharashtra. Out of a network of 102 branches across 6 states, 45 branches are in Maharashtra itself. Maharashtra constituted 51% of the total loan portfolio as on March 31, 2022, followed by Chhattisgarh (20%), Madhya Pradesh (13%), Telangana (10%), Gujarat and Karnataka (6%) thereby exposing the company to concentration risk.

Moderate asset quality: The company has moderate asset quality parameters. As on March 31, 2022, the company's GNPA and NNPA stood at 2.15% [PY: 2.50%] and 1.36% [PY: 1.36%] respectively. The company implemented the revised IRAC norms, on account of which, the GNPA and NNPA as on March 31, 2022, stood at 3.07% [June 30, 2022: 3.56%] and 2.23%

[June 30, 2022: 2.42%] respectively. The overall net NPA to tangible net-worth stood at 7.35% as on March 31, 2022 (P.Y.:8.28%).
The company has been able to reduce its GNPA from 5.15% as on June 30, 2021, through recoveries and repossession. During FY22, the company repossessed and auctioned vehicles amounting to Rs. 24.5 crore [PY: Rs. 13.64 Cr.] while vehicles amounting to Rs. 28.7 crore [PY: Rs. 16.57 Cr.] were repossessed and released back to customers upon paying dues.

Further post resumption of economic activities, the company has witnessed sequential improvement in its monthly current collection efficiency from 69% in month of Mar'20 to 90% during Mar'22 and to further 91% during June 22. Overall monthly collection efficiency excluding prepayments improved from 53% in month of Mar'20 to 71% during Mar'22 and to further 69% during June 22.

However, BFL continues to have delinquencies in softer buckets. The delinquencies in the 30-90 DPD bucket stood at 4% as on March 31, 2022. While m-o-m collection efficiency has been improving, CARE will continue to monitor asset quality.

Inherent risks in two-wheeler financing portfolio: The company is exposed to inherent risks in two-wheeler financing portfolio owing to its customer profile and its higher vulnerability to economic shocks. The company mainly caters to underserved geographies; 30 branches out of 100 are in underserved states of Madhya Pradesh and Chhattisgarh, ~90% of branches are located in rural/ semi-urban locations, two-thirds of branches are in geographies with a population of less than 0.20 crore and one-third in catchments with less than 0.10 crore population.

Moderate MIS & IT systems: Over the last few quarters, the company has been upgrading its MIS & IT and risk management systems in line with its portfolio growth. BFL has implemented new technology, FinnOne Neo, post which the branches have been configured with HO on a real-time basis, thereby improving TAT in sync with defined credit risk parameters. However, with the significant growth plans, the company needs to continuously focus on improving its MIS and IT system which will be critical for its prospects.

Liquidity: Adequate

The ALM of the company dated March 31, 2022, is comfortable with no negative cumulative mismatch for any of the buckets. Further, the company has unutilised lines of credit of Rs. 95 Crore (CC-65 Cr., TL-30Cr.) to support liquidity and meeting growth.
The cash flow debt coverage of Berar Finance Ltd. for next one year stood at 2.41x as on March 31, 2022. Cash and cash equivalents stood at Rs. 154 crores as on March 31, 2022, as against next one-year repayments due including interest of Rs. 413 crores.

Analytical approach: Standalone

Applicable criteria

Policy on default recognition

Financial Ratios - Financial Sector

Rating Outlook and Credit Watch

Non Banking Financial Companies

About the company

Founded in 1990, Berar Finance Ltd. (BFL) is primarily a two- vehicle financing NBFC operating in Central and West India. The company operates through a network of 102 branches spread across the states of Maharashtra, Chhattisgarh, Madhya Pradesh, Telangana, Gujarat, and Karnataka. Mr. M. G. Jawanjar, is the founder & Executive Chairman of the company. The day-to-day operations of the company are headed by Mr. Sandeep Jawanjal, MD and son of founder Mr. M. G. Jawanjar. Mr. Sandeep joined the company in 2006. The promoter family holds 33% stake in the company. Apart from two- vehicle financing, the company also provides personal loans & car loans. The company follows a centralised approach operating out of Nagpur and extending coverage to nearby states. Berar has a network of 102 branches across 6 states, Maharashtra (51%), Chhattisgarh (20%), Madhya Pradesh (13%), Telangana (10%), Gujarat and Karnataka (6%). Berar focuses on catering to underserved geographies; 30 branches out of 100 are in underserved states of Madhya Pradesh and Chhattisgarh, ~90% of branches are located in rural/ semi-urban locations.

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)	March 31, 2022 (A)	Q1 FY23 (UA)
Total operating income	104.85	134.86	175.60	47.39
PAT	14.65	15.38	17.43	3.69
Interest coverage (times)	1.43	1.30	1.25	1.21
Total Assets	551.17	885.91	1,030.98	996.35
Net NPA (%)	1.79	1.74	2.23*	2.42*
ROTA (%)	3.03	2.14	1.82	1.46

A: Audited
*As per revised IRAC norms

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	Feb-22	-	Aug-23	466.61	CARE BBB+; Stable
Proposed Fund-based - LT-Term Loan	-	-	-	-	33.39	CARE BBB+; Stable
Debentures-Non-Convertible Debentures	INE998Y07014	22-06-2020	12.50%	22-06-2023	10.00	CARE BBB+; Stable
Debentures-Non-Convertible Debentures	INE998Y07048	11-09-2020	14.00%	11-09-2023	10.00	CARE BBB+; Stable
Debentures-Non-Convertible Debentures	INE998Y07055	18-11-2020	13.75%	30-03-2023	15.00	CARE BBB+; Stable
Debentures-Non-Convertible Debentures	INE998Y07063	23-12-2020	13.75%	23-12-2023	15.00	CARE BBB+; Stable
Debentures-Non-Convertible Debentures	INE998Y07071	24-02-2021	13.18%	24-02-2024	18.00	CARE BBB+; Stable
Debentures-Non-Convertible Debentures	INE998Y07089	24-03-2021	13.91%	05-02-2025	34.00	CARE BBB+; Stable
Debentures-Non-Convertible Debentures	INE998Y07113	05-08-2022	11.26%	05-08-2024	20.00	CARE BBB+; Stable
Debentures-Non-Convertible Debentures	INE998Y07113	05-08-2022	11.26%	05-08-2024	5.00	CARE BBB+; Stable
Debentures-Non-Convertible Debentures	INE998Y07121	05-08-2022	11.27%	07-08-2024	15.00	CARE BBB+; Stable
Proposed Debentures-Non-Convertible Debentures	-	-	-	-	30.00	CARE BBB+; Stable
Debentures-Market Linked Debentures	INE998Y07097	17-09-2021	13.63%	31-10-2024	13.00	CARE PP-MLD BBB+; Stable
Debentures-Market Linked Debentures	INE998Y07105	17-09-2021	13.63%	30-11-2024	12.00	CARE PP-MLD BBB+; Stable
Fixed Deposit	-	-	-	-	150.00	CARE BBB+; Stable
Proposed Fixed Deposit	-	-	-	-	20.00	CARE BBB+; Stable

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	500.00	CARE BBB+; Stable	1)CARE BBB+; Stable (05-Aug-22)	-	-	-
2	Debentures-Non-Convertible Debentures	LT	172.00	CARE BBB+; Stable	1)CARE BBB+; Stable (05-Aug-22)	-	-	-
3	Fixed Deposit	LT	170.00	CARE BBB+; Stable				
4	Debentures-Market Linked Debentures	LT	25.00	CARE PP-MLD BBB+; Stable				

*Long term/Short term.

Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: NA

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Debentures-Non-Convertible Debentures	Simple
2	Fixed Deposit	Simple

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please click here

Note on complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

Media contact
Name: Mradul Mishra
Phone: +91-22-6754 3596
E-mail: mradul.mishra@careedge.in

Analyst contact
Name: Geeta Chainani
Phone: +91-22-6754 3447
E-mail: Geeta.Chainani@careedge.in

Relationship contact
Name: Aakash Jain
Phone: +91-20-4000 9090
E-mail: aakash.jain@careedge.in

About us:
Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:
The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

For the detailed Rationale Report and subscription information, please visit www.careedge.in

IDBI Trusteeship Services Ltd.
CIN : U65991MH2001GOI131154

IDBI trustee

No. 48579/ITSL/OPR/CL/22-23/DEB/531

September 05, 2022

Berar Finance Limited
Avinisha Tower, Mehadia Chowk,
Dhantoli, Nagpur- 440012

Kind Attn: Mrs. Deepali Balpande (Company Secretary)

Dear Sir,

Subject: Consent to act as Debenture Trustee for the Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs) aggregating up to Rs. 30 Crores proposed to be issued Berar Finance Limited (the Company/Issuer).

This is with reference to your email dated August 18, 2022 and subsequent telecom we had regarding appointment of IDBI Trusteeship Services Limited as Debenture Trustee for the proposed Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs) aggregating up to Rs. 30 Crores. In this connection, we indicate our trusteeship remuneration for the said assignment as follows:

Charge Heads	Terms
Acceptance Fees	Rs.1,00,000/- inclusive of taxes (One-time payment and payable upfront, non- refundable)
Service Charges	Rs.1,50,000/- p.a. inclusive of taxes. First such payment would become payable in on the date of execution (DoE) for the pro-rata period from DoE till March 31, 2023; thereafter the Service Charges are payable on an annual basis in advance on 1st April every year till the redemption and satisfaction of charges in full.
Delayed Payment charges	In case the payment of service charges is not received within a period of 30 days from the date of the bill, ITSL reserves the right to charge 'delayed payment charges' @ 12% p.a. on the outstanding amount.
Out of Pocket Expenses & Statutory Dues	Would be reimbursable on actual basis within 30 days of the claim.
Validity:	This consent is valid for a period of 6 months from the date of this letter and in the event of the issue not being placed or in the event of any increase in the size of the issue or any structural change, a fresh letter of revalidation from the Trustees will be necessary and earlier consent letter would stand ipso facto/automatically withdrawn/revoked without any further communication/reference to you.
Any enforcement consequent to the event of default (EOD) would attract separate charges	

IDBI Trusteeship Services Ltd. ITSL

BERAR FINANCE LIMITED NAGPUR

IDBI Trusteeship Services Ltd.
CIN : U65991MH2001GOI131154

Assure you of our best services at all times.

For **IDBI Trusteeship Services Limited**

(Authorized Signatory)

We accept the above terms
For Berar Finance Limited

(Authorized Signatory)

NOTE: *As per recent Service Tax guidelines, ITSL would be required to pay the applicable Tax on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.*

IDBI Trusteeship Services Ltd.
CIN : U65991MH2001GOI131154

IDBI trustee

No. 48579/ITSL/OPR/CL/22-23/DEB/531

September 05, 2022

Berar Finance Limited
Avinisha Tower, Mehadia Chowk,
Dhantoli, Nagpur- 440012

Kind Attn: Mrs. Deepali Balpande (Company Secretary)

Dear Sir,

Subject: Consent to act as Debenture Trustee for the Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs) aggregating up to Rs. 30 Crores proposed to be issued Berar Finance Limited (the Company/Issuer).

This is with reference to your email dated August 18, 2022 and subsequent telecom we had regarding appointment of IDBI Trusteeship Services Limited as Debenture Trustee for the proposed Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs) aggregating up to Rs. 30 Crores.

We are agreeable for inclusion of our name as trustee in the offer document/disclosure document as required subject to the following conditions:

1. The Company shall enter into Written Debenture Trustee Agreement (DTA) for the said issue before the opening of Subscription list for issue of debentures.

2. The Company agrees and undertakes to create the securities over such of its immovable and moveable properties and on such terms and conditions as agreed by the Debenture holders and disclose in the Information Memorandum or Disclosure Document and execute, the Debenture Trust Deed (DTD) and other necessary security documents for each series of debentures as approved by the Debenture Trustee, within a period as agreed by us in the Information Memorandum or Disclosure Document in any case not exceeding Ninety days after the date of allotment of debentures.

3. The Company agrees & undertakes to pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration as stated above for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Documents affecting the Security till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

4. The Company agrees & undertakes to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Issuance of Non-Convertible Debentures (Reserve Bank) Directions, 2010, the Companies Act, 1956/the Companies Act, 2013 and the Rules thereunder as amended from time to time and other applicable provisions and agree to furnish to Trustees such information in terms the same on regular basis.

IDBI Trusteeship Services Ltd. ITSL

BERAR FINANCE LIMITED NAGPUR

5. Any payment in respect of Debentures required to be made by the Debenture Trustee to a Debenture Holder (who is a FII Entity) at the time of enforcement would, if required by applicable law, be subject to the prior approval of RBI for such remittance through an Authorized Dealer. The Company/Investor shall obtain all such approvals, if required, to ensure prompt and timely payments to the said Debenture Holder. Such remittance shall not exceed total investment (and interest provided for herein) made by the Debenture Holder (who is a FII).

Looking forward to a fruitful association with you and assuring you of our best services at all times.

For **IDBI Trusteeship Services Limited**

(Authorized Signatory)

We accept the above terms
For Berar Finance Limited

(Authorized Signatory)

IDBI Trusteeship Services Ltd.
CIN : U65991MH2001GOI131154

48604/ ITSL / OPR / 2022-23

To,

Date: 06-September-2022

Securities and Exchange Board of India,
SEBI Bhavan,
Plot No C4-A, 'G' Block,
Bandra Kurla Complex,
Bandra East, Mumbai -51

Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

FORMAT OF DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE BEFORE OPENING OF THE ISSUE

Dear Sir/Madam,

SUB.: ISSUE OF LISTED, RATED, SECURED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF NOMINAL VALUE OF INR 10,00,000 (INDIAN RUPEES TEN LAKHS ONLY) PER DEBENTURE FOR AGGREGATE PRINCIPAL AMOUNT OF UPTO INR 30,00,00,000 (INDIAN RUPEES THIRTY CRORES ONLY) BY BERAR FINANCE LIMITED.

We, the debenture trustee(s) to the above mentioned forthcoming issue state as follows:

1. We have examined documents pertaining to the said issue and other such relevant documents.

2. On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents
WE CONFIRM that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.

g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

IDBI Trusteeship Services Ltd. ITSL

IDBI Trusteeship Services Ltd.
CIN : U65991MH2001GOI131154

We have satisfied ourselves about the ability of the Issuer to service the debt securities

PLACE: Mumbai
DATE: 06-September - 2022

For IDBI Trusteeship Services Limited

Authorised Signatory

Regd. Office : Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001.
Tel. : 022-4080 7000 • Fax : 022-6631 1776 • Email : itsl@idbitrustee.com • response@idbitrustee.com
Website : www.idbitrustee.com



தமிழ்நாடு तमिलनाडु TAMILNADU

6 SEP 2022

CS 691661

S. UMA MAHESWARI
STAMP VENDOR
L. No. AG/10535/78
High Court Campus
CHENNAI - 600 104

"This stamp paper forms an integral part of the debenture trustee agreement dated September 06, 2022 entered into between Berar Finance Limited and IDBI Trusteeship Services Limited."

D+A

भारतीय गैर न्यायिक

एक सौ रुपये Rs. 100

रु. 100 ONE HUNDRED RUPEES

सत्यमेव जयते

भारत INDIA

INDIA NON JUDICIAL

தமிழ்நாடு तमिलनाडु TAMILNADU

CS 691668

6 SEP 2022

Berar finance Ltd

S. UMA MAHESWARI
STAMP VENDOR
L. No. 46/10535/78
High Court Campus
CHENNAI - 600 104

"This stamp paper forms an integral part of the debenture trustee agreement dated September 06, 2022 entered into between Berar Finance Limited and IDBI Trusteeship Services Limited."

BERAR FINANCE LIMITED NAGPUR

IDBI Trusteeship Services Ltd. ITSL

DEBENTURE TRUSTEE AGREEMENT

This debenture trustee agreement ("**Agreement**") is made at Chennai, India on September 6, 2022 ("**Effective Date**") between:

1. **BERAR FINANCE LIMITED**, a company incorporated under the Companies Act, 1956 with corporate identification number ("**CIN**") U65929MH1990PLC057829, a non-banking financial company registered with the Reserve Bank of India, and having its registered office at Avinisha Tower, Mehadia Chowk, Dhantoli, Nagpur - 440012, Maharashtra, India (hereinafter referred to as the "**Company**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns);

AND

2. **IDBI TRUSTEESHIP SERVICES LIMITED**, a company incorporated under the Companies Act, 1956 with CIN U65991MH2001GOI131154, having its registered office at Asian Building, Ground Floor, 17, R.Kamani Marg, Ballard Estate, Mumbai - 400001, Maharashtra, India and acting through its office at Ground Floor No. 115, Annasalai, Saidapet, Chennai - 600015, India (hereinafter referred to as the "**Debenture Trustee**", which expression shall, unless it be repugnant to the subject or context thereof, be deemed to mean and include its successors and permitted assigns).

(The Company and the Debenture Trustee are hereinafter collectively referred to as the "**Parties**", and individually as a "**Party**".)

BACKGROUND:

A. Pursuant to the authority granted by the resolution dated September 5, 2022 of the board of directors of the Company under Section 179(3) of the Companies Act, 2013 ("**Act**"), and the shareholders resolutions dated September 21, 2019 under Section 180(1)(c) and Section 180(1)(a) of the Act, the Company proposes to issue 300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**") having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) ("**Debentures**"), at par in dematerialised form on a private placement basis to certain identified investors ("**Issue**"), for the ongoing business operations of the Company.

B. The Debentures are proposed to be issued on a private placement basis in accordance with the provisions of the Act, the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 ("**Debenture Trustees Regulations**"), the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("**SEBI NCS Regulations**") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), each as amended, modified or restated from time to time.

C. Pursuant to the SEBI NCS Regulations, the Act and the bye-laws of BSE Limited ("**BSE**"), the Company is required to appoint a debenture trustee for the benefit of the debenture holders and the debenture trustee shall act as per the provisions of the Debenture Trustees Regulations. Accordingly, the Company has approached IDBI Trusteeship Services Limited to act as the debenture trustee on behalf of and for the benefit of the holders of the Debentures ("**Debenture Holders**") and IDBI Trusteeship Services Limited has agreed to act as the debenture trustee for the benefit of the Debenture Holders on the terms and conditions

(11) "**Final Settlement Date**" has the meaning given to it in the DTD and/or the Debt Disclosure Document.

(12) "**Personal Guarantees**" has the meaning given to it in the DTD.

(13) "**Personal Guarantors**" has the meaning given to it in the DTD.

(14) "**Listed NCDs Operational Circular**" means the circular issued by SEBI bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 (updated as on April 13, 2022) on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" to the extent applicable in respect of the private placement of debt securities, as amended, modified, or restated from time to time.

(15) "**Placement Memorandum**" has the meaning given to it in Recital E above.

(16) "**Quarterly Date**" means each of March 31, June 30, September 30 and December 31 of a calendar year, and "**Quarterly Dates**" shall be construed accordingly.

(17) "**Recovery Expense Fund**" means the recovery expense fund established/to be established and maintained by the Company in accordance with the provisions of the SEBI Recovery Expense Fund Circular.

(18) "**SEBI**" has the meaning given to it in Recital C above.

(19) "**SEBI Defaults (Procedure) Circular**" means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020 on "*Standardisation of procedure to be followed by Debenture Trustee(s)in case of 'Default' by Issuers of listed debt securities*", as amended, modified, or restated from time to time.

(20) "**SEBI DLT Monitoring Circular**" means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2022/3 dated March 29, 2022 on "*Operational guidelines for 'Security and Covenant Monitoring' using Distributed Ledger Technology (DLT)*", as amended, modified, or restated from time to time.

(21) "**SEBI Due Diligence Circular**" means the SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "*Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)*" read with the SEBI circular bearing reference number SEBI/HO/DDHS/DDHS_Div1/P/CIR/2022/106 dated August 4, 2022 on "*Enhanced guidelines for debenture trustees and listed issuer companies on security creation and initial due diligence*", each as amended, modified, or restated from time to time.

(22) "**SEBI Listed Debentures Circulars**" means, collectively, the SEBI Defaults (Procedure) Circular, the Listed NCDs Operational Circular, the SEBI Monitoring Circular, the SEBI Due Diligence Circular, the SEBI DLT Monitoring Circular, the SEBI Recovery Expense Fund Circular, and (to the extent applicable) the SEBI LODR Regulations.

(23) "**SEBI LODR Regulations**" has the meaning given to it in Recital B above.

(24) "**SEBI Monitoring Circular**" means the SEBI's circular bearing reference number SEBI/ HO/ MIRSD/ CRADT/ CIR/ P/ 2020/230 dated November 12, 2020 on "*Monitoring and*

3.2 On or prior to the Deemed Date of Allotment, the Company shall:

(a) execute the DTD setting out therein, the detailed terms and conditions of the Debentures including the rights, duties and obligations of the Company and the Debenture Trustee;

(b) create security to secure the Debentures by executing the Deed of Hypothecation on such terms and conditions as may be prescribed by the Debenture Holders; and

(c) procure the Personal Guarantees from the Personal Guarantors, in a form and manner satisfactory to the Debenture Trustee and the Debenture Holders.

3.3 The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities, including but not limited to the jurisdictional registrar of companies, the SEBI and the BSE and obtain all consents and approvals required for the completion of the Issue. The Company will provide all information and assistance that the Debenture Trustee may require in relation to any filings to be made with the CERSAI, and will ensure and procure that the Debenture Trustee makes the required filings to the CERSAI within the time period prescribed under Applicable Law.

3.4 This Agreement is entered into in compliance with the provisions of the Act, the Debenture Trustees Regulations, the SEBI NCS Regulations, the Listed NCDs Operational Circular SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 on Format of uniform Listing Agreement (as amended from time to time) read with the SEBI LODR Regulations, and all other Applicable Law.

3.5 The Company shall comply with all covenants, undertakings and requirements set out in Schedule I (*Listing and Monitoring Requirements*) below.

3.6 All other rights and obligations of the Debenture Trustee including the terms of appointment of the Debenture Trustee shall be as set out in the DTD.

3.7 The Debenture Trustee, "ipso facto" does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by the Debenture Holders for the Debentures.

3.8 The Company shall submit the requisite information and documents to the satisfaction of the Debenture Trustee for carrying out the requisite due diligence as required in accordance with Applicable Law including in connection with verification of the security/contractual comforts and the required asset cover/security cover for the Debentures, which is undertaken by the Company to be submitted simultaneously with or prior to the execution of this Agreement. Without prejudice to the above, the Company shall ensure to furnish to the Debenture Trustee the documents as per the compliance checklist provided by the Debenture Trustee within the prescribed timelines.

3A. INFORMATION ACCURACY AND STORAGE

3A.1 The Company declares that the information and data furnished by the Company to the Debenture Trustee is true and correct and that the Debenture Trustee may in good faith rely upon the same and shall not be liable for acting or refraining from acting upon such information or data furnished to it under this Agreement.

laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

(d) The Company hereby consents generally in respect of any Proceedings arising out of or in connection with this Agreement to the giving of any relief or the issue of any process in connection with such Proceedings including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

(e) The Company irrevocably agrees that, should any Party take any Proceedings anywhere (whether for an injunction, specific performance, damages or otherwise in connection with this Agreement), no immunity (to the extent that they may at any time exist, whether on the grounds of sovereignty or otherwise) from those Proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of its assets or from execution of judgment shall be claimed by it or with respect to its assets, any such immunity being irrevocably waived. The Company irrevocably agrees that it and its assets are, and shall be, subject to such Proceedings, attachment or execution in respect of its obligations.

4.3 **Effectiveness**

This Agreement shall be effective on and from the Effective Date and shall be in force until the Final Settlement Date.

4.4 **Counterparts**

This Agreement may be executed in any number of counterparts and all counterparts together shall constitute one and the same instrument.

[***Intentionally left blank***]

of the security under the Transaction Documents.

(b) The Company shall deposit cash or cash equivalents including bank guarantees towards the contribution to Recovery Expense Fund with the designated stock exchange and submit relevant documents evidencing the same to the Debenture Trustee from time to time.

(c) The Company shall ensure that any bank guarantees provided in respect of the Recovery Expense Fund shall remain valid for a period of 6 (six) months following the maturity date of the Debentures. The Company shall keep the bank guarantees in force and renew the bank guarantees at least 7 (seven) working days before its expiry, failing which the designated stock exchange may invoke such bank guarantee.

(d) On the occurrence of any Event of Default, the Debenture Trustee shall obtain the consent of Debenture Holders for enforcement of security and shall inform the designated stock exchange of such occurrence and the obtaining of any consent in respect thereof (if any). The amount lying in the Recovery Expense Fund may be released to the Debenture Trustee within such time period and such manner as may be prescribed under the SEBI Recovery Expense Fund Circular. The Debenture Trustee shall keep a proper account of all expenses incurred out of the funds received from Recovery Expense Fund towards enforcement of the security under the Transaction Documents.

(e) The amounts in the Recovery Expense Fund shall be refunded to the Company on repayment/redemption of the Debentures, following which a "no objection certificate" shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee shall ensure that there is no default on any other listed debt securities of the Company before issuing such "no objection certificate".

3. **Filings; Compliance with BSE Requirements**

The Company hereby further agrees, declares and covenants with the Debenture Trustee that the Company shall comply with the relevant provisions of the SEBI LODR Regulations (as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021) applicable to listed entities which have listed their non-convertible securities, including (to the extent applicable), the provisions of Chapter II (*Principles governing disclosures and obligations of listed entity*), Chapter III (*Common obligations of listed entities*), Chapter IV (*Obligations of a listed entity which has listed its specified securities and non-convertible debt securities*), and Chapter V (*Obligations of listed entity which has listed its non-convertible securities*) of the SEBI LODR Regulations.

4. **Due Diligence**

(a) The Company acknowledges, understands, and confirms that:

(i) the Debenture Trustee shall carry out due diligence on continuous basis to ensure compliance by the Company, with the provisions of the Companies Act, 2013, SEBI LODR Regulations, the SEBI NCS Regulations, the Listed NCDs Operational Circular, the SEBI Debenture Trustees Regulations, the listing agreement of the stock exchange(s) where the Debentures are listed, the Transaction Documents, and any other regulations issued by SEBI pertaining to the Issue;

(ix) details regarding monitoring of utilisation of funds raised in the issue of the Debentures;

(x) (to the extent applicable) certificate from the statutory auditors of the Company (i) in respect of utilisation of funds during the implementation period of the project relating to the proceeds of the Issue, and (ii) in the case of Debentures issued for financing working capital, at the end of each accounting year; and

(xi) such other documents or information as may be required by the Debenture Trustee in accordance with the Applicable Law.

(c) Without prejudice to any other provision of this Agreement and the other Transaction Documents, the Company shall:

(i) provide such documents/information and assistance to the Debenture Trustee as may be required by the Debenture Trustee to carry out the necessary due diligence and monitor the asset cover/security cover on a quarterly basis in the manner as may be specified by SEBI from time to time;

(ii) submit a certificate from the statutory auditor on a half-yearly basis, giving the value of receivables/book debts, and maintenance of asset cover/security cover in accordance with the terms of the Debt Disclosure Document and the other Transaction Documents including compliance with the covenants of the Debt Disclosure Document and the other Transaction Documents in the manner as may be specified by SEBI from time to time; and

(iii) submit the following reports/certification to the Debenture Trustee within the timelines mentioned below:

Reports/Certificates	Timelines for submission Requirements to Debenture Trustee	Timeline for submission of reports/ certifications by Debenture Trustee
Asset cover/security cover certificate	Quarterly basis within 30 days from end of each quarter or within such timelines as may agreed between the Company and the Debenture Trustee.	Quarterly basis within 75 (seventy five) days from each Quarterly Date (other than the last quarter of financial year) and within 90 (ninety) days of the end of the financial year or such other timelines as may be prescribed under Applicable Law in the format prescribed in the SEBI Monitoring Circular.
(to the extent applicable) A statement of value of pledged securities		
(to the extent applicable) A statement of value for debt service reserve account or any other form of security offered		
(to the extent applicable) Net worth certificate of guarantor (secured by way of personal guarantee)	Half yearly basis within 30 days from end of each half-year or within such timelines as may agreed between the Company	Half yearly basis within 75 (seventy five) days from each Quarterly Date (other than the last quarter of financial year) and within 90 (ninety)

(c) To the extent required/applicable, the Company shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of interest or redemption or both in respect of the non-convertible debt securities issued by the Company, and (ii) all covenants of the issue (including side letters, event of default provisions/clauses etc.).

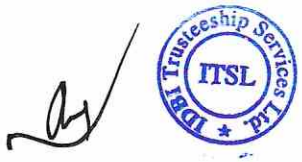
(d) The Company shall promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Company or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any Applicable Law, including in relation to filing of its reports/ certification to stock exchange within the prescribed timelines.

(e) The Company and the Debenture Trustee hereby agree and covenant to comply with the requirements prescribed under the SEBI DLT Monitoring Circular in respect of the Debentures and the transactions contemplated in the Transaction Documents.

BERAR FINANCE LIMITED NAGPUR

IDBI Trusteeship Services ITSL

SIGNED AND DELIVERED BY)
IDBI TRUSTEESHIP SERVICES LIMITED)
the within named **Debenture Trustee**)
by its duly authorised signatory)
)
)
)



BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

DCS/COMP/DD/IP-PPDI/274/22-23 September 07, 2022

BERAR FINANCE LIMITED
Avinisha Tower, Mehadia Chowk,
Dhantoli, Nagpur,
Maharashtra 440012,

Dear Sir,

Re: Private Placement of Issue Of 300 Secured, Rated, Listed, Redeemable, Transferable, Non-Convertible Debentures Each Having a Face Value of Rs. 10 Lakh Of the Aggregate Nominal Value of Rs. 30 Crore (The "Issue").

We acknowledge receipt of your application on the online portal on September 06, 2022 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 aand circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:

https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com)

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

BSE - CONFIDENTIAL

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,

For BSE Limited

Sd/-
Rupal Khandelwal
Assistant General Manager

Sd/-
Raghavendra Bhat
Deputy Manager



BERAR FINANCE LIMITED

LENDING POLICY

RECORD OF REVIEW:

Document Number	1
Revision Number	05
Document Classification	Internal
Originally formulated	July 27, 2020
Created by	Credit Department
Reviewed by	Asset Liability Management Committee
Approved by	Board of Directors

Version No	Created/Modified Date	Created/modified by	Approved by
1	July 27, 2020	Credit Department	Board of Directors
2	May 19, 2021	Credit Department	Board of Directors
3	September 14, 2021	Credit Department	Board of Directors
4	March 31 ,2022	Credit Department	Board of Directors
5	May 30,2022	Credit Department	Board of Directors

1. Background

Berar Finance Limited ("**BFL**" or "**Company**") is a public limited company incorporated under the Companies Act, 1956 and registered with the Reserve Bank of India ("**RBI**") as a deposit taking non-banking finance company ("**NBFC**").

As per the RBI guidelines, NBFCs are required to frame a lending policy and implement adequate safeguards in order to ensure that the lending activities, undertaken by them, are run on sound, prudent and profitable lines. Accordingly, the Board of Directors ("**Board**") of the Company has adopted a Lending Policy ("**Policy**") to be followed while disbursing loans.

2. Objectives of the Policy

The Policy aims to lay down the guidelines and procedures to be followed to ensure sound lending of the Company's funds and to facilitate good returns, efficient recovery and minimum delinquency by customers.

3. Pre-requisites for Loan Approval

All borrowers seeking a loan and co-borrowers/ guarantors (wherever applicable) will be required to produce and comply with the below for completing the loan approval process:

- **Loan Application Form**

  A duly filled and signed application form needs to be submitted by the customer while seeking a loan.

- **Know Your Customer ("KYC") Compliance**

  The customer will be required to produce the following documents specified by RBI for completing the KYC formalities.

Particulars	Eligible Documents
Identity Proof	• Passport; • PAN Card; • Driving License; • Voter ID Card; • Aadhar Card or any other identity card issued by a Government Authority, PSU, or Nationalized Bank, containing the photograph of the customer
Address proof	• If any of the documents taken as identity proof also contain the address of the borrower, no separate address proof will be required. • In other cases, the borrower can provide any of the following documents: ○ Latest Electricity Bill;

	○ Latest Landline Telephone Bill; ○ Latest Gas Connection Bill; ○ Bank Passbook; ○ Rental Agreement / Sale Deed / Property Purchase Agreement or any other documents issued by a Government Authority, PSU, or Nationalized Bank, containing the address of the customer.
Income proof	As proof of income, the borrower will need to provide any of the following documents: • Last 3 months Salary Slip; • Latest Form 16; • Latest Income Tax Return ("**ITR**"); • Latest 3 months Bank Statement.

- **Credit Bureau Verification**

  The Company will obtain a report from one of the credit bureaus - Credit Information Bureau (India) Limited ("CIBIL"), CRIF Highmark, Experian or Equifax. Unless otherwise approved, a report from CIBIL shall be obtained by the credit team. The credit bureau report from CIBIL shall be obtained for both the borrower and/or guarantor/ co-borrower as the case may be to check for any previous defaults and reasons for the same. For customers to be eligible for a loan, the report from CIBIL should be clean without any default. In case there is any default in the CIBIL report, the credit team shall ascertain the reasons. In the case of a default, once the credit officer at the Branch is convinced that the default was on account of specific unavoidable reasons, it will refer such application to the credit department at head office for approval or rejection of the application.

- **Telephonic and Field Verification**

  The Company will undertake a telephonic verification to determine the accuracy of the information provided by the borrower as part of the credit appraisal process. If required by the Branch Head, a field investigation will also be conducted by the credit staff. The field investigation will be conducted for loan applications which have ambiguity in submitted documents, self-employed/ business customers who do not have documented income proof (e.g. bank statement) and applicants who are staying in rented accommodation. In certain cases, after taking into consideration the area of residence or profile of the customer, the Branch Head may require a field investigation to be conducted.

If the outcome of the above processes is satisfactory the Company will then proceed towards loan disbursement (based on the loan approval matrix in Section 4 and subject to the following terms):

- **Pricing and Other Charges**

  Interest charges to be levied shall be governed by the Interest Rate Policy adopted by the Board. The Board and the Asset Liability Committee ("**ALCO**") shall review the interest rates periodically and make necessary revisions as per the business requirements. Any revision in interest shall only be with prospective effect.

  In addition to the interest, the Company may levy other charges as may be specified in the loan document including but not limited to:
  - loan processing fees, origination fees;
  - documentation charges;
  - pre-payment charges;
  - penalty on non-payment or late payment;
  - rescheduling charges;
  - pre-payment charges;
  - foreclosure charges;
  - security swap charges;
  - cheque bounce charges;
  - penal interest;
  - collection charges;
  - Stamp duty;
  - GST and other cess.

  Any revision in these charges would be implemented prospective basis with due communication to customers. The quantum of such charges would be decided upon by the respective Business/ Function heads in consultation with Operations, Finance, Compliance and Legal heads and communicated by way of circulars to the team.

- **Post Dated Cheques ("PDCs") and National Automated Clearing House ("NACH") mandate**

  The Company may collect PDCs or NACH (physical or electronic) mandate from the borrowers/co-borrowers/ guarantors for such period or amount as it may consider necessary.

- **Stamp Duty**

  The borrower is liable to pay stamp duty on the loan agreement at actuals as levied by the respective State Governments.

4. Guidelines for Loan Sanction by Product

A. Two-Wheeler Loans

- **Purpose**

  The Company provides loans for purchasing new 2-Wheelers ("**2W**").

- **Eligibility of customers**

  The following categories of borrowers are eligible to apply for a new vehicle loan:

  - Salaried or self-employed individual who satisfy the following criteria;
    - Individuals who are a minimum of 18 years of age at the time of applying for a loan; and
    - Individuals who have been residing at the given residence for a minimum of 1 year (in case of less than 1 year at the current location, relevant documents will be provided to the Company during loan approval stage).

  - Proprietary firm, partnership firm, private limited or public limited companies.

- **Quantum of finance**

  The quantum of finance will be decided mainly on the basis of the borrower's repaying capacity, credit history and the value of security provided.

- **Tenure of loan**

  Depending on the resale value of vehicle and the earning stability of the customers, the Company will grant new vehicle loans for a period between 6 to 48 months.

- **Interest rate**

  The annualised rate of interest shall be determined by the ALCO committee from time to time and notified to the branches and sales teams. The interest rates will be determined based on multiple factors and will among others include factors like borrower risk profile, cost of funds, cost of collection and operations, nature of security, market dynamics etc. and may differ for different schemes and different categories of borrowers.

- **Loan-to-value ("LTV")**

  The Branch Head can provide loans with a maximum LTV of up to 90% on the basis of the customer's risk profile. It may allow a higher LTV only in exceptional cases which will require the approval of the credit department at Head Office.

- **Security / Collateral**

  For the purpose of extending a new vehicle loan, the Company requires hypothecation of vehicle, PDCs/NACH/e-NACH from the borrower. Co-borrower/guarantor is optional based on the credit profile. In certain cases, the approving authority may also ask for PDCs/NACH/e-NACH from the co-borrower/ guarantor for such number of instalments as it may consider

prudent from a risk perceptive.

- **Approving Authority**

Amount of Loan Sanctioned	Approving Authority
Up to INR 1 Lac	By Branch Head
Above INR 1 Lac and up to INR 3 Lacs	By Business Head
Above INR 3 Lacs and up to INR 5 Lacs	By Managing Director
Above INR 5 Lacs and up to INR 10 Lacs	By Executive Chairman
Above INR 10 Lacs	Jointly by Executive Chairman and Managing Director

B. Vehicle Refinance

- **Purpose**

  The Company will provide refinance loans (both 2-wheeler and 4-wheeler) as a top-up personal loan to existing customers of the Company with no history of default in loan repayment to the Company.

- **Eligibility of customers**

  Vehicle refinance loan is granted only to existing customers who have settled their last 12 instalments for the existing new vehicle loan from the Company without any default.

- **Quantum of finance**

  The quantum of finance will be decided mainly on the basis of the borrowers' repaying capacity and the value of security provided.

- **Tenure of loan**

  Depending on the resale value of vehicle and the earning stability of the customers, the Company will grant vehicle refinance loans for a period of 6 to 36 months.

- **Interest rate**

  The annualised rate of interest will be determined by the ALCO committee from time to time and notified to the branches and sales teams. The interest rates will be determined based on multiple factors including borrower risk profile, cost of funds, cost of operations & collection, vehicle brand, age of vehicle, market dynamics etc. and may differ for different schemes and

different categories of borrowers.

- **Loan-to-value**

  In case of 4-wheeler refinance, the Refinance Head can provide loans with a maximum LTV of up to 90% on the basis of the customer's risk profile. It may allow a higher LTV only in exceptional cases which will require the prior approval of the Managing Director.

  In case of Two-wheeler refinance, the Approving Authority can provide such amount of loans not exceeding the limits mentioned in the table below, based on the Internal Inspection report of the vehicle.

- **Security / Collateral**

  For the purpose of extending vehicle refinance loan, the Company requires hypothecation of vehicle, PDCs from the borrower and, if required, PDCs from the co-borrower/ guarantor (wherever applicable) for such number of instalments as it may consider prudent from a risk perceptive. Co-borrower/ guarantor is optional based on the credit profile of the original borrower.

- **Approving Authority**

Amount of Loan Sanctioned	Approving Authority
In case of Two wheeler Refinance;	
Upto INR 50,000	By Branch Head
Above INR 50,000 and upto INR 1 Lac	By Re-finance Head
In case of Four Wheeler-Refinance :	
Up to INR 2 Lacs	By Refinance Head
Above INR 2 Lacs and up to INR 5 Lacs	By Managing Director
Above INR 5 Lacs and up to INR 10 Lacs	By Executive Chairman
Above INR 10 Lacs	Jointly by Executive Chairman and Managing Director

C. Four-Wheeler Loans (Used Cars)

- **Purpose**

  The Company provides loans for purchasing pre-owned/ used cars. **Eligibility of customers**

The following people are eligible to apply for a loan under this category:

- A salaried or self-employed individual who is minimum of 18 years of age at the time of applying for a loan;
- Proprietary firm, partnership firm, private limited or public limited companies.

- **Quantum of finance**

  The quantum of finance will be decided primarily on the basis of the borrowers' repaying capacity and the value of security provided.

- **Tenure of loan**

  Depending on the resale value of vehicle and the earning stability of the customers, the Company will grant four-wheeler loans for a period of 24 to 60 months.

- **Interest rate**

  The annualised rate of interest will be determined by the ALCO committee from time to time and notified to the branches and sales teams. The interest rates will be determined based on multiple factors including borrower risk profile, cost of funds, cost of operations & collection, vehicle brand, age of vehicle, market dynamics etc. and may differ for different schemes and different categories of borrowers.

- **Loan-to-value**

  The Company can provide loans with a maximum LTV of up to 75% on the basis of the customer's risk profile. It may allow a higher LTV only in exceptional cases which will require the approval of the Managing Director.

- **Security / Collateral**

  For the purpose of extending a used car loan, the Company requires hypothecation of vehicle, PDCs from the borrower and, if required, PDCs from the co-borrower/ guarantor for such number of instalments as it may consider prudent from a risk perceptive. Co-borrower/guarantor is optional based on the credit profile of the customer.

- **Approving Authority**

Amount of Loan Sanctioned	Approving Authority
Up to INR 3 Lacs	By Head of Car Finance Department
Above INR 3 Lacs and up to INR 8 Lacs	By Managing Director
Above INR 8 Lacs and up to INR 10 Lacs	By Executive Chairman

Above INR 10 Lacs	Jointly by Executive Chairman and Managing Director

D. Agri-equipment Loans

- **Purpose**

  The Company will provide farmers with loans to purchase farming equipment such as tractors, trolleys (new and used), threshers, rotavators, water pumps, tilling machines, etc.

- **Eligibility of customers**

  This loan shall be given to farmers having a minimum of 5 acres land holding in the family as shown by land holding records.

- **Quantum of finance**

  The quantum of finance will be decided mainly on the basis of the borrowers' repaying capacity and the value of security provided.

- **Tenure of loan**

  Depending on the resale value of the equipment and the earning stability of the customers, the Company will grant agri-equipment loans for a period of 12 to 36 months and tractor loans for a period of 12 to 60 months.

- **Interest rate**

  The annualised rate of interest will be determined by the ALCO committee from time to time and notified to the branches and sales teams. The interest rates will be determined based on multiple factors including borrower risk profile, cost of funds, cost of operations & collection, nature of underlying asset, market dynamics etc. and may differ for different schemes and different categories of borrowers.

- **Loan-to-value**

  The Company can provide loans with a maximum LTV of up to 75% for loans against tractors and 60% for other types of loans after taking into account the customer's risk profile. It may allow a higher LTV only in exceptional cases which will require the approval of the Managing Director of the Company.

- **Security / Collateral**

  For the purpose of extending agri-equipment loans, the Company requires hypothecation of farming equipment, PDCs from the borrower and, if required, PDCs from the co-borrower/guarantor for such number of instalments as it may consider prudent from a risk perceptive. Co-borrower/guarantor is optional based on the credit profile of the customer.

- **Approving Authority**

Amount of Loan Sanctioned	Approving Authority
Upto INR 2 Lacs	By Business Head
Above INR 2 Lacs Up to INR 5 Lacs	By Managing Director
Above INR 5 Lacs and up to INR 10 Lacs	By Executive Chairman
Above INR 10 Lacs	Jointly by Executive Chairman and Managing Director

E. Personal Loans

- **Purpose**

  The Company will provide unsecured loans to individuals for meeting any financial needs / purposes.

- **Eligibility of customers**

  Loans will be granted to individuals only after the Company is satisfied with the credit worthiness, integrity, local standing and repayment capacity of each borrower. Such loans are to be provided only to customers with strong credit profile.

  The following categories of customers will be eligible for personal loans by the Company if they meet other pre-requisites:
  - Government / Semi-Government permanent employees;
  - Employees in school, college and institutions (aided and unaided);
  - Employees of reputed public and private sector undertakings;
  - Existing customers with clean repayment track-record; and
  - Businessmen / Owners of Small Businesses / Vendors with strong credit profile.

- **Quantum of finance**

  The quantum of finance will be decided mainly on the basis of the borrower's repaying capacity and income levels. On an average, the Company will issue personal loans with a ticket size between INR 20,000 to INR 3,00,000.

- **Tenure of Loan**

  Depending on the earning stability of the customers, the Company will grant personal loans for a period of 6 to 36 months.

- **Interest rate**

  The annualised rate of interest will be determined by the ALCO committee from time to time and notified to the branches and sales teams. Interest rates will be fixed on the basis of risk assessment, cost of funds, cost of operations & collection, etc. and may differ for different schemes and different categories of borrowers.

- **Security / Collateral**

  For the purpose of extending personal loans, the Company requires assignment of LIC policy in the name of the borrower, PDCs from the borrower and, if required, PDCs from the co-borrower/guarantor for such number of instalments as it may consider prudent from a risk perceptive. Co-borrower/guarantor is optional based on the credit profile of the customer.

- **Approving Authority**

Amount of Loan Sanctioned	Approving Authority
Up to INR 2 Lacs	By Business / Refinance Head
Above INR 2 Lacs and up to INR 5 Lacs	By Managing Director
Above INR 5 Lacs and up to INR 10 Lacs	By Executive Chairman
Above INR 10 Lacs	Jointly by Executive Chairman and Managing Director

F. Demand Loans

- **Purpose**

  The Company can provide demand loans to existing depositors and employees of the Company for the purpose of marriage, higher education, and medical emergencies.

- **Terms and Conditions for Depositors**

  As per the RBI guidelines, the Company will grant loans to the Depositors on the basis of the following terms and conditions:
  - Maximum LTV of up to 75% of the deposit amount;
  - Interest to be charged at 200 basis points over and above the interest rate offered on deposits;
  - Tenure up to residual term to deposit maturity; and
  - Regular repayments or squaring up at maturity are allowed.

- **Terms and Conditions for Employees**

  As per the guidelines framed by the Company, the following terms and conditions will be followed while granting loans to employees:
  - Employee has completed continuous full service of three years;
  - Loan amount limits will be determined on the basis of service period and last drawn salary (Basic and HRA) of the employee as follows:

Service Period	Maximum Loan Amount
Above 3 and up to 5 years	3 times of salary
Above 5 and up to 10 years	4 times of salary
Above 10 and up to 25 years	5 times of salary
Above 25 years	6 times of salary

  - Annualised Rate of interest will be determined by the ALCO committee from time to time;
  - Maximum tenure of such loans shall not exceed 36 months;
  - New loan will be granted only after the full repayment of previous loan and based on the repayment history of the previous loan;
  - The employee needs to produce adequate supporting documents for the purpose of the loan; and
  - Regular repayments through adjustment of EMI from monthly salary of the employee. In case the borrower ceases to be an employee of the Company during the tenure of the loan, then such employee has to fully repay the outstanding loan prior to being released by the Company.
- **Approving Authority**

  All loans will be approved by the Accounts Head. Loans exceeding the maximum LTV and/ or maximum loan amount will be subject to the approval of the Managing Director.

G. Loans to Group Company/ Related Parties

Loans to any group company/ related party will need to be approved by the Board and subject to the terms and conditions as the Board may consider necessary.

H. Loan against Property

The Company will have separately Credit Policy for the product "Loan against Property". The Policy shall provide detailed guideline with respect to the loan sanction on the following matters.

- **Purpose**
- **Eligibility of customers**
- **Quantum of finance**
- **Tenure of loan**
- **Interest rate**
- **Loan-to-value ("LTV")**
- **Security / Collateral**
- **Approving Authority**

5. The list of documents required for each of the loan products except Loan against Property is provided in **Annexure 1** to this Policy.

6. Negative Profile

The Company will not lend to any business or person engaged in any activity/ fulfils any condition mentioned in **Annexure 2** to this Policy.

7. Review of the Policy

The Policy shall be revised as and when necessary. Further, the Policy shall also be reviewed by the Board at the first meeting of the Board of Directors of each financial year.

***

Annexure 1 – Documents Required for Loan Application

Loan Category	Documentation Requirements
Two-Wheeler Loans	
Salaried or Self-employed individuals	• Age, address, ID and signature proof • Income document (salary slip/ Form 16/ ITR with computation of income) • Bank statement
Proprietorship or Partnership Firm	• Address, ID and signature proof • Income document (salary slip/ Form 16/ ITR with computation of income) • Bank statement • Partnership deed with declaration for Partnership Firm • Photocopy of vehicle RC book and Insurance Certificate
Private or Public Limited Company	• Address, ID and signature proof • Income document (salary slip/ Form 16/ ITR with computation of income) • Bank statement • Photocopy of vehicle RC book and Insurance Certificate • Certified true copy of Memorandum of Association and Articles of Association with Board resolution
4-Wheeler Loans/ Vehicle Refinance	
Salaried or Self-employed individuals	• Age, address, ID and signature proof • Income document (salary slip/ Form 16/ ITR with computation of income) • Bank statement • Photocopy of vehicle RC book and Insurance Certificate
Proprietorship or Partnership Firm	• Address, ID and signature proof • Income document (salary slip/ Form 16/ ITR with computation of income) • Bank statement • Partnership deed with declaration for Partnership Firm • Photocopy of vehicle RC book and

	Insurance Certificate
Private or Public Limited Company	• Address, ID and signature proof • Income document (salary slip/ Form 16/ ITR with computation of income) • Bank statement • Photocopy of vehicle RC book and Insurance Certificate • Certified true copy of Memorandum of Association and Articles of Association with Board resolution
Agri-equipment Loans	
Individual agriculturists	• Age, address, ID and signature proof • Land holding records
Personal Loans	
Salaried or Self-employed individuals	• Age, address, ID and signature proof • Income document (salary slip/ Form 16/ ITR with computation of income) • Bank statement
Proprietorship or Partnership Firm	• Address, ID and signature proof • Income document (Form 16/ ITR with computation of income) • Bank statement • Partnership deed with declaration for Partnership Firm
Private or Public Limited Company	• Address, ID and signature proof • Income document (Form 16/ ITR with computation of income) • Bank statement • Certified true copy of Memorandum of Association and Articles of Association with Board resolution

In addition to the above documents, the Company may require the applicant to provide any other documents as it may require for the purpose of loan appraisal.

Annexure 2 – Exclusion List

- Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, wildlife or products regulated under Convention of International Trade in Endangered Species.
- Production or trade in weapons and munitions.
- Production or trade in alcoholic beverages (excluding beer and wine).
- Production or trade in tobacco.
- Gambling, casinos and equivalent enterprises.
- Production or trade in radioactive materials. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where IFC considers the radioactive source to be trivial and/or adequately shielded.
- Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
- Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.
- Production or activities involving harmful or exploitative forms of forced labor/harmful child labor.
- Commercial logging operations for use in primary tropical moist forest.
- Production or trade in wood or other forestry products other than from sustainably managed forests.
- Any applicant who had previously availed any loan facility from BFL and such loan had been classified as a non-performing asset at the time of new loan.
- Any applicant who had previously availed any loan facility from BFL and such loan has been settled through One-Time Settlement or has been written-off by the Company.
- Classified as a wilful defaulter.
- Any person with a criminal track record or convicted of a criminal offence.
- Subject of sanctions regulations including Office of Foreign Assets Control ("**OFAC**") Specially Designated Nationals ("**SDN**") and Blocked Persons, Foreign Sanctions Evaders List, Non-SDN and Non-OFAC sanctions; European Union Sanctions; UK HM Treasury Sanctions Lists, UN Sanctions or Reserve Bank of India's Sanctions Notices.
- Listed on the RBI fraud list.
- Subject of any Serious Fraud Investigation Office ("**SFIO**") investigation.
- Listed in any terrorist group including UK Home Office list of Proscribed Terrorist Groups.

Reserve Bank of India

More Options

General Information
Filing Information

Statements
AuthorisedSignatory - Authorised Signatory
DNBS4BStructuralLiquidity - Statement of Structural Liquidity
DNBS4BIRS - Statement of Interest Rate Sensitivity (IRS)

LEGEND

Numeric Data	
Text Block Data	
Text Data	
Dropdown Data	
No Data	
Blocked Data	
Reporting Date	
Auto Populated Value	
Formula Cell	
Master Driven Data	
Dyanamic Dropdown Data	
Free Text Data	

Filing Information

Filing Information	
	Information
Return Name	DNBS04B-Structural Liquidity & Interest Rate Sensitivity - Monthly
Return Code	DNBS4B
Name of reporting institution	Berar Finance Limited
Bank / FI code	MUM00041
Institution Type	NBFC
Reporting frequency	Monthly
Reporting start date	01-06-2022
Reporting end date	30-06-2022
Reporting currency	INR
Reporting scale	Lakhs
Taxonomy version	1.1.0
Tool name	RBI iFile
Tool version	1.0.0
Report status	Un-Audited
Date of Audit	
General remarks	

Scoping Question	
	X010
Whether NBFC Profile has been updated on website	Yes
Category Of NBFC	Deposit taking NBFC
Classification of NBFC	(i) NBFC - Investment and Credit Company (NBFC-ICC) (Loan Company (LC) /Asset Finance Company (AFC) / Investment Company (IC))

AuthorisedSignatory - Authorised Signatory

Table 1: Authorised Signatory		
Particulars		Value
		X010
Name of the Person Filing the Return	Y010	MAROTI JAWANJAR
Designation	Y020	EXECUTIVE CHAIRMAN
Office No. (with STD Code)	Y030	07126663999
Mobile No.	Y040	9011014966
Email Id	Y050	maroti.jawanjar@berarfinance.com
Date	Y060	18-08-2022
Place	Y070	NAGPUR

1. All values must be reported in Rs lakh.
2. Enter all dates in dd-mm-yyyy format.
3. Please ensure that the financial information furnished in the various sheets of this return are correct and reflecting the true picture of the business operations of the NBFC, if found otherwise, the concerned NBFC would be liable for penal action under the provisions of RBI Act.

DNBS4BStructuralLiquidity - Statement of Structural Liquidity

All Monetary Items present in this return shall be reported in ₹ Lakhs Only

Table 2: Statement of Structural Liquidity

Particulars		0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total	Remarks		Actual outflow/inflow during last 1 month, starting		
															0 day to 7 days	8 days to 14 days	15 days to 30/31 days
		X010	X020	X030	X040	X050	X060	X070	X080	X090	X100	X110	X120		X130	X140	X150
A. OUTFLOWS																	
1.Capital (i+ii+iii+iv)	Y010	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,233.68	1,233.68	0		0.00	0.00	0.00
(i) Equity Capital	Y020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,233.68	1,233.68	0		0.00	0.00	0.00
(ii) Perpetual / Non Redeemable Preference Shares	Y030	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iii)) Non-Perpetual / Redeemable Preference Shares	Y040	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iv) Others	Y050	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
2.Reserves & Surplus (i+ii+iii+iv+v+vi+vii+viii+ix+x+xi+xii+xiii+xiii)	Y060	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25,056.43	25,056.43	0		0.00	0.00	0.00
(i) Share Premium Account	Y070	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,123.94	14,123.94	0		0.00	0.00	0.00
(ii) General Reserves	Y080	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,082.65	7,082.65	0		0.00	0.00	0.00
(iii) Statutory/Special Reserve (Section 45-IC reserve to be shown separately below item no.(vii))	Y090	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iv) Reserves under Sec 45-IC of RBI Act 1934	Y100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,262.95	3,262.95	0		0.00	0.00	0.00
(v) Capital Redemption Reserve	Y110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(vi) Debenture Redemption Reserve	Y120	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(vii) Other Capital Reserves	Y130	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(viii) Other Revenue Reserves	Y140	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(ix) Investment Fluctuation Reserves/ Investment Reserves	Y150	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(x) Revaluation Reserves (a+b)	Y160	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(a) Revl. Reserves - Property	Y170	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Revl. Reserves - Financial Assets	Y180	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(xi) Share Application Money Pending Allotment	Y190	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(xii) Others (Please mention)	Y200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	113.22	113.22	0		0.00	0.00	0.00
(xiii) Balance of profit and loss account	Y210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	473.67	473.67	0		0.00	0.00	0.00
3.Gifts, Grants, Donations & Benefactions	Y220	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
4.Bonds & Notes (i+ii+iii)	Y230	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(i) Plain Vanilla Bonds (As per residual maturity of the instruments)	Y240	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(ii) Bonds with embedded call / put options including zero coupon / deep discount bonds (As per residual period for the earliest exercise date for the embedded option)	Y250	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iii) Fixed Rate Notes	Y260	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
5.Deposits (i+ii)	Y270	159.81	134.31	405.45	291.01	203.17	2,130.41	4,714.68	6,411.02	1,404.85	0.00	15,854.71	0		155.33	161.56	152.65
(i) Term Deposits from Public	Y280	118.11	134.31	330.96	288.47	179.56	2,028.70	4,598.94	5,933.37	1,313.67	0.00	14,926.09	0		151.52	161.56	152.65
(ii) Others	Y290	41.70	0.00	74.49	2.54	23.61	101.71	115.74	477.65	91.18	0.00	928.62	0		3.81	0.00	0.00
6.Borrowings (i+ii+iii+iv+v+vi+vii+viii+ix+x+xi+xii+xiii+xiv)	Y300	838.42	223.40	1,218.34	2,302.93	2,359.35	8,642.98	16,601.75	23,486.99	549.92	0.00	56,224.08	0		957.77	159.59	1,817.19
(i) Bank Borrowings (a+b+c+d+e+f)	Y310	293.47	14.30	543.01	946.66	1,032.01	3,303.90	7,875.16	8,318.37	0.00	0.00	22,326.88	0		470.83	14.30	847.76
a) Bank Borrowings in the nature of Term Money Borrowings (As per residual maturity)	Y320	293.47	14.30	543.01	946.66	1,032.01	3,303.90	5,793.16	8,318.37	0.00	0.00	20,244.88	0		470.83	14.30	847.76
b) Bank Borrowings in the nature of WCDL	Y330	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
c) Bank Borrowings in the nature of Cash Credit (CC)	Y340	0.00	0.00	0.00	0.00	0.00	0.00	2,082.00	0.00	0.00	0.00	2,082.00	0		0.00	0.00	0.00
d) Bank Borrowings in the nature of Letter of Credit (LCs)	Y350	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
e) Bank Borrowings in the nature of ECBs	Y360	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
f) Other bank borrowings	Y370	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(ii) Inter Corporate Deposits (Other than Related Parties) (These being institutional / wholesale deposits, shall be slotted as per their residual maturity)	Y380	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iii) Loans from Related Parties (including ICDs)	Y390	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iv) Corporate Debts	Y400	544.95	120.10	625.33	1,217.33	1,189.02	3,426.12	5,372.29	7,936.38	260.10	0.00	20,691.62	0		486.94	145.29	723.59
(v) Borrowings from Central Government / State Government	Y410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(vi) Borrowings from RBI	Y420	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(vii) Borrowings from Public Sector Undertakings (PSUs)	Y430	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(viii) Borrowings from Others (Please specify)	Y440	0.00	89.00	0.00	88.94	88.32	262.96	374.30	113.23	0.00	0.00	1,016.75	0		0.00	0.00	0.00
(ix) Commercial Papers (CPs)	Y450	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
Of which; (a) To Mutual Funds	Y460	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) To Banks	Y470	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(c) To NBFCs	Y480	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(d) To Insurance Companies	Y490	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(e) To Pension Funds	Y500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(f) To Others (Please specify)	Y510	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(x) Non - Convertible Debentures (NCDs) (A+B)	Y520	0.00	0.00	50.00	50.00	50.00	1,650.00	2,980.00	7,119.01	289.82	0.00	12,188.83	0		0.00	0.00	245.84
A. Secured (a+b+c+d+e+f+g)	Y530	0.00	0.00	50.00	50.00	50.00	1,650.00	2,980.00	7,119.01	289.82	0.00	12,188.83	0		0.00	0.00	245.84
Of which; (a) Subscribed by Retail Investors	Y540	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Subscribed by Banks	Y550	0.00	0.00	0.00	0.00	0.00	0.00	0.00	999.01	0.00	0.00	999.01	0		0.00	0.00	10.62

(c) Subscribed by NBFCs	Y560	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(d) Subscribed by Mutual Funds	Y570	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(e) Subscribed by Insurance Companies	Y580	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(f) Subscribed by Pension Funds	Y590	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(g) Others (Please specify)	Y600	0.00	0.00	50.00	50.00	50.00	1,650.00	2,980.00	6,120.00	289.82	0.00	11,189.82	0		0.00	0.00	235.22
B. Un-Secured (a+b+c+d+e+f+g)	Y610	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
Of which; (a) Subscribed by Retail Investors	Y620	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Subscribed by Banks	Y630	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(c) Subscribed by NBFCs	Y640	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(d) Subscribed by Mutual Funds	Y650	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(e) Subscribed by Insurance Companies	Y660	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(f) Subscribed by Pension Funds	Y670	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(g) Others (Please specify)	Y680	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(xi) Convertible Debentures (A+B) (Debentures with embedded call / put options As per residual period for the earliest exercise date for the embedded option)	Y690	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
A. Secured (a+b+c+d+e+f+g)	Y700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
Of which; (a) Subscribed by Retail Investors	Y710	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Subscribed by Banks	Y720	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(c) Subscribed by NBFCs	Y730	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(d) Subscribed by Mutual Funds	Y740	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(e) Subscribed by Insurance Companies	Y750	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(f) Subscribed by Pension Funds	Y760	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(g) Others (Please specify)	Y770	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
B. Un-Secured (a+b+c+d+e+f+g)	Y780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
Of which; (a) Subscribed by Retail Investors	Y790	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Subscribed by Banks	Y800	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(c) Subscribed by NBFCs	Y810	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(d) Subscribed by Mutual Funds	Y820	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(e) Subscribed by Insurance Companies	Y830	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(f) Subscribed by Pension Funds	Y840	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(g) Others (Please specify)	Y850	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(xii) Subordinate Debt	Y860	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(xiii) Perpetual Debt Instrument	Y870	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(xiv) Security Finance Transactions(a+b+c+d)	Y880	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
a) Repo (As per residual maturity)	Y890	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
b) Reverse Repo (As per residual maturity)	Y900	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
c) CBLO (As per residual maturity)	Y910	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
d) Others (Please Specify)	Y920	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
7.Current Liabilities & Provisions (a+b+c+d+e+f+g+h)	Y930	556.08	342.31	0.00	0.00	46.36	84.04	370.56	0.00	1,549.44	0.00	2,948.79	0		84.75	0.00	868.04
a) Sundry creditors	Y940	513.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	513.70	0		84.75	0.00	0.00
b) Expenses payable (Other than Interest)	Y950	42.38	342.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	384.69	0		0.00	0.00	868.04
(c) Advance income received from borrowers pending adjustment	Y960	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(d) Interest payable on deposits and borrowings	Y970	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(e) Provisions for Standard Assets	Y980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	539.45	0.00	539.45	0		0.00	0.00	0.00
(f) Provisions for Non Performing Assets (NPAs)	Y990	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,009.99	0.00	1,009.99	0		0.00	0.00	0.00
(g) Provisions for Investment Portfolio (NPI)	Y1000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(h) Other Provisions (Please Specify)	Y1010	0.00	0.00	0.00	0.00	46.36	84.04	370.56	0.00	0.00	0.00	500.96	0		0.00	0.00	0.00
8.Statutory Dues	Y1020	0.00	0.00	241.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	241.15	0		0.00	60.36	97.95
9.Unclaimed Deposits (i+ii)	Y1030	158.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	158.28	0		95.25	0.00	0.00
(i) Pending for less than 7 years	Y1040	158.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	158.28	0		95.25	0.00	0.00
(ii) Pending for greater than 7 years	Y1050	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
10.Any Other Unclaimed Amount	Y1060	1.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.16	0		0.00	0.00	0.00
11.Debt Service Realisation Account	Y1070	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
12.Other Outflows	Y1080	0.00	0.00	0.00	0.00	0.00	0.00	64.62	638.94	0.00	0.00	703.56	0		0.00	0.00	0.00
13.Outflows On Account of Off Balance Sheet (OBS) Exposure (i+ii+iii+iv+v+vi+vii)	Y1090	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(i)Loan commitments pending disbursal	Y1100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(ii)Lines of credit committed to other institution	Y1110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iii)Total Letter of Credits	Y1120	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iv)Total Guarantees	Y1130	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(v) Bills discounted/rediscounted	Y1140	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(vi)Total Derivative Exposures (a+b+c+d+e+f+g+h)	Y1150	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(a) Forward Forex Contracts	Y1160	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Futures Contracts	Y1170	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(c) Options Contracts	Y1180	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(d) Forward Rate Agreements	Y1190	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(e) Swaps - Currency	Y1200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(f) Swaps - Interest Rate	Y1210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(g) Credit Default Swaps	Y1220	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00

(h) Other Derivatives	Y1230	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(vii)Others	Y1240	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
A. TOTAL OUTFLOWS (A) (Sum of 1 to 13)	Y1250	1,713.75	700.02	1,864.94	2,593.94	2,608.88	10,857.43	21,751.61	30,536.95	3,504.21	26,290.11	102,421.84	0		1,293.10	381.51	2,935.83
A1. Cumulative Outflows	Y1260	1,713.75	2,413.77	4,278.71	6,872.65	9,481.53	20,338.96	42,090.57	72,627.52	76,131.73	102,421.84	102,421.84	0		1,293.10	1,674.61	4,610.44
B. INFLOWS																	
1. Cash (In 1 to 30/31 day time-bucket)	Y1270	33.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33.83	0		27.93	0.00	0.00
2. Remittance in Transit	Y1280	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		710.87	350.00	0.00
3. Balances With Banks	Y1290	2,909.92	500.00	0.00	5.00	1,290.00	320.00	668.33	430.81	311.41	0.20	6,435.67	0		539.38	0.00	0.00
a) Current Account (The stipulated minimum balance be shown in 6 months to 1 year bucket. The balance in excess of the minim balance be shown in 1 to 30 day time bucket)	Y1300	2,409.92	0.00	0.00	0.00	0.00	0.00	10.90	0.00	0.00	0.00	2,420.82	0		539.38	0.00	0.00
b) Deposit Accounts /Short-Term Deposits (As per residual maturity)	Y1310	500.00	500.00	0.00	5.00	1,290.00	320	657.43	430.81	311.41	0.20	4,014.85	0		0.00	0.00	0.00
4.Investments (i+ii+iii+iv+v)	Y1320	0.00	0.00	0.00	0.00	0.00	0.00	84.93	162.21	112.27	1,234.70	1,594.11	0		0.00	0.00	0.00
(i)Statutory Investments (only for NBFCs-D)	Y1330	0.00	0.00	0.00	0.00	0.00	0.00	84.93	41.17	112.27	1,234.70	1,473.07	0		0.00	0.00	0.00
(ii) Listed Investments	Y1340	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.90	0.00	0.00	14.90	0		0.00	0.00	0.00
(a) Current	Y1350	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Non-current	Y1360	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.90	0.00	0.00	14.90	0		0.00	0.00	0.00
(iii) Unlisted Investments	Y1370	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(a) Current	Y1380	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Non-current	Y1390	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iv) Venture Capital Units	Y1400	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(v) Others (Please Specify)	Y1410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	106.14	0.00	0.00	106.14	0		0.00	0.00	0.00
5.Advances (Performing)	Y1420	1,000.00	2,250.00	1,591.75	4,728.79	4,608.97	12,881.51	20,663.00	23,274.52	12,689.40	0.00	83,687.94	0		1,023.00	2,250.00	2,890.00
(i) Bills of Exchange and Promissory Notes discounted & rediscounted (As per residual usance of the underlying bills)	Y1430	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(ii) Term Loans (The cash inflows on account of the interest and principal of the loan may be slotted in respective time buckets as per the timing of the cash flows as stipulated in the original / revised repayment schedule)	Y1440	1,000.00	2,250.00	1,591.75	4,728.79	4,608.97	12,881.51	20,663.00	23,274.52	12,689.40	0.00	83,687.94	0		1,023.00	2,250.00	2,890.00
(a) Through Regular Payment Schedule	Y1450	1,000.00	2,250.00	1,591.75	4,728.79	4,608.97	12,881.51	20,663.00	23,274.52	12,689.40	0.00	83,687.94	0		1,023.00	2,250.00	2,890.00
(b) Through Bullet Payment	Y1460	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iii) Interest to be serviced through regular schedule	Y1470	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iv) Interest to be serviced to be in Bullet Payment	Y1480	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
6.Gross Non-Performing Loans (GNPA)	Y1490	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,085.93	0.00	3,085.93	0		0.00	595.86	0.00
(i) Substandard	Y1500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,085.93	0.00	3,085.93	0		0.00	595.86	0.00
(a) All over dues and instalments of principal falling due during the next three years (In the 3 to 5 year time-bucket)	Y1510	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,085.93	0.00	3,085.93	0		0.00	595.86	0.00
(b) Entire principal amount due beyond the next three years (In the over 5 years time-bucket)	Y1520	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(ii) Doubtful and loss	Y1530	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(a) All instalments of principal falling due during the next five years as also all over dues (In the over 5 years time-bucket)	Y1540	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Entire principal amount due beyond the next five years (In the over 5 years time-bucket)	Y1550	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
7. Inflows From Assets On Lease	Y1560	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
8. Fixed Assets (Excluding Assets On Lease)	Y1570	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,839.03	1,839.03	0		0.00	0.00	0.00
9. Other Assets :	Y1580	14.40	2.57	778.14	76.95	0.00	145.73	3,605.78	290.72	0.00	831.04	5,745.33	0		0.00	0.00	3,324.72
(a) Intangible assets & other non-cash flow items (In the 'Over 5 year time bucket)	Y1590	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	831.04	831.04	0		0.00	0.00	0.00
(b) Other items (e.g. accrued income, other receivables, staff loans, etc.) (In respective maturity buckets as per the timing of the cash flows)	Y1600	14.40	2.57	778.14	76.95	0.00	145.73	3,605.78	290.72	0.00	0.00	4,914.29	0		0.00	0.00	3,324.72
(c) Others	Y1610	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
10.Security Finance Transactions (a+b+c+d)	Y1620	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
a) Repo (As per residual maturity)	Y1630	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
b) Reverse Repo (As per residual maturity)	Y1640	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
c) CBLO (As per residual maturity)	Y1650	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
d) Others (Please Specify)	Y1660	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
11.Inflows On Account of Off Balance Sheet (OBS) Exposure (i+ii+iii+iv+v)	Y1670	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(i)Loan committed by other institution pending disbursal	Y1680	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(ii)Lines of credit committed by other institution	Y1690	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iii) Bills discounted/rediscounted	Y1700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(iv)Total Derivative Exposures (a+b+c+d+e+f+g+h)	Y1710	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00

(a) Forward Forex Contracts	Y1720	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(b) Futures Contracts	Y1730	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(c) Options Contracts	Y1740	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(d) Forward Rate Agreements	Y1750	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(e) Swaps - Currency	Y1760	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(f) Swaps - Interest Rate	Y1770	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(g) Credit Default Swaps	Y1780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(h) Other Derivatives	Y1790	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
(v)Others	Y1800	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0		0.00	0.00	0.00
B. TOTAL INFLOWS (B) (Sum of 1 to 11)	Y1810	3,958.15	2,752.57	2,369.89	4,810.74	5,898.97	13,347.24	25,022.04	24,158.26	16,199.01	3,904.97	102,421.84	0		2,301.18	3,195.86	6,214.72
C. Mismatch (B - A)	Y1820	2,244.40	2,052.55	504.95	2,216.80	3,290.09	2,489.81	3,270.43	-6,378.69	12,694.80	-22,385.14	0.00	0		1,008.08	2,814.35	3,278.89
D. Cumulative Mismatch	Y1830	2,244.40	4,296.95	4,801.90	7,018.70	10,308.79	12,798.60	16,069.03	9,690.34	22,385.14	0.00	0.00	0		1,008.08	3,822.43	7,101.32
E. Mismatch as % of Total Outflows	Y1840	130.96%	293.21%	27.08%	85.46%	126.11%	22.93%	15.04%	-20.89%	362.27%	-85.15%	0.00%	0		77.96%	737.69%	111.69%
F. Cumulative Mismatch as % of Cumulative Total Outflows	Y1850	130.96%	178.02%	112.23%	102.13%	108.72%	62.93%	38.18%	13.34%	29.40%	0.00%	0.00%	0		77.96%	228.26%	154.03%

DNBS4BIRS - Statement of Interest Rate Sensitivity (IRS)

All Monetary Items present in this return shall be reported in ₹ Lakhs Only

Table 3: Statement of Interest Rate Sensitivity (IRS)

Particulars		0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Non-sensitive	Total
		X010	X020	X030	X040	X050	X060	X070	X080	X090	X100	X110	X120
A. Liabilities (OUTFLOW)													
1.Capital (i+ii+iii+iv)	Y010	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,233.68	1,233.68
(i) Equity	Y020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,233.68	1,233.68
(ii) Perpetual preference shares	Y030	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Non-perpetual preference shares	Y040	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Others (Please furnish, if any)	Y050	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.Reserves & surplus (i+ii+iii+iv+v+vi+vii+viii+ix+x+xi+xii+xiii+xiii)	Y060	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25,056.43	25,056.43
(i) Share Premium Account	Y070	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,123.94	14,123.94
(ii) General Reserves	Y080	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,082.65	7,082.65
(iii) Statutory/Special Reserve (Section 45-IC reserve to be shown separately below item no.(vii))	Y090	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Reserves under Sec 45-IC of RBI Act 1934	Y100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,262.95	3,262.95
(v) Capital Redemption Reserve	Y110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Debenture Redemption Reserve	Y120	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vii) Other Capital Reserves	Y130	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(viii) Other Revenue Reserves	Y140	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ix) Investment Fluctuation Reserves/ Investment Reserves	Y150	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(x) Revaluation Reserves	Y160	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
viii.1 Revl. Reserves - Property	Y170	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
viii.2 Revl. Reserves - Financial Assets	Y180	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xi) Share Application Money Pending Allotment	Y190	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xii) Others (Please mention)	Y200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	113.22	113.22
(xiii) Balance of profit and loss account	Y210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	473.67	473.67
3.Gifts, grants, donations & benefactions	Y220	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.Bonds & Notes (a+b+c)	Y230	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a) Fixed rate plain vanilla including zero coupons	Y240	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Instruments with embedded options	Y250	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Floating rate instruments	Y260	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5.Deposits	Y270	118.11	134.31	330.96	288.47	179.56	2,028.70	4,598.94	5,933.37	1,313.67	0.00	0.00	14,926.09
(i) Term Deposits/ Fixed Deposits from public	Y280	118.11	134.31	330.96	288.47	179.56	2,028.70	4,598.94	5,933.37	1,313.67	0.00	0.00	14,926.09
(a) Fixed rate	Y290	118.11	134.31	330.96	288.47	179.56	2,028.70	4,598.94	5,933.37	1,313.67	0.00	0.00	14,926.09
(b)Floating rate	Y300	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6.Borrowings (i+ii+iii+iv+v+vi+vii+viii+ix+x+xi+xii)	Y310	880.12	223.40	1,292.83	2,305.47	2,382.96	8,744.69	16,717.49	23,964.64	641.10	0.00	0.00	57,152.70
(i) Bank borrowings	Y320	293.47	14.30	543.01	946.66	1,032.01	3,303.90	7,875.16	8,318.37	0.00	0.00	0.00	22,326.88
a) Bank Borrowings in the nature of Term money borrowings	Y330	293.47	14.30	543.01	946.66	1,032.01	3,303.90	5,793.16	8,318.37	0.00	0.00	0.00	20,244.88
I. Fixed rate	Y340	293.47	14.30	543.01	946.66	1,032.01	3,303.90	5,793.16	8,318.37	0.00	0.00	0.00	20,244.88
II. Floating rate	Y350	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Bank Borrowings in the nature of WCDL	Y360	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
I. Fixed rate	Y370	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Floating rate	Y380	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bank Borrowings in the nature of Cash Credits (CC)	Y390	0.00	0.00	0.00	0.00	0.00	0.00	2,082.00	0.00	0.00	0.00	0.00	2,082.00
I. Fixed rate	Y400	0.00	0.00	0.00	0.00	0.00	0.00	2,082.00	0.00	0.00	0.00	0.00	2,082.00
II. Floating rate	Y410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Bank Borrowings in the nature of Letter of Credits(LCs)	Y420	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
I. Fixed rate	Y430	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Floating rate	Y440	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Bank Borrowings in the nature of ECBs	Y450	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
I. Fixed rate	Y460	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Floating rate	Y470	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Inter Corporate Debts (other than related parties)	Y480	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
I. Fixed rate	Y490	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
II. Floating rate	Y500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Loan from Related Parties (including ICDs)	Y510	41.70	0.00	74.49	2.54	23.61	101.71	115.74	477.65	91.18	0.00	0.00	928.62
I. Fixed rate	Y520	41.70	0.00	74.49	2.54	23.61	101.71	115.74	477.65	91.18	0.00	0.00	928.62
II. Floating rate	Y530	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Corporate Debts	Y540	544.95	120.10	625.33	1,217.33	1,189.02	3,426.12	5,372.29	7,936.38	260.10	0.00	0.00	20,691.62
I. Fixed rate	Y550	544.95	120.10	625.33	1,217.33	1,189.02	3,426.12	5,372.29	7,936.38	260.10	0.00	0.00	20,691.62
II. Floating rate	Y560	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Commercial Papers	Y570	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Of which; (a) Subscribed by Mutual Funds	Y580	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Subscribed by Banks	Y590	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Subscribed by NBFCs	Y600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Subscribed by Insurance Companies	Y610	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Subscribed by Pension Funds	Y620	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Subscribed by Retail Investors	Y630	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y640	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Non - Convertible Debentures (NCDs) (A+B)	Y650	0.00	0.00	50.00	50.00	50.00	1,650.00	2,980.00	7,119.01	289.82	0.00	0.00	12,188.83
A. Fixed rate	Y660	0.00	0.00	50.00	50.00	50.00	1,650.00	2,980.00	7,119.01	289.82	0.00	0.00	12,188.83
Of which; (a) Subscribed by Mutual Funds	Y670	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Subscribed by Banks	Y680	0.00	0.00	0.00	0.00	0.00	0.00	0.00	999.01	0.00	0.00	0.00	999.01
(c) Subscribed by NBFCs	Y690	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Subscribed by Insurance Companies	Y700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Subscribed by Pension Funds	Y710	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Subscribed by Retail Investors	Y720	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y730	0.00	0.00	50.00	50.00	50.00	1,650.00	2,980.00	6,120.00	289.82	0.00	0.00	11,189.82
B. Floating rate	Y740	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Of which; (a) Subscribed by Mutual Funds	Y750	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Subscribed by Banks	Y760	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Subscribed by NBFCs	Y770	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Subscribed by Insurance Companies	Y780	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Subscribed by Pension Funds	Y790	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Subscribed by Retail Investors	Y800	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y810	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vii) Convertible Debentures (A+B)	Y820	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. Fixed rate	Y830	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Of which; (a) Subscribed by Mutual Funds	Y840	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Subscribed by Banks	Y850	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Subscribed by NBFCs	Y860	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

(d) Subscribed by Insurance Companies	Y870	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Subscribed by Pension Funds	Y880	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Subscribed by Retail Investors	Y890	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y900	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. Floating rate	Y910	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Of which; (a) Subscribed by Mutual Funds	Y920	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Subscribed by Banks	Y930	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Subscribed by NBFCs	Y940	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(d) Subscribed by Insurance Companies	Y950	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(e) Subscribed by Pension Funds	Y960	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(f) Subscribed by Retail Investors	Y970	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(g) Others (Please specify)	Y980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(viii) Subordinate Debt	Y990	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ix) Perpetual Debt Instrument	Y1000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(x) Borrowings From Central Government / State Government	Y1010	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xi) Borrowings From Public Sector Undertakings (PSUs)	Y1020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(xii) Other Borrowings	Y1030	0.00	89.00	0.00	88.94	88.32	262.96	374.30	113.23	0.00	0.00	0.00	1,016.75
7.Current Liabilities & Provisions (i+ii+iii+iv+v+vi+vii+viii)	Y1040	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,948.79	2,948.79
(i) Sundry creditors	Y1050	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	513.70	513.70
(ii) Expenses payable	Y1060	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	384.69	384.69
(iii) Advance income received from borrowers pending adjustment	Y1070	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Interest payable on deposits and borrowings	Y1080	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Provisions for Standard Assets	Y1090	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	539.45	539.45
(vi) Provisions for NPAs	Y1100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,009.99	1,009.99
(vii) Provisions for Investment Portfolio (NPI)	Y1110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(viii) Other Provisions (Please Specify)	Y1120	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	500.96	500.96
8.Repos / Bills Rediscounted	Y1130	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9.Statutory Dues	Y1140	0.00	0.00	241.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	241.15
10.Unclaimed Deposits (i+ii)	Y1150	158.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	158.28
(i) Pending for less than 7 years	Y1160	158.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	158.28
(ii) Pending for greater than 7 years	Y1170	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11.Any other Unclaimed Amount	Y1180	1.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.16
12.Debt Service Realisation Account	Y1190	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13.Others	Y1200	0.00	0.00	0.00	0.00	0.00	0.00	64.62	638.94	0.00	0.00	0.00	703.56
14. Total Outflows account of OBS items (OO)(Details to be given in Table 4 below)	Y1210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
A. TOTAL OUTFLOWS (1 to 14)	Y1220	1,157.67	357.71	1,864.94	2,593.94	2,562.52	10,773.39	21,381.05	30,536.95	1,954.77	0.00	29,238.90	102,421.84
A1. Cumulative Outflows	Y1230	1,157.67	1,515.38	3,380.32	5,974.26	8,536.78	19,310.17	40,691.22	71,228.17	73,182.94	73,182.94	102,421.84	102,421.84
B. INFLOWS													
1. Cash	Y1240	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33.83	33.83
2. Remittance in transit	Y1250	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.Balances with Banks (i+ii+iii)	Y1260	500.00	500.00	0.00	5.00	1,290.00	320.00	657.43	430.81	311.41	0.20	2,420.82	6,435.67
(i) Current account	Y1270	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,420.82	2,420.82
(ii) In deposit accounts, and other placements	Y1280	500.00	500.00	0.00	5.00	1,290.00	320.00	657.43	430.81	311.41	0.20	0.00	4,014.85
(iii) Money at Call & Short Notice	Y1290	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.Investments (net of provisions) (i+ii+iii+iv+v+vi+vii) (Under various categories as detailed below)	Y1300	0.00	0.00	0.00	0.00	0.00	0.00	84.93	162.21	112.27	1,234.70	0.00	1,594.11
(i) Fixed Income Securities	Y1310	0.00	0.00	0.00	0.00	0.00	0.00	84.93	41.17	112.27	1,234.70	0.00	1,473.07
a)Government Securities	Y1320	0.00	0.00	0.00	0.00	0.00	0.00	84.93	41.17	112.27	1,234.70	0.00	1,473.07
b) Zero Coupon Bonds	Y1330	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bonds	Y1340	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Debentures	Y1350	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Cumulative Redeemable Preference Shares	Y1360	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Non-Cumulative Redeemable Preference Shares	Y1370	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) Others (Please Specify)	Y1380	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Floating rate securities	Y1390	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a)Government Securities	Y1400	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Zero Coupon Bonds	Y1410	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bonds	Y1420	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Debentures	Y1430	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Cumulative Redeemable Preference Shares	Y1440	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Non-Cumulative Redeemable Preference Shares	Y1450	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) Others (Please Specify)	Y1460	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Equity Shares	Y1470	0.00	0.00	0.00	0.00	0.00	0.00	0.00	121.04	0.00	0.00	0.00	121.04
(iv) Convertible Preference Shares	Y1480	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) In shares of Subsidiaries / Joint Ventures	Y1490	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) In shares of Venture Capital Funds	Y1500	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vii) Others	Y1510	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5.Advances (Performing)	Y1520	1,000.00	2,250.00	1,591.75	4,728.79	4,608.97	12,881.51	20,663.00	23,274.52	12,689.40	0.00	0.00	83,687.94
(i) Bills of exchange and promissory notes discounted & rediscounted	Y1530	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Term loans	Y1540	1,000.00	2,250.00	1,591.75	4,728.79	4,608.97	12,881.51	20,663.00	23,274.52	12,689.40	0.00	0.00	83,687.94
(a) Fixed Rate	Y1550	1,000.00	2,250.00	1,591.75	4,728.79	4,608.97	12,881.51	20,663.00	23,274.52	12,689.40	0.00	0.00	83,687.94
(b) Floating Rate	Y1560	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Corporate loans/short term loans	Y1570	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Fixed Rate	Y1580	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Floating Rate	Y1590	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6.Non-Performing Loans (i+ii+iii)	Y1600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,085.93	0.00	0.00	0.00	3,085.93
(i) Sub-standard Category	Y1610	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,085.93	0.00	0.00	0.00	3,085.93
(ii) Doubtful Category	Y1620	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Loss Category	Y1630	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7.Assets on Lease	Y1640	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8.Fixed assets (excluding assets on lease)	Y1650	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,839.03	1,839.03
9.Other Assets (i+ii)	Y1660	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,745.33	5,745.33
(i) Intangible assets & other non-cash flow items	Y1670	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	831.04	831.04
(ii) Other items (e.g. accrued income, other receivables, staff loans, etc.)	Y1680	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,914.29	4,914.29
10.Statutory Dues	Y1690	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11.Unclaimed Deposits (i+ii)	Y1700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Pending for less than 7 years	Y1710	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Pending for greater than 7 years	Y1720	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12.Any other Unclaimed Amount	Y1730	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13.Debt Service Realisation Account	Y1740	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14.Total Inflow account of OBS items (OI)(Details to be given in Table 4 below)	Y1750	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. TOTAL INFLOWS (B) (Sum of 1 to 14)	Y1760	1,500.00	2,750.00	1,591.75	4,733.79	5,898.97	13,201.51	21,405.36	23,867.54	16,199.01	1,234.90	10,039.01	102,421.84
C. Mismatch (B - A)	Y1770	342.33	2,392.29	-273.19	2,139.85	3,336.45	2,428.12	24.31	-6,669.41	14,244.24	1,234.90	-19,199.89	0.00
D. Cumulative mismatch	Y1780	342.33	2,734.62	2,461.43	4,601.28	7,937.73	10,365.85	10,390.16	3,720.75	17,964.99	19,199.89	0.00	0.00
E. Mismatch as % of Total Outflows	Y1790	29.57%	668.78%	-14.65%	82.49%	130.20%	22.54%	0.11%	-21.84%	728.69%	0.00%	-65.67%	0.00%
F. Cumulative Mismatch as % of Cumulative Total Outflows	Y1800	29.57%	180.46%	72.82%	77.02%	92.98%	53.68%	25.53%	5.22%	24.55%	26.24%	0.00%	0.00%

Table 4: Statement on Interest Rate Sensitivity (IRS) : Off-Balance Sheet Items (OBS)

Particulars		0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over one month and upto 2 months	Over two months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Non-sensitive	Total
		X130	X140	X150	X160	X170	X180	X190	X200	X210	X220	X230	X240
A. Expected Outflows on account of OBS items													
1.Lines of credit committed to other institutions	Y1810	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.Letter of Credits (LCs)	Y1820	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.Guarantees (Financial & Others)	Y1830	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.Sale and repurchase agreement and asset sales with recourse, where the credit risk remains with the applicable NBFC.	Y1840	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5.Lending of NBFC securities or posting of securities as collateral by the NBFC-IFC, including instances where these arise out of repo style transactions	Y1850	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6.Commitment to provide liquidity facility for securitization of standard asset transactions	Y1860	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7.Second loss credit enhancement for securitization of standard asset transactions provided as third party	Y1870	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8.Outflows from Derivative Exposures (i+ ii + iii + iv + v + vi)	Y1880	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Futures Contracts ((a)+(b)+(c))	Y1890	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Currency Futures	Y1900	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Interest Rate Futures	Y1910	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Other Futures (Commodities, Securities etc.)	Y1920	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Options Contracts ((a)+(b)+(c))	Y1930	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Currency Options Purchased / Sold	Y1940	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Interest Rate Options	Y1950	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Other Options (Commodities, Securities etc.)	Y1960	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Swaps - Currency ((a)+(b))	Y1970	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Cross Currency Interest Rate Swaps (Not Involving Rupee)	Y1980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) FCY - INR Interest Rate Swaps	Y1990	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Swaps - Interest Rate ((a)+(b))	Y2000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Single Currency Interest Rate Swaps	Y2010	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Basis Swaps	Y2020	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Credit Default Swaps(CDS) Purchased	Y2030	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Swaps - Others (Commodities, securities etc.)	Y2040	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9.Other contingent outflows	Y2050	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Outflow on account of OBS items (OO) : Sum of (1+2+3+4+5+6+7+8+9)	Y2060	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
B. Expected Inflows on account of OBS items													
1.Credit commitments from other institutions pending disbursal	Y2070	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.Inflows on account of Reverse Repos (Buy /Sell)	Y2080	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.Inflows on account of Bills rediscounted	Y2090	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.Inflows from Derivative Exposures (i+ ii + iii + iv + v + vi)	Y2100	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i) Futures Contracts ((a)+(b)+(c))	Y2110	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Currency Futures	Y2120	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Interest Rate Futures	Y2130	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Other Futures (Commodities, Securities etc.)	Y2140	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Options Contracts ((a)+(b)+(c))	Y2150	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Currency Options Purchased / Sold	Y2160	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Interest Rate Options	Y2170	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c) Other Options (Commodities, Securities etc.)	Y2180	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Swaps - Currency ((a)+(b))	Y2190	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Cross Currency Interest Rate Swaps (Not Involving Rupee)	Y2200	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) FCY - INR Interest Rate Swaps	Y2210	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Swaps - Interest Rate ((a)+(b))	Y2220	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(a) Single Currency Interest Rate Swaps	Y2230	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Basis Swaps	Y2240	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Swaps - Others (Commodities, securities etc.)	Y2250	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Credit Default Swaps (CDS) Purchased	Y2260	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5.Other contingent inflows	Y2270	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Inflow on account of OBS items (OI) : Sum of (1+2+3+4+5)	Y2280	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
C. MISMATCH(OI-OO)	Y2290	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

BERAR FINANCE LIMITED
Partnership for Prosperity

CIN No. :- U65929MH1990PLC057829
Regd. Office : AVINISHA TOWER, MEHADIA SQUARE, DHANTOLI, NAGPUR - 440 012.
Tel. : (0712) 6663999 ❖ Website : www.berarfinance.com ❖ Email : info@berarfinance.com

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT DULY CONVENED 05/F.Y. 2022-2023 MEETING OF THE BOARD OF DIRECTORS OF BERAR FINANCE LIMITED (THE "COMPANY" AND TOGETHER WITH THE FORGOING, THE "BOARD") HELD ON MONDAY, SEPTEMBER 05, 2022 AT THE REGISTERED OFFICE OF THE COMPANY AT AVINISHA TOWER, MEHADIA CHOWK, DHANTOLI, NAGPUR, MAHARASHTRA, 440012.

"**RESOLVED THAT** pursuant to the provisions of Sections 42, 71, 179 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any statutory modifications or re-enactments thereof for the time being in force (the "**Act**"), rules, regulations, guidelines, notifications, clarifications and circulars, if any, prescribed by the Government of India, all applicable regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India ("**RBI**"), the Securities and Exchange Board of India ("**SEBI**"), including the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, and the SEBI circular bearing the reference number SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 (updated as on April 13, 2022) on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*", each as amended, or any other regulatory authority, whether in India or abroad, and in accordance with the memorandum of association and the articles of association of the Company and the listing agreements entered into with the stock exchanges (the "**Stock Exchanges**") where the securities of the Company may be listed, and subject to such approvals, consents, permissions and sanctions as may be required from any statutory or regulatory authority, the approval of the Board be and is hereby accorded for:

(a) issue and allotment of 300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**") having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) or such other number of debentures, face value and amount as may be determined ("**Debentures**") at 11.50% (eleven decimal five zero percent) per annum (fixed), or such other interest rate as may be agreed, payable monthly or at such other interest periods as may be agreed, subject to deduction of taxes at source in accordance with applicable law, with or without gross up, and for a period of 30 (thirty) months from the deemed date of allotment or such other maturity period (subject to applicable law) as may be agreed, on a private placement basis to Unifi AIF (being the identified persons for the purposes of Section 42 of the Act) ("**Investors**") for raising debt for the ongoing business operations of the Company and for such other purposes as may be agreed with the Investors; and

(b) securing the amounts to be raised pursuant to the issue of the Debentures together with all interest and other charges thereon (up to such limits and security cover as may be agreed) by one or more of the following (i) hypothecation of certain identified loans/book debts (and/or other assets) of the Company, (ii) personal guarantees to be provided by Mr. Maroti G. Jawanjar and Mr. Sandeep M. Jawanjal (together the "**Guarantors**"), and/or (iii) such other

(1)

security or contractual comfort as may be required in terms of the issuance of the Debentures (the "**Security**").

RESOLVED FURTHER THAT Mr. Maroti Jawanjar, Executive Chairman (DIN: 00379916), Mr. Sandeep Jawanjal, Managing Director (DIN: 01490054), and Ms. Deepali Balpande, Company Secretary of the Company (collectively, the "**Authorised Persons**") be and are hereby severally authorised to do all such acts, deeds and things as they deem necessary or desirable in connection with the issue, offer and allotment of the Debentures, including, without limitation the following:

(a) seeking, if required, any approval, consent or waiver from any/all concerned governmental and regulatory authorities, and/or any other approvals, consent or waivers that may be required in connection with the issue, offer and allotment of the Debentures;

(b) executing the term sheet in relation to the Debentures;

(c) negotiating, approving and deciding the terms of the issue, offer and allotment of the Debentures and all other related matters;

(d) seeking the listing of the Debentures on any Stock Exchange, submitting the listing application and taking all actions that may be necessary in connection with obtaining such listing;

(e) creating and maintaining a recovery expense fund with the relevant Stock Exchanges in accordance with the requirements of the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 on "*Contribution by Issuers of listed or proposed to be listed debt securities towards creation of "Recovery Expense Fund*" issued by SEBI;

(f) (if so required) providing such information or documents to the debenture trustee in accordance with the requirements of (i) the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 on "*Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)*" issued by SEBI and (ii) the circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated November 12, 2020 on "*Monitoring and Disclosures by Debenture Trustee(s)*" read with SEBI's circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2022/67 dated May 19, 2022 on "*Revised format of security cover certificate, monitoring and revision in timelines*", each as amended, modified or restated from time to time;

(g) providing such information/disclosures in accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the requirements of the circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 (as updated on April 13, 2022) on "*Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper*" issued by SEBI;

(h) providing such information/disclosures in accordance with the requirements of the circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2022/38 dated March 29, 2022 on "*Operational guidelines for 'Security and Covenant Monitoring' using Distributed Ledger Technology (DLT)*" issued by SEBI;

(i) approving the debt disclosure document/placement memorandum and the private placement offer cum application letter ("**Disclosure Documents**") (including amending, varying or modifying the Disclosure Documents, as may be considered desirable or expedient), in accordance with all the applicable laws, rules, regulations and guidelines;

(2)

BERAR FINANCE LIMITED NAGPUR

(j) finalising the terms and conditions of the appointment of an arranger (if required), a debenture trustee, a registrar and transfer agent, a credit rating agency, a legal counsel, the depository(ies) and such other intermediaries including their successors and their agents, as may be required in relation to the issue, offer and allotment of the Debentures;

(k) finalising the terms of the issue, offer and allotment of the Debentures;

(l) entering into arrangements with the depository(ies) in connection with the issue, offer and allotment of the Debentures in dematerialised form;

(m) creating and perfecting the Security as required in accordance with the terms of the Transaction Documents (as defined below) in relation to the issue, offer and allotment of the Debentures;

(n) requesting the Guarantors to provide unconditional and irrevocable personal guarantees in accordance with the terms of the Transaction Documents;

(o) finalising the deemed date of allotment of the Debentures;

(p) negotiating, executing, filing and delivering any documents, instruments, deeds, amendments, papers, applications, notices or letters as may be required in connection with the issue, offer and allotment of the Debentures and dealing with regulatory authorities in connection with the issue, offer and allotment of the Debentures including but not limited to the RBI, SEBI (if so required), any Stock Exchange, the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or any depository(ies), and such other authorities as may be required;

(q) to execute all documents with, file forms with and submit applications to any Stock Exchange (if so required), the relevant registrar of companies, the Ministry of Corporate Affairs, the Central Registry of Securitisation Asset Reconstruction and Security Interest or any depository(ies);

(r) sign and/or dispatch all documents and notices to be signed and/or dispatched by the Company under or in connection with the Transaction Documents;

(s) to take all steps and do all such things and give such directions as may be required, necessary, expedient or desirable for giving effect to the Transaction Documents, the transactions contemplated therein and the resolutions mentioned herein, including without limitation, to approve, negotiate, finalise, sign, execute, ratify, amend, supplement and/or issue the following, including any amendments, modifications, supplements, restatements or novations thereto (now or in the future):

(i) the Disclosure Documents for the issue, offer and allotment of the Debentures;

(ii) the debenture trust deed, the debenture trustee agreement, the personal guarantees to be provided by the Guarantors, the deed of hypothecation, and any other documents required for the creation of security interest over the Company's movable properties and assets, or the issue, offer and allotment of the Debentures (including any powers of attorney in connection thereto), and any other document in relation thereto ((i) and (ii) above are collectively referred to as the "**Transaction Documents**");

(iii) the debenture certificate(s) for the Debentures (if required);

(33)

BERAR FINANCE LIMITED NAGPUR

(iv) any other documents required for the purposes of the issue, offer and allotment of the Debentures and the transactions contemplated thereby, including but not limited to letters of undertaking, declarations, agreements, reports; and

(v) any other document designated as a Transaction Document by the debenture trustee/holders of the Debentures;

(t) to do all such acts necessary for the issue, offer and allotment of the Debentures in accordance with the terms set out in the Transaction Documents; and

(u) to generally do any other act or deed, to negotiate and execute any documents, applications, agreements, undertakings, deeds, affidavits, declarations and certificates in relation to the issue, offer and allotment of the Debentures and the transactions contemplated thereby, and to give such directions as it deems fit or as may be necessary or desirable in relation to the issue, offer and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to take all necessary steps relating to the creation, perfection and registration of charges and also to sign and submit the necessary forms with the relevant registrar of companies, the Central Registry of Securitisation Asset Reconstruction and Security Interest, the Ministry of Corporate Affairs, or the depository (ies), and/or the other relevant governmental authorities.

RESOLVED FURTHER THAT the Board hereby approves and ratifies all such acts, deeds and actions taken by the Company till date for the purposes of the issue, offer and allotment of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to record the name of the holders of the Debentures in the register of debenture holders and to undertake such other acts, deeds and things as may be required to give effect to the issuance, allotment and the listing of the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to pay all stamp duty required to be paid for the issue, offer and allotment of the Debentures in accordance with the applicable laws of India and procure the stamped documents from the relevant governmental authorities.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to approve and finalise, sign, execute and deliver the Transaction Documents and such other agreements, deeds, undertakings, indemnities and documents as may be required, or any of them in connection with the Debentures.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to register or lodge for registration any Transaction Documents, letter(s) of undertakings, declarations, and agreements and other papers or documents as may be required in relation to any of the above with any registering authority or any governmental authority competent in that behalf.

RESOLVED FURTHER THAT the Authorised Persons be and are hereby severally authorised to delegate the powers to any other employee/representative/agent, as may be deemed necessary to do all such acts and execute such documents as may be required in connection with any of the matters relating to the issue of the Debentures.

BERAR FINANCE LIMITED NAGPUR

RESOLVED FURTHER THAT the copies of the foregoing resolutions certified to be true copies by any Director or the Company Secretary of the Company be furnished to such persons as may be deemed necessary.

Certified True Copy

FOR BERAR FINANCE LIMITED





(Ms. Deepali Balpande)
Company Secretary
Membership Number: ACS 21290
Address: Plot No. 18, Maske Layout,
Santaji Colony, Narendra Nagar,
Nagpur – 440015

BERAR FINANCE LIMITED
Partnership for Prosperity

CIN No. :- U65929MH1990PLC057829
Regd. Office : AVINISHA TOWER, MEHADIA SQUARE, DHANTOLI, NAGPUR - 440 012
Tel : (0712) 6663999
Website : www.berarfinance.com ★ Email : info@berarfinance.com

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE 29TH ANNUAL GENERAL MEETING OF BERAR FINANCE LIMITED HELD ON SATURDAY,21ST DAY OF SEPTEMBER,2019 AT ARJUNA CELEBRATIONS , PANDE LAYOUT ROAD, KHAMLA , NAGPUR- 440025 AT 4.00 P.M.

"**RESOLVED that** in supersession of the Special Resolution passed by the Shareholders by means of a Postal Ballot on 25th September , 2015 and pursuant to the provisions of 180(1)(c) and all other applicable provisions of the Companies Act, 2013 read with such Rules as may be applicable (including any statutory modification(s) or amendment(s) thereto or re-enactment thereof for the time being in force) and in terms of the Memorandum and Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing monies for the purposes of the Company, from time to time, notwithstanding that the monies to be borrowed together with the monies already borrowed(apart from temporary loans obtained from the Company's bankers in the ordinary courseof business)will or may exceed the aggregate of the paid–up share capital of the Company , it's free reserves and securities premium reserves provided however that the aggregate of the amounts so borrowed and to be borrowed and outstanding at any time(apart from temporary loans obtained from the Company's bankers in the ordinary course of business)shall not exceed ₹.2000 Crores (Rupees Two Thousand Crores only)."

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT,2013

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, as amended by the Companies (Amendment)Act,2017 and notified by the Ministry of Corporate Affairs on 9th February, 2018,the Board of Directors of the Company cannot borrow moneys in excess of the amount of the paid-up share capital,free reserves and securities premium reserve, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), without the approval of the Members, by way of a Special Resolution. The Members by a Special Resolution passed by means of a Postal Ballot Voting process dated 25th September, 2015 had empowered the Board of Directors of the Company to borrow moneys upto ₹ . 400 Crores even though such borrowing would be in excess of the paid-up share capital and free reserves of the Company. Taking into account the future business plans of the company, the Board of Directors may need to resort to further borrowings from time to time and hence it is proposed to revise the said limit upwards to ₹ .2,000 crores. A fresh resolution is proposed authorizing the Board of Directors to borrow monies for the purposes of the company not exceeding ₹.2,000 crores (apart from temporary loans obtained from the Company's bankers in the ordinary course of Business) under Section 180(1)(c)of the Companies Act, 2013.

BERAR FINANCE LIMITED NAGPUR

CIN No. :- U65929MH1990PLC057829
Regd. Office : AVINISHA TOWER, MEHADIA SQUARE, DHANTOLI, NAGPUR - 440 012
Tel. : (0712) 6663999
Website : www.berarfinance.com ★ Email : info@berarfinance.com

The board of directors recommends passing of the special resolution set out in item no. 7 of the notice.

None of the directors, key managerial personnel of the company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the company.

Certified True Copy

For Berar Finance Limited

(CS.Deepali Balpande)
Company Secretary

BERAR FINANCE LIMITED NAGPUR

BERAR FINANCE LIMITED
Partnership for Prosperity

CIN No :- U65929MH1990PLC057829
Regd. Office : AVINISHA TOWER, MEHADIA SQUARE, DHANTOLI, NAGPUR - 440 012
Tel. : (0712) 6663999
Website : www.berarfinance.com ★ Email : info@berarfinance.com

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE 29TH ANNUAL GENERAL MEETING OF BERAR FINANCE LIMITED HELD ON SATURDAY,21ST DAY OF SEPTEMBER,2019 AT ARJUNA CELEBRATIONS , PANDE LAYOUT ROAD, KHAMLA , NAGPUR- 440025 AT 4.00 P.M.

"**RESOLVED that** in supersession of the Special Resolution passed by the Shareholders by means of a Postal Ballot on 25th September, 2015 and pursuant to the provisions of 180(1)(a) and all other applicable provisions of the Companies Act, 2013 read with such Rules as may be applicable (including any statutory modification(s) or amendment(s) thereto or re-enactment thereof for the time being in force) and in terms of the Memorandum and Articles of Association of the Company, the consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company from time to time of such mortgages, charges, liens, hypothecation and /or other securities , in addition to the mortgages, charges, liens, hypothecation and /or other securities created by the Company , on such terms and conditions as the Board at it's sole discretion may deem fit of the Company's assets and properties , both present and future , whether movable or immovable , including the whole or substantially the whole of the Company's undertaking or undertakings in favour of any person including ,but not limited to, financial/investment institution(s), bank(s), insurance company(ies), mutual funds(s), corporate body(ies), trustee(s) to secure any loans, guarantee, financial assistance, working capital arrangement etc. already availed/to be availed by the Company together with interest thereon at the agreed rate, compound interest, additional interest, liquidated damages, premium on prepayment, costs, charges, expenses and other monies payable by the Company to the said lenders and/or any issue of non convertible debentures, bonds, or compulsorily or optionally, fully or partly convertible debentures linked to equity shares, within the overall ceiling prescribed by the Members of the Company, from time to time, in terms of Section 180(1)(c) of the Companies Act, 2013.

FURTHER RESOLVED THAT the Board of Directors or such committee/ or person/(s) as authorized by the Board be and is hereby authorized to finalize the form , extent and manner of, and the documents and deeds , as may be applicable, for creating the appropriate mortgages ,charges, liens, hypothecation on such of the immovable and /or movable properties of the Company on such terms and conditions as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this Resolution."

BERAR FINANCE LIMITED NAGPUR

BERAR FINANCE LIMITED
Partnership for Prosperity

CIN No. :- U65929MH1990PLC057829
Regd. Office : AVINISHA TOWER, MEHADIA SQUARE, DHANTOLI, NAGPUR - 440 012
Tel. : (0712) 6663999
Website : www.berarfinance.com ★ Email : info@berarfinance.com

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT,2013

The Members by a Special Resolution passed by means of a Postal Ballot Voting process dated 25th September, 2015 had empowered the Board of Directors of the Company for creation of mortgages, charges, liens, hypothecation and/or other securities of the company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the company's undertaking or undertakings, for securing the borrowings of the Company in terms of Section 180(1)(a) of the Companies Act, 2013.
Considering the future business plans of the company, the Board of Directors may need to resort to further borrowings from time to time, by future way of loans / financial assistance from various banks / financial institutions and other lenders, issue of debentures / bonds or other debt instruments and through acceptance of fixed deposits. These borrowings may also have to be secured by creation of mortgages, charges, liens, hypothecation and/or other securities of the company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the company's undertaking or undertakings, in favor of banks / financial institutions /other lenders / debenture trustee / fixed deposits trustee / security trustee. Since the amount secured by such mortgages, charges, liens, hypothecation and/or other securities together with the existing mortgages, charges, liens, hypothecation and/or other securities may exceed the limit of ₹ .400 crores, members' approval is sought for increasing the limit up to ₹.2,000 crores and for authorizing the board of directors to create security by way of mortgages, charges, liens, hypothecation and/or other securities of the company's assets and properties, both present and future, whether movable or immovable, including the whole or substantially the whole of the company's undertaking or undertakings, on such terms and conditions as it may deem fit. For this purpose, the requisite special resolution is being proposed for consideration of the members under Section 180(1)(a) of the Companies Act, 2013.

The board of directors recommends passing of the special resolution set out in item no. 8 of the notice.

None of the directors, key managerial personnel of the company and their relatives is, concerned or interested in this resolution, except to the extent of their respective shareholding, if any, in the company.
Certified True Copy

For Berar Finance Limited

(CS.Deepali Balpande)
Company Secretary

BERAR FINANCE LIMITED NAGPUR

PERSONAL GUARANTEE
(MR. MAROTI G. JAWANJAR)

This personal guarantee ("**Guarantee**") is executed at Chennai, India on September 13, 2022 ("**Effective Date**"):

BY:

1. **MR. MAROTI G. JAWANJAR**, an Indian citizen holding passport number L7827224 and currently residing at 19, Process Server Society, Swawlambi Nagar, Nagpur - 440022, Maharashtra, India (hereinafter referred to as the "**Guarantor**", which expression will, unless repugnant to the subject or context, include its heirs, successors, administrators and permitted assigns);

IN FAVOUR OF:

2. **IDBI TRUSTEESHIP SERVICES LIMITED**, a company incorporated under the Companies Act, 1956 with CIN U65991MH2001GOI131154, having its registered office at Asian Building, Ground Floor, 17, R.Kamani Marg, Ballard Estate, Mumbai - 400001, Maharashtra, India and acting through its office at Ground Floor No. 115, Annasalai, Saidapet, Chennai - 600015, India (hereinafter referred to as the "**Debenture Trustee**", which expression will, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns).

   (The Guarantor and the Debenture Trustee are hereinafter collectively referred to as the "**Parties**", and individually as a "**Party**".)

BACKGROUND:

A. Berar Finance Limited, a company incorporated under the Companies Act, 1956 with corporate identification number ("**CIN**") U65929MH1990PLC057829, and a non-banking financial company registered with the Reserve Bank of India, having its registered office at Avinisha Tower, Mehadia Chowk, Dhantoli, Nagpur - 440012, Maharashtra, India (hereinafter referred to as the "**Company**", which expression will, unless repugnant to the subject or context thereof, include its successors and permitted assigns) , pursuant to the terms of the debenture trust deed dated September 13, 2022 ("**DTD**") executed between the Company and the Debenture Trustee, proposes to issue 300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**") having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) ("**Debentures**"), at par, in dematerialised form on a private placement basis to certain identified investors ("**Issue**").

B. Under the debenture trustee agreement dated September 6, 2022 ("**Debenture Trustee Agreement**") executed between the Company and the Debenture Trustee, the Company has appointed IDBI Trusteeship Services Limited to act as the debenture trustee.

C. One of the conditions in the DTD for the issuance of the Debentures is that, *inter alia*, the Guarantor shall provide an unconditional and an irrevocable personal guarantee in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders (as defined below)) for the purposes of guaranteeing/credit enhancing the Guaranteed Obligations (as defined below) in respect of the Debentures.

D. Accordingly, the Guarantor has agreed to provide an unconditional and an irrevocable guarantee in favour of the Debenture Trustee in accordance with the terms contained herein.

NOW THEREFORE, FOR THE CONSIDERATION AFORESAID, THE GUARANTOR HEREBY AFFIRMS AND AGREES AS FOLLOWS:

OPERATIVE TERMS:

In consideration of the Debenture Holders subscribing/agreeing to subscribe to the Debentures issued by the Company under the terms of the DTD and the other Transaction Documents, the Guarantor hereby unconditionally, absolutely, and irrevocably guarantees as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

Capitalised terms used herein and not otherwise defined shall have the meanings given to them in the DTD. In this Guarantee, the following terms have the following meanings:

(1) "**Applicable Law**" has the meaning given to it in the DTD.

(2) "**Company**" has the meaning given to it in Recital A above.

(3) "**Debentures**" has the meaning given to it in Recital A above.

(4) "**Debenture Holders**" has the meaning given to it in the DTD.

(5) "**Debenture Trustee Agreement**" has the meaning given to it in Recital B above.

(6) "**Default Interest Rate**" means the aggregate of 2% (two percent) per annum and the Interest Rate.

(7) "**Demand Certificate**" has the meaning given to it in Clause 2.2 (*Demand Certificate*).

(8) "**DTD**" has the meaning given to it in Recital A above.

(9) "**Event(s) of Default**" has the meaning given to it in the DTD.

(10) "**Financial Indebtedness**" has the meaning given to it in the DTD.

(11) "**Guaranteed Amounts**" means the aggregate amounts payable by the Guarantor under this Guarantee.

(12) "**Guaranteed Obligations**" has the meaning given to the term "Secured Obligations" in the DTD.

(13) "**Interest Rate**" has the meaning given to it in the DTD.

(14) "**Material Adverse Effect**" has the meaning given to it in the DTD.

(15) "**RBI**" means the Reserve Bank of India.

(16) "**SEBI Due Diligence Circulars**" has the meaning given to it in the DTD.

(17) "**SEBI Monitoring Circular**" has the meaning given to it in the DTD.

(18) "**Secured Obligations**" has the meaning given to it in the DTD.

(19) "**Transaction Documents**" has the meaning given to it in the DTD.

1.2 **Interpretation**

Clause 1.2 (*Interpretation*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if expressly set out herein.

1.3 **Conflicts**

Clause 1.3 (*Conflicts*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if expressly set out herein.

2. **GUARANTEE AND INDEMNITY**

2.1 **Guarantee**

The Guarantor irrevocably and unconditionally:

(a) guarantees to the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) punctual performance by the Company of all the Guaranteed Obligations; and

(b) undertakes with the Debenture Trustee that whenever the Company does not pay any amount as and when due under the DTD or any of the other Transaction Documents (in accordance with the provisions thereof), the Guarantor will immediately on demand by the Debenture Trustee, pay that amount as if it was the principal debtor/obligor in respect of that amount.

2.2 **Demand Certificate**

If an Event of Default occurs, the Guarantor will, upon demand, pay to the relevant Debenture Holders/Debenture Trustee without any demur or protest, the amounts stated in any demand certificate provided by the Debenture Trustee substantially in the form set out in Schedule I ("**Demand Certificate**") to the Guarantor, within the period specified in such Demand Certificate.

2.3 **Independent Obligation**

(a) The Guarantor will, as a separate and independent stipulation and without prejudice to the other provisions contained herein, as a primary obligor and a principal debtor and not merely as surety, on a full indemnity basis, indemnify the Debenture Trustee and the Debenture Holders against any loss they incur as a result of the whole or any part of the Guaranteed Obligations being or becoming void, voidable, unenforceable or ineffective as against the Company for any reason whatsoever irrespective of whether such reason or any related fact or circumstance was known or ought to have been known to the Debenture Trustee or the Debenture Holders or any of their officers, employees, agents or advisers. The amount of such loss will be equal to the amount, which the Debenture Trustee/Debenture Holders (as the case may be) would otherwise have been entitled to recover from the Guarantor on the basis of this

Guarantee.

(b) Without prejudice to Clause 2.3(a) above, the Guarantor shall also indemnify and keep indemnified the Debenture Trustee and the Debenture Holders against all losses, damages, costs, claims and expenses whatsoever which they may suffer, pay or incur by reason of or in connection with any default under the Transaction Documents, including any legal proceedings taken against the Company and/or the Guarantor for recovery of the amounts due under the Transaction Documents.

2.4 **Demand**

(a) Any demand given or made by the Debenture Trustee to the Guarantor will be conclusive evidence that the Guarantor's liability hereunder has accrued and that the extent of the Guarantor's liability is the amount stated in such demand. Such demand will be made by delivery of a Demand Certificate to the Guarantor by the Debenture Trustee, and will serve as conclusive evidence against the Guarantor of the amounts, for the time being, due from the Company in any action or proceeding brought under this Guarantee against the Guarantor.

(b) Any such demand made by the Debenture Trustee on the Guarantor will be final, conclusive and binding notwithstanding any difference or any dispute or arbitration or any other legal proceedings, pending before any court, tribunal, arbitrator or any other authority between the Company and/or the Guarantor and the Debenture Trustee and/or the Debenture Holders.

(c) Any admission or acknowledgement in writing given by the Company pursuant to or in relation to any amounts due under the DTD and/or the Transaction Documents will be binding on the Guarantor. The Guarantor accepts the correctness of any statement of account served on the Company which is certified by the Debenture Trustee and such statement of account shall be binding and conclusive as against the Guarantor. The Guarantor further agrees that in making an acknowledgement or making a payment, the Company shall be treated as the authorised agent of the Guarantor for the purposes of the Indian Limitation Act, 1963.

2.5 **No Requirement to Exhaust Remedies**

Without prejudice to Clause 2.4(a), prior to making any demand hereunder, the Debenture Trustee will not be required to take any step, make any demand upon, exercise any remedies or obtain any judgment against the Company, give notice to any other person under the Transaction Documents, or make or file any claim or proof in the dissolution or winding-up of the Company or enforce or seek to enforce any security now or hereafter held by the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) in respect of the Guaranteed Obligations.

2.6 **Indemnity**

(a) The Guarantor shall, within 10 (ten) calendar days of demand, indemnify the Debenture Holders and the Debenture Trustee from time to time, against any and all losses, liabilities, obligations, damages, judgments, costs, expenses (including, without limitation, advisors' fees), claims, fines, penalties, proceedings, actions or demands, of any kind or nature incurred by the Debenture Trustee/Debenture Holders as a result of:

(i) the occurrence of any Event of Default; or

(ii) any demand for any stamp duty, registration fee or any other duty, fee, costs, or imports received from any Governmental Authority in relation to the transactions contemplated under the Transaction Documents (including without limitation, any demand from stamp duty arising because any Transaction Document has been taken or has been received (whether by way of facsimile, photocopy or electronic record) in any state other than the state in which it has been executed; and

(iii) a failure by the Guarantor to pay any amount due under any Transaction Document on its due date.

(b) Any indemnification payment made by the Guarantor shall be grossed up to take into account any taxes, payable by the Debenture Trustee/Debenture Holders or deductible by the Guarantor on such payment.

(c) The indemnification rights of the Debenture Trustee/Debenture Holders under this Deed are independent of, and in addition to, such other rights and remedies as the Debenture Trustee/Debenture Holders may have under Applicable Law or in equity or otherwise, including the right to seek specific performance or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.

(d) The Guarantor acknowledges and agrees that any payments to be made pursuant to this Clause 2.6 (*Indemnity*) are not in the nature of a penalty but merely reasonable compensation for the loss that would be suffered, and therefore, the Guarantor waives all rights to raise any claim or defence that such payments are in the nature of a penalty and undertakes that it shall not raise any such claim or defence.

2.7 **Default Interest**

In the event that the Guarantor does not pay the Guaranteed Amounts in accordance with Clause 2.2 (*Demand Certificate*) on the due date stipulated under the Demand Certificate, the Guarantor will pay interest at the Default Interest Rate, on the outstanding amounts in accordance with the provisions of the DTD. The Guarantor agrees that such default interest is a genuine pre-estimate of the loss likely to be suffered by the Debenture Trustee and/or the Debenture Holders on account of any default by the Guarantor in discharging its obligations under this Guarantee.

2.8 **Variation of Guaranteed Amounts**

The Guaranteed Amounts will stand amended upon such amendment being mutually agreed between the Debenture Trustee and the Guarantor.

2.9 **Power to Vary**

The Guarantor hereby agrees that, without the concurrence of the Guarantor and without impairing or discharging in any way the Guarantor's obligations hereunder or incurring liability to the Guarantor, the Debenture Trustee may at any time without the consent of or notice to the Guarantor:

(a) exercise or refrain from exercising any rights against any other security provider/guarantor or any other party;

(b) settle, release or compromise any of the Guaranteed Obligations, any security therewith or any liability (including under this Guarantee) incurred directly or indirectly in respect thereof or hereof;

(c) vary, alter, waive, release or modify any and all the provisions of the Transaction Documents including, without limitation, any modification, variation, waiver, release or amendment of the DTD which increases the aggregate principal amount of, or the interest rate on, the Debentures or the amount of principal or interest scheduled to be paid in accordance with the DTD, as the case may be; and

(d) defer, postpone or revise the repayment in respect of the Debentures and/or payment of interest, default interest, additional interest and other amounts payable by the Company to the Debenture Trustee on such terms and conditions as may be considered necessary by the Debenture Trustee, including any increase in the rate of interest.

2.10 **Waivers**

The Guarantor will not be released by any act or omission on the part of the Debenture Trustee or the Debenture Holders, or by any other matter or thing whatsoever which under the law relating to sureties would have the effect of releasing the Guarantor, and the Guarantor hereby waives in favour of the Debenture Trustee, so far as may be necessary to give effect to any of the provisions of this Guarantee, all the suretyship and other rights which the Guarantor might otherwise be entitled to enforce.

2.11 **No Release**

The rights of the Debenture Trustee against the Guarantor will remain in full force and effect notwithstanding enforcement of this Guarantee in part, any arrangement which may be reached between the Debenture Trustee and the Company or other security provider/guarantor, and notwithstanding the release of any other security provider/guarantor from any liability, and notwithstanding that at any time hereafter any other security provider/guarantor may cease for any reason whatsoever to be liable to the Debenture Trustee.

2.12 **Principal Debtor**

To give effect to this Guarantee, the Debenture Trustee may act as though the Guarantor is the principal debtor.

2.13 **No Proof in Liquidation; No Exercise of Rights**

(a) Until the discharge of all of the Company's obligations under the Transaction Documents to the satisfaction of the Debenture Trustee, the Guarantor agrees that:

(i) in the event of the liquidation of the Company, it will not prove in liquidation proceedings in competition with the Debenture Trustee or the Debenture Holders;

(ii) it will not have a right of subrogation or indemnity against the Company, nor will it exercise any such rights available under Applicable Law, to claim any sum relating to the Guaranteed Obligations from the Company, including those of subrogation and of proof in the Company's insolvency, and will hold

the benefit of any such rights on trust for the Debenture Trustee;

(iii) it will not receive, claim or have the benefit of any payment, distribution or security from or on account of the Company, or exercise any right of set-off as against the Company; and

(iv) be subrogated to any rights, security or amounts held, received or receivable by the Debenture Trustee (or any trustee or agent on its behalf).

(b) The Guarantor hereby agrees that the Guarantor's right to indemnity (if any), against the Company will arise only after all the Guaranteed Obligations have been fully, completely, unconditionally and irrevocably discharged to the satisfaction of the Debenture Trustee.

(c) The Guarantor must hold in trust for and immediately pay or transfer to the Debenture Trustee any payments or distribution or benefit of security received by it in contravention of this Clause 2.13 (*No Proof in Liquidation; No Exercise of Rights*) or in accordance with any directions given by the Debenture Trustee hereinabove.

2.14 **Reinstatement**

If any discharge (whether in respect of the obligations of the Company or any security for those obligations or otherwise) or arrangement is made in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of the Guarantor under this Guarantee will continue or be reinstated as if the such discharge or arrangement had not occurred.

2.15 **No discharge**

The liability of the Guarantor under this Guarantee shall not be affected by:

(a) any change in the constitution or winding up of the Company or any absorption, merger or amalgamation of the Company with any other company, corporation or concern;

(b) any change in the Debenture Trustee and/or any change in constitution of the Debenture Trustee or the Debenture Holders;

(c) any change in the Debenture Holders, including by way of any transfer of the Debentures;

(d) any change in the management of the Company or takeover of the management of the Company;

(e) acquisition or nationalisation of the Company and/or of any of its undertaking(s) pursuant to Applicable Law;

(f) the absence or deficiency in the capacity of the Guarantor to provide guarantees and/or indemnities;

(g) the absence or deficiency of borrowing powers on the part of the Company or any irregularity in the exercise of such powers; or

(h) the absence of any consent or approval required by the Company or the Guarantor for the purposes of the issuance of the Debentures by the Company and/or the providing of this Guarantee by the Guarantor.

2.16 **Others**

Without prejudice to any of the provisions of this Guarantee and the other Transaction Documents, the Guarantor acknowledges, understands, confirms and agrees as follows:

(a) the Guarantor declares and agrees that it has not received and shall not, without the prior consent in writing of the Debenture Trustee receive any security or commission from the Company for the providing of this Guarantee so long as any amounts remain due and payable by the Company in respect of any of the Transaction Documents;

(b) the Guarantor shall not be entitled to the right conferred on sureties notwithstanding anything contained in Sections 133, 134, 135, 139 and 141 of the Indian Contract Act, 1872; and

(c) the Guarantor agrees that the Debenture Trustee shall not be bound to enquire into the powers of the Company, and the Debenture Trustee has powers against the Guarantor notwithstanding any security given or being given in favour of the Debenture Trustee may be void or defective.

3. **IRREVOCABLE GUARANTEE**

This Guarantee provided by the Guarantor is irrevocable and the obligations of the Guarantor hereunder are not conditional on the receipt of any prior notice by the Guarantor or the Company, and that the Demand Certificate or notice by the Debenture Trustee in respect of a demand/claim in accordance with the terms of this Guarantee is sufficient notice to, or demand on, the Guarantor.

4. **LIABILITY NOT AFFECTED**

4.1 The obligations of the Guarantor under this Guarantee will not be affected by any act, omission or thing (whether or not known to the Guarantor or the Debenture Trustee) which, but for this provision, would reduce, release or prejudice any of its obligations under this Guarantee. These include:

(a) any time or waiver granted to, or composition with, any person;

(b) any release of any person under the terms of any composition or arrangement;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;

(d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;

(f) any amendment of a Transaction Document or any other document or security;

(g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Transaction Document or any other document or security;

(h) any payments made or settled by the Company with the Debenture Trustee; or

(i) any insolvency or similar proceedings (including in respect of the Company).

4.2 The Guarantor will be jointly and severally liable with each other guarantor (if any) under the Transaction Documents for the due discharge of the Guaranteed Obligations. This Guarantee shall be enforceable against the Guarantor(s) jointly and severally notwithstanding that any security interest comprised in any of the Transaction Documents executed or to be executed by the Company in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) shall, at the time when the proceedings are taken against the Guarantor under this Guarantee be outstanding or unrealised or lost.

4.3 This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Debenture Trustee by the Company and shall be valid and binding on the Guarantor and operative until the Final Settlement Date.

5. **CONTINUING GUARANTEE**

(a) This guarantee is a continuing guarantee and will extend to the ultimate balance of all sums payable by the Company under the DTD and the other Transaction Documents, regardless of any intermediate payment or discharge in whole or in part.

(b) This Guarantee is in addition to and not by way of limitation of or substitution for, any other guarantee(s) that the Guarantor may have previously provided or may hereafter provide in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) (whether alone or jointly with other parties) and this Guarantee will not revoke or limit any such other guarantee(s).

6. **EXPIRY**

This Guarantee will be in effect from the Effective Date until the Final Settlement Date.

7. **REPRESENTATIONS AND WARRANTIES**

The Guarantor makes the following representations and warranties as of the Effective Date, and which representations and warranties shall be true and valid on each date until the Final Settlement Date:

(a) **Status**

(i) The Guarantor is a resident of India and a "person resident in India" within the meaning given to that term under the Foreign Exchange Management Act, 1999 and all applicable guidelines, notifications and circulars issued by the RBI thereunder.

(ii) The Guarantor is competent to contract for the purposes of Applicable Law.

(iii) The Guarantor is of sound mind and is not disqualified from contracting under Applicable Law.

(iv) The Guarantor has full power and authority to engage in the profession or carry on its business as such profession or business is being conducted on the Effective Date.

(b) **Authorisation**

The Guarantor has the competence, full power and capacity to enter into this Guarantee and to exercise the rights and perform its obligations hereunder.

(c) **Binding Effect**

This Guarantee constitutes legal, valid and binding obligations of the Guarantor enforceable against the Guarantor in accordance with its terms.

(d) **Consents and other actions**

(i) All acts, conditions and things, which are necessary or advisable to be done, fulfilled or performed in connection with (A) the execution, delivery or performance of this Guarantee, (B) the legality, validity and enforceability hereof, and (C) the admissibility in evidence in India, of this Guarantee have been duly done, fulfilled and/or performed and are in full force and effect.

(ii) Neither the Guarantor, nor the Company is required to obtain any consent or approval from any third party, including pursuant to the constitutional documents of the Company or any shareholders agreement to which the Company and/or the Guarantor may be a party.

(e) **No Contravention**

The execution, delivery and performance of this Guarantee and all instruments and agreements required hereunder do not and would not contravene, violate or constitute a default under (i) any provision of any agreement or other instrument to which the Guarantor is a party or by which the Guarantor or any of his/her assets is or may be bound, (ii) any Applicable Law, or (iii) any judgment, injunction, order or decree binding upon the Guarantor or any of its assets.

(f) **No Default**

No event has occurred and is continuing which constitutes or which, upon the lapse of time or the giving of notice or both, would constitute an Event of Default relating to the Guarantor or a default under any agreement, mortgage, indenture, note or other instrument to which the Guarantor is a party or by which the Guarantor or any of its assets is or may be bound.

(g) **Legal Form; Registration Requirements**

(i) This Guarantee is in proper legal form under the laws of India for enforcement in the relevant courts.

(ii) It is not necessary to file, register or otherwise record this Guarantee in any court, public office or elsewhere in India or to pay any registration or similar tax on or in relation to this Guarantee to ensure the validity, legality, effectiveness, enforceability or admissibility in evidence hereof, other than

the payment of stamp duty on this Guarantee in accordance with its location of execution.

(h) **Governing Law**

The choice of Indian law to govern this Guarantee is valid, legal and binding upon the Guarantor.

(i) **Information**

All information and documents provided by or on behalf of the Guarantor to the Debenture Trustee are genuine, true and correct as on the date such information or documents were provided, and no act or event or series of acts or events have occurred to render such information or documents so provided materially untrue or misleading in any way.

(j) **No Litigation**

No litigation, arbitration, administrative or other proceedings are pending against the Guarantor or its assets, which, if adversely determined, might be expected to have a Material Adverse Effect in relation to the Guarantor.

(k) **Material Adverse Effect**

No Material Adverse Effect in relation to the Guarantor has occurred.

(l) **Insolvency**

(i) The Guarantor is able to, and has not admitted its inability to, pay any Financial Indebtedness as they mature and has not suspended making payment on any of its Financial Indebtedness.

(ii) The Guarantor has not, by reason of actual or anticipated financial difficulties, commenced, or intends to commence, negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(iii) The value of the assets of the Guarantor is more than its liabilities.

(iv) No moratorium has been declared in respect of any Financial Indebtedness of the Guarantor.

8. **COVENANTS**

The Guarantor undertakes, covenants and agrees, from the Effective Date and until the Final Settlement Date, as follows:

(a) **Compliance**

The Guarantor will obtain, comply with the terms of and do all that is necessary to maintain in full force and effect its capacity and all approvals, authorizations, consents and licenses required by Applicable Law to enable it to lawfully enter into and perform its obligations under this Guarantee, and to ensure the legality, validity, priority, enforceability or admissibility in evidence of this Guarantee in India.

(b) **Information**

The Guarantor will, if so required by the Debenture Trustee, furnish or cause to be furnished to the Debenture Trustee:

(i) such reports and information as the Debenture Trustee may request from time to time with respect to the implementation and administration of this Guarantee;

(ii) within 15 (fifteen) days of request from the Debenture Trustee, details of all such financial information about the Guarantor and clarifications as the Debenture Trustee may require; and

(iii) (to the extent applicable) all necessary information/documents to enable the Debenture Trustee to comply with the SEBI Monitoring Circular and the SEBI Due Diligence Circular.

(c) **Notifications**

The Guarantor will:

(i) immediately inform the Debenture Trustee of (A) the imposition of, or change in, any law, decree or regulation having a Material Adverse Effect on the Guarantor, and (B) any substantial change in the business activities/employment of the Guarantor; and

(ii) notify the Debenture Trustee as soon as the Guarantor becomes aware of the occurrence of any event which, upon the lapse of time or the giving of notice or both, would become (A) a breach or default under this Guarantee, or any event which interferes, or threatens to interfere, with the performance by the Guarantor of its obligations under this Guarantee, or (B) an Event of Default.

(d) **Negative Covenants**

Without the prior written consent of the Debenture Trustee, the Guarantor will not:

(i) take any actions for voluntary insolvency/bankruptcy;

(ii) do or omit to do anything that will have a Material Adverse Effect on its obligations under this Guarantee;

(iii) dispose of any of its assets, properties or undertakings, or compromise with any of its creditors, except in the ordinary course of business;

(iv) enter into or perform any transaction or contract of any nature other than in the ordinary course of business; and

(v) assume, guarantee, endorse or in any manner become directly or contingently liable for or in connection with the obligation of any person other than itself.

(e) **Change of business/employment**

The Guarantor undertakes that no substantial change will be made to the general nature of its business/employment from that carried on as on the Effective Date.

(f) **Assets**

Until the Final Settlement Date, ensure and procure that its assets are sufficient to discharge the Guaranteed Obligations (including all interest and principal amounts) at all times and that such assets are free from any other encumbrances, other than those which are specifically agreed to by the Debenture Holders.

(g) **Other Acts and Deeds**

At the request of the Debenture Trustee, the Guarantor will promptly perform all acts and deeds as may be required by the Debenture Trustee or the Debenture Holders in relation to this Guarantee.

(h) **SEBI Listed Debentures Circulars**

(i) The Guarantor shall take all such acts and steps as may be required to ensure compliance with the SEBI Due Diligence Circulars and take any actions that may be required by the Debenture Trustee to comply with any obligations under the SEBI Due Diligence Circulars.

(ii) The Guarantor will, if so required by the Debenture Trustee, furnish or cause to be furnished to the Debenture Trustee all necessary information/documents to enable the Debenture Trustee to comply with the SEBI Monitoring Circular, including providing a net worth certificate in respect of the Guarantor on a half yearly basis, within 60 (sixty) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law.

9. **PAYMENTS**

The provisions of Clause 2.6 (*Application of Payments*) of the DTD will apply to this Guarantee *mutatis mutandis* as if set out herein.

10. **TAXES**

(a) All payments to be made by the Guarantor to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Guarantor is required to make a Tax Deduction pursuant to Applicable Law.

(b) The Guarantor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.

(c) If the Guarantor is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.

(d) Within the earlier of (i) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (ii) 60 (sixty) days of each Due Date, the Guarantor shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

11. NOTICES

11.1 Communications in writing

Any communication to be made under or in connection with this Guarantee shall be made in writing and, unless otherwise stated, may be made by fax, letter or e-mail.

11.2 Addresses

The address, e-mail and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection this Guarantee is that identified with its name below, or any substitute address, e-mail, fax number or department or officer as the Party may notify to the other Party by not less than 2 (two) Business Days' notice:

If to the Guarantor:

Address:	19, Process Server Society, Swawlambi Nagar, Nagpur - 440022, Maharashtra, India
Telephone:	+919011014966
Attention:	Mr. Maroti G. Jawanjar
E-mail:	jawanjarmaroti@gmail.com

If to the Debenture Trustee:

Address:	Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400001, Maharashtra, India
Telephone:	022-40807000
Attention:	Mr. Naresh Sachwani
E-mail:	itsl@idbitrustee.com

11.3 Delivery

Any communication or document made or delivered by any Party under or in connection with this Guarantee will only be effective:

(a) if by way of fax, when received in legible form on a Business Day during business hours;

(b) if received by e-mail, when received on a Business Day during business hours; and

(c) if by way of letter, when it has been left at the relevant address or 2 (two) Business Days after being deposited in the speed post or registered post, in an envelope addressed to it at that address,

and if a particular department or officer is specified as part of its address details provided under Clause 11.2 (*Addresses*), if addressed to that department or officer.

11.4 **Notification of Address, Fax Number and E-mail Address**

Promptly upon receipt of notification of an address, fax number and e-mail address or change of address, fax number or e-mail address pursuant to Clause 11.2 (*Addresses*) or changing its own address, fax number or e-mail address, either Party shall notify the other Party.

11.5 **Electronic Communication**

Any electronic communication made between the Guarantor and the Debenture Trustee will be effective only when actually received in a readable form and in the case of any electronic communication made by the Guarantor to the Debenture Trustee only if it is addressed in such a manner as the Debenture Trustee shall specify for this purpose.

11.6 **Reliance**

(a) Any notice sent under this Clause 11 (*Notices*) can be relied upon by the recipient if the recipient reasonably believes the notice to be genuine and if it bears what appears to be the signature (original or facsimile) of an authorised signatory of the sender (in each case without the need for further enquiry or confirmation).

(b) Each Party must take reasonable care to ensure that no forged, false or unauthorised notices are sent to another Party.

11.7 **English Language**

(a) Any notice given under or in connection with this Guarantee must be in English.

(b) All other documents provided under or in connection with this Guarantee must be:

(i) in English; or

(ii) if not in English, and if so required by the recipient, accompanied by a certified English translation.

12. **SET-OFF**

The Guarantor agrees and confirms that the Debenture Trustee shall be entitled to adjust appropriate or set-off all amounts held by it to the credit of or for the benefit of the Guarantor on any account or otherwise howsoever towards the discharge and satisfaction of the liability of the Guarantor under this Guarantee.

13. **GOVERNING LAW**

This Guarantee is governed by and will be construed in accordance with the laws of India.

14. **JURISDICTION**

14.1 The Parties agree that the courts and tribunals at Chennai, India shall have exclusive jurisdiction to settle all disputes which may arise out of or in connection with this Guarantee ("**Dispute**"). Accordingly, any suit, action or proceedings relating to any Dispute (together referred to as "**Proceedings**") arising out of or in connection with this Guarantee may be brought in the courts and tribunals of Chennai, India and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the

jurisdiction of those courts and tribunals.

14.2 The Parties irrevocably waive any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Chennai, India and any claim that any such Proceedings have been brought in an inconvenient forum. The Guarantor further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at Chennai, India shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by Applicable Law.

14.3 Nothing contained in this Clause 14 (*Jurisdiction*), shall limit any right of the Debenture Trustee to take the Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Guarantor irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

14.4 To the extent that the Guarantor may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Guarantor hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

15. MISCELLANEOUS

15.1 Severability

Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that will not invalidate the remaining provisions of this Guarantee or affect such provision in any other jurisdiction.

15.2 Reservation of Rights

No forbearance, indulgence or relaxation or inaction by the Debenture Trustee at any time to require performance of any of the provisions of this Guarantee will in any way affect, diminish or prejudice the right of the Debenture Trustee to require performance of that provision at a later point of time. Any waiver or acquiescence by the Debenture Trustee of any breach of any of the provisions of this Guarantee will not be construed as a waiver or acquiescence of any right under or arising out of this Guarantee, or acquiescence to or recognition of rights and/or position other than as expressly stipulated in this Guarantee.

15.3 Assignment

The Guarantor cannot assign or transfer all or any of its rights, benefits or obligations under this Guarantee. The Debentures may be transferred by the Debenture Holders in accordance with the terms of the DTD.

15.4 **Entirety**

This Guarantee is the entire agreement recording the understanding between the Debenture Trustee and the Guarantor in respect to matters concerning this Guarantee.

15.5 **Relationship**

Nothing contained in this Guarantee constitutes a partnership between the Guarantor and the Debenture Trustee.

15.6 **Amendments**

This Guarantee may be modified or amended with the written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) by way of an instrument in writing executed by the Guarantor and the Debenture Trustee.

15.7 **Cumulative Rights**

All remedies of the Debenture Trustee and the Debenture Holders under this Guarantee whether provided herein or conferred by statute, contract, civil law, common law, custom, trade, or usage, are cumulative and not alternative and may be enforced successively or concurrently.

15.8 **Transaction Document**

This Guarantee is a Transaction Document.

15.9 **Counterparts**

This Guarantee may be executed in any number of counterparts and all counterparts together shall constitute one and the same instrument.

[***Intentionally left blank***]

SCHEDULE I
FORM OF DEMAND CERTIFICATE

To: [__]
[*Insert address*]

From: **IDBI TRSUTEESHIP SERVICES LIMITED** ("**Debenture Trustee**")
[*Insert address*]

Date: [__]

Dear Sirs,

We refer to the personal guarantee dated [__] ("**Guarantee**") executed by [__] (the "**Guarantor**") in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders).

Please note that [__] (the "**Company**") has not fulfilled its obligations under the DTD and the other Transaction Documents, and an amount of INR [__] is due and payable by the Company to the Debenture Holders. Accordingly, we hereby issue this demand notice pursuant to Clause 2.2 (*Demand Certificate*) of the Guarantee, and require you to make such payments on or before [__].

Capitalised terms used herein and to not defined otherwise have the meanings given to them in the Guarantee.

Yours sincerely,

For **IDBI TRSUTEESHIP SERVICES LIMITED**

_____

Name:

Designation:

SIGNATURE PAGE

IN WITNESS WHEREOF, the Guarantor and the Debenture Trustee have caused this personal guarantee to be executed and acknowledged on the Effective Date.

	)
	)
SIGNED AND DELIVERED BY	)
MR. MAROTI G. JAWANJAR	)
the within named **Guarantor**	)
	)
	)

	)
	)
SIGNED AND DELIVERED BY	)
IDBI TRUSTEESHIP SERVICES LIMITED	)
the within named **Debenture Trustee**	)
by its duly authorised signatory	)
	)
	)

PERSONAL GUARANTEE
(MR. SANDEEP M. JAWANJAL)

This personal guarantee ("**Guarantee**") is executed at Chennai, India on September 13, 2022 ("**Effective Date**"):

BY:

1. **MR. SANDEEP M. JAWANJAL**, an Indian citizen holding passport number L9314669 and currently residing at 19, Process Server Society, Swawlambi Nagar, Nagpur - 440022, Maharashtra, India (hereinafter referred to as the "**Guarantor**", which expression will, unless repugnant to the subject or context, include its heirs, successors, administrators and permitted assigns);

IN FAVOUR OF:

2. **IDBI TRUSTEESHIP SERVICES LIMITED**, a company incorporated under the Companies Act, 1956 with CIN U65991MH2001GOI131154, having its registered office at Asian Building, Ground Floor, 17, R.Kamani Marg, Ballard Estate, Mumbai - 400001, Maharashtra, India and acting through its office at Ground Floor No. 115, Annasalai, Saidapet, Chennai - 600015, India (hereinafter referred to as the "**Debenture Trustee**", which expression will, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns).

   (The Guarantor and the Debenture Trustee are hereinafter collectively referred to as the "**Parties**", and individually as a "**Party**".)

BACKGROUND:

A. Berar Finance Limited, a company incorporated under the Companies Act, 1956 with corporate identification number ("**CIN**") U65929MH1990PLC057829, and a non-banking financial company registered with the Reserve Bank of India, having its registered office at Avinisha Tower, Mehadia Chowk, Dhantoli, Nagpur - 440012, Maharashtra, India (hereinafter referred to as the "**Company**", which expression will, unless repugnant to the subject or context thereof, include its successors and permitted assigns) , pursuant to the terms of the debenture trust deed dated September 13, 2022 ("**DTD**") executed between the Company and the Debenture Trustee, proposes to issue 300 (three hundred) rated, senior, secured, listed, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("**INR**") having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each and an aggregate face value of INR 30,00,00,000 (Indian Rupees Thirty Crore) ("**Debentures**"), at par, in dematerialised form on a private placement basis to certain identified investors ("**Issue**").

B. Under the debenture trustee agreement dated September 6, 2022 ("**Debenture Trustee Agreement**") executed between the Company and the Debenture Trustee, the Company has appointed IDBI Trusteeship Services Limited to act as the debenture trustee.

C. One of the conditions in the DTD for the issuance of the Debentures is that, *inter alia*, the Guarantor shall provide an unconditional and an irrevocable personal guarantee in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders (as defined below)) for the purposes of guaranteeing/credit enhancing the Guaranteed Obligations (as defined below) in respect of the Debentures.

D. Accordingly, the Guarantor has agreed to provide an unconditional and an irrevocable guarantee in favour of the Debenture Trustee in accordance with the terms contained herein.

NOW THEREFORE, FOR THE CONSIDERATION AFORESAID, THE GUARANTOR HEREBY AFFIRMS AND AGREES AS FOLLOWS:

OPERATIVE TERMS:

In consideration of the Debenture Holders subscribing/agreeing to subscribe to the Debentures issued by the Company under the terms of the DTD and the other Transaction Documents, the Guarantor hereby unconditionally, absolutely, and irrevocably guarantees as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

Capitalised terms used herein and not otherwise defined shall have the meanings given to them in the DTD. In this Guarantee, the following terms have the following meanings:

(1) "**Applicable Law**" has the meaning given to it in the DTD.

(2) "**Company**" has the meaning given to it in Recital A above.

(3) "**Debentures**" has the meaning given to it in Recital A above.

(4) "**Debenture Holders**" has the meaning given to it in the DTD.

(5) "**Debenture Trustee Agreement**" has the meaning given to it in Recital B above.

(6) "**Default Interest Rate**" means the aggregate of 2% (two percent) per annum and the Interest Rate.

(7) "**Demand Certificate**" has the meaning given to it in Clause 2.2 (*Demand Certificate*).

(8) "**DTD**" has the meaning given to it in Recital A above.

(9) "**Event(s) of Default**" has the meaning given to it in the DTD.

(10) "**Financial Indebtedness**" has the meaning given to it in the DTD.

(11) "**Guaranteed Amounts**" means the aggregate amounts payable by the Guarantor under this Guarantee.

(12) "**Guaranteed Obligations**" has the meaning given to the term "Secured Obligations" in the DTD.

(13) "**Interest Rate**" has the meaning given to it in the DTD.

(14) "**Material Adverse Effect**" has the meaning given to it in the DTD.

(15) "**RBI**" means the Reserve Bank of India.

(16) "**SEBI Due Diligence Circulars**" has the meaning given to it in the DTD.

(17) "**SEBI Monitoring Circular**" has the meaning given to it in the DTD.

(18) "**Secured Obligations**" has the meaning given to it in the DTD.

(19) "**Transaction Documents**" has the meaning given to it in the DTD.

1.2 **Interpretation**

Clause 1.2 (*Interpretation*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if expressly set out herein.

1.3 **Conflicts**

Clause 1.3 (*Conflicts*) of the DTD is deemed to be incorporated in this Guarantee *mutatis mutandis* as if expressly set out herein.

2. **GUARANTEE AND INDEMNITY**

2.1 **Guarantee**

The Guarantor irrevocably and unconditionally:

(a) guarantees to the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) punctual performance by the Company of all the Guaranteed Obligations; and

(b) undertakes with the Debenture Trustee that whenever the Company does not pay any amount as and when due under the DTD or any of the other Transaction Documents (in accordance with the provisions thereof), the Guarantor will immediately on demand by the Debenture Trustee, pay that amount as if it was the principal debtor/obligor in respect of that amount.

2.2 **Demand Certificate**

If an Event of Default occurs, the Guarantor will, upon demand, pay to the relevant Debenture Holders/Debenture Trustee without any demur or protest, the amounts stated in any demand certificate provided by the Debenture Trustee substantially in the form set out in Schedule I ("**Demand Certificate**") to the Guarantor, within the period specified in such Demand Certificate.

2.3 **Independent Obligation**

(a) The Guarantor will, as a separate and independent stipulation and without prejudice to the other provisions contained herein, as a primary obligor and a principal debtor and not merely as surety, on a full indemnity basis, indemnify the Debenture Trustee and the Debenture Holders against any loss they incur as a result of the whole or any part of the Guaranteed Obligations being or becoming void, voidable, unenforceable or ineffective as against the Company for any reason whatsoever irrespective of whether such reason or any related fact or circumstance was known or ought to have been known to the Debenture Trustee or the Debenture Holders or any of their officers, employees, agents or advisers. The amount of such loss will be equal to the amount, which the Debenture Trustee/Debenture Holders (as the case may be) would otherwise have been entitled to recover from the Guarantor on the basis of this

Guarantee.

(b) Without prejudice to Clause 2.3(a) above, the Guarantor shall also indemnify and keep indemnified the Debenture Trustee and the Debenture Holders against all losses, damages, costs, claims and expenses whatsoever which they may suffer, pay or incur by reason of or in connection with any default under the Transaction Documents, including any legal proceedings taken against the Company and/or the Guarantor for recovery of the amounts due under the Transaction Documents.

2.4 **Demand**

(a) Any demand given or made by the Debenture Trustee to the Guarantor will be conclusive evidence that the Guarantor's liability hereunder has accrued and that the extent of the Guarantor's liability is the amount stated in such demand. Such demand will be made by delivery of a Demand Certificate to the Guarantor by the Debenture Trustee, and will serve as conclusive evidence against the Guarantor of the amounts, for the time being, due from the Company in any action or proceeding brought under this Guarantee against the Guarantor.

(b) Any such demand made by the Debenture Trustee on the Guarantor will be final, conclusive and binding notwithstanding any difference or any dispute or arbitration or any other legal proceedings, pending before any court, tribunal, arbitrator or any other authority between the Company and/or the Guarantor and the Debenture Trustee and/or the Debenture Holders.

(c) Any admission or acknowledgement in writing given by the Company pursuant to or in relation to any amounts due under the DTD and/or the Transaction Documents will be binding on the Guarantor. The Guarantor accepts the correctness of any statement of account served on the Company which is certified by the Debenture Trustee and such statement of account shall be binding and conclusive as against the Guarantor. The Guarantor further agrees that in making an acknowledgement or making a payment, the Company shall be treated as the authorised agent of the Guarantor for the purposes of the Indian Limitation Act, 1963.

2.5 **No Requirement to Exhaust Remedies**

Without prejudice to Clause 2.4(a), prior to making any demand hereunder, the Debenture Trustee will not be required to take any step, make any demand upon, exercise any remedies or obtain any judgment against the Company, give notice to any other person under the Transaction Documents, or make or file any claim or proof in the dissolution or winding-up of the Company or enforce or seek to enforce any security now or hereafter held by the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) in respect of the Guaranteed Obligations.

2.6 **Indemnity**

(a) The Guarantor shall, within 10 (ten) calendar days of demand, indemnify the Debenture Holders and the Debenture Trustee from time to time, against any and all losses, liabilities, obligations, damages, judgments, costs, expenses (including, without limitation, advisors' fees), claims, fines, penalties, proceedings, actions or demands, of any kind or nature incurred by the Debenture Trustee/Debenture Holders as a result of:

(i) the occurrence of any Event of Default; or

(ii) any demand for any stamp duty, registration fee or any other duty, fee, costs, or imports received from any Governmental Authority in relation to the transactions contemplated under the Transaction Documents (including without limitation, any demand from stamp duty arising because any Transaction Document has been taken or has been received (whether by way of facsimile, photocopy or electronic record) in any state other than the state in which it has been executed; and

(iii) a failure by the Guarantor to pay any amount due under any Transaction Document on its due date.

(b) Any indemnification payment made by the Guarantor shall be grossed up to take into account any taxes, payable by the Debenture Trustee/Debenture Holders or deductible by the Guarantor on such payment.

(c) The indemnification rights of the Debenture Trustee/Debenture Holders under this Deed are independent of, and in addition to, such other rights and remedies as the Debenture Trustee/Debenture Holders may have under Applicable Law or in equity or otherwise, including the right to seek specific performance or other injunctive relief, none of which rights or remedies shall be affected or diminished thereby.

(d) The Guarantor acknowledges and agrees that any payments to be made pursuant to this Clause 2.6 (*Indemnity*) are not in the nature of a penalty but merely reasonable compensation for the loss that would be suffered, and therefore, the Guarantor waives all rights to raise any claim or defence that such payments are in the nature of a penalty and undertakes that it shall not raise any such claim or defence.

2.7 **Default Interest**

In the event that the Guarantor does not pay the Guaranteed Amounts in accordance with Clause 2.2 (*Demand Certificate*) on the due date stipulated under the Demand Certificate, the Guarantor will pay interest at the Default Interest Rate, on the outstanding amounts in accordance with the provisions of the DTD. The Guarantor agrees that such default interest is a genuine pre-estimate of the loss likely to be suffered by the Debenture Trustee and/or the Debenture Holders on account of any default by the Guarantor in discharging its obligations under this Guarantee.

2.8 **Variation of Guaranteed Amounts**

The Guaranteed Amounts will stand amended upon such amendment being mutually agreed between the Debenture Trustee and the Guarantor.

2.9 **Power to Vary**

The Guarantor hereby agrees that, without the concurrence of the Guarantor and without impairing or discharging in any way the Guarantor's obligations hereunder or incurring liability to the Guarantor, the Debenture Trustee may at any time without the consent of or notice to the Guarantor:

(a) exercise or refrain from exercising any rights against any other security provider/guarantor or any other party;

(b) settle, release or compromise any of the Guaranteed Obligations, any security therewith or any liability (including under this Guarantee) incurred directly or indirectly in respect thereof or hereof;

(c) vary, alter, waive, release or modify any and all the provisions of the Transaction Documents including, without limitation, any modification, variation, waiver, release or amendment of the DTD which increases the aggregate principal amount of, or the interest rate on, the Debentures or the amount of principal or interest scheduled to be paid in accordance with the DTD, as the case may be; and

(d) defer, postpone or revise the repayment in respect of the Debentures and/or payment of interest, default interest, additional interest and other amounts payable by the Company to the Debenture Trustee on such terms and conditions as may be considered necessary by the Debenture Trustee, including any increase in the rate of interest.

2.10 **Waivers**

The Guarantor will not be released by any act or omission on the part of the Debenture Trustee or the Debenture Holders, or by any other matter or thing whatsoever which under the law relating to sureties would have the effect of releasing the Guarantor, and the Guarantor hereby waives in favour of the Debenture Trustee, so far as may be necessary to give effect to any of the provisions of this Guarantee, all the suretyship and other rights which the Guarantor might otherwise be entitled to enforce.

2.11 **No Release**

The rights of the Debenture Trustee against the Guarantor will remain in full force and effect notwithstanding enforcement of this Guarantee in part, any arrangement which may be reached between the Debenture Trustee and the Company or other security provider/guarantor, and notwithstanding the release of any other security provider/guarantor from any liability, and notwithstanding that at any time hereafter any other security provider/guarantor may cease for any reason whatsoever to be liable to the Debenture Trustee.

2.12 **Principal Debtor**

To give effect to this Guarantee, the Debenture Trustee may act as though the Guarantor is the principal debtor.

2.13 **No Proof in Liquidation; No Exercise of Rights**

(a) Until the discharge of all of the Company's obligations under the Transaction Documents to the satisfaction of the Debenture Trustee, the Guarantor agrees that:

(i) in the event of the liquidation of the Company, it will not prove in liquidation proceedings in competition with the Debenture Trustee or the Debenture Holders;

(ii) it will not have a right of subrogation or indemnity against the Company, nor will it exercise any such rights available under Applicable Law, to claim any sum relating to the Guaranteed Obligations from the Company, including those of subrogation and of proof in the Company's insolvency, and will hold

the benefit of any such rights on trust for the Debenture Trustee;

(iii) it will not receive, claim or have the benefit of any payment, distribution or security from or on account of the Company, or exercise any right of set-off as against the Company; and

(iv) be subrogated to any rights, security or amounts held, received or receivable by the Debenture Trustee (or any trustee or agent on its behalf).

(b) The Guarantor hereby agrees that the Guarantor's right to indemnity (if any), against the Company will arise only after all the Guaranteed Obligations have been fully, completely, unconditionally and irrevocably discharged to the satisfaction of the Debenture Trustee.

(c) The Guarantor must hold in trust for and immediately pay or transfer to the Debenture Trustee any payments or distribution or benefit of security received by it in contravention of this Clause 2.13 (*No Proof in Liquidation; No Exercise of Rights*) or in accordance with any directions given by the Debenture Trustee hereinabove.

2.14 **Reinstatement**

If any discharge (whether in respect of the obligations of the Company or any security for those obligations or otherwise) or arrangement is made in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of the Guarantor under this Guarantee will continue or be reinstated as if the such discharge or arrangement had not occurred.

2.15 **No discharge**

The liability of the Guarantor under this Guarantee shall not be affected by:

(a) any change in the constitution or winding up of the Company or any absorption, merger or amalgamation of the Company with any other company, corporation or concern;

(b) any change in the Debenture Trustee and/or any change in constitution of the Debenture Trustee or the Debenture Holders;

(c) any change in the Debenture Holders, including by way of any transfer of the Debentures;

(d) any change in the management of the Company or takeover of the management of the Company;

(e) acquisition or nationalisation of the Company and/or of any of its undertaking(s) pursuant to Applicable Law;

(f) the absence or deficiency in the capacity of the Guarantor to provide guarantees and/or indemnities;

(g) the absence or deficiency of borrowing powers on the part of the Company or any irregularity in the exercise of such powers; or

(h) the absence of any consent or approval required by the Company or the Guarantor for the purposes of the issuance of the Debentures by the Company and/or the providing of this Guarantee by the Guarantor.

2.16 **Others**

Without prejudice to any of the provisions of this Guarantee and the other Transaction Documents, the Guarantor acknowledges, understands, confirms and agrees as follows:

(a) the Guarantor declares and agrees that it has not received and shall not, without the prior consent in writing of the Debenture Trustee receive any security or commission from the Company for the providing of this Guarantee so long as any amounts remain due and payable by the Company in respect of any of the Transaction Documents;

(b) the Guarantor shall not be entitled to the right conferred on sureties notwithstanding anything contained in Sections 133, 134, 135, 139 and 141 of the Indian Contract Act, 1872; and

(c) the Guarantor agrees that the Debenture Trustee shall not be bound to enquire into the powers of the Company, and the Debenture Trustee has powers against the Guarantor notwithstanding any security given or being given in favour of the Debenture Trustee may be void or defective.

3. **IRREVOCABLE GUARANTEE**

This Guarantee provided by the Guarantor is irrevocable and the obligations of the Guarantor hereunder are not conditional on the receipt of any prior notice by the Guarantor or the Company, and that the Demand Certificate or notice by the Debenture Trustee in respect of a demand/claim in accordance with the terms of this Guarantee is sufficient notice to, or demand on, the Guarantor.

4. **LIABILITY NOT AFFECTED**

4.1 The obligations of the Guarantor under this Guarantee will not be affected by any act, omission or thing (whether or not known to the Guarantor or the Debenture Trustee) which, but for this provision, would reduce, release or prejudice any of its obligations under this Guarantee. These include:

(a) any time or waiver granted to, or composition with, any person;

(b) any release of any person under the terms of any composition or arrangement;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;

(d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;

(f) any amendment of a Transaction Document or any other document or security;

(g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Transaction Document or any other document or security;

(h) any payments made or settled by the Company with the Debenture Trustee; or

(i) any insolvency or similar proceedings (including in respect of the Company).

4.2 The Guarantor will be jointly and severally liable with each other guarantor (if any) under the Transaction Documents for the due discharge of the Guaranteed Obligations. This Guarantee shall be enforceable against the Guarantor(s) jointly and severally notwithstanding that any security interest comprised in any of the Transaction Documents executed or to be executed by the Company in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) shall, at the time when the proceedings are taken against the Guarantor under this Guarantee be outstanding or unrealised or lost.

4.3 This Guarantee shall not be wholly or partially satisfied or exhausted by any payments made to or settled with the Debenture Trustee by the Company and shall be valid and binding on the Guarantor and operative until the Final Settlement Date.

5. **CONTINUING GUARANTEE**

(a) This guarantee is a continuing guarantee and will extend to the ultimate balance of all sums payable by the Company under the DTD and the other Transaction Documents, regardless of any intermediate payment or discharge in whole or in part.

(b) This Guarantee is in addition to and not by way of limitation of or substitution for, any other guarantee(s) that the Guarantor may have previously provided or may hereafter provide in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders) (whether alone or jointly with other parties) and this Guarantee will not revoke or limit any such other guarantee(s).

6. **EXPIRY**

This Guarantee will be in effect from the Effective Date until the Final Settlement Date.

7. **REPRESENTATIONS AND WARRANTIES**

The Guarantor makes the following representations and warranties as of the Effective Date, and which representations and warranties shall be true and valid on each date until the Final Settlement Date:

(a) **Status**

(i) The Guarantor is a resident of India and a "person resident in India" within the meaning given to that term under the Foreign Exchange Management Act, 1999 and all applicable guidelines, notifications and circulars issued by the RBI thereunder.

(ii) The Guarantor is competent to contract for the purposes of Applicable Law.

(iii) The Guarantor is of sound mind and is not disqualified from contracting under Applicable Law.

(iv) The Guarantor has full power and authority to engage in the profession or carry on its business as such profession or business is being conducted on the Effective Date.

(b) **Authorisation**

The Guarantor has the competence, full power and capacity to enter into this Guarantee and to exercise the rights and perform its obligations hereunder.

(c) **Binding Effect**

This Guarantee constitutes legal, valid and binding obligations of the Guarantor enforceable against the Guarantor in accordance with its terms.

(d) **Consents and other actions**

(i) All acts, conditions and things, which are necessary or advisable to be done, fulfilled or performed in connection with (A) the execution, delivery or performance of this Guarantee, (B) the legality, validity and enforceability hereof, and (C) the admissibility in evidence in India, of this Guarantee have been duly done, fulfilled and/or performed and are in full force and effect.

(ii) Neither the Guarantor, nor the Company is required to obtain any consent or approval from any third party, including pursuant to the constitutional documents of the Company or any shareholders agreement to which the Company and/or the Guarantor may be a party.

(e) **No Contravention**

The execution, delivery and performance of this Guarantee and all instruments and agreements required hereunder do not and would not contravene, violate or constitute a default under (i) any provision of any agreement or other instrument to which the Guarantor is a party or by which the Guarantor or any of his/her assets is or may be bound, (ii) any Applicable Law, or (iii) any judgment, injunction, order or decree binding upon the Guarantor or any of its assets.

(f) **No Default**

No event has occurred and is continuing which constitutes or which, upon the lapse of time or the giving of notice or both, would constitute an Event of Default relating to the Guarantor or a default under any agreement, mortgage, indenture, note or other instrument to which the Guarantor is a party or by which the Guarantor or any of its assets is or may be bound.

(g) **Legal Form; Registration Requirements**

(i) This Guarantee is in proper legal form under the laws of India for enforcement in the relevant courts.

(ii) It is not necessary to file, register or otherwise record this Guarantee in any court, public office or elsewhere in India or to pay any registration or similar tax on or in relation to this Guarantee to ensure the validity, legality, effectiveness, enforceability or admissibility in evidence hereof, other than

the payment of stamp duty on this Guarantee in accordance with its location of execution.

(h) **Governing Law**

The choice of Indian law to govern this Guarantee is valid, legal and binding upon the Guarantor.

(i) **Information**

All information and documents provided by or on behalf of the Guarantor to the Debenture Trustee are genuine, true and correct as on the date such information or documents were provided, and no act or event or series of acts or events have occurred to render such information or documents so provided materially untrue or misleading in any way.

(j) **No Litigation**

No litigation, arbitration, administrative or other proceedings are pending against the Guarantor or its assets, which, if adversely determined, might be expected to have a Material Adverse Effect in relation to the Guarantor.

(k) **Material Adverse Effect**

No Material Adverse Effect in relation to the Guarantor has occurred.

(l) **Insolvency**

(i) The Guarantor is able to, and has not admitted its inability to, pay any Financial Indebtedness as they mature and has not suspended making payment on any of its Financial Indebtedness.

(ii) The Guarantor has not, by reason of actual or anticipated financial difficulties, commenced, or intends to commence, negotiations with one or more of its creditors with a view to rescheduling any of its Financial Indebtedness.

(iii) The value of the assets of the Guarantor is more than its liabilities.

(iv) No moratorium has been declared in respect of any Financial Indebtedness of the Guarantor.

8. **COVENANTS**

The Guarantor undertakes, covenants and agrees, from the Effective Date and until the Final Settlement Date, as follows:

(a) **Compliance**

The Guarantor will obtain, comply with the terms of and do all that is necessary to maintain in full force and effect its capacity and all approvals, authorizations, consents and licenses required by Applicable Law to enable it to lawfully enter into and perform its obligations under this Guarantee, and to ensure the legality, validity, priority, enforceability or admissibility in evidence of this Guarantee in India.

(b) **Information**

The Guarantor will, if so required by the Debenture Trustee, furnish or cause to be furnished to the Debenture Trustee:

(i) such reports and information as the Debenture Trustee may request from time to time with respect to the implementation and administration of this Guarantee;

(ii) within 15 (fifteen) days of request from the Debenture Trustee, details of all such financial information about the Guarantor and clarifications as the Debenture Trustee may require; and

(iii) (to the extent applicable) all necessary information/documents to enable the Debenture Trustee to comply with the SEBI Monitoring Circular and the SEBI Due Diligence Circular.

(c) **Notifications**

The Guarantor will:

(i) immediately inform the Debenture Trustee of (A) the imposition of, or change in, any law, decree or regulation having a Material Adverse Effect on the Guarantor, and (B) any substantial change in the business activities/employment of the Guarantor; and

(ii) notify the Debenture Trustee as soon as the Guarantor becomes aware of the occurrence of any event which, upon the lapse of time or the giving of notice or both, would become (A) a breach or default under this Guarantee, or any event which interferes, or threatens to interfere, with the performance by the Guarantor of its obligations under this Guarantee, or (B) an Event of Default.

(d) **Negative Covenants**

Without the prior written consent of the Debenture Trustee, the Guarantor will not:

(i) take any actions for voluntary insolvency/bankruptcy;

(ii) do or omit to do anything that will have a Material Adverse Effect on its obligations under this Guarantee;

(iii) dispose of any of its assets, properties or undertakings, or compromise with any of its creditors, except in the ordinary course of business;

(iv) enter into or perform any transaction or contract of any nature other than in the ordinary course of business; and

(v) assume, guarantee, endorse or in any manner become directly or contingently liable for or in connection with the obligation of any person other than itself.

(e) **Change of business/employment**

The Guarantor undertakes that no substantial change will be made to the general nature of its business/employment from that carried on as on the Effective Date.

(f) **Assets**

Until the Final Settlement Date, ensure and procure that its assets are sufficient to discharge the Guaranteed Obligations (including all interest and principal amounts) at all times and that such assets are free from any other encumbrances, other than those which are specifically agreed to by the Debenture Holders.

(g) **Other Acts and Deeds**

At the request of the Debenture Trustee, the Guarantor will promptly perform all acts and deeds as may be required by the Debenture Trustee or the Debenture Holders in relation to this Guarantee.

(h) **SEBI Listed Debentures Circulars**

(i) The Guarantor shall take all such acts and steps as may be required to ensure compliance with the SEBI Due Diligence Circulars and take any actions that may be required by the Debenture Trustee to comply with any obligations under the SEBI Due Diligence Circulars.

(ii) The Guarantor will, if so required by the Debenture Trustee, furnish or cause to be furnished to the Debenture Trustee all necessary information/documents to enable the Debenture Trustee to comply with the SEBI Monitoring Circular, including providing a net worth certificate in respect of the Guarantor on a half yearly basis, within 60 (sixty) days from the end of each financial half-year or such other timelines as may be prescribed under Applicable Law.

9. **PAYMENTS**

The provisions of Clause 2.6 (*Application of Payments*) of the DTD will apply to this Guarantee *mutatis mutandis* as if set out herein.

10. **TAXES**

(a) All payments to be made by the Guarantor to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Guarantor is required to make a Tax Deduction pursuant to Applicable Law.

(b) The Guarantor shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly.

(c) If the Guarantor is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law.

(d) Within the earlier of (i) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (ii) 60 (sixty) days of each Due Date, the Guarantor shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

11. NOTICES

11.1 Communications in writing

Any communication to be made under or in connection with this Guarantee shall be made in writing and, unless otherwise stated, may be made by fax, letter or e-mail.

11.2 Addresses

The address, e-mail and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection this Guarantee is that identified with its name below, or any substitute address, e-mail, fax number or department or officer as the Party may notify to the other Party by not less than 2 (two) Business Days' notice:

If to the Guarantor:

Address:	19, Process Server Society, Swawlambi Nagar, Nagpur - 440022, Maharashtra, India
Telephone:	+919922200096
Attention:	Mr. Sandeep M. Jawanjal
E-mail:	Sandeepjawanjal125@gmail.com

If to the Debenture Trustee:

Address:	Asian Building, Ground Floor,17, R. Kamani Marg, Ballard Estate, Mumbai - 400001, Maharashtra, India
Telephone:	022-40807000
Attention:	Mr. Naresh Sachwani
E-mail:	itsl@idbitrustee.com

11.3 Delivery

Any communication or document made or delivered by any Party under or in connection with this Guarantee will only be effective:

(a) if by way of fax, when received in legible form on a Business Day during business hours;

(b) if received by e-mail, when received on a Business Day during business hours; and

(c) if by way of letter, when it has been left at the relevant address or 2 (two) Business Days after being deposited in the speed post or registered post, in an envelope addressed to it at that address,

and if a particular department or officer is specified as part of its address details provided under Clause 11.2 (*Addresses*), if addressed to that department or officer.

11.4 **Notification of Address, Fax Number and E-mail Address**

Promptly upon receipt of notification of an address, fax number and e-mail address or change of address, fax number or e-mail address pursuant to Clause 11.2 (*Addresses*) or changing its own address, fax number or e-mail address, either Party shall notify the other Party.

11.5 **Electronic Communication**

Any electronic communication made between the Guarantor and the Debenture Trustee will be effective only when actually received in a readable form and in the case of any electronic communication made by the Guarantor to the Debenture Trustee only if it is addressed in such a manner as the Debenture Trustee shall specify for this purpose.

11.6 **Reliance**

(a) Any notice sent under this Clause 11 (*Notices*) can be relied upon by the recipient if the recipient reasonably believes the notice to be genuine and if it bears what appears to be the signature (original or facsimile) of an authorised signatory of the sender (in each case without the need for further enquiry or confirmation).

(b) Each Party must take reasonable care to ensure that no forged, false or unauthorised notices are sent to another Party.

11.7 **English Language**

(a) Any notice given under or in connection with this Guarantee must be in English.

(b) All other documents provided under or in connection with this Guarantee must be:

(i) in English; or

(ii) if not in English, and if so required by the recipient, accompanied by a certified English translation.

12. **SET-OFF**

The Guarantor agrees and confirms that the Debenture Trustee shall be entitled to adjust appropriate or set-off all amounts held by it to the credit of or for the benefit of the Guarantor on any account or otherwise howsoever towards the discharge and satisfaction of the liability of the Guarantor under this Guarantee.

13. **GOVERNING LAW**

This Guarantee is governed by and will be construed in accordance with the laws of India.

14. **JURISDICTION**

14.1 The Parties agree that the courts and tribunals at Chennai, India shall have exclusive jurisdiction to settle all disputes which may arise out of or in connection with this Guarantee ("**Dispute**"). Accordingly, any suit, action or proceedings relating to any Dispute (together referred to as "**Proceedings**") arising out of or in connection with this Guarantee may be brought in the courts and tribunals of Chennai, India and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the

jurisdiction of those courts and tribunals.

14.2 The Parties irrevocably waive any objection now or in future, to the laying of the venue of any Proceedings in the courts and tribunals at Chennai, India and any claim that any such Proceedings have been brought in an inconvenient forum. The Guarantor further irrevocably agrees that a judgment in any Proceedings brought in the courts and tribunals at Chennai, India shall be conclusive and binding upon it and may be enforced in the courts of any other jurisdiction (subject to the laws of such jurisdiction) by a suit upon such judgment, a certified copy of which shall be conclusive evidence of such judgment, or in any other manner provided by Applicable Law.

14.3 Nothing contained in this Clause 14 (*Jurisdiction*), shall limit any right of the Debenture Trustee to take the Proceedings in any other court or tribunal of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not and the Guarantor irrevocably submits to and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of such court or tribunal, and the Guarantor irrevocably waives any objection it may have now or in the future to the laying of the venue of any Proceedings and any claim that any such Proceedings have been brought in an inconvenient forum.

14.4 To the extent that the Guarantor may in any jurisdiction claim for itself or its assets immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Guarantor hereby irrevocably agrees not to claim and hereby irrevocably waives such immunity.

15. MISCELLANEOUS

15.1 Severability

Any provision of this Guarantee which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of prohibition or unenforceability but that will not invalidate the remaining provisions of this Guarantee or affect such provision in any other jurisdiction.

15.2 Reservation of Rights

No forbearance, indulgence or relaxation or inaction by the Debenture Trustee at any time to require performance of any of the provisions of this Guarantee will in any way affect, diminish or prejudice the right of the Debenture Trustee to require performance of that provision at a later point of time. Any waiver or acquiescence by the Debenture Trustee of any breach of any of the provisions of this Guarantee will not be construed as a waiver or acquiescence of any right under or arising out of this Guarantee, or acquiescence to or recognition of rights and/or position other than as expressly stipulated in this Guarantee.

15.3 Assignment

The Guarantor cannot assign or transfer all or any of its rights, benefits or obligations under this Guarantee. The Debentures may be transferred by the Debenture Holders in accordance with the terms of the DTD.

15.4 **Entirety**

This Guarantee is the entire agreement recording the understanding between the Debenture Trustee and the Guarantor in respect to matters concerning this Guarantee.

15.5 **Relationship**

Nothing contained in this Guarantee constitutes a partnership between the Guarantor and the Debenture Trustee.

15.6 **Amendments**

This Guarantee may be modified or amended with the written consent of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders) by way of an instrument in writing executed by the Guarantor and the Debenture Trustee.

15.7 **Cumulative Rights**

All remedies of the Debenture Trustee and the Debenture Holders under this Guarantee whether provided herein or conferred by statute, contract, civil law, common law, custom, trade, or usage, are cumulative and not alternative and may be enforced successively or concurrently.

15.8 **Transaction Document**

This Guarantee is a Transaction Document.

15.9 **Counterparts**

This Guarantee may be executed in any number of counterparts and all counterparts together shall constitute one and the same instrument.

[***Intentionally left blank***]

SCHEDULE I
FORM OF DEMAND CERTIFICATE

To: [__]
[*Insert address*]

From: **IDBI TRSUTEESHIP SERVICES LIMITED** ("**Debenture Trustee**")
[*Insert address*]

Date: [__]

Dear Sirs,

We refer to the personal guarantee dated [__] ("**Guarantee**") executed by [__] (the "**Guarantor**") in favour of the Debenture Trustee (acting on behalf of and for the benefit of the Debenture Holders).

Please note that [__] (the "**Company**") has not fulfilled its obligations under the DTD and the other Transaction Documents, and an amount of INR [__] is due and payable by the Company to the Debenture Holders. Accordingly, we hereby issue this demand notice pursuant to Clause 2.2 (*Demand Certificate*) of the Guarantee, and require you to make such payments on or before [__].

Capitalised terms used herein and to not defined otherwise have the meanings given to them in the Guarantee.

Yours sincerely,

For **IDBI TRSUTEESHIP SERVICES LIMITED**

_____

Name:

Designation:

SIGNATURE PAGE

IN WITNESS WHEREOF, the Guarantor and the Debenture Trustee have caused this personal guarantee to be executed and acknowledged on the Effective Date.

	)
	)
SIGNED AND DELIVERED BY	)
MR. SANDEEP JAWANJAL	)
the within named **Guarantor**	)
	)
	)

	)
	)
SIGNED AND DELIVERED BY	)
IDBI TRUSTEESHIP SERVICES LIMITED	)
the within named **Debenture Trustee**	)
by its duly authorised signatory	)
	)
	)

APJ & Associates
Chartered Accountants

Plot No. 68, Sukrut Apartment,
Beside Dr. Rajesh Atal House,
Gandhinagar, Nagpur - 440 010 (M.S.)
Ph. : 0712-2222261

Mobile : 9404703702, 9405912445/43
E-mail : atulbhaiyya@gmail.com
info@caapj.in
Website : www.caapj.in

NET WORTH CERTIFICATE

This is to certify that the Net worth of Mr. Maroti Jawanjar as on 31/03/2022 as per the statement of Computation of even date given below is Rs.23,69,07,740.00 /- (Rupee Twenty Three Crore Sixty Nine Lacs Seven Thousand Seven Hundred And Forty Only /-).

SR.No.	ASSETS	Rs.	Remarks
1.	Shares of Berar Finance Ltd (No. of Share 10,22,894* Rs.210 per Share)	21,48,07,740.00	Valued as per Book value of Share as on 31/03/2022
2.	Residence house ,Swawalambi Nagar Nagpur	2,00,00,000.00	Valuation taken as per self attestation valuation given by Mr Maroti Jawanjar
3	Fixed Deposit with Berar Finance Ltd	21,00,000.00	
	Total	**23,69,07,740.00/-**	

We further certify that: The computation of Net worth, based on our scrutiny of the books of accounts, records and documents, is true and correct to the best of our knowledge and as per information provided to our satisfaction.

This certificate has been issued on request of our client.

For APJ & Associates

Firm Reg. No. 124810W

Chartered Accountants

CA Atul Bhaiyya , Partner

M. No. 128681

UDIN: 22128681AJWBBS2825

Date: 30/05/2022

APJ & Associates
Chartered Accountants

Plot No. 68, Sukrut Apartment,
Beside Dr. Rajesh Atal House,
Gandhinagar, Nagpur - 440 010 (M.S.)
Ph. : 0712-2222261

Mobile : 9404703702, 9405912445/43
E-mail : atulbhaiyya@gmail.com
info@caapj.in
Website : www.caapj.in

NET WORTH CERTIFICATE

This is to certify that the Net worth of Mr. Sandeep Maroti Jawanjal as on 31/03/2022 as per the statement of Computation of even date given below is Rs. 7,50,34,355/- (Rupee Seven Crore Fifty Lacs Thirty Four Thousand Three Hundred And Fifty Five Only/-).

Sl.No.	ASSETS	Rs.	Remarks
1	Shares of Berar Finance Ltd (No. of Share 3,26,318* Rs.210.00 per Share)	6,85,26,780.00	Valued as per Book value of Share as on 31/03/2022
2.	Deposits with Berar Finance Ltd	65,07,575.00	Valued as per information provided to our satisfaction.
	Total Asset	**7,50,34,355.00/-**	

We further certify that: The computation of Net worth, based on our scrutiny of the books of accounts, records and documents, is true and correct to the best of our knowledge and as per information provided to our satisfaction.

This certificate has been issued on request of our client.

For APJ & Associates

Firm Reg. No. 124810W

Chartered Accountants

CA Atul Bhaiyya , Partner

M. No. 128681

UDIN: 22128681AJWBIA8965

Date: 30/05/2022

BERAR FINANCE LIMITED

30th Annual Report 2019-2020

Board of Directors

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

Company Secretary

CS (Mrs.) Deepali Balpande

Bankers

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

Public Deposit Trustee

Catalyst Trusteeship Ltd. Pune

Auditors

M/s Pravin Dhiran & Co.
Chartered Accountants

Regd. Office

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

CIN No.

U65929MH1990PLC057829

PAN No.

AAACB5861B

GSTIN

27AAACB5861B1Z0

Website

www.berarfinance.com

BRANCHES

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

DIRECTORS' REPORT

Your Directors are glad to present the 30th Annual Report and the audited accounts of your Company for the financial year ended 31.03.2020 ("**F.Y.2019-20**").

FINANCIAL RESULTS

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

(₹in lacs)

Particulars	**2019-20**	**2018-19**
Amount Disbursed during the year	43,670.39	34,416.82
Gross Receivables under Management (AUM)	**47,619.59**	**36,841.13**
Receivables sold under Securitisation	1,497.05	956.10
Gross Income	**11,419.20**	**8,956.08**
Profit (before extra-ordinary items)	2,373.51	2,077.27
Net Profit (after Tax)	**1,691.27**	**1,471.95**

APPROPRIATION OF PROFITS

The operations have generated a Net Profit (after tax) of ₹1,691.27 lacs (P.Y:₹ 1,471.95 lacs) for the financial year ended March 31, 2020.

Your Directors propose to appropriate the same as under:

(₹in lacs)

Particulars	**2019-20**	**2018-19**
Net Profit (after Tax)	1,691.27	1,471.95
Add: Balance Brought Forward	153.83	149.12
Disposable Profit	1,845.10	1,621.07
Appropriations:		
- Dividend paid during the year	80.00	80.00
- Dividend Distribution Tax	16.44	16.44
- Transfer to Statutory Reserve	423.00	370.80
- Transfer to General Reserve	1,100.00	1,000.00
Balance Carried Forward	**225.66**	**153.83**

DIVIDEND

Your directors recommend a dividend of ₹ 0.50 per Equity Share as against ₹ 1.00 per Equity Share in the previous financial year. The reason behind the move is the conservative call taken by the Company having regard to the current COVID-19 situation. Though profits of the Company have increased, it has been decided to conserve cash and increase the reserves that can be used for business expansion and as a buffer against any crisis.

FUNDING RESOURCES

I. Bank Facilities-As on date, a consortium of bankers comprising of Bank of Maharashtra, IDBI Bank, Punjab National Bank, AU Small Finance Bank and IDFC First Bank are providing CC facility of ₹ 65.00 Crores. IDFC First Bank joined the consortium with initial exposure of ₹ 10.00 Crores during the year.

ii. Fixed Deposits- As on 31.03.2020 total fixed deposits amounted to ₹ 9,252.18 lacs,of which public deposits amounted to ₹ 8,558.53 lacs. The following table provides the details of the flow of public deposits during F.Y2019-20:

Particulars	₹ in lacs
Public Deposits at the beginning of the year	7,075.99
Less: Public deposits repaid / renewed during the year	3,458.28
Add: Public Deposits accepted / renewed during the year	4,940.82
Public Deposits at the end of the year	**8,558.53**

₹ 564.51 lacs of deposits (from 282 deposit accounts) matured during the year were unclaimed as on 31.03.2020. Of these 37 deposit accounts totalling to ₹ 66.50 lacs are still unclaimed on the date of this report. Periodic reminders are being sent to the depositors for repayment/renewal of deposits.

iii. Terms Loans- Your Company has availed term loans for working capital from various lenders at favourable terms and at reasonable rate of interest. The outstanding balance of such loans as on March 31, 2020 is ₹26,829 lacs.The term loans offer ready availability, their repayments match maturity of receivables offered as security and has retained its position as the main source of funding during the year.

iv. Term loan for office premises - The Company acquired in 2017 the 1st and 2nd floors of Avinisha Tower, Dhantoli, Nagpur admeasuring about 8,100 square feet for accommodating the growing needs of the business. The Company took term loan of ₹ 750 lacs from Bank of Maharashtra for the said purpose.The outstanding balance of such loans as on March 31, 2020 is ₹ 303.32 lacs.

v. Assets Securitised-During the year, the Company raised resources to the extent of ₹ 1,754.11 lacs through securitization of receivables.

vi. Share Capital by Preferential Allotment: With the view to strengthen the capital base, your Company raised the capital by offering and allotting shares on preferential basis as under:

Investors	No. of equity shares allotted	Amount received (in ₹) (A)	No. of CCPS*	Amount received (in ₹) (B)	Total amount (in ₹) (A)+(B)
Amicus Capital Private Equity I LLP	9,97,778	17,96,00,040	4,98,889	8,98,00,020	26,94,00,060
Amicus Capital Partners India Fund I	1,13,333	2,03,99,940	56,667	1,02,00,060	3,06,00,000
Total	**11,11,111**	**19,99,99,980**	**5,55,556**	**10,00,00,080**	**30,00,00,060**

(*CCPS means Cumulsorily Compulsorily Convertible Participating Preference Shares)

POSTPONMENT OF EXTRA-ORDINARY GENERAL MEETING

The 1/F.Y. 2020-2021 Extra-Ordinary General meeting ("**EGM**") scheduled to be held on April 13, 2020 was postponed following the Government guidance against public gathering on account of COVID-19 and same was intimated to the members of the Company on April 8, 2020 through notification in the newspapers viz.Times of India & Maharashtra Times. The EGM was conveyed for approval of the following three items namely;

a. To approve the amendment, re-statement and entrenchment of the Articles of Association of the Company;

b. To regularize the appointment of Mr.Mahesh Parasuraman (DIN:00233782), Additional Director as a director liable to retire by rotation; and

c. To revise the terms and conditions of the employment agreement of Mr. Sandeep Jawanjal (DIN : 01490054), Executive Director of the Company.

Now these items will be considered at the ensuing 30thAnnual General Meeting of the Company.

REVIEW OF OPERATIONS

Financing of two-wheelers continues to be the mainstay product of your Company. With a view to broadbase the business, your Company ventured into other loan products like financing agri-equipment,office equipment, commercial vehicles, cars and personal loans during the year. Your Company has a strong network and presence in rural and semi-urban India which has demonstrated strong growth potential. Your Company has recorded satisfactory growth in business with a 26.88% increase in disbursement and 27.50% increase in gross income during F.Y 2019-20.

BRANCH NETWORK

Your Company plans to reach customers through expansion of its branch network across strategic locations in Central, Western and Southern India. During F.Y 2019-20, your Company opened new branches at Dhamatari, Belgavi, Seoni, Dewas, Balodabazar, Kamareddy, Bardoli, Narsighpur, Vidhisha, Ratnagiri, Vyara, Navsari, Saraipali, Nirmal, Manmad. During the current financial year upto the date of this report, the Company has also opened new branches at Nadurbar in Maharashtra.

At present, your Company has a total network of 67 branches, comprising 33 in Maharashtra, 9 in Madhya Pradesh, 11 in Chhattisgarh, 8 in Telangana, 4 in Gujarat and 2 in Karnataka.

Your Company plans to add few more branches during the financial year 2020-2021.

RESERVE BANK OF INDIA GUIDELINES

Your Company has been following guidelines issued by the Reserve Bank of India ("**RBI**") including those related to prudential norms for income recognition, asset classification, provisioning of bad and doubtful debts, Capital adequacy and concentration of credit and investments.Your Company has a comfortable capital adequacy ratio of 23.83% (as against 15% prescribed by RBI) as on 31.03.2020. Under the new regulatory framework of RBI, your Company is classified as **Systemically Important Asset Finance Company- Deposit Taking**.

Reserve Bank of India vide its notification no.RBI/2018-19/130 DNBR (PD) CC.No.097/03.10.001/2018-19 February 22, 2019 harmonized different categories of NBFCs. According to this notification, your Company falls under the category of **Investment & Credit Company**.

RELATED PARTY TRANSACTIONS

All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis.The Company did not enter into any material transaction with related parties under Section 188 of the Companies Act,2013 ("**Act**"),during F.Y. 2019-20. Form AOC-2, as required under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts)Rules,2014 is attached as part of this Report vide Annexure IV(i). Further, the Company's Policy on Related Party Transactions is attached as part of this report, vide Annexure IV(ii).

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

CREDIT RATING

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

Schemes	Credit Rating Agency	Rate of Grade
Fixed Deposits	BY ICRA Ltd.	MA-(Stable) Investment Grade
Cash Credit Facility	BY ICRA Ltd.	BBB (Stable) Investment Grade
Non-convertible Debentures(NCDs)	BY ICRA Ltd.	BBB (Stable) Investment Grade

STATUTORY AUDITORS & AUDITORS' REPORT

Chartered Accountants M/s .Pravin Dhiran & Co. (Firm Registration No.: 133656W)have been appointed as Statutory Auditors of the Company at the 29thAnnual General Meeting of the Company for a period of 5 years from the conclusion of that Annual General Meeting till the conclusion of 34th Annual General Meeting at such remuneration and out of pocket expenses, as may be mutually agreed between Board of Directors of the Company and the Statutory Auditors.

REPORTING OF FRAUD BY THE AUDITORS

The Auditors did not report any fraud during the year.

INTERNAL AUDITORS

M/s. Somalwar Sahasrabudhe and Associates, (Firm Registration No.135726W) Chartered Accountants, perform the duties of Internal Auditors of the Company. The Audit Committee regularly reviews their reports including the audit findings as well as adequacy and effectiveness of the internal control measures.

SECRETARIAL AUDITORS

The Board of Directors of the Company on 9thJune 2020 have appointed M/s. SPZ & Associates, Company Secretaries (Firm Registration Number S2015MH305600) as Secretarial Auditors of the Company for F.Y. 2020-21.

DIRECTORS

Mr. Shantaram Krishnarao Mahakalkar (DIN No. 00379988), Non-Executive Director, retires by rotation and being eligible offers himself for reappointment.

The private equity investors namely Amicus Capital Private Equity I LLP and Amicus Capital Partners India Fund I had nominated Mr. Mahesh Parasuraman (DIN:00233782) as their representative Director on the Board and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on 20th February, 2020 appointed Mr. Mahesh Parasuraman as an Additional Director of the Company liable to retire by rotation. He shall hold office as an Additional Director upto the date of ensuing 30thAnnual General Meeting of the Company.The Nomination and Remuneration Committee of the Company has recommended his appointment as a Non-Executive Non-Independent Director of the Company liable to retire by rotation.

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

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

DIRECTORS’ RESPONSIBILITY STATMENT

As required under Section134(3)(c) of the Act,your Directors confirm that:

1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any;

2) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4) The Directors have prepared the annual accounts on a going concern basis;

5) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

6) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

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

RISK MANAGEMENT

Your Company, being in the business of retail financing has to face inherent risks like credit risk, liquidity risk, interest rate risk and operational risk. The survival and growth of any financing entity largely depends upon carefully managing these risks. The Audit Committee, Risk Management Committee and Assets Liability Management Committee review and monitor these risks at periodic intervals.

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

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

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

INTERNAL FINANCIAL CONTROLS

The internal financial controls of the Company are commensurate with its size, scale and complexities of its operations. The Company has robust policies and procedure which *interalia*, ensure integrity in conducting business, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention and detention of frauds and errors. The internal financial control with reference to the financial statements were tested and reported adequate and operating effectively.

HUMAN RESOURCES

Quality organization needs quality people. To the Company, its people are the most valuable resource. Your Company is putting a strong emphasis on attracting, training and retaining the right talent with focus on merit and performance.

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

During the F.Y 2019-20, the Board of Directors granted the Employee Stock Options to select employees pursuant to “Berar Finance Limited Employee Stock Option Scheme, 2019” the details of which are attached to the Board Report as AnnexureVI.

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE POLICY

Your Company has put in place a policy for prevention, prohibition and redressal against sexual harassment of women at the work place, to protect women employees and enable them to report sexual harassment at the workplace in line with the requirements of ‘The Sexual Harassment of Women at the Workplace(Prevention,Prohibition & Redressal) Act,2013. An Internal Complaints Committee (“**ICC**”) headed by a women employee has also been constituted for the purpose. All employees (including permanent, contractual,temporary,trainees) are covered under this policy. No complaints of sexual harassment were received during F.Y 2019-20.

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

SECRETARIAL STANDARDS OF INSTITUTE OF COMPANIES SECRETARIES OF INDIA

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

MAINTENANCE OF COST RECORDS

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

Pursuant to Section 186(11) of the Act, the provisions of Section 186(4) of the Act requiring disclosure in the Financial Statements of the full particulars of the loans made and guarantees given or securities provided by a Non-Banking

Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report. Further, pursuant to the provisions of Section 186(4) of the Act, the details of investments made by the Company are given in the Notes to the Financial Statements.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and subsection (3) of Section 92 of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as at 31st March, 2020 in Form No. MGT-9, is appended as Annexure V and forms part of this Report. The Annual Return of the Company as at 31st March 2020 has been placed on the website of the Company and can be accessed at https://www.berarfinance.com/AGM_2020.

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

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

OTHER PARTICULARS

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

Your Company, being an NBFC registered with the RBI, the provisions of Section185 of the Act are not applicable to the Company.

Annexures forming part of this Report:

1. Management Discussion and Analysis: Annexure I
2. Report on Corporate Governance: Annexure II
3. Report on CSR Activities: Annexure III
4. Form AOC-2: AnnexureIV(i)
5. Related party Transaction Policy: AnnexureIV(ii)
6. Annual Return(Sec. 92(3) of Act): AnnexureV
7. Disclosure under Employee Stock Option Plan:Annexure VI

ACKNOWLEDGEMENT

The Board of Directors takes the opportunity to express its sincere appreciation for the support and co-operation from its members, depositors, banks, financial institutions and the regulator- RBI.

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

Nagpur
27.07.2020

For and on behalf of
the Board of Directors

M.G.Jawanjar
Chairman

Annexure I

MANAGEMENT DISCUSSION AND ANALYSIS

F.Y.2019-2020 was a challenging year for the economy in general and financial services industry in particular. While the economy was recovering from the effects of demonetisation and implementation of GST, it witnessed a slowdown with the GDP growth reducing from 5.2% in April-June 2019 to 3.1% in January-March 2020 coupled with the liquidity challenges in the NBFC sector. As a result, the financial services industry whose prospects are very closely linked to the economic growth faced multiple challenges including concerns on liquidity and asset quality. However, the Company was able to navigate these challenges effectively and recorded strong growth in its loan-book without compromising on asset quality during F.Y 2019-20 which is indicative of the fundamental strength of its business model.

Market Scenario

Your Company's operations is primarily focused on Central India. This part of India is characterised by rich natural resources, rural population with agriculture and agri-based industries being an important source of employment and livelihood. As a result, demand for products like two-wheelers and cars in these geographies are indirectly related to the performance of the agriculture sector.

The demand for vehicles in the first half of the financial year was encouraging but towards the second half of the financial year there was a general decline in all segments of auto-sales, mainly due to impending switchover to the BS-VI norms from April 2020 as well as general economic slowdown.Demand in the last few weeks of F.Y 2019-20 was also impacted by the nationwide lockdown owing to COVID-19.

Your Company's primary business is financing two-wheelers with focus on semi-urban and rural areas. These regions have witnessed significant economic development in the past few years driven by the factors like diversification and increase of income from alternative sources (e.g. dairy farming, agro-industries), increased Governments pending on infrastructure projects etc. These factors provided employment to the people that helped improve their standard of living and consequently demand for various products including two-wheelers, cars, commercial vehicles, consumer durables, agri-equipment. The demand has been further boosted by availability of credit from organized players like NBFCs.

Outlook

While the long-term outlook remains positive, the near-medium term outlook is expected to be challenging given the current COVID-19 situation across the country and its effect on economy. Growth prospects will depend on multiple factors, including how the COVID-19 pandemic evolves across the country. Implementation of fiscal and monetary policy support, the liquidity support granted by the RBI is yet to show any impact given that several areas across the country continue to be impacted by intermittent lock-down. However, the Company's prospects are not expected to be less impacted given that rural India has been relatively less affected by the pandemic. A bountiful rabi harvest followed by efficient procurement, the recent increase in Minimum Support Prices ("**MSP**") of crops and the prospect of normal monsoon augur well for the agriculture sector and should lead to growth in sales of vehicles and farm equipments which will benefit the Company.

Your Company has broad-based its product portfolio to take advantage of the growing demand for such products is offering products like agri-finance, consumer finance, car finance and personal loans. Your Company expects a sustained growth in business and profitability with such a diversified portfolio.

Berar Finance Limited expects to maintain its performance in F.Y. 2020-2021 and sustain its growth trajectory. The approach would be to continue with the growth momentum while balancing risk.The management believes that the Company is in a strong position to meet the increased demand of funds caused by inability of public sector banks to lend owing to asset quality challenges and liquidity challenges faced by smaller and unorganized financiers.

Performance During the Financial Year 2019-2020

The performance of the Company during the year was satisfactory, in the backdrop of growing competition, slowdown in economy and year end emergence of COVID-19.

(₹ in Lacs)

Particulars	2018-19	2019-2020	Change %
Total Income	8,956.08	11,419.20	**+27.50**
Total Cost	6,878.81	9,045.69	**+31.50**
Profit Before Tax	2,077.27	2,373.51	**+14.26**
Profit after Tax	1,471.95	1,691.27	**+14.90**
Earnings per Share (Fig in ₹)			
Basic	18.40	20.81	-
Diluted	18.40	20.61	-

Risks and Concerns

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

The main focus of your Company has been to ensure a diversified loan portfolio, improve credit quality, reduced mismatch in assets and liabilities and lower cost of funds. The Risk Management Committee and Assets Liability Management Committee have been working constantly to meet these objectives. The Company has been largely successful in managing the risks and concerns inherent in the business of a finance company. With multiple lenders and other sources of funds, the Company is assured of easy availability of funds at lower cost for its growing business. Your Company does not perceive any threat to the business growth with profits.

Customer Service

Your Company continues to remain customer focused. Once a Berar customer- always a Berar customer is a key motto of the Company. Customer data and status is available online at all branches. Accepting that time has value, the Company provides prompt services while sanctioning/disbursing loans as well as post-disbursement services. Customers enquiries and complaints are attended instantly. Secondly the Company is known for its customer friendly and transparent finance schemes. There are committed employees at Head Office level as well as branch level to attend to customer enquiries, to offer prompt services and attend customers complaints urgently. Even during the pandemic and consequent lockdown, the customer connect was maintained while the entire staff was working from home. In line with the policy announced by Reserve Bank of India the Company granted moratorium to the performing customers in respect of installments upto 31st August 2020.

Annexure II
REPORT ON CORPORATE GOVERNANCE

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

1) Board of Directors

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

The Composition of the Board as on 31st March 2020 is as follows:

Name of Director	Category	DIN	No of Board Meeting(s) Attended during 2019-20	Whether attended AGM held during 2019-20
Mr.Maroti Jawanjar	Promoter	00379916	8	Yes
Mr.Shantaram Mahakalkar	Non-Executive Director	00379988	7	Yes
Mr.Ashok Kachore	Non-Executive Director	00380102	5	Yes
Mr.Dattatraya Dalal	Non- Executive Director	00380199	7	Yes
Mr.Vishwas Pathak	Independent Director	00452917	8	Yes
Mr.Atul Sarda	Independent Director	02161209	6	Yes
Mr.Sandeep Jawanjal	Promoter	01490054	7	Yes
Mr.Mahesh Parasuraman*	Non-Executive Director	00233782	0	No

*Mr.Mahesh Parasuraman was appointed as an additional director at last board meeting of F.Y. 2019-20 held on 20.02.2020.

Board Meeting

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

During the year under review, meetings of the Board of Directors were held as follows:

Date

1. 11.05.2019
2. 28.06.2019
3. 31.08.2019
4. 12.10.2019
5. 23.11.2019
6. 19.12.2019
7. 23.12.2019
8. 20.02.2020

Except Mr.Mahesh Parasuraman, none of the other Directors is holding directorship in other companies.

Mr.Mahesh Parasuraman holds directorship in the following companies:

1. Capital Small Finance Bank Limited;
2. AAUM Investment Advisers Private Limited;
3. Wonderchef Home Appliances Private Limited;
4. D2C Insurance Broking Private Limited; and
5. D2C Consulting Services Private Limited.

Remuneration of Directors

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

	₹		₹
Mr.Shantaram Mahakalkar	24,000	Mr.Ashok Kachore	8,000
Mr.Vishwas Pathak	38,000	Mr.Atul Sarda	28,000
Mr.Dattatraya Dalal	20,000		

During the year under review the Company paid ₹161.99 lacs towards remuneration to Mr. Maroti Jawanjar, Managing Director and Mr. Sandeep Jawanjal, Executive Director.

(Details provided in note no. 22.19 of notes to the financial statements).

2) Audit Committee

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

For F.Y. 2019-20, the Audit Committee meetings were held on 26.06.2019, 12.10.2019, 13.01.2020 and 20.03.2020.Mr. Atul Sarda & Mr.Vishwas Pathak have attended all the aforesaid committee meetings. Mr.Sandeep Jawanjal was absent on committee meeting dated 12.10.2019. The Statutory Auditors of the Company were invited to the above meetings.

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

3) Risk Management and ALM committee

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

For F.Y. 2019-20, the ALM committee meetings and Risk Management Committee meetings were held on 28.06.2019, 14.10.2019, 13.01.2020, 20.03.2020. All the members have attended the aforesaid meetings except Mr. Shantaram Mahakalkar who was absent on 14.10.2019 for both the committee meetings.

Business risk evaluation and management is an ongoing process within the organization. The Company has a strong risk management framework to identify monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises the following:

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

4) Nomination and Remuneration Committee

The Committee was constituted in pursuance of section 178 of the Act.As on date the Committee consists of the following members:

Name of Directors	Designation
Mr.Vishwas Pathak	Chairman
Mr.Atul Sarda	Member
Mr.Dattatraya Dalal	Member

For F.Y. 2019-20, the Committee meetings were held on 26.06.2019 and 12.10.2019, 23.12.2019, 20.02.2020 and 20.03.2020. All the members have attended the aforesaid meetings except Mr. Dattatraya Dalal who was absent for the meeting on 12.10.2019.

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

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

5) Stakeholders Relationship Committee

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

Name of Directors	Designation
Mr.Shantaram Mahakalkar	Chairman
Mr.Ashok Kachore	Member
Mr.Dattatraya Dalal	Member

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

For F.Y. 2019-20, the Committee had only one meeting which was held on 20.03.2020. All the Committee members have attended the meeting.

The Company Secretary is the Secretary of the Committee. No complaints were received during the year from shareholders and depositors.

6) Corporate Social Responsibility (CSR) Committee

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

Name of Directors	Designation
Mr.Maroti Jawanjar	Chairman
Mr. SandeepJawanjal	Member
Mr.Vishwas Pathak	Member

For F.Y. 2019-20, the Committee meetings were held on 23.12.2019 and 20.03.2020.All the committee members have attended the aforesaid meetings.

7) Fund Management Committee Meeting

During the financial year 2019-2020,the Board of Directors of the Company had constituted committee named as Fund Management Committee to delegate borrowing powers under Sec 179(3)(d) of the Act. The main function of the Committee is to avail the borrowing facility (fund based or non–fund based) upto Rs. 500 Crore during a financial year which includes various credit facilities by way of overdrafts, cash credits, term loan, opening of letter of credit, issuing of guarantees including deferred payment guarantees and indemnities, negotiation and discounting of demand and or usance bills and cheques inland as well as foreign and such other facilities as may be agreed upon from time to time, between the lender and Company.

The Committee comprises following members of the Board namely:

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

Delegation of borrowing powers to this committee is on yearly basis. At present the Committee has borrowing powers unto ₹500 Crore.

For F.Y. 2019-20, the Committee met on 30.12.2019 and 06.03.2020. All the committee members have attended the aforesaid meetings.

8) Independent Directors Meeting

During the year under review the Independent Directors met on 20.03.2020, *interalia* to discuss:

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

All the Independent Directors were present at the meeting.

9) General Body Meetings

The particulars of last 3 years Annual General Meetings(AGM) are as under:

Financial Year	Day	Date	Time	Place
2018-2019	Saturday	21.09.2019	4.00 P.M.	Arjuna Celebrations, Pande Layout, Khamla, Nagpur-440025
2017-2018	Saturday	08.09.2018	4.00 P.M.	Arjuna Celebrations, Pande Layout, Khamla, Nagpur-440025
2016-2017	Saturday	02.09.2017	4.00 P.M.	Celebration Centre, N. Ambazari Road, Nagpur-440010

The particulars of Extra-Ordinary General Meeting (EGM) are as under:

Day	Date	Time	Place
Monday	03.02.2020	3.00 P.M	Arjuna Celebrations, Pande Layout, Khamla, Nagpur-440025

Details of the Special Resolutions passed at the AGM, EGM and Postal Ballot held during the last three years:

Sr. no	Detail of resolution	Date of passing	No. of votes in favour	No. of votes against	% of votes in favour	% of votes in against
1.	To give approval for making investments, loans, giving guarantee or providing security under section 186 of the Act upto ₹1,000 cr.	08.09.2018	43,11,742	1,700	99.96 %	0.04%
2.	To re-appoint Mr. Vishwas Pathak as Independent director	21.09.2019	45,52,700	2,000	99.96 %	0.04%
3.	To re-appoint Mr. Atul Sarda as Independent director	21.09.2019	45,52,700	2,000	99.96 %	0.04%
4.	To Increase Borrowing limits from ₹400 crores to ₹2,000 crores under Section180(1)(c) of Act	21.09.2019	45,44,300	10,200	99.78 %	0.22%
5.	To authorize Board to create charge on the assets of the Company under Section 180(1)(a) of the Act.	21.09.2019	45,44,600	6,000	99.87 %	0.13%
6.	To Approve 'Berar Employee Stock Option Plan 2019'*	07.12.2019	42,77,100	3,800	99.92%	0.08%
7.	To insert clause 4A after clause 4 in the Articles of Association of the Company thereby authorizing the Company to alter its Authorized Share Capital.	03.02.2020	47,98,240	0	100 %	0%

8.	To accord authority to the Company to issue preference shares by inserting clause 4B after proposed clause 4A in the Articles of Association of the Company thereby undertake the consequent amendment to the Articles of Association of the Company;	03.02.2020	47,98,240	0	100 %	0%
9.	To authorize the issuance of the Tranche 1 Series A CCPS to the "Investors"(Amicus Capital Private Equity I LLP ("ACPE") and Amicus Capital Partners India Fund I ("ACPIF" and together with ACPE, the "Investors").	03.02.2020	47,98,240	0	100 %	0%
10.	To authorise the issuance of Tranche 1 Series A Equity Shares and Tranche 1 Series A CCPS through Private Placement.	03.02.2020	47,98,240	0	100 %	0%
11.	To remove clause no.13 of the Articles of Association of the Company requiring a director to hold qualification shares.	03.02.2020	47,98,240	0	100 %	0%

*The Special Resolution was passed through postal ballot and e-voting.

The Special Resolutions from Sr.no.1 to 6 were passed through E-voting and Ballot Paper/ Postal Ballot as per the procedure prescribed under Section 110 of the Act read with Companies (Management and Administration) Rules, 2014 under the overall supervision of the Scrutinizer, Mr. Amit K. Rajkotiya, Practicing Company Secretary (CP No. 5162) Nagpur.

The Special Resolutions from Sr.no.7 to 11 were passed through E-voting and Ballot Paper as per the procedure prescribed under Section 110 of the Act read with Companies (Management and Administration) Rules, 2014 under the overall supervision of the Scrutinizer, Mr. Sunil Purushottam Zore, Practicing Company Secretary(CP No.11837)Nagpur.

10) Details of Shares transferred to Investor Education and Protection Fund(IEPF) during F.Y.2019-20 and unclaimed dividend due dates:

The details of outstanding shares in Berar Finance Limited Investor Education and Protection Fund Authority, Ministry of Corporate Affairs

Particulars	Aggregate Number of shareholders	Outstanding shares lying in Berar Finance Limited IEPF Account
Opening Balance as on 1st April 2019	5	2,800
Less: Requests received for transfer / delivery during 2019-20 and Shares transferred / delivered during 2019-20	0	0
Add:Transfer of shares to Investor Education and Protection Fund Authority of Ministry of Corporate Affairs during 2019-20(Shares transferred on 2 5.09.2019)	3	1,750
Balance as on 31st March 2020	8	4,550

The Company sends statutory reminders to shareholders before transfer of their shares/unclaimed dividend to IEPF. The Shareholders who have not encashed their dividend are requested to contact the Company immediately.

Following dividends are transferable to the Investor Education and Protection Fund (IEPF) on the respective duedates, as under, in accordance with the provisions of Section 124(5) of the Act.

Nature of Dividend	Transferable to IEPF on
Final Dividend 2012-13	2nd September, 2020
Final Dividend 2013-14	22nd September, 2021
Final Dividend 2014-15	26th October, 2022
Final Dividend 2015-16	26th September, 2023
Final Dividend 2016-17	2nd October, 2024
Final Dividend 2017-18	8th October, 2025
Final Dividend 2018-19	21st October, 2026

Reminders are sent to members for encashing their unclaimed and unpaid dividends, on a regular basis through speed post at their address registered with the Company. Members who have not yet made claims are, therefore, requested to contact the Company/Registrar and Share Transfer Agents immediately.

11) Vigil Mechanism/Whistle Blower Policy

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner with highest standard of professionalism, honesty, integrity and ethical behaviour, the Company has adopted a Vigil Mechanism and Whistleblower Policy. The mechanism of reporting under this policy is in place and a copy of the policy is posted on website of the Company. No personnel have been denied access to the Chairman or members of the Audit Committee.

Annexure III
REPORT ON CSR ACTIVITIES

1.A Brief Outline of Company's CSR Policy

The Company's CSR Policy was approved at the Board Meeting held on 05.03.2015. The said policy is available on the Company's website www.berarfinance.com.

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

The five major areas in which the Company plans to work shall include Education, Healthcare, Environmental Sustainability, Poverty Alleviation and Promoting Sports. The objectives of the Company for the above activities shall be as follows:

i. Education- Our endeavour is to spark the desire for learning and enlighten minds. We may undertake to fulfill this objective by way of providing quality education initiatives or by financial assistance to the poor and needy students, education assistance to mentally handicapped children, assistance to undertake or to impart vocational training, adult education programs, girl education, other related infrastructure etc.

ii. Health Care- Our goal is to render quality healthcare facilities which we may provide by way of undertaking preventive healthcare programs including but not limited to settings various camps and related infrastructure services, providing of sanitation and making available safe drinking water, direct assistance to critically ill patients etc.

iii. Environmental Sustainability -For addressing this objective, we may undertake afforestation, planting of trees, maintain public garden, playground cleanliness and such other similar programmes or activities focused towards maintaining ecological balance, quality of soil, air and water, conservation of natural resources etc.

iv. Poverty alleviation and livelihood enhancement projects/women empowerment -To help poor people to help them to earn their livelihood thereby helping them to come out of poverty line. This also includes activities

to boost women empowerment. This will be through providing income earning assets like sewing machines, pressing machine, washing machines etc.

v. Promoting Sports - This includes providing financial assistance for organizing sports events, reimbursing the cost incurred by financially poor /needy sports boys/girls for playing any sport.

2. Composition of the CSR Committee

The following are the members of the CSR Committee of the Company:

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

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

Profits for past 3 years (₹ in lacs)

2018-2019	2,077.27	
2017-2018	1,768.80	Average Net Profit (₹1,792.90 lacs)
2016-2017	1,532.62	

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

The Company is required to spend ₹35.86 lacs. During the financial year, the Company had spent ₹35.88 lacs.

5. Details of CSR Spend

Details of CSR spend during F.Y. 2019-20.

Sr. No.	Implementing Agency	Activities identified	Location of project	Amount spent(in ₹)
1	Shri. Sant Jagnade Maharaj Bahu Udhyashiya Shikshan Santha, Nagpur	Providing educational help to poor needy children and financial assistance to abandoned children.	Nagpur	5,51,000
2	Rotary Club of Nagpur South East.	Creating health awareness in rural and tribal women.	Nagpur	51,000
3	Sarakshi Netralaya	Financial assistance to critically ill and needy patient Ms.Shobha Pathak for treatment of eye disease	Nagpur	50,000
4	Vishwa Hindu Jankalyan Parishad	Upliftment of poor tribal people of Udasa and Devlapar villages of Nagpur District.	Nagpur	5,00,000
5	Anjani Eye Hospital	Financial assistance to critically ill and needy patient,Mr. Purab Kumbhare for treatment of eye disease	Nagpur	80,000
6	Suwarna Mahotsav Ayojana Samittee (Constituted by Vidhyarthi Uvak Krida Mandal)	Encouraging various sport activities and conducting Indian games and Athletics.	Nagpur	50,000
7	Uday Mahila Seva Santha	Promoting and encouraging sports activity by giving financial assistance.	Umred (District:Nagpur)	39,125
8	Tidake Mahavidyalay	Promoting heath care& Sports.	Nagpur	91,475

9	Silaigram	Women empowerment Providing sewing machines for earning livelihood.	Wardha	75,160
10	Amrapali Utkarsh Sangha	Promote education of poor abandoned children	Nagpur	3,00,000
11	Central India Institute of Medical Science(CIIMS)	Quality health care facilities to needy poor.	Nagpur	4,00,000
12	Sandnya Sanwardhan Santha	Promote special education to mentally challenged children	Nagpur	4,00,000
13	Jeevoday Education Society	Imparting education to mentally challenged children	Nagpur	4,00,000
14	Maharogi Sewa Samiti	Upliftment of tribal people of Hemalkasa by eradicating hunger, poverty and malnutrition.	Warora District: Chandrapur	4,00,000
15	Cause to Connect Foundation	Promote the upliftment and livelihood of disadvantaged and underprivileged rural youth across India	Pune	1,00,000
16	Sure Tech hospital	Financial assistance to the poor patient Mr. Prashant Nagdeote for critical health treatment.	Nagpur	1,00,000
		Total		**35,87,760**

Annexure IV(i)
Form AOC-2

(Pursuant to clause (h) of sub-section(3) of Section 134 of the Act and Rule8(2) of the Companies (Accounts)Rules,2014)

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

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

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

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

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

Nagpur
27.07.2020

M.G.Jawanjar
Chairman

Annexure IV(ii)
Policy on Related Party Transactions

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

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

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

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

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

Annexure V

As on the financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April-2019]				No. of Shares held at the end of the year [As on 31-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	-	27,03,316	27,03,316	33.79%	27,07,316	-	27,07,316	29.71%	0.15%
b) Central Govt	-	-	-	0.00%		-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	14,88,484	14,88,484	18.61%	14,88,484	-	14,88,484	16.34%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	-	41,91,800	41,91,800	52.40%	41,95,800	-	41,95,800	46.05%	0.10%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	41,91,800	41,91,800	52.40%	41,95,800	-	41,95,800	46.05%	0.10%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
-Institutional Investors	-	-	-	0.00%	11,11,111	-	11,11,111	12.20%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	11,11,111	-	11,11,111	12.20%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	3,450	3,450	0.04%	750	2,300	3,050	0.03%	-11.59%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-								
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		17,85,085	17,85,085	22.31%	67,250	16,98,485	17,65,735	19.38%	-1.08%

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	20,16,865	20,16,865	25.21%	9,26,516	11,04,349	20,30,865	22.29%	0.69%
c) Others (specify)									
Investor Education & Protection Fund. No votion right in respect of these shares	**2,800**	**-**	**2,800**	**0.04%**	**4,550**	**-**	**4,550**	**0.05%**	**62.50%**
Non Resident Indians			-	0.00%			-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members			-	0.00%			-	0.00%	0.00%
Trusts			-	0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	2,800	38,05,400	38,08,200	47.60%	9,99,066	28,05,134	38,04,200	41.75%	-0.11%
Total Public (B)	2,800	38,05,400	38,08,200	47.60%	21,10,177	28,05,134	49,15,311	53.95%	29.07%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	2,800	79,97,200	80,00,000	100.00%	63,05,977	28,05,134	91,11,111	100.00%	29.17%

(ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	MAROTI JAWANJAR	10,21,194	12.76%		10,21,194	11.21%		0.00%
2	JYOTI JAWANJAR	2,74,550	3.43%		2,74,550	3.01%		0.00%
3	SANDEEP JAWANJAL	3,22,518	4.03%		3,22,518	3.54%		0.00%
4	BAKUL JAWANJAL	1,01,000	1.26%		1,01,000	1.11%		0.00%
5	RADHEMOHAN JAWANJAL	1,400	0.02%		1,400	0.02%		0.00%
6	MAROTI JAWANJAR(HUF)	8,66,954	10.84%		8,68,954	9.54%		0.23%
7	SANDEEP JAWANJAL(HUF)	1,15,700	1.45%		1,17,700	1.29%		1.73%
8	AVINO CAPCONS PVT. LTD. *	14,88,484	18.61%		14,88,484	16.34%		0.00%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	MAROTI JAWANJAR						
	At the beginning of the year			10,21,194	12.76%	10,21,194	11.21%
	Changes during the year				0.00%	10,21,194	11.21%
					0.00%	10,21,194	11.21%
	At the end of the year					10,21,194	11.21%
2	JYOTI JAWANJAR						
	At the beginning of the year			2,74,550	3.43%	2,74,550	3.01%
	Changes during the year			-	0.00%	2,74,550	3.01%
	At the end of the year					2,74,550	3.01%
3	SANDEEP JAWANJAL						
	At the beginning of the year			3,22,518	4.03%	3,22,518	3.54%
	Changes during the year				0.00%	3,22,518	3.54%
	At the end of the year					3,22,518	3.54%
4	BAKUL JAWANJAL						
	At the beginning of the year			1,01,000	1.26%	1,01,000	1.11%
	Changes during the year			-	0.00%	1,01,000	1.11%
	At the end of the year					1,01,000	1.11%
5	RADHEMOHAN JAWANJAL						
	At the beginning of the year			1,400	0.02%	1,400	0.02%
	Changes during the year				0.00%	1,400	0.02%
	At the end of the year					1,400	0.02%
6	MAROTI JAWANJAR(HUF)						
	At the beginning of the year			8,66,954	10.84%	8,66,954	9.52%
	Changes during the year	26.07.2019	Transfer	2,000	0.03%	8,68,954	9.54%
	At the end of the year					8,68,954	9.54%
7	SANDEEP JAWANJAL(HUF)						
	At the beginning of the year			1,15,700	1.45%	1,15,700	1.27%
	Changes during the year	20.12.2019	Transfer	2,000	0.03%	1,17,700	1.29%
	At the end of the year					1,17,700	1.29%
8	AVINO CAPCONS PVT.LTD.						
	At the beginning of the year			14,88,484	18.61%	14,88,484	16.34%
	Changes during the year				0.00%	14,88,484	16.34%
	At the end of the year					14,88,484	16.34%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	AMICUS CAPITAL PRIVATE EQUITY I LLP						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	20.02.2020	Allot	9,97,778	10.95%	9,97,778	10.95%
	At the end of the year					9,97,778	10.95%
2	RAVINDRA KACHORE						
	At the beginning of the year			2,33,484	2.92%	2,33,484	2.56%
	Changes during the year			-	0.00%	2,33,484	2.56%
	At the end of the year					2,33,484	2.56%
3	NARENDRA KACHORE						
	At the beginning of the year			1,98,482	2.48%	1,98,482	2.18%
	Changes during the year			-	0.00%	1,98,482	2.18%
	At the end of the year					1,98,482	2.18%
4	AMICUS CAPITAL PARTNERS INDIA FUND I						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year	20.02.2020	Allot	1,13,333	1.24%	1,13,333	1.24%
	At the end of the year					1,13,333	1.24%
5	AJAY KUMAR PATNI						
	At the beginning of the year			1,00,000	1.25%	1,00,000	1.10%
	Changes during the year			-	0.00%	1,00,000	1.10%
	At the end of the year					1,00,000	1.10%
6	KIDILE PRAKASH						
	At the beginning of the year			62,650	0.78%	62,650	0.69%
	Changes during the year			-	0.00%	62,650	0.69%
	At the end of the year					62,650	0.69%
7	PARAS MUTHA						
	At the beginning of the year			50,000	0.63%	50,000	0.55%
	Changes during the year			-	0.00%	50,000	0.55%
	At the end of the year					50,000	0.55%
8	CHANDAN MUTHA						
	At the beginning of the year			50,000	0.63%	50,000	0.55%
	Changes during the year			-	0.00%	50,000	0.55%
	At the end of the year					50,000	0.55%

9	AGRAWAL VIDUSHI						
	At the beginning of the year			48,500	0.61%	48,500	0.53%
	Changes during the year			-	0.00%	48,500	0.53%
	At the end of the year					48,500	0.53%
10	AGRAWAL CHANDA						
	At the beginning of the year			43,000	0.54%	43,000	0.47%
	Changes during the year			-	0.00%	43,000	0.47%
	At the end of the year					43,000	0.47%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	MAROTI JAWANJAR						
	At the beginning of the year			10,21,194	12.76%	10,21,194	11.21%
	Changes during the year				0.00%	10,21,194	11.21%
	At the end of the year					10,21,194	11.21%
2	SHANTARAM MAHAKALKAR						
	At the beginning of the year			29,900	0.37%	29,900	0.33%
	Changes during the year			-	0.00%	29,900	0.33%
	At the end of the year					29,900	0.33%
3	VISHWAS PATHAK						
	At the beginning of the year			27,600	0.35%	27,600	0.30%
	Changes during the year				0.00%	27,600	0.30%
	At the end of the year					27,600	0.30%
4	ASHOK KACHORE						
	At the beginning of the year			24,034	0.30%	24,034	0.26%
	Changes during the year			-	0.00%	24,034	0.26%
	At the end of the year					24,034	0.26%
5	DATTATRAYA DALAL						
	At the beginning of the year			1,13,816	1.42%	1,13,816	1.25%
	Changes during the year				0.00%	1,13,816	1.25%
	At the end of the year					1,13,816	1.25%

6	ATUL SARDA						
	At the beginning of the year			13,200	0.17%	13,200	0.14%
	Changes during the year			-	0.00%	13,200	0.14%
	At the end of the year					13,200	0.14%
7	SANDEEP JAWANJAL						
	At the beginning of the year			3,22,518	4.03%	3,22,518	3.54%
	Changes during the year				0.00%	3,22,518	3.54%
	At the end of the year					3,22,518	3.54%
8	MAHESH PARASURAMAN						
	At the beginning of the year			-	0.00%	-	0.00%
	Changes during the year				0.00%	-	0.00%
	At the end of the year					-	0.00%
9	DEEPALI BALPANDE						
	At the beginning of the year			41,900	0.52%	41,900	0.46%
	Changes during the year				0.00%	41,900	0.46%
	At the end of the year					41,900	0.46%

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,53,36,05,006.00	-	69,95,76,174.00	3,23,31,81,180.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	82,14,573.00	-	6,99,23,633.00	7,81,38,206.00
Total (i+ii+iii)	2,54,18,19,579.00	-	76,94,99,807.00	3,31,13,19,386.00
Change in Indebtedness during the financial year				
* Addition	1,81,50,00,000.00	-	53,10,23,873.00	2,34,60,23,873.00
* Reduction	1,08,81,13,397.00	-	37,53,06,102.00	1,46,34,19,499.00
Net Change	72,68,86,603.00	-	15,57,17,771.00	88,26,04,374.00
Indebtedness at the end of the financial year				
i) Principal Amount	3,25,62,50,640.00	-	84,82,01,723.00	4,10,44,52,363.00
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	1,24,55,542.00	-	7,70,15,855.00	8,94,71,397.00
Total (i+ii+iii)	3,26,87,06,182.00	-	92,52,17,578.00	4,19,39,23,760.00

Note : Deposits include deposits from Directors, their relatives and inter-coprorate deposits of ₹. 6,93,65,053.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN	.Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Mr.Maroti Jawanjar	Mr.Sandeep Jawanjal	(₹)
	Designation	Managing Director	Executive Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	33,60,000.00	27,10,000.00	60,70,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			-
	- as % of profit	50,05,000.00	40,95,000.00	91,00,000.00
	- others, specify			-
5	Others, please specify(PF Contribution & Gratuity)	4,03,846.00	6,24,888.00	10,28,734.00
	Total (A)	87,68,846.00	74,29,888.00	1,61,98,734.00
	Ceiling as per the Act			2,43,51,495.00

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
1	Independent Directors	Mr.Vishwas Pathak	Mr.Atul Sarda	Mr. Mahesh Parasuraman (NED)	
	Fee for attending board committee meetings	26,000.00	20,000.00	-	46,000.00
	Commission	-	-	-	-
	Others, please specify(Board Meetings)	12,000.00	8,000.00	-	20,000.00
	Total (1)	38,000.00	28,000.00	-	66,000.00
2	Other Non-Executive Directors(NED)	Mr.Shantaram Mahakalkar	Mr.Ashok Kachore	Mr.Dattatraya Dalal	
	Fee for attending board committee meetings	14,000.00	2,000.00	10,000.00	26,000.00
	Commission	-	-	-	-
	Others, please specify(Board Meetings)	10,000.00	6,000.00	10,000.00	26,000.00
	Total (2)	24,000.00	8,000.00	20,000.00	52,000.00
	Total (B)=(1+2)	62,000.00	36,000.00	20,000.00	1,18,000.00
	Total Managerial Remuneration				1,63,16,734.00
	Overall Ceiling as per the Act				2,43,51,495.00

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
	Name			Ms. Deepali Balpande	(₹)
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	14,74,952.00	14,74,952.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify(PF contribution & Gratuity)	-	-	1,52,958.00	1,52,958.00
	Total	-	-		16,27,910.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

Annexure VI

Requirements under the SEBI (Share Based Employee Benefits) Regulations, 2014

Summary of Status of ESOPs Granted

The position of the existing schemes is summarized as under -

Sr.No.	Particulars	ESOP 2019
I. Details of the ESOS		
1	Date of Shareholder's Approval	07.12.2019
2	Total Number of Options approved	240,000
3	Vesting Requirements	Time based vesting
4	Exercise Price or Pricing formula (Rs.)	₹ 95
5	Maximum term of Options granted (years)	5 years
6	Source of shares	Primary issuance
7	Variation in terms of ESOP	Nil
II. Option Movement during the year		
1	No. of Options Outstanding at the beginning of the year	0
2	Options Granted during the year	132,000
3	Options Forfeited / lapsed during the year	0
4	Options Vested during the year	0
5	Options Exercised during the year	0
6	Total number of shares arising as a result of exercise of options	0
7	Money realised by exercise of options (Rs.)	0
8	Number of options Outstanding at the end of the year	132,000
9	Number of Options exercisable at the end of the year	0
III Weighted average exercise price of Options granted during the year whose		
(a)	Exercise price equals market price	NIL
(b)	Exercise price is greater than market price	NIL
(c)	Exercise price is less than market price	95.00
Weighted average fair value of options granted during the year whose		
(a)	Exercise price equals market price	NIL
(b)	Exercise price is greater than market price	NIL
(c)	Exercise price is less than market price	110.41

The weighted average market price of options exercised during the year	No options Exercised during the year

Remaining Contractual life of options outstanding	4.73

IVEmployee-wise details of options granted during the financial year 2019-20 to:

(i)**Senior managerial personnel :**

Name	No. of options granted
Sewak Bhisikar	10000
Shyam Pimpalkar	10000
Someshwar Dhonge	10000
Rajesh Hinge	8000
Avinash Timande	7000
V. Manohar	7000
Rahul Lonkar	6000
Asawari Karve	6000
Pragyanand Jaiswal	4000
Mahesh Thakre	4000
Rahul Puri	4000
Vaibhav Raut	4000
Anup Deshmukh	4000
Ujjwal Jain	4000
Akhilesh Pathak	4000
Chandrashekhar Chitriv	4000
Rajkumar Wagh	4000
Sandip Sabale	4000
Mukesh Chaudhari	4000
Roshanlal Sahu	4000
Pratipal Jawanjar	4000
Chandrakant Patil	4000
Nitin Sirsat	4000
Amrut Raut	4000
Digamber Mahalle	4000

(ii)**Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year**

Name	No. of options granted
Sewak Bhisikar	10000
Shyam Pimpalkar	10000
Someshwar Dhonge	10000
Rajesh Hinge	8000
Avinash Timande	7000
V. Manohar	7000

(iii)**Identified employees who were granted option, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.**

Name	No. of options granted
Nil	

Method and Assumptions used to estimate the fair value of options granted during the year:

The fair value has been calculated using the Black Scholes Option Pricing model

The Assumptions used in the model are as follows:

Date of grant	Particulars
1. Risk Free Interest Rate	6.29%
2. Expected Life	4.26
3. Expected Volatility	30.50%
4. Dividend Yield	0.00%
5. Price of the underlying share in market at the time of the option grant (Rs.)	180.83

Assumptions:

Stock Price: Share price is taken as informed by the Company

Volatility: The historical volatility over the expected life has been considered to calculate the fair value.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.

Expected divided yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20	20.61

The stock-based compensation cost calculated as per the intrinsic value method for the period April 1, 2019 to March 31, 2020 is 11,17,391. If the stock-based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognised in the total cost to be recognised in the financial statements for the period April 1, 2019 to March 31, 2020 would be Rs.14,08,686. The effect of adopting the fair value method on the net income and earnings per share is presented below:

Pro Forma Adjusted Net Income and Earning Per Share

Particulars	Rs.
Net Income as reported	16,91,27,375
Add: Intrinsic Value Compensation Cost	11,17,391
Less: Fair Value Compensation Cost	14,08,686
Adjusted Pro Forma Net Income	16,88,36,079
Earning Per Share: Basic	
As Reported	20.81
Adjusted Pro Forma	20.78
Earning Per Share: Diluted	
As Reported	20.61
Adjusted Pro Forma	20.58

INDEPENDENT AUDITORS' REPORT

To the Members,
BERAR FINANCE LIMITED

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **BERAR FINANCE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit ~~(or Loss)~~* and cash flows for the year ended on that date

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of matter

We draw attention to note 2.1 to the financial statements, which describes the uncertainty caused by Novel Coronavirus (COVID-19) pandemic with respect to the Company's estimates of impairment of loans to customers and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

Other Matter:
Additional considerations on account of COVID-19

Pursuant to the Reserve Bank of India circular dated 27 March 2020 ('RBI circular') allowing lending institutions to offer moratorium to borrowers on payment of instalments falling due between 1 March 2020 and 31 May 2020 which was later further extended upto 31 August 2020, the Company has extended moratorium to its borrowers in accordance with its Board approved policy. In Management's view and considering the guidance provided by the Institute of Chartered Accountants of India, providing moratorium to borrowers at a mass scale, based on RBI directives, by itself is not considered to result in a Significant Increase in Credit Risk (SICR) for such borrowers. The management of the company is of the opinion that there is no significant deterioration in the asset quality and no additional provision towards Expected Credit Loss (ECL) is required. Given the unique nature and scale of the economic impact of this pandemic, and its timing being close to the year end, the Management estimate is based on various uncertain variables, which could result in actual credit loss being different than that being estimated. In view of the high degree of Management's judgment involved in estimation of ECL, accentuated by the COVID-19 pandemic, we refrain to comment upon the validity of the management's estimate.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Management's responsibility for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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 paragraphs 3 and 4 of the said Order.
2. 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 purpose of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable;
   (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164(2) of the Act;
   (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
   (g) In our opinion, the managerial remuneration for the year ended 31 March 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For PRAVIN DHIRAN & CO.
Chartered Accountants FRN: 133656W
PRAVIN DHIRAN Partner
M.No. 115580
UDIN- 20115580 AAAAD 02542

Nagpur
Dated: July 27th, 2020

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

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

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

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) The Company is in the business of providing finance services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

(iii) According the information and explanations given to us, the Company has granted unsecured loans to one bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

b) The principal and interest are repayable on demand. Interest is being charged annually at rates not less than bank rate declared by Reserve Bank of India.

c) As the principal and interest is repayable on demand, and as per information given by the company, such demand has not been raised during the year, there is no overdue

(iv) The company has given the loan to group concern Avino Capcons Pvt. Ltd. in the ordinary course of its business and interest is charged on such loans at rates not less than bank rate declared by Reserve Bank of India. Thus, provisions of section 185 of Companies Act, 2013 are complied with. The company had made investment in shares of Avino Capcons Pvt. Ltd. of Rs.2,90,000/- which has been received back during the year and as on 31/03/2020, the balance is NIL. According to information and explanations given to us, apart from these, the company has not given any loans or given any guarantee or security, nor made any investment and the provisions of section 185 and 186 of the Companies Act, 2013 are complied with.

(v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, 2013 and the rules framed there under with regard to deposits accepted from the public. No order has been passed on the Company by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.

(vi) Central Government has not specified for maintenance of cost records under section 148(1) of the Companies Act, 2013.

(vii) (a) According to the records of the company, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Goods and Service Tax (GST) and other material statutory dues, as applicable to it with the appropriate authorities. There were no arrears of undisputed statutory dues at the end of the financial year which were outstanding for more than six months from the date they become payable.

(b) According to the information furnished and explanations given, there are no dues in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess which have not been deposited on account of any dispute except the following:-

Name of the Statute	Nature of Disputed Dues	Amount under Dispute	Amount paid*	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income-tax	7,45,844	1,49,170	FY 2016-17 or AY 2017-18	Commissioner of Income-tax (Appeals)

* paid under protest

(viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of any dues to banks or financial institution or debenture holders.

(ix) According to the information and explanations given by the Management, the Company has not raised any money by way of initial public offer or further public offer.

Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

(x) Based on the audit procedures performed and representations obtained from the management, we report that no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The company is not a Nidhi company as prescribed under section 406 of the Act. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the Management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has complied with provisions of section 42 of the Act in respect of the private placement of equity shares and preference shares during the year. During the year, the company has made private placement through issue of 11,11,111 number of equity shares and 5,55,556 number of Cumulative Compulsorily Convertible Participating Preference Shares. According to the information and explanations given by the Management, we report that the amount raised have been used for the purposes for which those were raised, though idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

(xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

xvi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are applicable to the Company and the company has registration under section 45-IA of the Reserve Bank of India Act, 1934.

For PRAVIN DHIRAN & CO.
Chartered Accountants
FRN: 133656W
PRAVIN DHIRAN
Partner
M.No. 115580
UDIN- 20115580 AAAAD 02542

Nagpur
Dated: July 27th, 2020

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **BERAR FINANCE LIMITED** as at March 31, 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 Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 judgement, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 ICAI.

For PRAVIN DHIRAN & CO.
Chartered Accountants FRN: 133656W
PRAVIN DHIRAN Partner
M.No. 115580
UDIN- 20115580 AAAAD 02542

Nagpur
Dated: July 27th, 2020

Financial Statements

BALANCE SHEET AS AT 31st MARCH, 2020

Amount in ₹

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
a) Share Capital	3	**9,66,66,670**	8,00,00,000
b) Surplus	4	**1,08,41,98,601**	65,26,43,114
(2) Non-Current Liabilities			
a) Long-term borrowings	5	**1,84,96,52,577**	1,46,06,79,070
b) Long Term Provisions	9	**1,79,89,346**	1,39,08,543
(3) Current Liabilities			
a) Short-term borrowings	6	**58,58,38,282**	48,83,83,451
b) Trade payables	7	**35,90,809**	19,01,426
c) Other current liabilities	8	**1,85,88,56,891**	1,44,72,09,786
d) Short-term provisions	9	**3,07,04,070**	3,49,60,525
TOTAL EQUITY AND LIABILITIES		**5,52,74,97,246**	4,17,96,85,914
II. Assets			
(1) Non-current assets			
a) Property, Plant and Equipments			
(i) Tangible assets	10	**17,88,39,386**	16,65,41,134
(ii) Capital work-in-progress		**--**	2,60,000
b) Non-current investments	11	**8,74,24,957**	7,76,31,704
c) Deferred tax assets (net)	23.3	**1,37,07,213**	88,86,680
d) Long term loans and advances	12	**1,49,30,13,476**	1,08,64,67,889
2) Current assets			
a) Current investments	11	**4,86,000**	**--**
d) Cash and cash equivalents	13	**45,58,42,870**	24,36,99,102
e) Short-term loans and advances	12	**3,29,61,09,894**	2,59,41,69,115
f) Other current assets	14	**20,73,450**	20,30,290
TOTAL ASSETS		**5,52,74,97,246**	4,17,96,85,914

As per our Report of even date attached

On Behalf of Board of Directors

For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W

Pravin Dhiran
M. No. 115580

Place : Nagpur
Date : 27-07-2020

M.G. Jawanjar
(Managing Director)

S.M. Jawanjal
(Executive Director)

D.R. Balpande
(Company Secretary)

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

Amount in ₹

Particulars	Note No.	For the Year 2019-2020	For the Year 2018-2019
I. Income			
Revenue from operations	15	**1,12,76,49,844**	88,60,24,588
Other Income	16	**1,42,70,141**	95,83,827
I. Total Revenue		**1,14,19,19,985**	89,56,08,415
II. Expenditure			
Employee benefit expenses	17	**14,91,64,234**	9,87,78,377
Administrative & Other expenses	18	**23,69,54,894**	19,80,72,095
Financial costs	19	**45,67,55,566**	35,58,03,981
Depreciation & amortization expenses	10	**65,51,367**	51,19,367
Provisions and Write off	20	**5,51,42,620**	3,01,07,109
II. Total Expenditure		**90,45,68,681**	68,78,80,929
III. Profit before extraordinary items and tax (I-II)		**23,73,51,304**	20,77,27,486
IV. Extraordinary Items	23.6	**1,15,07,420**	--
V. Profit before tax (III-IV)		**22,58,43,884**	20,77,27,486
VI. Tax expense			
(1) Current tax	21	**6,00,00,000**	6,25,00,000
(2) Prior Year Tax	21	**15,37,042**	--
(3) Deferred tax	23.3	**(48,20,533)**	(19,67,639)
VI. Total Tax Expenses		**5,67,16,509**	6,05,32,361
VII. Profit			
Net Profit after tax for the year	(V-VI)	**16,91,27,375**	14,71,95,125
	Total	**16,91,27,375**	14,71,95,125
VIII. Earning per equity share : (Annualised)			
(1) Basic		**20.81**	18.40
(2) Diluted		**20.61**	18.40
See accompanying notes forming part of the financial statements			

As per our Report of even date attached

On Behalf of Board of Directors

For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W

Pravin Dhiran
M. No. 115580

Place : Nagpur
Date : 27-07-2020

M.G. Jawanjar
(Managing Director)

S.M. Jawanjal
(Executive Director)

D.R. Balpande
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2020

(Amount in ₹)

	PARTICULARS	31.03.20	31.03.19
A	**CASH FLOW FROM OPERATING ACTIVITY**		
	Net profit before taxation	**22,58,43,884**	20,77,27,486
	Adjustment for :		
	Depreciation	**65,51,367**	51,19,367
	(Profit)/ Loss on sale of Securities Investments	**(2,90,000)**	(4,32,542)
	(Profit) on Sale of Fixed Assets	**(1,24,978)**	--
	Interest paid on Term Loans	**31,46,79,533**	22,49,85,676
	Interest received on current & long term investments & interest on Fixed deposit	**(1,10,01,557)**	(85,68,949)
	Dividend received	**(1,14,661)**	(70,725)
	Operating profit before working capital changes	**53,55,43,588**	42,87,60,313
	Adjustment for Decrease/(Increase) in Operating Assets	**(1,10,85,29,526)**	(76,19,12,860)
	Adjustment for Decrease/(Increase) in Operating Liabilities	**3,23,88,597**	3,33,89,444
	Cash Generated From Operations	**(54,05,97,341)**	(29,97,63,104)
	Income-Tax Paid	**(7,38,80,514)**	(6,09,71,771)
	(a) Net cash inflow from operating activity	**(61,44,77,855)**	(36,07,34,875)
B	**CASH FLOW FROM INVESTING ACTIVITY**		
	Purchase of Fixed assets/ Capital WIP	**(1,86,64,640)**	(4,68,06,304)
	Sale of Fixed Assets	**2,00,000**	--
	Purchase of Securities Investment	**--**	(31,49,276)
	Proceeds from Sale of Securities Investment	**5,80,000**	14,87,997
	Purchase of Government Securities	**(1,25,12,190)**	(98,84,750)
	Proceeds from Sale of Government Securities	**--**	4,00,000
	Interest received on current & long term investments & interest on Fixed deposit	**1,10,01,557**	85,68,949
	Dividend received	**1,14,661**	70,725
	(b) Net cash inflow from investing activity	**(1,92,80,612)**	(4,93,12,659)
C	**CASH FLOW FROM FINANCING ACTIVITY**		
	Proceeds from Issue of equity shares & CCPS (Net of expenses)	**28,76,21,818**	--
	Proceeds from Bank & Financial Institution Borrowing (Net of Repayments)	**72,68,86,603**	60,21,01,821
	Proceeds from Fixed Deposits (Net of Repayments)	**15,57,17,771**	11,13,72,218
	Interest paid on Term Loans	**(31,46,79,533)**	(22,49,85,676)
	Dividend & Dividend Tax Paid	**(96,44,425)**	(96,44,425)
	(c) Net cash inflow from financing activity	**84,59,02,234**	47,88,43,938
	Net increase/(Decrease) in cash and cash equivalents	**21,21,43,768**	6,87,96,405
	Cash and cash equivalents at the beginning of the period	**24,36,99,102**	17,49,02,697
	Cash and cash equivalents at the end of the period	**45,58,42,870**	24,36,99,102
	Composition of cash & cash equivalents :		
	Cash in hand	**1,44,15,148**	2,28,42,740
	Bank balances	**44,14,27,722**	22,08,56,362

The above cash flow statement is prepared as per Indirect method set out in AS-3 issued by ICAI

As per our Report of even date attached

On Behalf of Board of Directors

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

M.G.Jawanjar
(Managing Director)

Pravin Dhiran
M.No 115580

S.M.Jawanjal
(Executive Director)

Place : Nagpur
Date: 27/07/2020

D.R.Balpande
(Company Secretary)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General information

The Company is a registered non-banking finance company engaged in the business of providing finance. The Company is registered with the Reserve Bank of India as a Non-Banking Finance Company (NBFC) with effect from 24 November 1998, with Registration No. 13.01109. The Company primarily deals in the financing of two-wheelers, used car finance, commercial vehicle finance and personal loan etc. The Company is a systemically important NBFC as per Reserve Bank of India . The company was re-classified from Asset Finance Company to Investment & Credit Company (NBFC-ICC)as per RBI notification no. 097/03.10.001/2018-19 dated 22-Feb-2019. The Company is having its head office at Nagpur and currently having 66 branches as on 31.3.2020.

2. Statement of Significant Accounting Policies

2.1 Basis of preparation

The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except for the change in accounting policies explained below. The complete financial statements have been prepared along with all disclosures.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubton the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Company.

All assets and liabilities have been classified as current or non-current as per the criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of its assets and liabilities.

Estimation of impairment allowance on financial assets amidst COVID-19 pandemic

Estimates and associated assumptions, especially for determining the impairment allowance for Company's financialassets, are based on historical experience and other emerging factors on account of the pandemic. The Company believes that the factors considered are reasonable under the current circumstances. The Company has used early indicators of moratorium and delayed repayment metrics observedalong with an estimation of potential stress on probability of default and exposure at default due to COVID-19 situation indeveloping the estimates and assumptions to assess the expected credit losses on loans. Given the dynamic nature ofthe pandemic situation, these estimates are subject to uncertainty and may be affected by the severity and duration ofthe pandemic.

A) System of Accounting

(i) The Company follows the mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties.

(ii) Financial Statements are based on historical cost. These costs are not adjusted to reflect the impact of changing value in the purchasing power of money.

(iii) The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenueand expenses and disclosure of contingent liabilities as on the date of financial statements. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of therelevant facts and circumstances as of the date of the financial statements. Actual results could differ from thoseestimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

B) Fixed assets, depreciation/amortisation

Tangible fixed 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.

Depreciation on tangible fixed assets

(i) Depreciation is provided on a pro-rata basis for all tangible assets on straight line method over the useful life of assets, except buildings which is determined on straight line method (SLM).

(ii) Useful lives of assets are determined by the Management by an internal technical assessment. Where such assessment suggests a life significantly different from those prescribed by Schedule II – Part C of the Companies Act, 2013, the useful life is as assessed and certified by a technical expert.

(iii) Depreciation on leasehold improvements is provided for on straight line method over the primary period of leaseof premises.

(iv) Depreciation on addition to assets and assets sold during the year is being provided for on a pro rata basis with reference to the month in which such asset is added or sold as the case may be.

(v) Assets having unit value up to Rs. 5,000 is charged off fully in the financial year of purchase of assets.

Intangible assets and amortisation thereof

Intangible assets, representing specialised software etc. are recognised at cost and carried net of amortisation, consistent with the criteria specified in Accounting Standard 26' Intangible Assets' as prescribed by Companies (Accounting Standards) Rules, 2006. Intangible assets are amortised systematically over the useful life of the assets. Accordingly, most software cost are generally amortised as an intangible equally over a period of sixty months unless it has a shorter life.

C) Impairment of assets

An assessment is done at each Balance Sheet date as to whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of asset is determined. If the carrying value of relevant asset is higher than the recoverable amount, the carrying value is written down accordingly.

D) Investments

(i) Investments maturing within twelve months from the date of acquisition and investments made with the specific intention to dispose off within twelve months from the date of acquisition are classified as short-term/current investments and are carried at their cost or market value/net realisable value, whichever is lower. Investments maturing within three months from the date of acquisition are classified as cash equivalents if they are readily convertible into cash.

(ii) Investments other than short-term/current investments are carried at their cost of acquisition. Long-term investments maturing within twelve months from the close of the year (i.e. current maturities) are reclassified as current investments. Provision for diminution in value of investments, if any, is made if, in the opinion of the Management, such diminution is other than temporary.

(iii) Long-term fixed income securities are stated at cost less amortisation of premium/discount as the case may be. [Refer E(ii)(c) below].

E) Revenue recognition

(i) **Income from financing activity**

Interest, finance charges, service charges etc. are recognised as income on accrual basis with reference to the termsof contractual commitments such as interest subsidy and finance agreements entered into with borrowers, as the case may be, except in the case of delinquent assets provided for where income is recognised only when realised. Interest subsidy income is recognised when right to receive payment is established.

(ii) **Income from investment**

a. Dividend is accrued when the right to receive is established i.e. when declared by the investee entity.

b. Interest on securities is accounted for on accrual basis except where the ultimate collection cannot be established with reasonable certainty.

c. In order to reflect the contracted yield as interest income, the premium/discount on fixed income securities is amortised with reference to the 'yield to maturity' prevailing on acquisition.

(iii) **Income from assignment**

a. In case of assignment of loans, the loans assigned are de-recognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of assigned loans. On de-recognition, loss arising is recognised upfront, however, premium is amortised based on receivablesover the remaining tenure of loans.

b. Income on retained interest in the assigned asset, if any, is accounted on accrual basis except in case ofnon-performing assets wherein interest income is recognised on receipt basis as per NBFC prudential norms.

c. Servicing fee received is accounted for based on the underlying deal structure of the transaction as perthe agreement

(iv) **Gain/loss on sale of non-performing assets**

Gain/loss on sale of non-performing assets is recognised in line with the extant RBI guidelines.

(v) **Other income**

Other income is mainly accounted on accrual basis, except in case of significant uncertainties.

F) Receivables under financing activity

(i) Receivables under financing activity represent principal and matured finance charges outstanding at the close of theyear but net of amount written off.

(ii) The Company assesses all receivables for their recoverability and accordingly makes provisions for non-performing assets in note no. 9 to the financial statements. However, the Company ensures that the said provisions are not lower than the provisions stipulated in the applicable RBI Regulations/Guidelines.

(iii) A general provision, as required by RBI Regulations/Guidelines, is also made by the Company on the standard assets outstanding which is disclosed under 'Long-term provisions' in note no. 9 to the financial statements.

G) Borrowing costs

All borrowing costs are charged to Statement of Profit and Loss in the year in which they are incurred. The cost in relation to raising of funds through securitization of receivables under financing activity is also charged to Statement of Profit and Loss.

H) Employee benefits

(i) **Gratuity:** The provision for present liability of future payment of gratuity is made using the projected unit credit method is recognised at the actuarially determined value by an appointed actuary. The company does not make any contribution to approved gratuity fund but instead set-asides sum required as provision out of yearly profits.

(ii) **Privilege Leave:** Privilege leave entitlements are recognised as a liability, in the calendar year of rendering of service, as per the rules of the Company. As accumulated leave can be availed and/or encashed at any time during the tenure of employment, the liability using the projected unit credit method is recognised at the actuarially determined value by an appointed actuary. As a policy, the company makes annual payment of eligible leave in excess of 30 days and only 30 days leave in aggregate is carried forward.

(iii) **Provident fund:** Provident fund contributions are made to Employee Provident Fund Organization established under EPFO Act, 1952 by government of India. Employees contribution is deducted from his salary and paid along with required contribution by the company. Company's contribution to EPF/ ESI is recognised as expense in Statement of Profit & Loss. Defined contribution to Employees' Pension Scheme, 1995 is made to Government provident fund authority.

I) Income tax

Provision for taxation is made on the basis of the taxable profits computed for thecurrent accounting period in accordance with the Income Tax Act,1961. The Company has decided to avail scheme under section 115BAA for concessional tax rate w.e.f. AY 2020-21. Deferred tax resulting from timing differences between book profits and tax profits isaccounted for at the current rate of tax or the substantively enacted rate of tax to the extent the timing differences are expected to crystallise, in case of deferred tax liabilities with reasonable certainty and in case of deferred tax assetswith reasonable certainty that there would be adequate future taxable income against which deferred tax assets can be realised. However, deferred tax asset arising on account of unabsorbed depreciation and business losses are recognised only if there is virtual certainty supported by convincing evidence that there would be adequate future taxable income against which the same can be realised/set off.

J) Provisions and contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a realisable estimate can be made of the amount of the obligation. A disclosure for a contingentliability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

K) Employee Stock Option Scheme

The Company has issued Employee Stock Option Scheme on 23-Dec-2019 to eligible employees as per Employees Stock Option Plan, 2019. Cost of benefit to the employees on account of issue of shares at discount under ESOP is recognised as an expense by the Company. The said cost is determined on the basis of difference between intrinsic value of shares of the company and the exercise price as per ESOP, 2019 in accordance with paragraph 40 of Guidance Note on ESOP issued by ICAI. The Option does not carry any right to dividend or voting. Refer Note 22.20 for details.

L) Investments

Long term investments yielding specified return are stated at cost plus income accrued thereon while those yielding unspecified return are stated at cost. Provision for diminution in value of long-term investments is made only if such diminution is other than temporary in the opinion of the management.

Current investments are stated at lower of cost and fair value. The comparison of cost and fair value is done separately for each category of investments.

M) Expenses on Issue of Shares/ Debentures/ Deposits:

(i) **Issue of Share Capital:** The expenses incurred for issue of additional share capital (equity/ preference) by way of private placement under section 42 of Companies Act, 2013 and issue of Stock Options to Employees under section 62(1)(b) of Companies Act, 2013 is adjusted against premium received on issue of shares as per section 52 of Companies Act, 2013.

(ii) **Issue of Debentures/ Deposits:** The expenses incurred for issue of debentures or deposits, being a recurring fund raising activity, is charged to statement of Profit & Loss.

N) Cash & Cash Equivalents:

Cash Flow statement is prepared as per Indirect Method as per AS-3 issued by ICAI. Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks and other short term highly liquid investments where the original maturity is three months or less.

3. SHARE CAPITAL

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Authorised		
Equity shares, ₹ 10/- each 125,00,000 equity shares (P.Y 150,00,000)	**12,50,00,000**	15,00,00,000
Compulsorily Convertible Participating Preference shares, ₹ 10/- each 25,00,000 Compulsorily Convertible Participating Preference Shares (P.Y Nil)	**2,50,00,000**	--
Issued, Subscribed and Fully Paid-Up		
Equity shares, ₹ 10/- each 91,11,111 Equity shares fully paid-up	**9,11,11,110**	8,00,00,000
0.1% Cumulative Compulsorily Convertible Participating Preference shares, ₹ 10/- each 5,55,556 Cumulative Compulsorily Convertible Participating Preference shares, ₹ 10/- each	**55,55,560**	--
TOTAL	**9,66,66,670**	8,00,00,000

The Company has two classes of shares. 91,11,111 equity shares of ₹ 10 each per share and 5,55,556 Cumulative Compulsorily Convertible Participating Preference shares of ₹ 10/- each per share.

Each holder of equity shares is entitled to one vote per share. Voting rights of Preference shares is according to Sec 47 of the Companies Act,2013.

31,00,000 Equity shares out of issued, subscribed and fully paid up share capital were allotted as Bonus Shares by capitalisation of Share Premium and General Reserve.

Cumulative Compulsorily Convertible Participating Preference Shares of INR 10 each are convertible to equity shares in accordance with the terms of the Investor Agreement. The holders of these shares are entitled to a cumulative dividend of 0.1%.

The reconciliation of the number of Equity & Cumulative Compulsorily Convertible Participating Preference shares outstanding as at March 31, 2020 and March 31, 2019 is set out below:

Particulars of Equity Shares	As at 31-Mar-20	As at 31-Mar-19
Number of shares as at the beginning	**80,00,000**	80,00,000
Add: Private Placement during the year	**11,11,111**	--
Number of shares as at the end	**91,11,111**	80,00,000

Particulars of 0.1% Cumulative Compulsorily Convertible Participating Preference shares	As at 31-Mar-20	As at 31-Mar-19
Number of shares as at the beginning	**--**	**--**
Add: Shares allotted during the period	**5,55,556**	**--**
Number of shares as at the end	**5,55,556**	**--**

The details of shareholders holding more than 5 % of paid up equity share capital of the Company as at 31st March,2020 is set out below:

Name of the shareholder	No. of shares	% held as at 31-Mar-20
M/s Avino Capcons Pvt Ltd	14,88,484	16.34%
Mr.Maroti Jawanjar	10,21,194	11.21%
Mr.Maroti Jawanjar (HUF)	8,68,954	9.54%
Amicus Capital Private Equity I LLP	9,97,778	10.95%

The details of shareholders holding more than 5 % of paid up 0.1% Cumulative Compulsorily Convertible Participating Preference shares of the Company as at 31st March,2020 is set out below:

Name of the shareholder	No. of shares	% held as at 31-Mar-20
Amicus Capital Private Equity I LLP	4,98,889	89.80%
Amicus Capital Partners India Fund I	56,667	10.20%

4. RESERVES & SURPLUS

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
A. Statutory Reserve		
Opeing Balance	**19,89,95,000**	16,19,15,000
Add: Transferred from Surplus	**4,23,00,000**	3,70,80,000
Closing balance	**24,12,95,000**	19,89,95,000
B. General Reserve		
Opeing Balance	**43,82,65,000**	33,82,65,000
Add: Transferred from Surplus	**11,00,00,000**	10,00,00,000
Closing balance	**54,82,65,000**	43,82,65,000
C. Securities Premium		
Opeing Balance	**--**	**--**
Add: Premium on issue of Shares	**28,33,33,390**	**--**
Less: Expenses related to Issue of Shares (Private Placement)	**1,23,78,242**	**--**
Closing Balance	**27,09,55,148**	**--**
D. Share Options Outstanding Account		
Opening balance	**--**	**--**
Add: Option granted during the year	**11,17,391**	**--**
Closing Balance	**11,17,391**	**--**
D. Surplus in the Profit & Loss Statement		
Opeing Balance	**1,53,83,114**	1,49,12,416
Add: Net profit after tax transferred from Statement of Profit and Loss	**16,91,27,375**	14,71,95,125
Amount available for appropriation	**18,45,10,489**	16,21,07,541
Less Appropriations:		
Dividend Paid during the year	**80,00,000**	80,00,000
Dividend Distribution Tax	**16,44,427**	16,44,427
Amount transferred to Statutory Reserve	**4,23,00,000**	3,70,80,000
Amount transferred to general reserve	**11,00,00,000**	10,00,00,000
Closing Balance	**2,25,66,062**	1,53,83,114
TOTAL	**1,08,41,98,601**	65,26,43,114

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

5. LONG TERM BORROWINGS

Secured

Amount in ₹

Particulars	Non-Current As at		Current As at	
	31-Mar-20	31-Mar-19	**31-Mar-20**	31-Mar-19
Term Loans				
a)From Financial Institutions [Refer Note 5.1 & 5.2]	**1,03,83,94,179**	54,59,22,935	**73,41,94,603**	47,51,47,467
b)From Banks [Refer Note 5.2 & 5.3]	**54,12,38,580**	57,90,87,375	**36,90,40,538**	45,32,78,351
	1,57,96,32,759	1,12,50,10,310	**1,10,32,35,141**	92,84,25,818
Unsecured				
Fixed Deposits [Refer Note 5.4]	**27,00,19,818**	33,56,68,760	**65,51,97,760**	43,38,31,047
	27,00,19,818	33,56,68,760	**65,51,97,760**	43,38,31,047
`	**1,84,96,52,577**	1,46,06,79,070	**1,75,84,32,901**	1,36,22,56,865

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

5.2 Terms of Repayment for secured borrowing including current maturities.

Amount in ₹

Particulars	Repayment Starting from	Period	Non Current	Current
a)Term Loan From Financial Institutions				
Term Loan of ₹ 1000.00Lakhs	Aug-17	41 months	--	1,30,82,575
Term Loan of ₹ 1200.00Lakhs	Nov-18	41 months	4,53,96,808	2,40,48,713
Term Loan of ₹ 1000.00Lakhs	Apr-17	38 months	--	20,98,736
Term Loan of ₹ 1000.00Lakhs	Oct-18	38 months	2,43,05,577	2,80,78,053
Term Loan of ₹ 400.00Lakhs	Dec-18	38 months	1,11,11,114	1,11,55,493
Term Loan of ₹ 300.00Lakhs	Dec-18	38 months	83,33,342	83,66,617
Term Loan of ₹ 300.00Lakhs	Dec-18	38 months	83,33,342	83,66,616
Term Loan of ₹ 300.00Lakhs	Jun-19	38 months	1,33,33,340	83,76,604
Term Loan of ₹ 300.00Lakhs	Jun-19	38 months	1,33,33,340	83,76,604
Term Loan of ₹ 400.00Lakhs	Jun-19	38 months	1,77,77,780	1,11,68,809
Term Loan of ₹ 500.00Lakhs	Oct-19	38 months	2,77,77,792	1,41,80,146
Term Loan of ₹ 500.00Lakhs	Oct-19	38 months	2,77,77,792	1,41,80,146
Term Loan of ₹ 500.00Lakhs	Oct-19	38 months	2,77,77,792	14,180,146
Term Loan of ₹ 500.00Lakhs	Nov-19	38 months	2,91,66,680	1,39,74,874
Term Loan of ₹ 1000.00Lakhs	Oct-16	50 Months	--	1,70,81,820
Term Loan of ₹ 2000.00Lakhs	Dec-17	50 Months	5,52,90,603	4,48,89,487
Term Loan of ₹ 1000.00Lakhs	Aug-19	50 Months	6,25,39,625	2,55,46,452
Term Loan of ₹ 1500.00Lakhs	Nov-19	50 Months	11,25,47,346	2,58,28,055
Term Loan of ₹ 1500.00Lakhs	Jan-20	38 Months	9,33,93,697	3,12,77,441
Term Loan of ₹ 1000.00Lakhs	May-17	36 months	--	16,75,338
Term Loan of ₹ 1500.00Lakhs	Mar-18	36 months	--	54,373,776
Term Loan of ₹ 1000.00Lakhs	Mar-19	36 months	3,17,36,532	3,38,68,585
Term Loan of ₹ 1500.00Lakhs	Aug-19	36 months	6,89,43,726	4,82,34,849
Term Loan of ₹ 1400.00Lakhs	Jan-20	36 months	8,75,38,285	4,26,44,657
Term Loan of ₹ 1000.00Lakhs	Jul-18	38 months	1,67,58,475	3,11,63,136
Term Loan of ₹ 1500.00Lakhs	May-19	30 months	6,09,79,319	4,91,89,627
Term Loan of ₹ 450.00Lakhs	Jun-19	26 months	83,59,537	1,94,97,504
Term Loan of ₹ 1000.00Lakhs	Sep-19	38 months	6,02,03,766	2,59,82,302
Term Loan of ₹ 1200.00Lakhs	Feb-19	37 Months	4,00,00,000	3,06,55,459
Term Loan of ₹ 1250.00Lakhs	Jan-20	26 Months	5,90,03,008	5,07,29,074
Term Loan of ₹ 500.00Lakhs	Mar-20	25 Months	2,66,75,561	2,19,22,909
			1,03,83,94,179	**73,41,94,603**
b)Term Loan From Banks				
Term Loan of ₹ 500.00Lakhs	Dec-16	53 Months	10,41,640	73,93,221
Term Loan of ₹ 1000.00Lakhs	Dec-16	53 Months	1,68,43,861	1,50,98,468
Term Loan of ₹ 2500.00Lakhs	Nov-20	41 months	21,52,77,775	3,73,76,335
Term Loan of ₹ 1000.00Lakhs	Aug-19	41 months	13,33,33,344	5,83,33,324
Term Loan of ₹ 1000.00Lakhs	Apr-18	24 months	--	41,61,810
Term Loan of ₹ 1000.00Lakhs	Nov-17	39 months	--	2,18,10,511
Term Loan of ₹ 1000.00Lakhs	Dec-17	37 months	--	2,44,55,092
Term Loan of ₹ 1000.00Lakhs	Nov-18	37 months	2,43,24,316	3,01,83,089
Term Loan of ₹ 1000.00Lakhs	Aug-19	37 months	4,72,22,218	3,09,15,698
Term Loan of ₹ 1500.00Lakhs	Jan-19	51 Months	8,35,78,548	2,76,13,636
Term Loan of ₹ 1000.00Lakhs	Feb-19	24 Months	--	4,49,26,958
Term Loan of ₹ 750.00Lakhs	Nov-19	18 Months	4,61,6,878	5,14,40,199
Term Loan of ₹ 750.00Lakhs	Apr-17	60 Months	1,50,00,000	1,53,32,197
			54,12,38,580	**36,90,40,538**

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

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

Rate of Interest	Upto 1 Year	1-3 Years
9.00%	8,69,29,907	--
9.25%	12,74,35,425	1,94,26,222
9.50%	9,00,10,855	11,99,09,428
9.75%	10,59,95,851	11,76,77,011
10.00%	13,41,60,520	1,30,07,157
10.50%	11,02,78,768	--
11.00%	3,16,155	--
11.50%	70,279	--
Total	**65,51,97,760**	**27,00,19,818**

6. SHORT TERM BORROWINGS

Amount in ¹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Secured		
(a) Loans from Banks		
Cash Credit from Banks	**58,58,38,282**	48,83,83,451
[Refer Note 6.1 to 6.4]		
	58,58,38,282	48,83,83,451

6.1 Secured by first charge on Hypothecation loan receivables present and future, ranking pari passu, excluding assets which are specifically charged to others lenders.

6.2 Secured by equitable mortgage of Office premises situated at Amravti, Akola, Chandrapur, Chhindwara, Raipur and Nagpur office 3rd Floor.

6.3 Secured by hypothecation of furniture/Fixture/Computers/Equipments in the above office premises.

6.4 It is further secured by personal guarantees of Mr. M.G.Jawanjar, Mrs Jyoti Jawanjar and Mr. S.M.Jawanjal.

7. TRADE PAYABLES

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Sundry Creditors		
Total outstanding dues of creditors other than micro and small enterprises	**35,90,809**	19,01,426
	35,90,809	19,01,426

8. OTHER CURRENT LIABILITIES

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Current Maturities of Term Loans [Refer Note 5.1 & 5.2]	**1,10,32,35,141**	92,84,25,818
Current Maturities of Long Term Deposits [Refer Note 5.4]	**59,87,46,929**	40,59,88,830
Other Payables		
(a) Statutory Remittances	**3,10,53,212**	2,91,51,716
(b) Security Deposits	**2,01,68,526**	1,51,61,126
(c) Other Expenses Payable (Refer Note 8.1)	**4,57,95,754**	3,65,87,613
(d) Other Credit Balances	**30,91,733**	37,62,961
(e) Unclaimed Dividend	**3,14,765**	2,89,505
(f) Unclaimed Deposits	**5,64,50,831**	2,78,42,217
	1,85,88,56,891	1,44,72,09,786

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

9. PROVISIONS

Amount in ₹

	Long Term As at		Short Term As at	
Particulars	**31-Mar-20**	31-Mar-19	**31-Mar-20**	31-Mar-19
Provision for employee benefits				
For Gratuity	**--**	**--**	**1,11,23,902**	83,09,574
For Earned Leave	**--**	**--**	**66,32,199**	50,41,833
	--	**--**	**1,77,56,101**	1,33,51,407
Others				
Provision for Income Tax (Net of Advances Tax & Tax Deducted at sources)	**--**	**--**	**(37,30,514)**	86,12,958
Provision for NPA	**--**	**--**	**1,66,78,483**	1,03,66,959
Contingent Provision Against Standard Assets	**1,79,89,346**	1,39,08,543	**--**	--
Provision on Securitisation	**--**	--	**--**	26,29,201
	1,79,89,346	1,39,08,543	**1,29,47,969**	2,16,09,118
	1,79,89,346	1,39,08,543	**3,07,04,070**	3,49,60,525

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

a. Advance Income Tax: ₹ 6,00,00,000/- (P.Y. ₹ 5,25,00,000/-)

b. Tax Deducted at Source : ₹ 37,30,514/- (P.Y. ₹ 10,00,421/-)

Notes 10 : FIXED ASSETS

PARTICULARS		GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
		AS AT 01.04.19 ₹	ADDI-TION ₹	ADJUST-MENTS ₹	**AS AT 31.03.20 ₹**	AS AT 01.04.19 ₹	**FOR THE YEAR ₹**	ADJUST-MENTS ₹	**UPTO 31.03.20 ₹**	**AS AT 31.03.20 ₹**	AS AT 31.03.19 ₹
A	**Tangible Assets**										
	Land-Freehold	11,81,07,451	--	--	**11,81,07,451**	--	--	--	--	**11,81,07,451**	11,81,07,451
	Buildings	2,79,47,543	17,93,001	--	**2,97,40,544**	33,05,405	4,29,858	--	**37,35,263**	**2,60,05,281**	2,46,42,138
	Office Equipments	1,14,59,225	23,47,682	--	**1,38,06,907**	67,85,677	16,24,911	--	**84,10,588**	**53,96,319**	46,73,548
	Computers	1,25,22,786	26,65,611	--	**1,51,88,397**	93,76,837	17,02,083	--	**1,10,78,920**	**41,09,477**	31,45,949
	Generator	3,53,160	--	--	**3,53,160**	3,35,502	--	--	**3,35,502**	**17,658**	17,658
	Furniture	1,16,93,596	29,05,030	--	**1,45,98,625**	54,44,376	9,56,336	--	**64,00,712**	**81,97,913**	62,49,220
	Vehicles	22,56,988	35,63,470	15,00,444	**43,20,014**	18,34,250	4,15,761	14,25,422	**8,24,589**	**34,95,425**	4,22,738
	Printers	4,18,723	2,87,333	--	**7,06,056**	91,597	1,13,293	--	**2,04,890**	**5,01,166**	3,27,126
	Server	8,66,250	--	--	**8,66,250**	4,92,625	1,37,156	--	**6,29,781**	**2,36,469**	3,73,625
	Sofaware	82,80,676	44,39,654	--	**1,27,20,330**	8,43,657	10,14,247	--	**18,57,904**	**1,08,62,426**	74,37,019
	Electrical Fittings	13,54,328	9,22,859	--	**22,77,187**	2,09,664	1,57,722	--	**3,67,386**	**19,09,801**	11,44,664
	TOTAL	19,52,60,725	1,89,24,640	15,00,444	**21,26,84,921**	2,87,19,590	65,51,367	14,25,422	**3,38,45,535**	**17,88,39,386**	16,65,41,136
	Previous Year	14,87,14,422	4,65,46,304	--	**19,52,60,726**	2,36,00,223	51,19,367	--	**2,87,19,590**	**16,65,41,136**	12,51,14,199

11. INVESTMENTS

Amount in ₹

Particulars	Non-Current As at		Current As at	
	31-Mar-20	31-Mar-19	**31-Mar-20**	31-Mar-19
In Government Securities- Quoted (Refer Note 11.1 & 11.3)	**8,17,52,790**	6,97,26,600	**4,86,000**	--
In Equity Shares- Quoted fully paid up (Refer Note 11.2)	**81,19,473**	81,19,473	--	--
In Equity Shares- unquoted fully paid up Avino Capcons Pvt Ltd. (Refer Note 11.2)	--	2,90,000	--	--
Other Investments	**6,58,881**	6,58,881	--	--
	9,05,31,144	7,87,94,954	**4,86,000**	--
Less: Provision for Diminution in Value of Investments in Government Securities	**17,75,440**	11,63,250	--	--
Less: Provision for Diminution in Value of Quoted Shares (of the nature of permanent diminution)	**13,30,747**	--	--	--
	8,74,24,957	7,76,31,704	**4,86,000**	--

Note - Non Current Investments

(Amount in ₹)

Particulars	Date of Maturity	Face Value Per Share ₹	NOS./ UNITS	**31.03.2020** ₹	Face Value Per Share ₹	NOS./ UNITS	**31.03.2019** ₹
TRADE INVESTMENTS, AT COST							
11.1. Government Securities -							
7.80%GOI BONDS	2021	—	–	**4,67,400**	—	—	4,67,400
8.28%GOI BONDS	2027	—	–	**4,72,250**	—	—	4,72,250
8.03% Govt.Of India FCI Bonds	2024	—	–	**9,59,000**	—	—	9,59,000
8.23% Govt.Of India FCI Bonds	2027	—	–	**6,00,000**	—	—	6,00,000
8.30% GOI FCI Special Bonds	2023	—	–	**10,36,200**	—	—	10,36,200
7.94% GOI Bonds	2021	—	–	**9,16,500**	—	—	9,16,500
8.26% GOI Bonds	2027	—	–	**5,08,750**	—	—	5,08,750
8.26%GOI BONDS	2027	—	–	**9,92,000**	—	—	9,92,000
8.83% GOI BONDS	2041	—	–	**5,80,500**	—	—	5,80,500
8.24% GOI BONDS	2027	—	–	**9,93,000**	—	—	9,93,000
8.83% GOI BONDS	2023	—	–	**21,11,400**	—	—	21,11,400
8.24% GOI BONDS	2027	—	–	**5,12,850**	—	—	5,12,850
8.35% GOI BONDS	2022	—	–	**92,70,000**	—	—	92,70,000
8.15% GOI BONDS	2026	—	–	**90,72,000**	—	—	90,72,000
8.26% GOI BONDS	2027	—	–	**35,89,250**	—	—	35,89,250
7.88% GOI BONDS	2030	—	–	**24,97,500**	—	—	24,97,500
7.16% GOI BONDS	2023	—	–	**82,45,000**	—	—	82,45,000
7.88% GOI BONDS	2030	—	–	**21,57,000**	—	—	21,57,000
7.88% GOI BONDS	2030	—	–	**37,80,000**	—	—	37,80,000
7.59% GOI BONDS	2029	—	–	**46,10,250**	—	—	46,10,250
7.88% GOI BONDS	2030	—	–	**59,85,000**	—	—	59,85,000
7.40% GOI BONDS	2035	—	–	**9,22,200**	—	—	9,22,200
7.88% GOI BONDS	2030	—	–	**15,51,750**	—	–	15,51,750
7.40% GOI BONDS	2035	—	–	**74,10,800**	—	–	74,10,800

7.73% GOI BONDS	2034	—	–	**16,08,000**	—	–	–
7.50% GOI BONDS	2034	—	–	**12,55,200**	—	–	–
7.40% GOI BONDS	2035	—	–	**78,26,250**	—	–	–
7.50% GOI BONDS	2034	—	–	**18,22,740**	—	–	--
	TOTAL (1)			**8,17,52,790**			6,97,26,600

11.2. INVESTMENTS IN QUOTED EQUITY SHARES

Equity Shares of :

Sundaram Finance Ltd.	**10**	**1000**	**9,32,863**	10	1000	9,32,863
Bajaj Finance Ltd. (Ref. Note 11-2-1)	**2**	**2000**	**--**	2	2000	–
ITC Ltd	**1**	**1500**	**3,48,587**	1	1500	3,48,587
Bank Of Maharashtra	**10**	**1000**	**53,704**	10	1000	53,704
HDFC Bank Ltd. (Ref. Note 11-2-3)	**1**	**2000**	**9,63,126**	1	1000	9,63,126
IDFC First Bank Ltd. (Refer Note 11-2-2)	**10**	**13900**	**7,61,851**	10	13900	7,61,851
Punjab National Bank Ltd	**2**	**1000**	**1,24,574**	2	1000	1,24,574
HDFC Ltd.	**2**	**1000**	**17,85,494**	2	1000	17,85,494
Kotak Mahindra Bank Ltd.	**5**	**1000**	**11,73,947**	5	1000	11,73,947
Yes Bank Ltd.	**2**	**2000**	**7,70,068**	2	2000	7,70,068
Reliance Industris Ltd.	**10**	**1000**	**12,05,261**	10	1000	12,05,261
TOTAL (2)			**81,19,475**			81,19,475

Note 11-2-1: Company has received bonus share in the ratio of 1:1 on 10/09/2016

Note 11-2-2: Company has received 13,900 share of IDFC Bank Ltd against 1000 share of Capital First Limited, on merger of Capital First Ltd into IDFC Bank Limited

Note 11-2-3: Share of HDFC Bank Ltd Split from the Face Value of ₹2 to ₹1 on 20/09/2019

11.3. UNQUOTED, AT COST

Equity Shares Of

Avino Capcons Pvt. Ltd.	--	--	--	10	29000	2,90,000
TOTAL (1+2+3)			**8,98,72,265**			7,81,36,075

Aggregate Market value of quoted equity investments ₹ 1,20,33,250 (P.Y. ₹1,64,70,375)

11.4. Current Investments

Particulars		31.03.2020 Face Value Per Share ₹	NOS./ UNITS	₹	31.03.2019 Face Value Per Share ₹	NOS./ UNITS	₹
TRADE INVESEMENTS, AT COST							
Goverment Securities -							
8.12% GOI BONDS	2020	–		**4,86,000**	--	--	--
				4,86,000	--		--

12. LOANS AND ADVANCES

Amount in ₹

Particulars	Long Term As at		Short Term As at	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Other Loans & Advances				
Secured Considered Good				
Hypothecation Loans -(Refer Note 12.1 & 12.3)	**1,44,85,99,329**	1,06,98,12,419	**3,06,47,68,195**	2,44,44,58,186
Loans Against Deposits	--	--	**36,84,972**	29,82,837
Unsecured Considered Good				
Hypothecation Loans -(Refer Note 12.1 & 12.3)	**4,63,140**	4,44,683	**31,15,906**	32,50,437
Personal Loans -(Refer Note 12.1 & 12.3)	**3,26,39,983**	1,04,38,142	**5,66,41,555**	1,09,47,760
Advances to Dealers	--	--	**16,67,83,821**	13,06,42,677
Other Advances (Refer Note 12.2)	**6,23,697**	4,67,527	**9,10,537**	16,60,180
Advances to Employees	--	--	**2,04,908**	2,27,038
	1,48,23,26,149	1,08,11,62,771	**3,29,61,09,894**	2,59,41,69,115
Deposits - Unsecured Considered Good				
Security Deposits for Rented Premises	**36,84,075**	29,50,000	--	--
Other Deposits	**46,61,276**	2,24,112	--	--
	83,45,351	31,74,112	**--**	**--**
Loans & Advances -Unsecured Considered Good				
Avino Capcons Pvt Ltd	**23,41,976**	21,31,006	--	--
	23,41,976	21,31,006	--	**--**
	1,49,30,13,476	1,08,64,67,889	**3,29,61,09,894**	2,59,41,69,115

12.1 Long term Other loans and advances include Non Performing Assets of ₹1,83,33,165/ (P.Y ₹ 88,58,752).

12.2 Long Term Other Advances include Income Tax receivable 4,07,527 & Income Tax deposited under appeal ₹ 1,49,170.

12.3 Short term Other loans and advances include Non Performing Assets of ₹ 10,67,43,461 (P.Y ₹ 6,59,70,816).

13. CASH AND BANK BALANCES

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
I. Cash And Cash Equivalents		
(a) Cash-on-Hand	**63,95,297**	89,07,303
(b) Cash in Transit	**80,19,851**	1,39,35,437
(c) Balances with banks		
In Current Accounts	**16,91,99,129**	16,07,30,563
In Deposits Accounts (Refer Note 13.1 & 13.2)	**21,56,00,086**	1,25,30,958
II. Earmarked Balances with banks		
Unpaid Dividend	**3,04,087**	2,89,501
III. Bank Deposits with more than 12 months maturity	**5,63,24,420**	4,73,05,340
Fixed Deposit (incl. acc. Intt.) (Refer Note 13.1 & 13.2)		
	45,58,42,870	24,36,99,102

13.1 Bank deposits include ₹ 1,43,90,019 provided as collateral for assets securitised.

13.2 In accordance with the Reserve Bank of India directives, the Company has created a floating charge on the statutory liquid assets comprising bank deposits of ₹ 4,26,44,363/- In favour of trustees representing the deposit holders of the Company.

14. OTHER CURRENT ASSETS

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Interest Accrued on Govt. Securities	**12,30,050**	11,35,090
Stamps in Hand	**8,43,400**	8,95,200
	20,73,450	20,30,290

15. REVENUE FROM OPERATIONS

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Interest	**82,13,50,660**	66,34,54,436
Other Operating Revenues		
Bad Debt Recovered	**33,99,439**	31,23,607
Sale of Agreement	**4,97,64,214**	3,78,52,878
Processing Fees	**12,57,37,150**	10,51,61,565
Other Financial Charges	**12,73,98,381**	7,64,32,102
	1,12,76,49,844	88,60,24,588

16. OTHER INCOME

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Interest on Bank Deposits	**50,83,151**	37,29,854
Interest on Investments	**59,18,406**	48,39,095
Dividend received	**1,14,661**	70,725
Profit on Investment Sale	**2,90,000**	4,32,542
Profit on Sale of Asset	**1,24,978**	--
Miscellaneous income	**27,38,945**	5,11,611
	1,42,70,141	95,83,827

EXPENSES

17. EMPLOYEE BENEFIT EXPENSES

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Salaries	**12,12,73,952**	7,71,96,461
Staff Welfare Expenses	**3,37,668**	2,98,524
Ex-gratia/Bonus	**50,48,678**	40,20,154
Commission to Managerial persons	**91,00,000**	90,00,000
Share Based payments to employee (Refer 20.20)	**11,17,391**	-
Contribution to PF,ESI & Other Funds		
ESI Employer's contribution	**21,53,580**	20,21,876
Provident Fund - Employer's Contribution	**50,85,222**	35,08,127
Gratuity	**32,44,943**	17,19,963
Earned Leave Provision	**18,02,800**	10,13,272
	14,91,64,234	9,87,78,377

18. ADMINISTRATIVE and OTHER EXPENSES

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Rent	**1,13,89,804**	79,34,193
Rates & Taxes	**3,35,364**	2,75,023
Goods & Service Tax	**3,70,86,469**	1,57,67,458
Payment to Auditors (Refer Note (18.1) Below	**2,90,000**	2,22,000
Directors sitting fees	**1,18,000**	88,000
Legal & Professional Charges	**2,53,72,817**	1,76,97,692
Advertisement Expenses	**19,26,287**	8,27,985
Marketing Commission	**4,02,51,244**	4,69,17,196
Business Sourcing Commission	**7,79,74,579**	7,16,94,270
Conveyance & Travelling	**69,44,265**	51,19,210
Courier & Postage Charges	**39,06,999**	33,20,098
Computer Charges	**8,60,818**	7,61,039
Electricity Charges	**30,31,524**	22,40,283
Office Car Expenses	**1,39,803**	72,925
Printing & Stationery	**71,50,122**	54,93,620
Telecom Charges	**45,91,255**	35,41,870
Office Expenses	**36,74,640**	26,59,287
Office Building Maintances	**4,53,381**	2,82,839
CSR Contribution	**35,87,760**	19,13,192
Securitisation Expense	--	26,29,201
Misc Expenses	**78,69,763**	86,14,714
	23,69,54,894	19,80,72,095
18.1 Payments to Auditors Comprises		
• For Statutory Audit	**1,35,000**	1,42,000
• For Tax Audit	**45,000**	45,000
• For GST Audit and Other Attest Services	**1,10,000**	35,000

19. FINANCE COST

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Interest on Bank Borrowings	**5,36,03,932**	5,42,33,653
Interest on Deposits	**8,06,31,992**	6,93,13,257
Interest on Term Loans	**31,46,79,533**	22,49,85,676
Bank Charges	**78,40,109**	72,71,395
	45,67,55,566	35,58,03,981

20. PROVISIONS AND WRITE-OFF

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Bad Debts Written Off	**4,28,07,356**	2,58,79,363
Provision/(Reversal) for NPA	**63,11,524**	15,54,651
Provision for Standard Assets (Refer Note 20.1)	**40,80,803**	26,21,344
Provision against Investments	**19,42,937**	51,751
	5,51,42,620	3,01,07,109

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

21. TAX EXPENSES

Amount in ₹

Particulars	As at 31-Mar-20	As at 31-Mar-19
Current Tax		
Income Tax	**6,00,00,000**	6,25,00,000
Prior Period Income Tax (Refer 21.1)	**15,37,042**	--
Deferred Tax	**(48,20,533)**	(19,67,639)
	5,67,16,509	6,05,32,361

21.1 Prior Period Income Tax includes income tax paid for FY 2017-18 ₹ 3,86,621 and FY 2018-19 ₹ 11,50,421

Notes 22: Additional Information to Financial Statements

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

22.2 Provisions and Contingencies

Break up of Provisions and Contingencies shows under the head Expenditure in Profit and Loss Accounts	Current Year	Previous Year
Provision for Depreciation on Investment	**19,42,937**	51,750
Provision towards NPA	**63,11,524**	15,54,651
Provision made towards Income Tax	**6,00,00,000**	6,25,00,000
Provision for Standard Assets	**40,80,803**	26,21,344

22.3 Concentration of Deposits, Advances, Exposures and NPA

a. Concentration of Deposits

Amount in Cr

Particulars	
Total Deposits of Twenty Largest Depositors	13.68
Percentage of Deposits of Twenty largest depositors to Total Deposits	14.79%

b Concentration of Advances

Amount in Cr

Particulars	
Total Advances of Twenty Largest borrowers	2.58
Percentage of Advances of Twenty largest borrowers to Total Advances	0.56%

c. Concentration of Exposures

Amount in Cr

Particulars	
Total Exposure of Twenty Largest borrowers	2.85
Percentage of Exposure of Twenty largest borrowers to Total Exposure	0.62%

d. Concentration of NPA

Amount in Cr

Particulars	
Total Exposure of Top Four NPA Accounts	0.24

22.4 **Movements of NPAs**

	Particulars	Current Year	Previous Yea
i.	Net NPAs to Net Advances (%)	2.35%	1.81%
ii.	Movements of NPAs (Gross)		
	a. Opening Balances	**7,48,29,568**	6,59,61,464
	b. Addition during the year	**10,45,00,610**	6,23,77,749
	c. Reduction during the year	**5,42,53,552**	5,35,09,645
	d. Closing Balance	**12,50,76,626**	7,48,29,568
iii.	Movements of Net NPAs		
	a. Opening Balances	**6,44,62,609**	5,71,49,156
	b. Addition during the year	**9,40,07,430**	5,54,56,323
	c. Reduction during the year	**5,00,71,896**	4,81,42,870
	d. Closing Balance	**10,83,98,143**	6,44,62,609
iv.	Movements of provisions for NPA		
	a. Opening Balances	**1,03,66,959**	88,12,308
	b. Provision made during the year	**63,11,524**	15,54,651
	c. Write-off/ Write back of excess provision	--	--
	d. Closing Balance	**1,66,78,483**	1,03,66,959

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

22.5 Sector wise NPAs

Sr. No.	Sector	Percentage of NPA to Total Advances in that Secto
a.	Agriculture & Allied activities	12.18%
b.	MSME	0.00%
c.	Corporate Borrowers	0.00%
d.	Services	0.00%
e.	Unsecured personal loans	0.55%
f.	Auto loans	85.52%
g.	Other personal loans	1.75%

22.6 Customers Complaints

a.	No of Complaints pending at the beginning of the year	--
b.	No. of Complaints received during the year	4
c.	No. of Complaints redressed during the year	4
d.	No. of Complaints pending at the end of the year	--

22.7 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act.

	As at 31.03.2020	As at 31.03.2019
Principal amount remaining unpaid (but within due date as per MSMED Act)	--	--
Interest due thereon remaining unpaid	--	--
Interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 alongwith the amount of payment made to the supplier beyond the appointed day during the period	--	--
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	--	--
Interest accrued and remaining unpaid	--	--
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	--	--

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

22.8 **Corporate Social Responsibility (CSR)**

As per Section 135 of the Companies Act,2013, a CSR Committee has been formed by the Company. The Company has made CSR expenditure for activities specified in Schedule VII of the Companies Act, 2013. As per section 135 (5) of the Companies Act, 2013, the Company was required to spend, in every financial year, at least two per cent of the average net profit of the company made during three immediately preceding financial years in pursuance of its Corporate Social Responsibility. Average net profit for 3 years works out to ₹ 1792.90 and hence 2% required expenditure is ₹ 35.86 lakhs. During the Year, the Company has spent ₹ 35.88 Lakhs on CSR activities and has thus complied with the provisions of section 135.

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

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company was noticed or reported during the course of our audit

22.10 Capital

Amount in ₹

	Particulars	Current Year	Previous Year
i)	CRAR (%)	**23.83%**	19.09%
ii)	CRAR - Tier I Capital (%)	**23.47%**	18.73%
iii)	CRAR - Tier II Capital (%)	**0.36%**	0.36%
iv)	Amount of Subordinated debt raised as Tier-II Capital	**--**	--
v)	Amount raised by issued of Perpetual Debt Instruments	**--**	--

22.11 Investments

Amount in ₹

	Particulars	Current Year	Previous Year
1	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India	**9,10,17,144**	7,87,94,954
	(b) Outside India	**--**	--
	(ii) Provision for Depreciation		
	(a) In India	**31,06,187**	11,63,250
	(b) Outside India	**--**	--
	(iii) Net Value of Investments		
	(a) In India	**8,92,41,704**	7,76,31,704
	(b) Outside India	**--**	--
2	Movement of Provision held towards depreciation on Investments		
	(i) Opening Balances	**11,63,250**	11,11,500
	(ii) Add: Provision made during the year	**19,42,937**	51,750
	(iii) Less: Write off/Write-back of excess provision during the year	**--**	--
	(iv) Closing Balances	**31,06,187**	11,63,250

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

22.13 **Disclosures relating to Securitisation** (₹ in lacs)

	Particulars	31.03.2020	31.03.2019
	No of SPVs sponsored by the NBFC for securitisation transactions	**2**	1
	Total amount of securitised assets as per books of the SPVs sponsored	**1,856.47**	1,109.37
	Total amount of exposures retained by the applicable NBFC to comply with MRR as on the date of balance sheet		
a)	Off-balance sheet exposures		
	First loss	--	--
	Others	--	--
b)	On-balance sheet exposures		
	First loss (In the form of Fixed Deposit)	**138.45**	38.78
	Others	--	--
	Amount of exposures to securitisation transactions other than MRR		
	Off-balance sheet exposures		
	Exposure to Own Securitisations		
	First loss	--	--
	Others	--	--
	Exposure to third party Securitisations		
	First loss	--	--
	Others	--	--
	On-balance sheet exposures		
	Exposure to Own Securitisations		
	First loss	--	--
	Others	--	--
	Exposure to third party Securitisations		
	First loss	--	--
	Others		

22.14 **Exposure to Capital Market** Amount in ₹

	Particulars	Current Year	Previous Year
i)	Direct Investment in equity shares, convertible bonds, convertible debentures and unit of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt	**86,19,475**	89,09,475

22.15 The Company has given unsecured loan of ₹8,92,81,538 as a personal loans to the borrowers. Personal loans are fully/partly secured by assignment/pledge of life insurances polices, shares and other securities.

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

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

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

22.19 **Details of Managerial Remuneration**

Particular	2019-20	2018-19
Salary	**60,70,000**	55,50,000
Commission	**91,00,000**	90,00,000
Contribution to Gratuity	**7,26,334**	5,70,809
Other Allowances & Perquisites	**3,02,400**	2,73,600
Total	**1,61,98,734**	1,53,94,409

22.20 **Share Based Payments**

Company has instituted an Employee stock option plan and has granted ESOP to senior management in accordance with the terms of the plan as mentioned below.

Particulars	ESOP 2019
Board Meeting date	
Options granted	132000
Exercise price(per Share)	95
Date of grant	12/23/2019
Maximum term of Options Granted	5 Years
Market price immediately prior to grant date (Intrinsic Value)	180.83

Option Movement during the year

1	No. of Options Outstanding at the beginning of the yea	--
2	Options Granted during the year	1,32,000
3	Options Forfeited / lapsed during the year	--
4	Options Vested during the year	--
5	Options Exercised during the year	--
6	Total number of shares arising as a result of exercise of options	--
7	Money realised by exercise of options (₹)	--
8	Number of options Outstanding at the end of the year	--
9	Number of Options exercisable at the end of the year	--

Measurement of fair value
The Fair value of the options issued has been arrived at using Black Scholes Model.
The key assumptions used in computing the fair value are:

Date of grant	Particulars
1. Risk Free Interest Rate	6.29%
2. Expected Life	4.26
3. Expected Volatility	30.50%
4. Dividend Yield	0.00%
5. Price of the underlying share in market at the time of the option grant (₹)	180.83

The stock-based compensation cost calculated as per the intrinsic value method for the period April 1, 2019 to March 31, 2020 is 11,17,391. If the stock-based compensation cost was calculated as per the fair value method, the total cost to be recognised in the financial statements for the period April 1, 2019 to March 31, 2020 would be ₹14,08,686. The effect of adopting the fair value method on the net income and earnings per share is presented below:

Adjusted Net Income and Earning Per Share

Particulars	₹
Net Income as reported	16,91,27,375
Add: Intrinsic Value Compensation Cost	11,17,391
Less: Fair Value Compensation Cost	14,08,686
Adjusted Pro Forma Net Income	16,88,36,079
Earning Per Share: Basic	
As Reported	20.81
Adjusted Pro Forma	20.78
Earning Per Share: Diluted	
As Reported	20.61
Adjusted Pro Forma	20.58

22.21 **Contingent Liabilities**
The Company has preferred an Commissioner appeal against the demand raised of ₹745,844 by the Income Tax department for the AY 2017-18.

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

Particulars	Upto 30/31 days	Over 1 month upto 2 months	Over 2 month upto 3 months	Over 3 month upto 6 months	Over 6 month upto 1 Year	Over 1 Year & upto 3 Years	Over 3 Years upto 5 Years	Over 5 Years	Total
Deposits	23,73,74,204	4,92,26,691	2,95,97,646	8,43,03,779	25,46,95,440	27,00,19,818	--	--	92,52,17,578
Advances (Net of Provision)	27,37,22,332	26,65,66,836	25,85,24,145	92,77,99,933	1,38,49,18,899	1,48,17,02,452	--	--	4,59,32,34,597
Investments	--	--	--	--	4,86,000	1,92,73,375	1,23,51,600	5,89,06,171	9,10,17,146
Borrowing	5,16,64,055	2,79,56,102	8,63,91,421	28,76,35,320	1,23,54,26,525	1,49,41,13,323	8,55,19,436	--	3,26,87,06,182

Notes 23: Disclosure under Accounting Standards

23.1. Employee Benefits

The details of employee benefits are as given below:

a) Provident Fund:

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

b) Gratuity:

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

c) Leave Encashment:

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

d) Disclosures:

(i) Defined Benefit Plans

	2019-20		2018-19	
	Non Funded Gratuity	Non Funded Leave Encashment	Non Funded Gratuity	Non Funded Leave Encashment
a) The amount recognised in the Balance sheet as at 31.03.2020				
1) Present Value of defined Benefit Obligation	**1,11,23,902**	**66,32,199**	83,09,574	50,41,833
2) Fair value of plan assets	**NA**	**NA**	NA	NA
3) Funded Status-Surplus/(Deficit)	**(1,11,23,902)**	**(66,32,199)**	(83,09,574)	(50,41,833)
4) Less: Unrecognised Past service cost	-	-	-	-
5) Net assets/(liability)	**(1,11,23,902)**	**(66,32,199)**	(83,09,574)	(50,41,833)
b) The amounts recognised in profit & Loss Account				
1) Current service cost	**15,72,253**	**9,08,760**	10,29,251	5,41,110
2) Interest Cost	**6,43,992**	**3,90,742**	5,19,266	3,19,161
3) Expected return on plan assets	**NA**	**NA**	NA	NA
4) Actuarial(gain)/losses	**10,28,698**	**5,03,298**	1,71,446	1,53,001
5) Net expenses/(gain) recognised in Profit & loss A/c.	**32,44,943**	**18,02,800**	17,19,963	10,13,272
c) The changes in the present value of the defined benefit Obligation during the year				
1) Opening defined benefit Obligation	**83,09,574**	**50,41,833**	67,00,205	41,18,205
2) Current service cost	**15,72,253**	**9,08,760**	10,29,251	5,41,110
3) Interest Cost	**6,43,992**	**3,90,742**	5,19,266	3,19,161
4) Actuarial(gain)/losses	**10,28,698**	**5,03,298**	1,71,446	1,53,001
5) Benefits Paid	**4,30,615**	**2,12,434**	1,10,594	89,644
6) closing defined benefit Obligation	**1,11,23,902**	**66,32,199**	83,09,574	50,41,833

d) Actuarial Assumptions:

(i) Discount Rate	6.75% Per annum
(ii) Mortality Rate	India Assured Lives (2006-08) Ultimate Mortality Rates
(iii) Future Salary Increase	6% Per annum
(iv) Withdrawal Rate	1%
(v) Method applied	58 Years

Notes:-

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

23.2. Computation of Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Particulars	For the year ended 31st March	
	2020	2019
A) BASIC		
(i) Computation of Profit (numerator)		
a. Profit after tax (₹)	**16,91,27,375**	14,71,95,125
b. Less: Dividend attributable to preference shareholders (including tax thereon, if any)	**94,971**	--
Profit for Equity Shareholders (I)	**16,90,32,404**	14,71,95,125
(ii) Computation of weighted average number of shares (denominator):		
a. Number of shares outstanding at the beginning of the year	**80,00,000**	80,00,000
b. Add: Weighted average number of equity shares issued and outstanding during the year	**1,21,766**	--
Adjusted weighted average equity shares (II)	**81,21,766**	80,00,000
EPS (Basic) (₹) [I/II]	**20.81**	18.40
B) DILUTED		
(i) Computation of Profit (numerator)		
Profit after Tax (₹) (I)	**16,91,27,375**	14,71,95,125
(ii) Computation of weighted average number of shares (denominator):		
a. Number of shares outstanding at the beginning of the year	**80,00,000**	80,00,000
b. Add: Weighted average number of equity shares issued and outstanding during the year	**1,21,766**	--
c. Add: Weighted average number preference shares issued and outstanding at the close of the year (Dilutive Equity Shares upon future conversion)	**20,816**	--
d. Add: Number of options outstanding at the close of the year (Dilutive Equity Shares under outstanding ESOPs)	**62,333**	--
Adjusted weighted average equity shares (II)	**82,04,915**	80,00,000
EPS (Diluted) (₹) [I/ II]	**20.61**	18.40

23.3. Deferred Tax (Liabilities) / Assets (Net)
The breakup of deferred Tax assets / liabilities is as under:

SN.	PARTICULARS	31.03.20(₹)	Current year (Credit)/ Changes	31.03.19(₹)
A)	Deferred Tax Assets -			
	For Gratuity Provision	**32,39,280**	(8,19,532)	24,19,748
	For Non Performing Assets Provision	**78,04,642**	(7,35,616)	70,69,026
	For Earned Leave Provision	**19,31,296**	(4,63,114)	14,68,182
	For Other Provision	**39,72,419**	(31,91,726)	7,80,693
	Deferred Tax Assets	**1,69,47,637**	(52,09,988)	1,17,37,649
B)	Deferred Tax Liability -			
	For WDV of Fixed Assets	**32,40,424**	3,89,455	28,50,969
	Deferred Tax Liabilities	**32,40,424**	3,89,455	28,50,969
	NET DEFERRED TAX ASSETS / (liability)	**1,37,07,213**	(48,20,533)	88,86,680

23.4.SEGMENT REPORTING

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

23.5. Final Dividend

Final dividend of ₹ 46.50Lakhs (₹0.50 per share) has been recommended by the Board for the year ended 31st March, 2020 for the Equity as well as for Preference Share Holders The Central government vide notification dated 30.03.2016 has amended the Companies (Accounting standard) Rules, 2006. According to the amended rule, the dividend declared after the balance sheet date shall not be recorded as a liability in the previous year. Therefore the Company has not recorded ¹ 46.50lakhs as liability for proposed dividend as at 31st March 2020. However the same will be recognised as liability on approval of the shareholders in the Annual General Meeting.

23.6 Extraordinary Item

A demand towards service tax of ₹ 1,78,85,877 for the period 01/04/2013 to 30/06/2017 and ₹ 5,04,547 01/04/2017 to 30/06/2017 was raised against Company, the Company has preferred an appeal with Commissioner of Central Excise & Service Tax, Nagpur. However the Company has paid the tax dues under Sabka Vishwas - (Legacy Dispute Resolution) Scheme, 2019 (SVLDRS scheme) announced in Finance Act No.II 2019 and has withdrawn the appeal. This has been shown as Extraordinary item in the statement of Profit & Loss account.

23.7. Related Party Disclosures : (With Whom the Company has transactions)
Related Party Disclosures as stipulated by AS-18-Related Party Disclosures, issued by ICAI are given below:

Key Management Personnel :	1)Mr. M.G. Jawanjar, Managing Director 2)Mr. S.M. Jawanjal, Executive Director 3)Mrs Deepali Balpande, Company Secretary
Relative of Key Management Personnel	1)Mrs Jyoti Jawanjar 2)Mrs Bakul Jawanjal 3)Radhemohan Jawanjal 4)Mrs Vaishali Charde 5)Mr.Ravindra Balpande 6)Aaryan Balpande 7) Shounak Balpande 8) Arjun Jawanjal
Enterprises on which Key Management Personnel & their relative can exercise significant influence	1)Avino Capcons Pvt Ltd 2)Maroti Jawanjar(HUF) 3)Sandeep Jawanjal (HUF)

RELATED PARTY TRANSACTIONS FOR YEAR ENDED 31ST MARCH, 2020

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

(Figures in ₹)

Nature of Relationship / Nature of Transaction	Key Managerial Personnel		Relatives of Key Managerial Personnel		Enterprise on which Relative of Key Management Personnel can Exercise Significant Influence	
	2019-20	2018-19	**2019-20**	2018-19	**2019-20**	2018-19
PAYMENTS						
Remuneration	**1,80,40,158**	1,56,11,662	**10,99,820**	9,77,646	--	--
Interest on Deposits	**5,42,997**	2,72,681	**3,44,200**	4,68,591	**32,674**	3,13,836
Loans Granted	**29,60,000**	18,00,000	--	--	--	30,00,000
Deposits Repaid	**4,88,775**	45,93,113	**26,14,425**	22,55,799	**2,20,240**	1,12,65,783
Equity Dividend	**13,85,612**	13,49,062	**4,06,550**	4,12,450	**24,73,138**	20,51,538
RECEIPTS						
Interest on Loans	**1,59,945**	16,288	--	--	**2,10,970**	1,45,562
Repayment of Loans Granted	**30,60,173**	5,05,761	--	--	--	10,14,556
Deposits Accepted	**44,45,000**	35,70,000	**14,50,361**	11,22,089	**1,70,000**	4,00,000
BALANCE OUTSTANDING						
LOANS GRANTED						
Opening Balance	**13,10,527**	8,00,592	--	--	**21,31,006**	--
Closing Balance	**13,70,299**	13,10,527	--	--	**23,41,976**	21,31,006
DEPOSITS ACCEPTED						
Opening Balance	**27,20,916**	34,71,348	**42,97,917**	49,63,036	**3,51,210**	1,09,03,157
Closing Balance	**72,20,138**	27,20,916	**34,78,053**	42,97,917	**3,33,644**	3,51,210

As per our Report of even date attached

For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W

Pravin Dhiran
M. No. 115580

Place : Nagpur
Date : 27-07-2020

On Behalf of Board of Directors

M.G. Jawanjar
(Managing Director)

S.M. Jawanjal
(Executive Director)

D.R. Balpande
(Company Secretary)

SCHEDULE TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2020

(As required in terms of paragraph13 of Non-Banking Financial
(Deposit Accepting or holding) Companies prudential norms(Reserve Bank) Directions, 2007)

(₹ in lacs)

No.	Particulars	Amount Outstanding	Amount Overdue
	LIABILITIES :		
1	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :**		
	a) Debentures : Secured	--	--
	Unsecured	--	--
	(Other than falling within the meaning of public deposits)		
	b) Deferred credits	--	--
	c) Term Loans	26,828.68	--
	d) Inter-corporate Loans and Borrowing	--	--
	e) Commercial Paper	--	--
	f) Public deposits(Including deposits from directors and their ralatives)	9,252.18	564.51
	g) Cash Credit & Working Capital Demand Loan	5,858.38	--
	Total	**41,939.24**	**564.51**
2	**Break-up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid) :**		
	a) In the form of unsecured debentures	--	--
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	--	--
	c) Other Public Deposits	9,252.18	564.51

(₹ in lacs)

No	Particulars	Amount Outstanding
	ASSETS :	
3	**Break-up of loans and advances including bills receivables [other than those included in (4) below]**	
	a) Secured	36.85
	b) Unsecured	
4	**Break-up of leased assets and stock on hire and other assets counting towards AFC activities**	
	i) Lease assets including lease rentals under sundry debtors :	
	a) Financial lease	--
	b) Operating lease	--
	ii) Stock on hire including hire charges under sundry debtors :	
	a) Assets on hire	--
	b) Repossessed assets	--
	iii) Other loans counting towards AFC activities	
	a) Loans where assets have been repossessed	--
	b) Loans other than (a) above	46,085.70
5	**Break-up of Investments :**	
	Current Investments :	
	1. Quoted :	
	i) Shares :a)Equity	--
	b)Preference	--
	ii) Debentures and bonds	--
	iii) Units of mutual funds	--
	iv) Government securities	4.86
	v) Others (Please specify)	--
	2. Unquoted :	
	i) Shares :a)Equity	--
	b)Preference	--
	ii) Debentures and bonds	--
	iii) Units of mutual funds	--
	iv) Government securities	--
	v) Others (Please specify)	--
	Long Term Investments :	
	1. Quoted :	
	i) Shares :a)Equity	81.19
	b)Preference	--
	ii) Debentures and bonds	--
	iii) Units of mutual funds	5.00
	iv) Government securities	822.39
	v) Others (Please specify)	--
	2. Unquoted :	
	i) Shares :a)Equity	--
	b)Preference	--
	ii) Debentures and bonds	--
	iii) Units of mutual funds	--
	iv) Government securities	--
	v) Others (Please specify)	1.59

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

(₹ in lacs)

	Category	Amount net of provisions		
		Secured	Unsecured	Total
(i)	**Related parties**			
	(a) Subsidiaries	—	—	—
	(b) Companies in the same group	—	—	—
	(c) Other related parties	—	23.42	23.42
(ii)	**Other than related parties**	46,063.34	35.79	46,099.13
	Total	**46,063.34**	**35.79**	**46,122.55**

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

(₹ in lacs)

	Category	Market Value/ Breakup or fair value of NAV	Book Value (Net of Provisions)
(i)	**Related parties**		
	(a) Subsidiaries	--	--
	(b) Companies in the same group	--	--
	c) Other related parties	--	--
(ii)	**Other than related parties**	924.97	872.52
	Total	**924.97**	**872.52**

8 Other information

(₹ in lacs)

	Particulars	Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	--
	(b) Other than related parties	1,250.77
(ii)	Net Non-Performing Assets	
	(a) Related partied	
	(b) Other than related parties	1,083.98
(iii)	Assets acquired in satisfaction of debt	--

As per our Report of even date attached

On Behalf of Board of Directors

For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W

Pravin Dhiran
M. No. 115580

Place : Nagpur
Date : 27-07-2020

M.G. Jawanjar
(Managing Director)

S.M. Jawanjal
(Executive Director)

D.R. Balpande
(Company Secretary)

FINANCIAL HIGHLIGHTS

(₹ in lacs)

YEAR	PAID-UP CAPITAL	NET WORTH	TOTAL ASSETS	PROFIT BEFORE TAX	PROFIT AFTER TAX	DIVIDEND	
						Rate%	AMOUNT
1990-91	1.44	1.50	3.03	0.06	0.06	--	--
1994-95	20.75	38.14	74.88	6.45	5.80	26.00%	4.07
1995-96	26.00	44.40	124.95	8.07	6.09	20.00%	5.04
1996-97	30.00	48.94	174.86	11.16	5.15	14.00%	3.72
1997-98	30.00	52.72	224.24	19.15	10.00	16.00%	4.80
1998-99	30.00	59.80	223.71	20.22	12.97	16.00%	4.80
1999-00	30.00	61.41	247.47	16.47	8.55	16.00%	4.80
2000-01	36.00	70.22	280.79	17.78	9.15	16.00%	4.92
2001-02	50.00	109.28	374.83	31.84	22.74	17.00%	7.70
2002-03	80.00	187.27	748.88	55.55	34.57	18.00%	14.40
2003-04	102.55	256.21	865.80	81.84	52.70	18.00%	15.55
2004-05	102.55	307.02	1,155.50	112.80	75.73	20.00%	20.51
2005-06	163.50	452.20	1,392.69	126.43	83.88	22.00%	26.04
2006-07	310.00	715.98	1,956.10	153.81	101.36	22.50%	44.64
2007-08	* 620.00	780.25	2,619.22	228.63	153.54	* 12.50%	90.67
2008-09	700.00	978.58	3,486.60	336.82	218.98	13.00%	100.66
2009-10	700.00	1,119.71	4,100.69	379.84	247.60	13.00%	106.47
2010-11	700.00	1,361.79	5,206.99	545.56	355.98	14.00%	113.90
2011-12	750.00	1,695.14	6,377.90	601.90	399.37	14.00%	116.01
2012-13	800.00	2,099.90	9,076.85	732.20	492.46	15.00%	137.70
2013-14	800.00	2,534.23	11,125.49	863.19	574.74	15.00%	140.39
2014-15	800.00	3,091.63	14,788.92	1,053.41	677.75	12.50%	120.35
2015-16	800.00	3,818.09	19,770.39	1,246.93	822.74	10.00%	96.29
2016-17	800.00	4,713.26	26,660.71	1,532.62	991.47	10.00%	96.29
2017-18	800.00	5,950.92	32,937.95	1,768.79	1,237.65	10.00%	96.44
2018-19	800.00	7,326.43	41,796.85	2,077.27	1,471.95	10.00%	96.44
2019-20	966.67	11,808.65	55,274.97	2,258.44	1,691.27	5.00%	46.50

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

MISSION

Partnering To Prosper

COMMITMENT

Close To The People

VISION

Miles To Go .....

BY REGD. POST / BY COURIER

If not delivered please return to :-

BERAR FINANCE LIMITED
AVINISHA TOWER, MEHADIA SQUARE,
DHANTOLI, NAGPUR-440 012
TEL. :- 0712 - 6663999

BERAR FINANCE LIMITED

31st Annual Report 2020-2021

CORPORATE INFORMATION

BOARD OF DIRECTORS:	CS Maroti Jawanjar	Executive Chairman
	Mr. Sandeep Jawanjal	Managing Director & CFO
	Mr. Shantaram Mahakalkar	
	Mr. Vishwas Pathak	
	Mr. Dattatraya Dalal	
	CA Atul Sarda	
	CS Rashmi Mitkary	
	CA Avishek Addy	
	Mr. Harishchandra Sukhdeve	
COMPANY SECRETARY:	CS (Mrs.) Deepali Balpande	
AUDITORS:	M/s Pravin Dhiran & Co. Chartered Accountants	
SECRETARIAL AUDITORS:	M/s SPZ & Associates, Company Secretaries	
BANKERS:	Bank of Maharashtra IDBI Bank Ltd. Punjab National Bank AU Small Finance Bank Ltd. IDFC First Bank Ltd.	
REGISTERED OFFICE:	Avinisha Tower, Mehadia Chowk, Dhantoli, NAGPUR - 440 012 Ph.: 0712 – 6663999 CIN: U65929MH1990PLC057829 **Website:**www.berarfinance.com **Email:** investor.relations@berarfinance.com	
REGISTRAR & SHARE TRANSFER AGENT:	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, Maharashtra 400059 Tel: 022-6263 8200 **Email:**investor@bigshareonline.com	
DEBENTURE TRUSTEE:	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. Tel.: 022 - 4080 7000 **Website**: www.idbitrustee.com	
PUBLIC DEPOSIT TRUSTEE:	Catalyst Trusteeship Limited GDA House, First Floor, Plot No.85, Bhusari Colony (Right), Kothrud, Pune - 411038 Tel No.: 020 - 6680 7200 **Website**: www.catalysttrustee.com	

DIRECTORS' REPORT

Your Directors are glad to present the 31st Annual Report and the audited accounts of your Company for the financial year ended March 31, 2021 **("FY 2020-2021").**

FINANCIAL RESULTS

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

(₹ in lakhs)

Particulars	FY 2020-2021	FY 2019-2020*
Loans Disbursed during the year	58,538.84	43,670.39
Gross Receivables under Management (AUM)	**67,180.57**	**46,678.20**
Receivables sold under Securitisation	156.07	1,365.08
Gross Income	**13,486.18**	**10,485.43**
Profit (before extra-ordinary items)	2,055.66	2,023.33
Net Profit (after Tax)	**1,537.67**	**1,464.48**

APPROPRIATION OF PROFITS

The operations have generated a Net Profit (after tax) of ₹ 1,537.67 lakhs (P.Y: ₹ 1,464.48 lakhs*) for the financial year ended March 31, 2021.

Your Directors propose to appropriate the same as under:

(₹ in lakhs)

Particulars	FY 2020-2021	FY 2019-2020*
Net Profit (after Tax)	1,537.67	1,464.48
Add: Balance Brought Forward	(483.96)	(321.70)
Add/(Less): Other Comprehensive Income	0.99	(7.30)
Disposable Profit	**1,054.70**	**1,135.48**
Appropriations:		
- Dividend paid during the year	46.51	80.00
- Dividend Distribution Tax	-	16.44
- Transfer to Statutory Reserve (As per Section 45-IC of RBI Act, 1934)	400.00	423.00
- Transfer to General Reserve	500.00	1,100.00
Balance Carried Forward	**108.19**	**(483.96)**

*** Figures for FY 2019-20 has been re-classified as per IND-AS.**

DIVIDEND

Your Directors recommend a dividend of ₹ 1.00 per Equity Share for FY 2020-2021 as against ₹ 0.50 per Equity Share in the previous financial year.

FUNDING RESOURCES

i. Bank Facilities - As on date, a consortium of bankers comprising of Bank of Maharashtra, IDBI Bank, Punjab National Bank, AU Small Finance Bank Limited and IDFC First Bank Limited are providing CC facilities of ₹ 6,500.00 lakhs. The outstanding balance of CC Limit as on March 31, 2021 is ₹ 5,198.71 lakhs.

ii. Fixed Deposits - As on March 31, 2021, total fixed deposits amounted to ₹ 11,977.94 lakhs, of which public deposits amounted to ₹ 10,967.92 lakhs. The following table provides the details of the flow of public deposits during FY 2020-2021:

Particulars	₹ in lakhs
Public Deposits at the beginning of the year	8,558.53
Less: Public deposits repaid / renewed during the year	5,727.43
Add: Public Deposits accepted / renewed during the year	8,136.82
Public Deposits at the end of the year	**10,967.92**

₹ 659.55 lakhs of deposits (from 322 deposit accounts) matured during the year were unclaimed as on March 31, 2021. All these were claimed/renewed subsequently and there is no unclaimed deposit outstanding as on the date of this report.

iii. Terms Loans - Your Company has availed term loans for working capital from various lenders at favourable terms and at a reasonable rate of interest. The outstanding balance of such loans as on March 31, 2021 is ₹ 43,448.71 lakhs. The term loans offer ready availability, their repayments match maturity of receivables offered as security and has retained its position as the main source of funding during the year.

iv. During the year, your Company has issued Non-Convertible Debentures (NCDs) on private placement basis to eight entities amounting to ₹ 12,200 lakhs out of which NCDs issued to three entities were listed on BSE Limited.

The Company has been regular in the payment of principal / interest towards all the outstanding Non-Convertible Debentures. As on March 31, 2021 the total outstanding Secured NCDs are ₹ 12,066.02 lakhs.

Further, the NCDs allotted to Bank of Maharashtra and Northern Arc Money Market Alpha Trust were fully redeemed on July 28, 2021 and August 2, 2021 respectively.

v. Share Capital by Preferential Allotment: With the view to strengthen the capital base, your Company raised share capital by offering and allotting shares on a preferential basis as under:

TRANCHE II

Investors	No. of Equity Shares allotted	Amount received (in ₹) (A)	No. of Series A CCPS allotted *	Amount received (in ₹) (B)	Total amount (in ₹) (A)+(B)
Amicus Capital Private Equity I LLP	5,18,742	10,89,35,820	3,45,829	7,26,24,090	18,15,59,910
Amicus Capital Partners India Fund I	52,686	1,10,64,060	35,124	73,76,040	1,84,40,100
Total	**5,71,428**	**11,99,99,880**	**3,80,953**	**8,00,00,130**	**20,00,00,010**

Further, the Board of Directors of the Company vide resolution passed in its meeting dated March 30, 2021 converted all the CCPS into Equity Shares as under:

Investors	Total No. of Series A CCPS* (Tranche I & II)	Equity Shares allotted on conversion of Series A CCPS
Amicus Capital Private Equity I LLP	**8,44,718**	**2,93,409**
Amicus Capital Partners India Fund I	**91,791**	**31,850**
Total	**9,36,509**	**3,25,259**

(***CCPS means Cumulative Compulsorily Convertible Participating Preference Shares)**

With the Equity Shares issued under Preferential Allotment during the year and conversion of Series A CCPS into equity shares, the Equity Share Capital of the Company stands increased to ₹ 10,00,77,980 comprising of 1,00,07,798 Equity Shares of ₹ 10 each.

REVIEW OF OPERATIONS

Financing of two-wheelers continues to be the mainstay product of your Company. With a view to broad base the business, your Company has ventured into other loan products like financing agri-equipment, office equipment, cars and personal loans. Your Company has a strong network and presence in rural and semi-urban India which has demonstrated strong growth potential. Your Company has recorded satisfactory growth in business with a 34% increase in disbursement and 28.62% increase in gross income during FY 2020-21.

BRANCH NETWORK

Your Company plans to reach customers through expansion of its branch network across strategic locations in Central, Western and Southern India.

During FY 2020-21, your Company had opened 7 branches in Maharashtra, 7 in Telangana, 6 in Madhya Pradesh, 4 in Chhattisgarh and 1 in Karnataka. As on March 31, 2021, the Company had 91 branches and as on date of this report, it stands increased to 95 branches comprising 39 in Maharashtra, 16 in Madhya Pradesh, 15 in Chhattisgarh, 15 in Telangana, 5 in Gujarat and 5 in Karnataka.

Your Company plans to add more branches during the financial year 2021-2022.

RESERVE BANK OF INDIA GUIDELINES

Your Company has been following guidelines issued by the Reserve Bank of India **("RBI")** including those related to prudential norms for income recognition, asset classification, provisioning of bad and doubtful debts, Capital adequacy and concentration of credit and investments. Your Company has a comfortable capital adequacy ratio of 20.46% (as against 15% prescribed by RBI) as on March 31, 2021. Under the new regulatory framework of RBI, your Company is classified as **Systemically Important Asset Finance Company-Deposit Taking.**

Reserve Bank of India vide its notification no. RBI/2018-19/130 DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019 harmonized different categories of NBFCs. According to this notification, your Company falls under the category of **Investment & Credit Company.**

RELATED PARTY TRANSACTIONS

All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. The Company did not enter into any material transaction with related parties under Section 188 of the Companies Act, 2013 **("Act"),** during FY 2020-21. Form AOC-2, as required under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as part of this Report vide **"Annexure V (i)".** Further, the Company's Policy on Related Party Transactions is attached as part of this report, vide **"Annexure V (ii)".**

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

CREDIT RATING

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

Schemes	Credit Rating Agency	Rate of Grade
Public Deposits	ICRA Ltd.	MA-(Stable)
Cash Credit Facility	ICRA Ltd.	BBB (Stable)
Non-convertible Debentures (NCDs)	ICRA Ltd.	BBB (Stable)

LISTING ON STOCK EXCHANGES:

During the year under review, the Company became a debt listed Company by virtue of listing of Non-Convertible Debentures (NCDs) of the Company on Wholesale Debt Market Segment of BSE Limited on August 14, 2020.

STATUTORY AUDITORS & AUDITORS' REPORT

M/s. Pravin Dhiran & Co. (Firm Registration No.: 133656W), Chartered Accountants has been appointed as Statutory Auditors of the Company at the 29th Annual General Meeting of the Company for a period of 5 years from the conclusion of that Annual General Meeting till the conclusion of 34th Annual General Meeting at such remuneration and out of pocket expenses, as may be mutually agreed between Board of Directors of the Company and the Statutory Auditors.

The Auditors Report on the financial statements of the Company for the year ended March 31, 2021 is self-explanatory.

REPORTING OF FRAUD BY THE AUDITORS

The Auditors did not report any fraud during the financial year.

INTERNAL AUDITORS

M/s. Somalwar Sahasrabudhe and Associates, (Firm Registration No.135726W) Chartered Accountants, were appointed as the Internal Auditors for the Financial Year 2020-21.

Further, in compliance with the Reserve Bank of India circular no. RBI/2020-21/88 having Ref.No.DoS.CO.PPG./SEC.05/11.01.005/2020-21 dated February 03, 2021, the Board, through resolution passed at its meeting dated June 29, 2021 has designated Mr. Satish Kumar Gupta, official of the Company, having qualification of Chartered Accountant (CA Membership No. 124944) as the 'In house' Internal Auditor of the Company who will act as a Head of Internal Audit **("HIA")** for conducting Risk-Based Internal Audit **("RBIA")** of the Company.

The Audit Committee regularly reviews Internal Audit reports including the audit findings as well as adequacy and effectiveness of the internal control measures.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed M/s. SPZ & Associates, Company Secretaries, Nagpur (Firm Unique Identification Number S2015MH305600) **("Secretarial Auditor")** to conduct Secretarial Audit for FY 2020-21.

On the recommendation of the Audit Committee meeting dated June 29, 2021, the Board through resolution passed at its meeting held on June 29, 2021 has re-appointed the Secretarial Auditor to conduct Secretarial Audit for FY 2021-22.

The Secretarial Audit Report for the financial year ended March 31, 2021 in Form MR-3 is attached to this report as **"Annexure II"** and forms part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

DIRECTORS

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Independent Director.

During the period under review, the following changes took place in the composition of the Board of Directors of the Company:

(A)Appointment of Non – Executive Directors:

During the period under review, following Directors were appointed as Additional Director of the Company:

Sr. No	Name of Director	Designation	Date of Approval of the Board	Remarks
1.	Ms. Rashmi Mitkary (DIN: 08960192)	Additional Director in the capacity of Non-Executive Independent Director	November 13,2020	Appointed for a period of two years.
2.	Mr. Avishek Addy (DIN:07973542)	Additional Director in the capacity of Non-Executive Non-Independent Director, liable to retire by rotation	January 19, 2021	Representative Director of private equity investors namely Amicus Capital Private Equity I LLP and Amicus Capital Partners India Fund I.
3.	Mr. Harishchandra Sukhdeve (DIN: 09289094)	Additional Director in the capacity of Non-Executive Non-Independent Director liable to retire by rotation.	August 23, 2021	--

The Board confirms that Ms. Rashmi Mitkary possesses integrity and relevant proficiency which will bring tremendous value to the Board and to the Company.

(B) Appointment of Executive Directors:

During the period under review, the following Executive Directors were appointed upon such terms and conditions including remuneration as approved by the Board and subject to the approval of the members at the ensuing Annual General Meeting:

Sr. No.	Name of Director	Designation	Date of Approval of the Board	Term of Appointment
1.	Mr. Maroti Jawanjar (DIN: 00379916)	Executive Chairman	March 30, 2021	5 (Five) years w.e.f. April 1, 2021
2.	Mr. Sandeep Jawanjal (DIN: 01490054)	Managing Director	March 30, 2021	5 (Five) years w.e.f. April 1, 2021

(C) Resignation of Directors:

During the period under review, following Directors resigned from the Board of Directors of the Company:

Sr. No.	Name of Director	Effective date of resignation
1.	Mr. Mahesh Parasuraman (DIN: 00233782)	October 1, 2020
2.	Mr. Ashok Ghanshyam Kachore (DIN: 00380102)	July 8, 2021

The Board of Directors have placed on record its appreciation for the support and invaluable services of Mr. Mahesh Parasuraman and Mr. Ashok Ghanshyam Kachore.

(D) Re-appointment of Director retiring by rotation:

Mr. Dattatraya Prabhakar Dalal (DIN No. 00380199), Non-Executive Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered himself for reappointment.

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

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

KEY MANAGERIAL PERSONNEL

During the period under review, the Board through resolution passed at its meeting held on October 27, 2020 designated Mr. Sandeep Jawanjal (DIN: 01490054) as the Chief Financial Officer **("CFO")** of the Company. Currently he also acts as the Managing Director of the Company.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors for the FY 2020-21. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board of Directors reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole, and performance of the Chairperson were evaluated taking into account the views of Non-Executive Directors. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

REPORT ON CORPORATE GOVERNANCE

Your Company has been following robust governance practices since its inception and is committed to adhere to high standards of the Corporate Governance Code in words and spirit.

The report on Corporate Governance forms a part of this report and is annexed as **"Annexure III".**

DIRECTORS' RESPONSIBILITY STATMENT

As required under Section 134(3) (c) of the Act, your Directors confirm that:

1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure;

2) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

3) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4) They have prepared the annual accounts on a going concern basis;

5) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

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

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

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

RISK MANAGEMENT

Your Company, being in the business of retail financing has to face inherent risks like credit risk, liquidity risk, interest rate risk and operational risk. The survival and growth of any financing entity largely depends upon effectively managing these risks. The Audit Committee, Risk Management Committee and Assets Liability Management Committee review and monitor these risks at periodic intervals.

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

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

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

INTERNAL FINANCIAL CONTROLS

The internal financial controls of the Company are commensurate with its size, scale and complexities of its operations. The Company has robust policies and procedure which *interalia,* ensure integrity in conducting business, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention and detention of frauds and errors. The internal financial control with reference to the financial statements were tested and reported adequate and operating effectively.

HUMAN RESOURCES AND EMPLOYEES STOCK OPTIONS PLAN:

Quality organization needs quality people. To the Company, its people are the most valuable resource. Your Company is putting a strong emphasis on attracting, training and retaining the right talent with focus on merit and performance.

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

In order to reward performance and elicit long term commitment of the employees towards the growth of the Company the “Berar Employee Stock Option Plan, 2019” (“ESOP, 2019”/”Plan”) was introduced with the approval of Board & Shareholders in FY 2019-20.

On the first anniversary of ESOP, 2019 on December 23, 2020, 13,200 options were vested with the employees to whom stock options were granted under the Plan.

The summary of status of ESOP, 2019 as required under the SEBI (Share Based Employee Benefits) regulations, 2014 is annexed as **“Annexure VI”** and forms part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO IN TERMS OF SECTION 134 (3) (M):

(a) Conservation of Energy

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However, we always take adequate measures to ensure optimum utilization and maximum possible saving of energy. The Company has also implemented process to install all the energy saving devices in the branches such as energy savers for ACs, PLC, LED Light, etc. which runs on very nominal energy with high impact.

(b) Technology Upgradation:

In terms of Rule 8(3)B of the Companies (Accounts) Rules, 2014 the latest technology upgradation activities implemented by the Company had assured swiftly processing the loans, accounting facilities at various levels of the organisation, improved Network and Cyber security to detect and handle online threats.

The Company is in the advanced stage of implementing new IT infrastructure, Loan Origination & Management System, new digital solutions and cloud platforms to improve business standards, Internal processes, efficiency and great customer experiences.

The Company has appointed Virtual Galaxy Infotech as Technology Partner for "Network, Official Websites & Server Management", Technovation IT Consultants & Services to implement "Sophos Intercept X Console" for Cyber Security, Relyon Softech Ltd for "HR Payroll-Attendance Software", Freshworks Inc. for "CRM Ticketing Tool" (Cloud), Universal Business Systems & APT Infotech for "Genuine Microsoft Licenses".

(c) Foreign Exchange Earning & Outgo:

In terms of Rule 8(3) C of the Companies (Accounts) Rules, 2014, there were no foreign exchange earnings and outgo during the year under review.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is pursuing the CSR programs and projects as per its approved Corporate Social Responsibility Policy.

Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 **(the "CSR Rules")** have been amended substantially with effect from January 22, 2021.

In terms of the provisions of the Act, read with the CSR Rules, the Annual Report on CSR activities under the format prescribed in the amended CSR Rules is annexed to this Report as **"Annexure IV".**

In line with the said amendments, the Board, at its meeting held on 29 June 2021, amended the existing Policy.

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE POLICY

Your Company has put in place a policy for prevention, prohibition and redressal against sexual harassment of women at the workplace, to protect the women employees of the Company including any woman coming into any office premises of the Company and enable them to report sexual harassment at the workplace in line with the requirements of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' ("Act'). An Internal Committee **("IC")** headed by a woman employee has also been constituted for the purpose. All employees (including permanent, contractual, temporary, trainees) and any woman coming into any office premises of the Company are covered under this policy.

The Company has complied with provisions relating to constitution of Internal Committee under the Act.

No cases have been filed pursuant to the Act. There has been no incidence/complaint related to sexual harassment of women at workplace during the period under review.

SECRETARIAL STANDARDS OF INSTITUTE OF COMPANIES SECRETARIES OF INDIA

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

MAINTENANCE OF COST RECORDS

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

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

ANNUAL RETURN

A copy of the annual return as provided under section 92(3) of the Act, in the prescribed form, which will be filed with the Registrar of Companies/MCA, is hosted on the Company's website and can be accessed at : https://berarfinance.com/pdf/agm/agm-21/mgt_7_annual_return-2020-21.pdf

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of your Company during the FY2020-21.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

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

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

OTHER PARTICULARS

Particulars of Employees required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this report as **"Annexure VII".**

Your Company, being an NBFC registered with the RBI, the provisions of Section 185 of the Act are not applicable to the Company.

Annexures forming part of this Report:

1. Management Discussion and Analysis: Annexure I
2. Secretarial Audit Report: Annexure II
3. Report on Corporate Governance: Annexure III
4. Report on CSR Activities: Annexure IV
5. Form AOC-2: Annexure V(i)
6. Related Party Transaction Policy: Annexure V(ii)
7. Disclosure under Employee Stock Option Plan: Annexure VI
8. Particulars of Employees: Annexure VII

ACKNOWLEDGEMENT

The Board of Directors takes the opportunity to express its sincere appreciation for the support and co-operation from its members, depositors, debenture holders, banks, financial institutions and the regulators- RBI, SEBI and BSE Limited.

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

For and on behalf of Board of Directors

Date: August 23, 2021
Place: Nagpur

M.G Jawanjar
Chairman

Annexure I

MANAGEMENT DISCUSSION AND ANALYSIS

FY 2020-2021 was a challenging year for the economy in general and financial services industry in particular. The year began with ongoing COVID-19 pandemic that led to nationwide lockdown. The first phase started on March 24, 2020. This phase reached peak level in September 2020. Soon after a gap of four months, the second phase started in February 2021 which continued up to the year end and thereafter.

Due to frequent lockdowns and restrictions imposed on businesses, the economy and business suffered heavily, resulting in overall GDP growth being negative at 8% in FY 2020-21 compared to a positive growth rate of 4.2% in FY 2019-20.

RBI Policy Measures

The Reserve Bank of India (RBI) announced various measures to ensure liquidity support to NBFCs and moratorium to customers for EMIs/payments falling due from March 1, 2020 to May 31, 2020. This was further extended on May 23, 2020 for all EMIs/payments falling due up to August 31, 2020. In line with the RBI directives, the Company granted moratorium to all the eligible customers. This was well received by the customers.

Market Scenario

Your Company's primary business is financing 2 - wheelers with focus on semi-urban and rural areas. The first half of the financial year was severely impacted by deadly COVID-19 but the market improved in second half and the Company could make up the business loss suffered in first half. There was an increase in 2 - wheelers demand as the customers were using two-wheelers as an alternative means of transport due to non-availability of public transport. This ensured 34.2 % growth in business in FY 2020-21. There was also robust demand for other loan products too.

COVID-19 & Response

In response to the COVID-19 outbreak, the Company took number of steps to minimise the impact and ensure safety and well-being of its employees which are as follows:

i) Curtailing domestic travel and ensuring social distancing.

ii) Providing measures like sanitisation of offices, availability of hand sanitizers and masks across all its offices.

iii) Introducing operations in multiple shifts to ensure lesser number of employees at workplace.

iv) Providing insurance benefits to employees through Group COVID-19 insurance policy cover.

v) Allowing employees infected by COVID-19, 14 days of paid leave over and above the normal leave quota.

vi) Arranging free COVID testing and vaccination facility across locations.

Even during complete lockdown, the Company did not reduce manpower and paid full salaries for such period of total lockdown. All above measures improved morale of the employees.

Out look

While the long-term outlook remains positive, the near-medium term outlook is expected to be challenging given the current COVID-19 situation across the country and its effect on economy. The rollout of 2 new vaccines, in addition to the existing 2 vaccines rolled out in February, 2021 and vigorous implementation of vaccine programmes will mitigate the impact of pandemic, which augurs well for the economy and the Company's business.

2 – wheelers loans continue to remain the primary product offering of the Company. In addition it is also offering other loan products like agri-finance, consumer finance, car finance and personal loan to broad base its offering. Your Company expects a sustained growth in business and profitability with such a diversified portfolio.

Your Company added 25 branches and 245 sales points during FY 2020-21. With the increase in branch network and sound branch infrastructure, the Company is ready to take advantage of the improved business sentiments.

Berar Finance Limited expects to improve its performance in FY2021-22 and sustain its growth trajectory. The approach would be to continue with the growth momentum while balancing risks. With a view to meet increased demand for funds, the Company has increased its funding options including private equity infusion, placement of NCDs, term loans from variety of institutions and vigorous drive for public deposits.

Performance during the Financial Year 2020-2021

The performance of the Company during the year was satisfactory, in the backdrop of growing competition, slowdown in economy and emergence of COVID-19.

(₹ in Lakhs)

Particulars	FY 2019-20*	FY 2020-21	% Change
Total Income	10,485.43	13,486.18	+28.62
Total Cost	8,462.10	11,430.52	+35.08
Profit Before Tax	2,023.33	2,055.66	+1.60
Profit after Tax	1,464.48	1,537.67	+5.00
Earnings per Share (Fig. in ₹)			
Basic	17.97	16.01	-
Diluted	17.85	15.91	-

* Figures for FY 2019-20 has been re-classified as per IND-AS.

Risks and Concerns

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

The main focus of your Company has been to ensure a diversified loan portfolio, improve credit quality, reduced mismatch in assets and liabilities and lower cost of funds. The Risk Management Committee and Assets Liability Management Committee have been working constantly to meet these objectives. The Company has been largely successful in managing the risks and concerns inherent in the business of a finance company. With multiple lenders and other sources of funds, the Company is assured of availability of funds at lower cost for its growing business. Your Company does not perceive any threat to the profitable business growth.

Customer Service

Your Company continues to remain customer focused. *'Once a Berar customer- always a Berar customer'* is a key motto of the Company. Customer data and status is available online at all branches. Accepting that time has value, the Company provides prompt services while sanctioning/disbursing loans as well as post-disbursement services.

Customer enquiries and complaints are attended instantly. The Company is known for its customer friendly and transparent finance schemes. There are committed employees at Head Office level as well as branch level to attend to customer enquiries, to offer prompt services and address customers complaints promptly. Even during the pandemic and consequent lockdown, the customer connect was maintained while the entire staff was working from home. In line with the policy announced by Reserve Bank of India, the Company granted moratorium to the performing customers in respect of instalments from April 1, 2020 up to August 31, 2020.

Annexure II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]
(For the Financial Year ended on 31/03/2021)

To,

The Members,
Berar Finance Limited
(CIN- U65929MH1990PLC057829)
Add- Avinisha Tower, Mehadia Chowk,
Dhantoli, Nagpur, Maharashtra - 440012, India

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Berar Finance Limited (The Company).** Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's 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 our opinion, the Company has, during the audit period covering the financial year ended on **31/03/2021** duly 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 Company for the financial year ended on **31/03/2021** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; ***(Not Applicable)***

(v) The Regulations and Guidelines prescribed under the Securities and Exchanges Board of India Act, 1992 ("SEBI Act") i.e.

- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***(Not Applicable)***
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ***(Not Applicable)***
- The Securities and Exchange Board of India (Delisting of Equity Shares) - Regulations, 2021; and ***(Not Applicable)***
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***(Not Applicable)***
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***(Not Applicable)***
- The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ***(Not Applicable)***

(vi) Applicable Secretarial Standards issued by The Institute of Company Secretaries of India;

(vii) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

(Hereinafter called as "Applicable Act, Rules, Regulations, Guidelines, Standard, and Direction")

During the period under review the Company ***has duly complied*** with the provisions of the Applicable Act, Rules, Regulations, Guidelines, Standard, and Direction.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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. The decisions in the meeting are carried out with requisite majority.

We 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.

We further report that during the audit period

- The Company has made an appointment of Secretarial Auditor & Internal Auditor for FY 2020-21 in the Board Meeting held on 09/06/2020.
- The Company has issued 100 (One Hundred) Senior, Secured, Rated, Redeemable, Transferable, Non-Convertible Debentures on Private Placement Basis to DCB Bank Limited in the Board Meeting held on 18/06/2020.
- The Company has made an allotment of 100 (One Hundred) Rated, Secured, Senior, Redeemable, Taxable, Transferable, Non-Convertible Debentures on Private Placement Basis to DCB Bank Limited through Circular Resolution on 22/06/2020.
- The Company has approved the issue of 100 (One Hundred) Senior, Secured, Listed, Rated, Redeemable, Transferable, Non-Convertible Debentures on Private Placement Basis to Northern ARC Money Market Alpha Trust in the Board Meeting held on 24/07/2020.
- The Company has allotted 100 (One Hundred) Rated, Secured, Senior, Redeemable, Taxable, Transferable, Listed, Non-Convertible Debentures on Private Placement Basis to Northern ARC Money Market Alpha Trust on 30/07/2020 through Circular Resolution.
- The Company has approved the issue of 100 (One Hundred), Senior, Secured, Unrated, Unlisted, Redeemable, Transferable, Non-Convertible Debentures to Bank of Maharashtra in the Board Meeting held on 24/07/2020.
- The Company has made an allotment of 100 (One Hundred) Unrated, Unlisted, Secured, Senior, Redeemable, Taxable, Transferable, Non-Convertible Debentures to Bank of Maharashtra on 29/07/2020 through Circular Resolution.
- The Company has authorized the issuance of Tranche 2 Series A Cumulative Compulsorily Convertible Participating Preference Shares (CCPS) in the Board Meeting held on 29/08/2020.
- The Company has approved the issuance of Tranche 2 Series A Equity Shares and Tranche 2 Series A of Cumulative Compulsorily Convertible Participating Preference Shares (CCPS) through Private Placement Basis in the Board Meeting held on 29/08/2020.
- The Company has approved the issue of 100 (One Hundred) Rated, Unsubordinated, Secured, Transferable, Unlisted Redeemable, Non-Convertible Debenture to IFMR Finance for Freedom Fund III in the Board Meeting held on 10/09/2020.

- The Company has made an allotment of 100 (One Hundred) Rated, Unsubordinated, Secured, Redeemable, Transferable, Unlisted, Non – Convertible Debenture to IFMR Finance for Freedom Fund III through Circular Resolution passed on 11/09/2020.
- Mr. Mahesh Parasuraman (Non-Executive Director) has resigned from the position of Director of the Company with effect from 01/10/2020.
- The Company has approved the allotment of share on Private Placement Basis i.e., 5,18,742 Equity share & 3,45,829 Tranche 2 Series A Cumulative Compulsorily Convertible Participating Preference Share (CCPS) to Amicus Capital Private Equity I LLP (ACPE) & 52,686 Equity Share & 35,124 Tranche 2 Series A Cumulative Compulsorily Convertible Participating Preference Share (CCPS) to Amicus Capital Partners India Fund I (ACPIF) in the Board Meeting held on 27/10/2020.
- Mr. Sandeep Jawanjal (DIN 01490054) is designated as Chief Financial Officer (CFO) of the Company with effect from 01/11/2020 in the Board Meeting held on 27/10/2020.
- Ms. Rashmi Mitkary (DIN 08960192) is appointed as an Additional Director (Non-Executive Director, Independent Director) with effect from 13/11/2020 in the Board Meeting held on 13/11/2020.
- The Company has approved the issue of 150 (One Hundred and Fifty) Rated, Unsubordinated, Secured, Transferable, Unlisted, Redeemable, Non-Convertible Debenture on Private Placement Basis to IFMR Finance for Freedom Fund III with IFMR Fimpact Long Term Credit Fund as its scheme in the Board Meeting held on 13/11/2020.
- The Company has made an allotment of 150 (One Hundred and Fifty) Rated, Unsubordinated, Secured, Transferable, Unlisted, Redeemable, Non-convertible Debentures on Private Placement Basis to IFMR Finance for Freedom Fund III with IFMR Fimpact Long Term Credit Fund as its scheme on 18/11/2020 through Circular Resolution.
- The Company has approved the issue of 1500 (One Thousand Five Hundred) Rated, Unlisted, Senior, Secured, Redeemable, Taxable, Non-Convertible Debenture to Vivriti Samarth Bond Fund through its Trustee Vistra ITCL (India) Limited in the Board Meeting held on 18/12/2020.
- The Company has allotted 1500 (One Thousand Five Hundred) Rated, Unlisted, Senior, Secured, Transferable, Redeemable, Taxable, Non-Convertible Debenture to Vivriti Samarth Bond Fund through its Trustee Vistra ITCL (India) Limited on 23/12/2020 through Circular Resolution.
- The Company has appointed Mr. Avishek Addy (DIN - 07973542) as an Additional Director of the Company in the Board Meeting held on 19/01/2021.
- The Company has issued 1800 (One Thousand Eight Hundred) Rated, Listed, Senior, Secured, Redeemable, Transferable, Non-Convertible Debenture to UNIFI AIF in the Board Meeting held on 17/02/2021.
- The Company has allotted 1800 (One Thousand Eight Hundred) Rated, Listed, Senior, Secured, Redeemable, Transferable, Non-Convertible Debentures on a Private Placement Basis to UNIFI AIF on 24/02/2021 through Circular Resolution.
- The Company has issued 340 (Three Hundred Forty) Rated, Listed, Senior, Transferable, Redeemable, Non-Convertible Debentures to Creation Investments FPI, LLC in the Board Meeting held on 22/03/2021.
- The Company has allotted 340 (Three Hundred Forty) Rated, Listed, Senior, Taxable, Transferable, Redeemable, Non-Convertible Debentures to Creation Investments FPI, LLC on 24/03/2021 through Circular Resolution.
- The Company has made an appointment of Mr. Maroti Jawanjar (DIN 00379916) as Executive Chairman of the Company for a period of 5 year with effect from 01/04/2021 to 31/03/2026 in the Board Meeting held on 30/03/2021 subject to the approval of the members of the Company at ensuing General Meeting.
- The Company has made an appointment of Mr. Sandeep Jawanjal (DIN- 01490054) as Managing Director of the Company for a period of 5 year with effect from 01/04/2021 to 31/03/2026 in the Board Meeting held on 30/03/2021 subject to the approval of the members of the Company at ensuing General Meeting.
- The Company has approved the Conversion of Tranche 1 Series A Cumulative Compulsorily Convertible Participating Preference Shares (CCPS) and Tranche 2 Series A Cumulative Compulsorily Convertible Participating Preference Shares (CCPS) into Equity Share in the Board Meeting held on 30/03/2021.
- The Company has regularized the appointment of Mr. Mahesh Parasuraman (DIN – 00233782) as Director of the Company in the Annual General Meeting (AGM) held on 28/09/2020.
- The Company has authorised for issuance of Tranche 2 Series A Cumulative Compulsorily Convertible Participating Preference Share (CCPS) in the AGM held on 28/09/2020.

- The Company has approved the issuance of Tranche 2 Series A Equity Shares and Tranche 2 Series A Cumulative Compulsorily Convertible Participating Preference Share (CCPS) through Private Placement in the AGM held on 28/09/2020.
- The Company has approved the Amendment, Re-statement and Entrenchment of the Articles of Association of the Company in the AGM held on 28/09/2020.
- The Company has approved the amendment, re-statement and entrenchment of the Articles of Association of the Company through Postal Ballot (Remote E-Voting) on 10/12/2020.

This Secretarial Audit Report is being issued on 22/06/2021.

For SPZ & Associates.
Company Secretaries

CS Sunil Zore
Certificate of Practice. No. 11837
Membership Number: 22144
Firm Unique Identification Number- S2015MH305600
Peer Review Certificate Number- 965/2020
ICSI UDIN: A022144C000497278

*(**NOTE- This Report is to be read with our letter of even date which is annexed as Appendix A and formsan integral part of this report.**)*

Annexure A to the Secretarial Audit Report

To,

The Members,
Berar Finance Limited
(CIN- U65929MH1990PLC057829)
Add- Avinisha Tower, Mehadia Chowk,
Dhantoli, Nagpur, Maharashtra - 440012, India

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

This Letter is being issued on 22/06/2021.

For SPZ & Associates.
Company Secretaries
CS Sunil Zore
Certificate of Practice. No. 11837
Membership Number: 22144
Firm Unique Identification Number- S2015MH305600
Peer Review Certificate Number- 965/2020
ICSI UDIN: A022144C000497278

Annexure III

REPORT ON CORPORATE GOVERNANCE

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

1) Board of Directors:

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

The Composition of the Board as on March 31, 2021 is as follows:

Name of Director	Category	DIN	No of Board Meeting(s) Attended during FY 2020-21	Whether attended AGM held during FY 2020-2021
Mr. Maroti Jawanjar	Promoter	00379916	12	Yes
Mr. Shantaram Mahakalkar	Non-Executive Director	00379988	13	Yes
Mr. Ashok Kachore*	Non-Executive Director	00380102	13	Yes
Mr. Dattatraya Dalal	Non- Executive Director	00380199	13	Yes
Mr. Vishwas Pathak	Independent Director	00452917	13	Yes
Mr. Atul Sarda	Independent Director	02161209	13	Yes
Mr. Sandeep Jawanjal	Promoter	01490054	13	Yes
Ms. Rashmi Mitkary**	Additional Director	08960192	5	NA
Mr. Avishek Addy***	Additional Director	07973542	3	NA

* Mr. Ashok Kachore resigned from the post of Non-Executive Director w.e.f. July 8, 2021.

** Ms. Rashmi Mitkary has been appointed as an Additional Director in the capacity of Independent Director at Board meeting of the Company held on November 13, 2020.

*** Mr. Avishek Addy has been appointed as an Additional Director in the capacity of Non-Executive Director at Board meeting of the Company held on January 19, 2021.

Board Meeting

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

13 (Thirteen) Board Meetings were held during the financial year ended March 31, 2021. The dates of the Board meetings held are as under:

Sr.No.	Date of Board Meeting	Sr.No.	Date of Board Meeting
1.	June 9, 2020	8.	November 13, 2020
2.	June 18, 2020	9.	December 18, 2020
3.	July 24, 2020	10.	January 19, 2021
4.	July 27, 2020	11.	February 17,2021
5.	August 29, 2020	12.	March 22, 2021
6.	September 10, 2020	13.	March 30, 2021
7.	October 27, 2020		

Except Mr. Avishek Addy, none of the other Directors is holding directorship in other companies.

Mr. Avishek Addy holds directorship in the following companies:

1. D2C Insurance Broking Private Limited; and
2. Opendoors Fintech Private Limited.

Remuneration of Directors

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

Details of sitting fees paid are as under:

(Amt.in ₹)

Name of Director	Sitting Fees paid during the year
Mr. Shantaram Mahakalkar	36,000
Mr. Vishwas Pathak	62,000
Mr. Dattatraya Dalal	36,000
Mr. Ashok Kachore	28,000
Mr. Atul Sarda	48,000
Ms. Rashmi Mitkary	14,000

For the period under review the Company paid ₹ 162.48 lakhs towards remuneration to Mr. Maroti Jawanjar, Executive Chairman and Mr. Sandeep Jawanjal, Managing Director.

2) Audit Committee:

The Board has set up an Audit Committee pursuant to Section 177 of the Companies Act, 2013 which reviews the financial accounting policies, adequacy of internal control system and system audit and interacts with statutory auditors, internal auditors and senior executives. The committee reviews the audit plan, interim and annual financial results of operations and observations of internal and external auditors.

During the year under review, the Committee met Four (4) times on June 9, 2020, July 27, 2020, January 19, 2021 and March 30, 2021.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Atul Sarda	Chairman of the Committee	4
Mr. Vishwas Pathak	Member	4
Mr. Sandeep Jawanjal	Member	4
Ms. Rashmi Mitkary*	Member	1
Mr. Avishek Addy*	Member	1

** Ms. Rashmi Mitkary and Mr. Avishek Addy were appointed as members of the Committee on January 19, 2021.

The Company Secretary acts as Secretary to the Audit Committee.

3) Risk Management Committee:

The Board has set up a Risk Management Committee pursuant to the requirement of the Reserve Bank of India which regularly reviews the quality of assets and liabilities and its business risk. The Internal Auditors also reports to the Committee from time to time for risk management purposes.

Business risk evaluation and management is an ongoing process within the organization. The Company has a strong risk management framework to identify monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises the following:

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

During the year under review, the Committee met Three (3) times on June 9, 2020, December 31, 2020 and March 30, 2021.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Maroti Jawanjar	Chairman of the Committee	3
Mr. Shantaram Mahakalkar*	Member	2
Mr. Sandeep Jawanjal	Member	3
Mr. Avishek Addy*	Member	1

*The Committee has been reconstituted on January 19, 2021 wherein Mr. Avishek Addy was appointed as member of the Committee in place of Mr. Shantaram Mahakalkar.

The Company Secretary acts as Secretary to the Committee.

4) Asset-Liability Management (ALM) Committee:

The Board has set up Asset-Liability Management (ALM) Committee pursuant to the requirement of the Reserve Bank of India which regularly reviews the Company's assets and liabilities.

During the year under review, the Committee met Four (4) times on June 9, 2020, December 31, 2020, March 22, 2021 and March 30, 2021.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Directors	Designation	Committee Meetings attended during the year
Mr. Maroti Jawanjar	Chairman of the Committee	4
Mr. Shantaram Mahakalkar*	Member	2
Mr. Sandeep Jawanjal	Member	4
Mr. Avishek Addy*	Member	2

*The Committee has been reconstituted on January 19, 2021 wherein Mr. Avishek Addy was appointed as member of the Committee in place of Mr. Shantaram Mahakalkar.

The Company Secretary acts as Secretary to the Committee.

5) Nomination and Remuneration Committee:

The Board has set up Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, 2013.

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

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

During the year under review, the Committee met Five (5) times on July 24, 2020, October 27, 2020, November 12, 2020, January 19, 2021 and March 30, 2021.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Vishwas Pathak	Chairman of the Committee	5
Mr. Atul Sarda	Member	5
Mr. Dattatraya Dalal*	Member	4
Mr. Avishek Addy*	Member	1

*The Committee has been reconstituted on January 19, 2021 wherein Mr. Avishek Addy was appointed as member of the Committee in place of Mr. Dattatraya Dalal.

6) Information Technology (IT) Strategy Committee:

During the period under review, the Board, in its meeting held on March 22, 2021, constituted an IT Strategy Committee as per the RBI Master Direction RBI/DNBS/2016-17/53 DNBS.PPD.No.04/66.15.001/2016-17 dated June 08, 2017 pertaining to "Information Technology Framework for the NBFC Sector".

During the year under review, the Committee met once on March 26, 2021.

The particulars of Members of the Committee and their attendance in the meeting held during the year is as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Atul Sarda	Independent Director/Chairman of the Committee	1
Mr. Sandeep Jawanjal	MD& CFO/Member	1
Mr. Amar Helonde	IT Manager/Member	1

7) Stakeholders Relationship Committee:

The Board has set up Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the Company i.e., shareholders, depositors, debenture holders etc.

During the year under review, the Committee met Two (2) times on October 16, 2020 and January 8, 2021.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Shantaram Mahakalkar	Chairman of the Committee	2
Mr. Ashok Kachore	Member	2
Mr. Dattatraya Dalal	Member	2

No complaints were received during the year from the security holders.

The Company Secretary acts as Secretary to the Committee.

8) Corporate Social Responsibility (CSR) Committee:

The Board has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013:

During the year under review, the Committee met Two (2) times on December 28, 2020 and March 26, 2021.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Directors	Designation	Committee Meetings attended during the year
Mr. Maroti Jawanjar	Chairman of the Committee	2
Mr. Sandeep Jawanjal	Member	2
Mr. Vishwas Pathak	Member	2

The Company Secretary acts as Secretary to the Committee.

9) Fund Management Committee:

During the financial year 2019-20, the Board of Directors of the Company had constituted Fund Management Committee ("Committee") to delegate borrowing powers under Section 179 (3) (d) of the Companies Act, 2013 on financial year basis.

During the period under review, the Board in its meeting held on June 9, 2020 has delegated to the Committee borrowing powers up to ₹ 500 Crores for the financial year 2020-2021. The main function of the Committee is to avail the borrowing facility (fund based or non–fund based) up to the limit as approved by the Board which includes various credit facilities by way of overdrafts, cash credits, term loan, opening of letter of credit, issuing of guarantees including deferred payment guarantees and indemnities, negotiation and discounting of demand and or usance bills and cheques inland as well as foreign and such other facilities as may be agreed upon from time to time, between the lender and Company.

During the year under review, the Committee met Ten (10) times on June 10, 2020, July 4, 2020, July 28, 2020, September 21, 2020, October 27, 2020, December 3, 2020, December 28, 2020, January 20, 2021, March 17, 2021 and March 30, 2021.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Maroti Jawanjar	Chairman of the Committee	10
Mr. Sandeep Jawanjal	Member	10
Mr. Vishwas Pathak	Member	10

The Company Secretary acts as Secretary to the Committee.

10) Independent Directors Meeting

During the year under review the Independent Directors met on March 26, 2021, *interalia* to discuss:

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

All the Independent Directors were present at the meeting.

11) General Body Meetings

The particulars of last 3 years Annual General Meetings (AGM) are as under:

Financial Year	Day	Date	Time	Place
2019-2020	Monday	28.09.2020	11.00 A.M	Through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
2018-2019	Saturday	21.09.2019	4.00 P.M.	Arjuna Celebrations, Pande Layout, Khamla, Nagpur-440025
2017-2018	Saturday	08.09.2018	4.00 P.M.	Arjuna Celebrations, Pande Layout, Khamla, Nagpur-440025

The particulars of Extra-Ordinary general Meeting (EGM) are as under:

Day	Date	Time	Place
Monday	03.02.2020	3.00 P.M	Arjuna Celebrations, Pande Layout, Khamla, Nagpur-440025

Details of the Special Resolutions passed at the AGM, EGM and Postal Ballot held during the last three years:

Sr. No.	Detail of resolution	Date of passing	No. of votes in favour	No. of votes against	% of votes favour	% of votes in against
1.	To give approval for making investments, loans, giving guarantee or providing security under section 186 of the Act up to ₹ 1,000 crores.	08.09.2018	43,11,742	1,700	99.96 %	0.04%
2.	To re-appoint Mr. Vishwas Pathak as Independent Director	21.09.2019	45,52,700	2,000	99.96 %	0.04%
3.	To re-appoint Mr. Atul Sarda as Independent Director	21.09.2019	45,52,700	2,000	99.96 %	0.04%
4.	To increase borrowing limits from ₹ 400 crores to ₹ 2,000 crores under Section180(1)(c) of Act	21.09.2019	45,44,300	10,200	99.78 %	0.22%
5.	To authorize Board to create charge on the assets of the Company under Section 180 (1) (a) of the Act.	21.09.2019	45,44,600	6,000	99.87 %	0.13%
6.	To approve 'Berar Employee Stock Option Plan 2019'	07.12.2019	42,77,100	3,800	99.92%	0.08%
7.	To insert article 4A after article 4 in the Articles of Association of the Company thereby authorizing the Company to alter its Authorized Share Capital.	03.02.2020	47,98,240	0	100 %	0%

8.	To accord authority to the Company to issue preference shares by inserting article 4B after proposed article 4A in the Articles of Association of the Company thereby undertake the consequent camendment to the Articles of Association of the Company;	03.02.2020	47,98,240	0	100 %	0%
9.	To authorize the issuance of the Tranche 1 Series A CCPS to the "Investors" (Amicus Capital Private Equity I LLP ("ACPE") and Amicus Capital Partners India Fund I ("ACPIF" and together with ACPE, the "Investors").	03.02.2020	47,98,240	0	100 %	0%
10.	To approve the issuance of Tranche 1 Series A Equity Shares and Tranche 1 Series A CCPS through Private Placement.	03.02.2020	47,98,240	0	100 %	0%
11.	To remove article no.13 of the Articles of Association of the Company requiring a director to hold qualification shares.	03.02.2020	47,98,240	0	100 %	0%
12.	To approve the amendment, re-statement and entrenchment of the Articles of Association of the Company.	28.09.2020	56,94,211	0	100 %	0%
13.	To authorize the issuance of Tranche 2 Series A Cumulative Compulsorily Convertible Participating Preference Shares.	28.09.2020	56,94,211	0	100 %	0%
14.	To approve issuance of Tranche 2 Series A Equity Shares and Tranche 2 Series A CCPS through Private Placement.	28.09.2020	56,94,211	0	100 %	0%
15.	To approve the amendment, re-statement and entrenchment of the Articles of Association of the Company.	10.12.2020	61,22,355	0	100%	0%
16.	To approve the amendment, re-statement and entrenchment of the Articles of Association of the Company.	26.06.2021	64,40,264	0	100%	0%

The Special Resolutions from Sr.no.1 to 6 were passed through E-voting and Ballot Paper / Postal Ballot as per the procedure prescribed under Section 108 / 110 of the Act read with Companies (Management and Administration) Rules, 2014 under the overall supervision of the Scrutinizer, Mr. Amit K. Rajkotiya, Practicing Company Secretary (CP No. 5162), Nagpur.

The Special Resolutions from Sr.No. 7 to 16 were passed through E-voting and Ballot Paper/E- Voting at AGM or Postal Ballot through remote e-voting as the case may be as per the procedure prescribed under Section 108/ 110 of the Act read with Companies (Management and Administration) Rules, 2014 under the overall supervision of the Scrutinizer, Mr. Sunil Purushottam Zore, Practicing Company Secretary (CP No.11837), Nagpur.

12) Details of Shares transferred to Investor Education and Protection Fund (IEPF) during FY2020-21 and unclaimed dividend due dates:

The details of outstanding shares in Berar Finance Limited Investor Education and Protection Fund Authority, Ministry of Corporate Affairs

Particulars	Aggregate Number of shareholders	Outstanding shares lying in Berar Finance Limited IEPF Account
Opening Balance as on 1st April, 2020	8	4,550
Less: Requests received for transfer / delivery during 2020-21 and Shares transferred / delivered during 2020-21	0	0
Add: Transfer of shares to Investor Education and Protection Fund Authority of Ministry of Corporate Affairs during 2020-21	0	0
Balance as on 31st March, 2021	8	4,550

The Company sends statutory reminders to shareholders before transfer of their shares/unclaimed dividend to IEPF. The Shareholders who have not encashed their dividend are requested to contact the Company immediately.

Following dividends are transferable to the Investor Education and Protection Fund (IEPF) on the respective due dates, as under, in accordance with the provisions of Section 124(5) of the Act.

Nature of Dividend	Transferable to IEPF on
Final Dividend 2013-14	22nd September, 2021
Final Dividend 2014-15	26th October, 2022
Final Dividend 2015-16	26th September, 2023
Final Dividend 2016-17	2nd October, 2024
Final Dividend 2017-18	8th October, 2025
Final Dividend 2018-19	21st October, 2026
Final Dividend 2019-20	28th October, 2027

Reminders are sent to members for encashing their unclaimed and unpaid dividends, on a regular basis through speed post at their address registered with the Company. Members who have not yet made claims are, therefore, requested to contact the Company /Registrar and Share Transfer Agents immediately.

13) Vigil Mechanism/Whistle Blower Policy

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner with highest standard of professionalism, honesty, integrity and ethical behaviour, the Company has adopted a Vigil Mechanism and Whistle Blower Policy. The mechanism of reporting under this policy is in place and a copy of the policy is posted on website of the Company. No personnel have been denied access to the Chairman or members of the Audit Committee.

Annexure IV

Annual Report on Corporate Social Responsibility Activities
[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy ('Policy') was approved at the Board Meeting held on March 07, 2015 and last modification being made on June 29, 2021. The Policy is available on the Company's website at following link : https://berarfinance.com/pdf/policies/june21/corporate_social_responsibility_policy.pdf

Our CSR initiatives are guided by our Policy. Our CSR activities focus on Education, Health Care, Livelihood, Environmental Sustainability, Poverty Alleviation and Promoting Sports.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Maroti Jawanjar	Executive Chairman	2	2
2.	Mr. Vishwas Pathak	Independent Director	2	2
3.	Mr. Sandeep Jawanjal	Managing Director	2	2

3. The web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company are provided below:

Sl. No.	Particular	Web-link
1	The composition of the CSR Committee	https://berarfinance.com/csr.html
2	CSR Policy	
3	CSR projects as approved by the Board	

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

Since the average CSR obligation of the Company is below Ten Crore rupees in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding financial years, hence the impact assessment is **Not Applicable (NA**)

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
NA			

6. Average net profit of the Company as per Section 135(5) of the Companies Act, 2013: **₹ 20,97,82,104/-**

7. CSR Expenditure:

Sl. No.	Particular	Amount (in ₹)
(a)	Two percent of average net profit of the Company as per Section 135(5) of the Companies Act, 2013	41,95,642/-
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
(c)	Amount required to be set-off for the financial year, if any	Nil
(d)	**Total CSR obligation for the financial year (7a+7b-7c)**	41,95,642/-

8.(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of transfer	Name of Fund	Amount	Date of transfer
41,10,819/-	Nil	NA	Prime Minister's National Relief Fund	1,00,000	June 21, 2021

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)
Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.		Proj-ect dur ation	Amoung allocated for the project (in ₹)	Amount spent in the current financial year (in) ₹)	Amount transferred to Unspent CSR Account for the project as 135(6) (in) ₹)	Mode of implementation-Director (Yes/No)	Mode of Implementation-Through Implementing Agency
				State	District					Name	CSR Registration number
NA											

(c) Details of CSR amount spent against 'other than ongoing projects' for the financial year:

(1) Sl No	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project	(7) Mode of Implementation-Direct. (Yes/No)	(8) Mode of Implementation-Through Implementing Agency.	
				State	District			Name	CSR registration no.
1	Reimbursement of medical expenses of poor needy person Mrs. Shubhangi Bhujade	Promoting health care	Yes	Maharashtra	Nagpur	1,25,000	Yes	Direct	NA
2	Reimbursement of medical expenses of poor needy person Mrs. Maltabai Gajbhiye	Promoting health care	Yes	Maharashtra	Nagpur	25,000	Yes	Direct	NA
3	Contribution to PM-Cares Fund.	Contribution to PM-Cares Fund	Yes	PAN India		5,00,000	No	PM-Cares Fund.	NA
4.	Contribution to Jeevoday Education Society	Promoting education, including special education	Yes	Maharashtra	Nagpur	5,00,000	No	Jeevoday Education Society	NA
5.	Contribution to Central India Institute of Medical Science, Nagpur (CIIMS)	Promoting health care `	Yes	Maharashtra	Nagpur	5,00,000	No	Central India Institute of Medical Science, Nagpur (CIIMS)	NA
6.	Purchased two-wheeler vehicle for handicapped sports person Ms. Roshani Dhande	Women empowerment.	Yes	Maharashtra	Nagpur	1,10,819	Yes	Direct	NA
7.	Contribution to Cause to Connect Foundation	Livelihood enhancement project	Yes	Maharashtra	Located at Pune having projects at Sangli & Kolhapur	2,00,000	No	Cause to Connect Foundation	NA
8.	Contribution to Shri Sant Jaganade Maharaj Bahuuddeshiya Shikshan Sanstha	Promoting education to poor needy children.	Yes	Maharashtra	Nagpur	4,00,000	No	Shri Sant Jaganade Maharaj Bahuuddeshiya Shikshan Sanstha	NA
9.	Contribution to Research and Development Association of India	Promoting education of poor needy children.	Yes	Maharashtra	Nagpur	4,00,000	No	Research and Development Association of	NA
10.	Contribution to Sandnya Sanwardhan Sanstha	Promoting education, including special education	Yes	Maharashtra	Nagpur	4,00,000	No	Sandnya Sanwardhan Sanstha	NA
11.	Reimbursed the COVID-19 treatment of late Mr. Mangalmurthy Yelne	Promoting health care	Yes	Maharashtra	Nagpur	1,50,000	Yes	Direct	NA
12.	Amrapali Utkarsh Sangh	Promoting education of poor abandoned children	Yes	Maharashtra	Nagpur	5,00,000	No	Amrapali Utkarsh Sangh	NA
13.	Maharogi Sewa Samiti	Eradicating hunger, poverty and malnutrition	Yes	Maharashtra	Gadchiroli	3,00,000	No	Maharogi Sewa Samiti	NA

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 41,10, 819/-

(g) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5) of the Act	41,95,642/-
(ii)	Total amount spent for the financial year	41,10,819/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	—
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	—
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	—

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sl No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6),if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of Fund	Amount (in ₹)	Date of transfer	
NA	NA	Nil	NA	NA	Nil	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl No.	(2) Project ID.	(3) Name of Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project- Completed/On going
NA	NA	NA	NA	NA	Nil	Nil	Nil	NA

Note: There was no provisions of ongoing projects prior to financial year 2020-21.

10. Details of creation or acquisition of capital asset acquired through CSR spent in the financial year:

(a) Date of creation or acquisition of the capital asset(s): **None**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Nil**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **NA**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **NA**

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) of the Companies Act, 2013 –

The Company made CSR expenditure of ₹ 41,10,819/- for the financial year 2020-21. However, in the computation of eligible profit of CSR calculation for financial year 2020-21, certain allowances were not noticed and hence not included in the initial calculation of eligible profit for CSR. However, on subsequent notice of the allowances required, calculation of eligible profits was done and unspent CSR contribution for financial year 2020-21 worked out to ₹ 84,823/-. Accordingly, the Company transferred ₹ 1,00,000 on June 21, 2021 to the Prime Minister's National Relief Fund as specified in Schedule VII of Companies Act, 2013 to comply with provisions of second proviso to Section 135 (5) of the Companies Act, 2013.

Place: Nagpur

Date: August 23, 2021

Sandeep Jawanjal

DIN: 01490054

Managing Director cum Chief Financial Officer

Maroti Jawanjar

DIN: 00379916

Executive Chairman cum Chairman of CSR Committee

Annexure V (i)

Form AOC-2

(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 contracts or arrangements or transactions not at arm's length basis.

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

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

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

For and on behalf of Board of Directors

Date: August 23, 2021

Place: Nagpur

M.G Jawanjar
Chairman

Annexure V (ii)

Policy on Related Party Transactions

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

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

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

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

Annexure VI

Requirements under the SEBI (Share Based Employee Benefits) Regulations, 2014

Summary of Status of ESOPs Granted

The position of the existing schemes is summarized as under –

Sr.No.	Particulars	ESOP 2019
I. Details of the ESOP		
1	Date of Shareholder's Approval	07.12.2019
2	Total Number of Options approved	240,000
3	Vesting Requirements	Time based vesting
4	Exercise Price or Pricing formula	₹ 95.00
5	Maximum term of Options granted (years)	5 years
6	Source of shares	Primary issuance
7	Variation in terms of ESOP	Nil
II. Option Movement during the year		
1	No. of Options Outstanding at the beginning of the year	132,000
2	Options Granted during the year	0
3	Options Forfeited / lapsed during the year	0
4	Options Vested during the year	13,200
5	Options Exercised during the year	0
6	Total number of shares arising as a result of exercise of options	0
7	Money realised by exercise of options (Rs.)	0
8	Number of options Outstanding at the end of the year	132,000
9	Number of Options exercisable at the end of the year	13,200
III. Weighted average exercise price of Options granted during the year whose		
(a)	Exercise price equals market price	NIL
(b)	Exercise price is greater than market price	NIL
(c)	Exercise price is less than market price	NIL
Weighted average fair value of options granted during the year whose		
(a)	Exercise price equals market price	NIL
(b)	Exercise price is greater than market price	NIL
(c)	Exercise price is less than market price	NIL

The weighted average market price of options exercised during the year	No options Exercised during the year
Remaining Contractual life of options outstanding (Years)	3.73

IV	**Employee-wise details of options granted during the financial year 2020-21 to:**	
(i)	**Senior managerial personnel:**	
	Name	**No. of options granted**
	No options granted during the year	
(ii)	**Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year**	
	Name	**No. of options granted**
	No options granted during the year	
(iii)	**I dentified employees who were granted option, during the year equal to or**	
	exceeding 1% of the issued capital (excluding outstanding warrants and	
	conversions) of the company at the time of grant.	
	Name	**No. of options granted**
	No options granted during the year	

Method and Assumptions used to estimate the fair value of options granted during the year:

The fair value has been calculated using the Black Scholes Option Pricing model.

The Assumptions used in the model are as follows:

	Date of grant	Particulars
1	Risk Free Interest Rate	**No options granted during the year**
2	Expected Life	
3	Expected Volatility	
4	Dividend Yield	
5	Price of the underlying share in market at the time of the option grant (Rs.)	

Assumptions:

Stock Price: Share price is taken as informed by the Company.

Volatility: The historical volatility over the expected life has been considered to calculate the fair value.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.

Expected divided yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20	₹ 15.91

ANNEXURE VII

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended and forming part of the Directors' Report for the year ended March 31, 2021.

i) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21:

Sr. No.	Name of Directors	Ratio
1	Mr. Maroti Jawanjar	65.64
2	Mr. Sandeep Jawanjal	57.45
3	Mr. Shantaram Mahakalkar	0.27
4	Mr. Ashok Kachore	0.21
5	Mr. Dattatraya Dalal	0.27
6	Mr. Vishwas Pathak	0.47
7	Mr. Atul Sarda	0.36
8	Ms. Rashmi Mitkary (appointed w.e.f. November 13, 2020)	0.11
9	Mr. Mahesh Parasuraman (up to October 1, 2020)*	—
10	Mr. Avishek Addy (appointed w.e.f. January 19, 2021)*	—

Mr. Mahesh Parasuraman and Mr. Avishek Addy are not paid any remuneration, being Nominee Directors of the Investor.

ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21:

Sr. No.	Name of Directors / KMP	Designation	Remuneration Paid		% increase / (₹ in Lacs) (decrease) in Remuneration Paid
			2020-21	2019-20	
1	Mr. Maroti Jawanjar	Executive Chairman	86.65	91.23	(5.02)
2	Mr. Sandeep Jawanjal	Managing Director & CFO	75.83	77.19	(1.76)
3	Mr. Shantaram Mahakalkar	Non – Executive Director	0.36	0.24	50.00
4	Mr. Ashok Kachore	Non – Executive Director	0.28	0.08	250.00
5	Mr. Dattatraya Dalal	Non – Executive Director	0.36	0.20	80.00
6	Mr. Vishwas Pathak	Independent Director	0.62	0.38	63.16
7	Mr. Atul Sarda	Independent Director	0.48	0.28	71.43
8	Ms. Rashmi Mitkary (w.e.f. November 13, 2020)	Additional Director in the Capacity of Independent Director	0.14	—	—
9	Mr. Mahesh Parasuraman (up to October 1, 2020)*	Non – Executive Director	—	—	—
10	Mr. Avishek Addy* (w.e.f.) January 19, 2021)	Non – Executive Director	—	—	—
11	Mrs. Deepali Balpande	Company Secretary	16.23	16.60	(2.23)

*Mr. Mahesh Parasuraman and Mr. Avishek Addy are not paid any remuneration, being Nominee Directors of the Investor.

iii) The percentage increase in the median remuneration of employee(s) in the financial year 2020-21:0%

iv) The number of permanent employees on the roll of the Company: 888 Employees as on March 31, 2021.

v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Percentage increment at 50th Percentile for Salaries of Non-Managerial Personnel is 0%

Percentage increment at 50th Percentile for Salaries of Managerial Personnel is 0%

Due to COVID-19 Pandemic, there was no hike in remuneration during financial year 2020-2021. Therefore, question of exceptional circumstances for the increase in managerial remuneration in comparison to remuneration of other employees does not arise.

vi) The remuneration paid to the Directors is as per the Nomination and Remuneration Policy of the Company.

vii) Statement of Particulars of Employees as per Section 197 of The Companies Act, 2013 read with rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, and forming part of the Directors' Report for the year ended March 31, 2021:

Sr. No	Name of the Employee	Designation/ Nature of	Age/ Qualification Employment	Experience (in years)	Remuner-ation (₹)	Last Employment	Date of Appointment	Equity holding %
1	Mr. Maroti Jawanjar	Executive Chairman, Permanent	69, Company Secretary	31	86,65,000	—	01/10/1997	10.20
2	Mr. Sandeep Jawanjal	Managing Director, Permanent	37, B.Com.	15	75,83,416	—	01/08/2006	3.22
3	Mrs. Deepali Balpande	Company Secretary, Permanent	41, Company Secretary	18	16,67,337	—	09/06/2003	0.42
4	Mrs. Jyoti Jawanjar	Manager (P.R), Permanent	63, B.A.	30	10,94,408	—	01/04/1991	2.74
5	Mr. Someshwar Dhonge	Head-Collection, Permanent	34 M.Com. PGDBM	12	8,40,000	V.K.Surana & Co.	01/10/2010	—
6	Mr. Shyam Pimpalkar	Head – Refinance, Permanent	38 Masters of Mass.Comm..	14	8,40,000	Interads Pvt..Ltd..	01/07/2011	0.00
7	Mr. Sewak Bhisikar	Head Business Development, Permanent	36 MBA (HR & Finance)	11	8,40,000	Sanvijay Rolling & Engineering Limited	05/08/2013	—
8	Mr. Rajesh Hinge	Branch Head, Permanent	38 M.A.	15	7,68,000	—	01/06/2006	0.00
9	Mr. Sriram Swamy	Branch Head, Permanent	37 M.A.	12	6,96,000	Hero Fincorp	06/05/2020	—
10	Mr. Amrut Raut	Branch Head, Permanent	40 B.Com.	17	6,72,000	Samruddhi Finance Limited	01/11/2012	—

Notes: i. Remuneration includes Salary and allowances.

ii. None of the above employees are related to any Director or Manager except Mr. Sandeep Jawanjal, Mrs. Jyoti Jawanjar and Mrs. Deepali Balpande who are relatives of Mr. Maroti Jawanjar (Executive Chairman).

PRAVIN DHIRAN & CO.

CHARTERED ACCOUNTANTS

"Manish-Sadan", Opp. Raman Cycle Industries, Krishna Nagar, WARDHA – 442 001

Ph.: (07152) 242724, 245678 E-mail: pravin_dhiran@rediffmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members,
BERAR FINANCE LIMITED

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Berar Finance Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statementof Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit, totalcomprehensive income, its cash flows and the changes in equity for the year ended on that date

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act(SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and theICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of matter

We draw attention to Note 51 to the financial statements, which describes the uncertainty caused by Novel Corona virus (COVID-19) pandemic with respect to the Company's estimates of impairment of loans to customers and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
(a) Transition to Ind AS accounting framework (as described in note 5 of the Ind AS financial statements)	
The company has adopted Ind AS from 01 Apr 2020 with an effective date of 01 Apr 2019 for such transition. For periods up to and including the year ended 31 March 2020, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect of the transition to Ind AS, these financial statements for the year ended 31 March 2021, together with the comparative financial information for the previous year ended 31 March 2020 and the transition date Balance Sheet as on 01 April 2019 have been prepared under Ind AS. The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting and disclosure requirements prescribed under extant Reserve Bank of India (RBI) directions. In view of the complexity involved, Ind AS transition and the preparation of financial statements subsequent to the transition date have been areas of key focus in our audit.	● Read the Ind AS impact assessment performed by the management and the resultant changes made to the accounting policies considering the requirements of the new framework. ● Evaluated the exemptions and exceptions allowed by Ind AS and applied by the management in applying the first-time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities existing as at transition date. ● Tested the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS. ● Tested the disclosures prescribed under Ind AS.
(b) Impairment of financial assets (expected credit losses) (as described in Note 3.6 of the Ind AS financial statements)	
Impairment loss allowance of loans and advances("expected credit loss") is a Key Audit Matter as theCompany has significant credit risk exposure considering thelarge loan portfolio across a wide geographical range. The valueof loans and advances on the balance sheet is significant andthere is a high degree of complexity and judgment involvedin estimating individual and collective credit impairmentprovisions, write-offs against these loans and to additionallydetermine the potential impact of unprecedented COVID-19pandemic on asset quality and provision of the Company. TheCompany's model to calculate expected credit loss ("ECL") isinherently complex and judgment is applied in determiningthe correct construction of the three-stage impairmentmodel ("ECL Model") including the selection	**Audit Procedures included but were not limited to the following:·** ● Understanding of the internal control environment related to Impairment loss allowance recognition and measurement and testing operating effectiveness of key controls· Assessing the approach of the Company regarding definition of Default, Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) and incorporation of forward-looking information for the calculation of ECL.· ● Checking the reliability of key data inputs and related management controls.·

and input of forward looking information. ECL provision calculation require the use of large volumes of data. The completeness and reliability of data can significantly impact accuracy of the modelled impairment provisions. The accuracy of data flows and the implementation of related controls are critical for the integrity of the estimated impairment provisions.	● Checking the stage classification as at the balance sheet date as per definition of Default of the Company.· ● Validation of ECL Model and its calculation· ● Checking on sample basis that the stage classification for the borrowers has been given in accordance with the Resolution Framework issued by Reserve Bank of India (the 'RBI') and the ~~Board approved~~* policy for ECL provisioning and stage classification with respect to such accounts; (* **Board has not approved policy in this regard till date of our audit. Refer Other Matter in this Report)**· ● Assessing the assumptions made by the Company in making accelerated provision considering forward looking information. ● Reviewing the process of the Company to grant moratorium to the borrowers as per the Regulatory Package announced by the RBI. Further, we have relied on the assumption of the management that there will be no significant increase in the credit risk in the cases where moratorium is given and that the staging based on the days past due (DPD) will be considered as per the RBI COVID-19 Regulatory Package.· ● With respect to additional provision made by the Company on account of the impact of COVID-19 pandemic, we broadly reviewed the underlying assumptions and estimates used by the management for the same but as the extent of impact is dependent on future developments which are highly uncertain, we have primarily relied on those assumptions and estimates. These assumptions and estimates are a subject matter of periodic review by the Company.· Checking the provision on Loan Assets as per IRACP norms as required under RBI circular dated March 13, 2020. We have checked the DPD and provision in accordance with the RBI regulations in that regard further considering the Regulatory Packages issued by RBI dated March 27, 2020 and May 23, 2020 and RBI circular dated April 17, 2020.· ● For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regard along with its compliance on sample basis.

Information Other than the Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director Report, Corporate Governance Report, Report on Corporate Social Responsibility and Secretarial Audit Report but does not include the Financial Statements and our Auditor's Report thereon. These reports are expected to be made available to us after the date of this Auditor's Report.
- Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Directors Report, Management Discussion Analysis, Corporate Governance Report, Report on Corporate Social Responsibility and Secretarial Audit Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Other Matter:

i. As per RBI Circular RBI/2019-20/170DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13-Mar-2020 regarding implementation of Ind-AS by NBFCs, Governance Framework is required to be made in the form of policies approved by Audit Committee or the Board. The Board of the company has not approved policies clearly articulating Business Model and Portfolios, policy for sales out of amortised cost business model portfolios and sound methodologies for computation of Expected Credit Loss (ECL). The Company has provided us model for calculation of ECL which has been assessed by us based on parameters specified by the management. However, the methodologies have not been approved by the Board as required by aforesaid RBI circular.

ii. Our Opinion is not modified in respect of these matters.

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 Act with respect to the preparation of these 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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 paragraphs 3 and 4 of the said Order.
2. 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 purpose of our audit;

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

(c) The Balance Sheet,the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;

(e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of section 164(2) of the Act;

(f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting

(g) In our opinion, the managerial remuneration for the year ended 31 March 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For PRAVIN DHIRAN & CO.
Chartered Accountants
FRN: 133656W

PRAVIN DHIRAN
Partner
M.No. 115580
UDIN - 21115580AAAAGF5527

Nagpur
Dated: June 29th, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

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

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold other than self-constructed assets included in Property, Plant and Equipment, are held in the name of the Company as at the balance sheet date.

(ii) The Company is in the business of providing finance services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:

(iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, 2013 and the rules framed there under with regard to deposits accepted from the public. No order has been passed on the Company by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.

(vi) Central Government has not specified for maintenance of cost records under section 148(1) of the Companies Act, 2013.

(vii) (a) According to the records of the company, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Goods and Service Tax (GST) and other material statutory dues, as applicableto it with the appropriate authorities. There were no arrears of undisputed statutory dues at the end of the financial year which were outstanding for more than six months from the date they become payable.

(b) According to the information furnished and explanations given, there are no dues in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess which have not been deposited on account of any dispute except the following:-

Name of the Statute	Nature of Disputed Dues	Amount under Dispute	Amount paid*	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, Act, 1961	Income-tax	7,45,844	1,49,170	FY 2016-17 or AY 2017-18	Commissioner of Income-tax (Appeals)

* paid under protest

(viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of any dues to banks or financial institution or debenture holders.

(ix) According to the information and explanations given by the Management, the Company has not raised any money by way of initial public offer or further public offer.Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

(x) Based on the audit procedures performed and representations obtained from the management, we report that no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The company is not a Nidhi company as prescribed under section 406 of the Act. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the Management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has complied with provisions of section 42 of the Act in respect of the private placement of equity shares and preference shares during the year. During the year, the company has made private placement through issue of 5,71,428 number of equity shares and 3,80,953 number of Cumulative Compulsorily Convertible Participating Preference Shares. According to the information and explanations given by the Management, we report that the amount raised have been used for the purposes for which those were raised, though idle/surplus funds which were not required for immediate utilisation were gainfully invested in liquid assets payable on demand.

(xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.

(xvi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are applicable to the Company and the company has registration under section 45-IA of the Reserve Bank of India Act, 1934.

For PRAVIN DHIRAN & CO.
Chartered Accountants
FRN: 133656W

PRAVIN DHIRAN
Partner
M.No. 115580

UDIN -21115580AAAAGF5527

Nagpur
Dated: June 29th, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **BERAR FINANCE LIMITED** as at March 31, 2021, 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 Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 judgement, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For PRAVIN DHIRAN & CO.
Chartered Accountants
FRN: 133656W

PRAVIN DHIRAN
Partner
M.No. 115580

UDIN -21115580AAAAGF5527

Nagpur
Dated: June 29th, 2021

Financial Statements

Balance Sheet as at 31 March 2021

(Amount in INR, unless otherwise stated)

	Note No.	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
ASSETS				
Financial Assets				
(a) Cash and cash equivalents	6	94,79,24,962	37,62,56,449	16,96,37,866
(b) Bank Balances other than cash and cash equivalents	7	74,74,86,073	7,15,66,570	6,01,25,799
(c) Loans	8	6,59,48,35,449	4,60,12,03,584	3,52,66,48,184
(d) Investments	9	11,77,08,901	9,48,52,500	8,71,89,413
(e) Other Financial assets	10	25,50,32,090	18,42,60,779	14,88,85,935
Non-financial Assets				
(a) Current Tax assets (Net)	11	-	37,30,514	_
(b) Deferred tax assets (Net)	12	4,71,64,970	3,64,98,384	3,05,46,999
(c) Property, Plant and Equipment	13	17,22,16,357	16,79,76,959	15,91,04,116
(d) Capital Work in Progress		8,99,901	-	2,60,000
(e) Other Intangible assets	14	81,31,598	1,08,62,426	74,37,019
(f) Right of use assets	15	2,15,29,172	1,10,07,956	1,27,76,087
(g) Other non-financial assets	16	14,45,965	8,43,400	13,82,210
Total Assets		**8,91,43,75,438**	**5,55,90,59,521**	**4,20,39,93,628**
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises	17	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	17	4,25,33,850	2,40,59,086	1,80,98,447
Debt Securities	18	1,20,66,01,743	_	-
Borrowings (Other than Debt Securities)	19	4,88,03,48,966	3,39,06,79,561	2,62,84,96,873
Deposits	20	1,13,18,38,678	86,87,66,747	74,16,57,590
Other financial liabilities	21	14,20,79,610	11,65,50,345	7,95,34,940
Non-Financial Liabilities				
Current Tax liabilities (Net)	22	74,08,629	-	8,61,29,58
Provisions	23	2,09,00,924	1,77,56,101	1,33,51,407
Other non-financial liabilities	24	1,84,23,320	3,10,53,212	2,91,51,715
EQUITY				
Equity Share capital	25	10,00,77,980	9,66,66,670	8,00,00,000
Other Equity	26	1,36,41,61,738	1,01,35,27,799	60,50,89,698
Total Liabilities and Equity		**8,91,43,75,438**	**5,55,90,59,521**	**4,20,39,93,628**

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W

Pravin Dhiran
Partner
M. No. 115580

Place: Nagpur
Date: 29/06/2021

For and on behalf of the Board of Directors of
BERAR FINANCE LIMITED

M. G. Jawanjar
(Executive Chairman)

S. M. Jawanjal
(Managing Director & CFO)

D. R. Balpande
(Company Secretary)

Statement of Profit and Loss for the year ended 31 March 2021

(Amount in INR, unless otherwise stated)

	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
Revenue from operations			
Interest Income	27	1,22,12,11,627	92,07,92,556
Dividend Income	28	46,925	1,14,661
Net gain on fair value changes	29	88,12,637	-
Other operating Income	30	11,84,61,293	12,73,98,381
Total Revenue from operations		**1,34,85,32,482**	**1,04,83,05,598**
Other Income	31	85,730	2,37,085
Total Income		**1,34,86,18,212**	**1,04,85,42,683**
Expenses			
Finance Costs	32	67,52,88,060	47,51,49,254
Net (Gain)/loss on fair value changes	29	-	42,59,930
Impairment on financial instruments	33	12,03,27,590	6,77,54,973
Employee Benefits Expenses	34	17,19,39,680	14,84,26,832
Depreciation, amortization and impairment	35	1,90,54,774	1,33,69,557
Other expenses	36	15,64,41,810	13,72,49,097
Total Expenses		**1,14,30,51,914**	**84,62,09,643**
Profit before tax		20,55,66,298	20,23,33,040
Tax Expense:			
- Current Tax	12	6,25,00,000	6,00,00,000
- Prior period income tax	12	-	15,37,042
- Deferred Tax	12	(1,07,00,671)	(56,51,836)
Profit for the year		**15,37,66,969**	**14,64,47,834**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains / (losses) on defined benefit plans		1,33,009	(10,28,698)
(ii) Income tax impact		(34,084)	2,99,557
Other Comprehensive Income for the year		98,925	(7,29,141)
Total Comprehensive Income for the year (Comprising Profit and other comprehensive income for the year)		**15,38,65,894**	**14,57,18,693**
Earnings per equity share			
Basic (INR)		16.01	17.97
Diluted (INR)		15.91	17.85

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W

Pravin Dhiran
Partner
M. No. 115580

Place: Nagpur
Date: 29/06/2021

For and on behalf of the Board of Directors of
BERAR FINANCE LIMITED

M. G. Jawanjar
(Executive Chairman)

S. M. Jawanjal
(Managing Director & CFO)

D. R. Balpande
(Company Secretary)

Statement of Cash Flows for the year ended 31 March 2021

(Amount in INR, unless otherwise stated)

	Note	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flow from operating activities			
Profit before tax		20,55,66,298	20,23,33,040
Adjustments for:			
Depreciation and amortisation expense		1,90,54,774	1,33,69,557
ESOP expense		48,29,878	14,08,687
Provision for Defined Benefit Obligation		25,57,988	22,16,245
Finance cost		1,24,57,041	1,30,56,950
Interest Income on Security Deposit		3,64,801	2,63,667
Amortization impact of Processing fees and commissin on Loans		(6,34,07,505)	(6,21,09,215)
Interest income on investment		(73,99,256)	(58,14,274)
Net gain on fair value changes in Investment		37,30,364	32,19,183
Profit on sale of investment		(75,84,714)	(2,90,000)
Gain on termination of lease		(595)	(2,363)
Impairment on financial instruments		12,03,27,590	6,77,54,973
Profit on sale of property, plant and equipment (Net)		(13,986)	(1,24,978)
Operating profit before working capital changes		**29,04,82,678**	**23,52,81,472**
Changes in working capital			
Increase/ (decrease)in trade payables		1,84,74,764	59,60,639
Increase/ (decrease)in other financial liabilities		1,45,37,387	3,79,06,932
Increase/ (decrease)in provisions and other liabilities		(1,19,10,048)	30,61,248
(Increase)/decrease in other financial assets		(7,16,26,398)	(3,57,95,537)
(Increase)/decrease in Loans		(2,05,05,51,950)	(1,08,02,01,158)
(Increase)/decrease in other assets		(6,02,565)	5,38,810
Cash generated from/(used In) operations		**(1,81,11,96,132)**	**(83,32,47,594)**
Income tax paid		(5,13,60,855)	(7,38,80,508)
Net cash generated from operating activities (A)		**(1,86,25,56,987)**	**(90,71 ,28,102)**
B. Cash flow from Investing activities			
Payment for property, plant and equipment, intangible assets and Capital Work-in-Progress		(1,31,83,878)	(1,86,64,640)
Change in Other Bank balances not available for immediate use		(67,59,19,503)	(1,14,40,771)
Proceeds from sale of property plant and equipment		19,600	2,00,000
Purchase of investment		(3,31,79,996)	(1,25,12,190)
Proceeds from sale of Investments		1,46,10,519	24,27,979
Interest received		69,66,681	53,06,216
Net cash used in investing activities (B)		**(70,06,86,577)**	**(3,46,83,406)**
C. Cash flow from Financing activities			
Proceeds from Bank & Financial Institution			
Borrowing (Net of Repayments)		1,53,52,60,526	65,32,07,623
Debt Securities issued		1,21,65,84,892	-
Deposits taken (Net of Repayments)		26,30,71,931	12,71,09,157
Capital raised		34,11,310	1,66,66,670
Premium received on issue of shares		19,65,88,700	28,33,33,390
Expenses related to Issue of Shares		-	(1,23,78,242)
Dividend Paid		(46,50,532)	(96,44,427)
Repayment of lease liabilities		(93,87,875)	(73,18,911)
Net cash used in financing activities (C)		**3,20,08,78,952**	**1,05,09,75,260**
Net increase in cash and cash equivalents (A+B+C)		63,76,35,388	10,91,63,752
Cash and cash equivalents at the beginning of the year		(20,95,81,833)	(31,87,45,585)
Cash and cash equivalents at the end of the year		**42,80,53,555**	**(20,95,81,833)**

Notes:

1. Statement of Cash flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash flows" as specified in the Companies (Indian Accounting Standard Rules), 2015
2. Cash receipts and payments for transaction in which the turnover is quick, the amounts are large, and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows
3. **Cash & Cash Equivalents included in the Statement of Cash Flow Includes the following**

	Year ended 31 March 2021	**Year ended 31 March 2020**
Balances with banks		
In current accounts	76,10,80,399	16,91,99,129
In fixed deposits (with original maturity less than 3 months)	17,54,59,840	20,06,62,023
Cash Credit from Banks	(51,98,71,407)	(58,58,38,282)
Cash in Hand	1,13,84,723	63,95,297
	42,80,53,555	**(20,95,81,833)**

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W
Pravin Dhiran
Partner
M. No. 115580
Place: Nagpur
Date: 29/06/2021

For and on behalf of the Board of Directors of
BERAR FINANCE LIMITED
M. G. Jawanjar
(Executive Chairman)
S. M. Jawanjal
(Managing Director & CFO)
D. R. Balpande
(Company Secretary)

Statement of Changes in Equity for the year ended 31 March 2021

Share Capital

Particulars	Equity share capital		Preference share capital	
	No. of shares	Amount	No. of shares	Amount
As at 1st April 2019	80,00,000	8,00,00,000	-	-
Issued during the year 2019-20	11,11,111	1,11,11,110	5,55,556	55,55,560
As at 31st March 2020	91,11,111	9,11,11,110	5,55,556	`55,55,560
Issued during the year 2020-21	5,71,428	57,14,280	3,80,953	38,09,530
On Account of Conversion during the year 2020-21	3,25,259	32,52,590	(9,36,509)	(93,65,090)
As at 31st March 2021	1,00,07,798	10,00,77,980	-	-

Other Equity

	Reserve & Surplus					Total
	Statutory Reserve	Securities Premium	General Reserve	Employee stock options plan	Retained Earnings	
Balance as at 1 April 2019	19,89,95,000	-	43,82,65,000	-	(3,21,70,302)	60,50,89,698
Profit for the year 2019-20	-	-	-	-	14,64,47,834	14,64,47,834
Other comprehensive income for the year 2019-20	-	-	-	-	(7,29,141)	(7,29,141)
Dividend Paid including taxes on dividend	-	-	-	-	(96,44,427)	(96,44,427)
Premium on issue of Shares	-	28,33,33,390	-	-	-	28,33,33,390
Expenses related to issue of shares (Private Placement)	-	(1,23,78,242)	-	-	-	(1,23,78,242)
Share based payment expense	-	-	-	14,08,687	-	14,08,687
Transfers to Statutory reserves	4,23,00,000	-	-	-	(4,23,00,000)	-
Transfers to General reserves	-	-	11,00,00,000	-	(11,00,00,000)	-
Balance as at 31 March 2020	**24,12,95,000**	**27,09,55,148**	**54,82,65,000**	**14,08,687**	**(4,83,96,036)**	**1,01,35,27,800**
Profit for the year	-	-	-	-	15,37,66,969	15,37,66,969
Other comprehensive income for the year	-	-	-	-	98,925	98,925
Dividend Paid including taxes on dividend	-	-	-	-	(46,50,532)	(46,50,532)
Premium on issue of Shares	-	19,65,88,700	-	-	-	19,65,88,700
Share based payment expense	-	-	-	48,29,877	-	48,29,877
Transfers to Statutory reserves	4,00,00,000	-	-	-	(4,00,00,000)	-
Transfers to General reserves	-	-	5,00,00,000	-	(5,00,00,000)	-
Balance as at 31 March 2021	**28,12,95,000**	**46,75,43,848**	**59,82,65,000**	**62,38,564**	**1,08,19,326**	**1,36,41,61,739**

The accompanying notes are an integral part of the financials statements

As per our report of even date
For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W

Pravin Dhiran
Partner
M. No. 115580

Place: Nagpur
Date: 29/06/2021

For and on behalf of the Board of Directors of
BERAR FINANCE LIMITED

M. G. Jawanjar
(Executive Chairman)

S. M. Jawanjal
(Managing Director & CFO)

D. R. Balpande
(Company Secretary)

Notes forming part of the Financial Statements for the year ended 31st March 2021

(Amount in INR, unless otherwise stated)

1 Corporate Information

The Company is a registered non-banking finance company engaged in the business of providing finance. The Company is registered with the Reserve Bank of India as a Non-Banking Finance Company (NBFC) with effect from 24th November 1998, with Registration No. 13.01109. The Company primarily deals in the financing of two-wheelers, used car finance, commercial vehicle finance and personal loan etc. The Company is a systemically important NBFC as per Reserve Bank of India . The company was re-classified from Asset Finance Company to Investment & Credit Company (NBFC-ICC)as per RBI notification no. 097/03.10.001/2018-19 dated 22-Feb-2019. The Company is having its head office at Nagpur and currently having 91 branches as on 31st March 2021. The financial statements of the Company for the year ended March 31, 2021 were approved for issue in accordance with the resolution of the Board of Directors on June 29, 2021.

2 Basis of Preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

The financial statements for the year ended March 31, 2021 of the Company is the first financial statements prepared in compliance with Ind AS. The date of transition to Ind AS is April 1, 2019. The financial statements upto the year ended March 31, 2020, were prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") and other relevant provisions of the Act. The figures for the year ended March 31, 2020 have now been restated under Ind AS to provide comparability.

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period. Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹) which is the currency of the primary economic environment in which the Company operates (the 'functional currency).

2.4 Use of estimates, judgements and assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are the areas that involved a higher degree of estimates and judgement or complexity in determining the carrying amount of some assets and liabilities.

i) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another

valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

ii) Effective interest rate ('EIR') method

The Company's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iii) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.

b) Development of ECL models, including the various formulas and the choice of inputs.

c) Determination of associations between macroeconomic scenarios and economic inputs as gross domestic products, and the effect on probability of default (PD), exposure at default ("EAD) and loss given default ('LGD').

d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

iv) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

For further details on provisions and other contingencies refer note 38.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

2.5 Presentation of the financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees.

3.1 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

A Interest and dividend income

Interest income for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) are recognised in 'Interest income' in the profit or loss account using the effective interest method (EIR).

Effective Interest Rate (EIR) wherever applicable in case of a financial asset is computed as the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. It is computed by considering all contractual terms of the financial instrument in estimating the cash flows. The cash flows are estimated Including all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL. Interest Income on credit impaired assets are treated to accrue only upon realisation, due to uncertainty involved in its realisation and are accounted accordingly.

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

B Fee and commission income

Fee and commission income and expense include fees other than those that are an integral part of EIR. Processing fees not considered in EIR, service income, bounce charges, penal charges and foreclosure charges etc. are recognised on point in time basis.

C Net gain or fair value change

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

D Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.2 Financial instrument - initial recognition

A Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.3 Financial assets and liabilities

A Financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking worst case' or stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Solely payments of principal and interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial to identify whether they meet SPPI test. 'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de minimise exposure to risks or volatility in the contractual cash flows that are unrelated to a basic tending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost ('AC`)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets measured at FVOCI

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets measured at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B Financial liabilities

i) Initial recognition and measurement Financial liabilities are classified and measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition.

ii) Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. The EIR amortization is included as finance costs in the statement of profit and loss.

3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in the year ended 31 March 2021 and 31 March 2020.

3.5 Derecognition of financial assets and liabilities

i) Financial assets

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at FVTPL. Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial Instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses ('LTECL') (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

PD: Probability of Default ('PD') is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. For investments and balances with banks, the Company uses external ratings for determining the PD of respective instruments.

EAD: Exposure at Default ('EAD') is an estimate of the amount outstanding when the borrower defaults.It is the total amount of an asset the entity is exposed to at the time of default. It is defined based on characteristics of the asset.

LGD: Loss Given Default ('LGD') is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the tender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed. The mechanics of the ECL method are summarised below:

Stage 1: The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

C. Forward looking information

In its ECL models, the Company relies on a broad range of forward looking macro parameters and estimated the impact on the default at a given point of time.

i) Gross fixed investment (% of GDP)

3.7 Write-offs

Financial assets are written off when there are no prospects of recovery which are subject to management decision. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any recoveries made from written off assets are netted off against the amount of financial assets written off during the year under Bad debts and write offs forming part of Impairment on financial instruments in Statement of profit and loss.

3.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;
- **Level 2** financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and market-corroborated inputs.
- **Level 3** financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

3.9 I) Recognition of other expense

A. Borrowing costs

Borrowing costs are the interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

3.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.11 Property, plant and equipment

Property, plant and equipment ('PPE') are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably.

Depreciation is calculated using the straight line method to write down the cost of property and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act. Land is not depreciated.

The estimated useful lives are, as follows:

i) Building - 60 years

ii) Office equipment - 5 years

iii) Computers - 3 years

iv) Furniture and electrical fittings - 10 years

v) Vehicles - 8 years

vi) Printers - 5 years

vii) Server - 6 years

viii) Generator-10 years

Depreciation is provided on a pro-rata basis from the date on which such asset is ready for its intended use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

3.12 Intangible assets

The Company's intangible assets include the value of software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

3.13 Impairment of non financial assets - property, plant and equipments and intangible assets

The carrying values of assets / cash generating units at the each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the statement of profit and

loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.

3.14 Leases

The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, (ess any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses.

The right-of-use assets are depreciated from the date of commencement of the lease on a straightline basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- Low value leases; and
- Leases which are short-term.

3.15 Retirement and other employee benefits

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / retirement. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.16 Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at

a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

B. Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised not disclosed in the financial statements.

3.17 Taxes

A. Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or toss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or equity.

B. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax taws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

A deferred tax asset is recognised for the carry forward of unused tax losses and accumulated depreciation to the extent that it is probable that future taxable profit will be available against which the unused tax losses and accumulated depreciation can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or toss (either in other comprehensive income or in equity}. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or equity.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

C. Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

3.18 Earnings per share

Basic earnings per share (EPS) is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares

are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

3.19 Dividends on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when the it is approved by the Board of Directors of the Company. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

3.20 Cash flows are reported using the indirect method as prescribed under Ind AS 7, whereby profit 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.

4 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") has not notified any new or amendments in existing Ind AS which would be applicable with effect from April 1, 2020.

5 First time adoption of Ind AS

These financial statements are the first set of Ind AS financial statements prepared by the Company. Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for year ending on 31 March 2020, together with the comparative year data as at and for the year ended 31 March 2019, as described in the significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2019, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2019 and the financial statements as at and for the year ended 31 March 2020. The exemptions availed by the Company are as follows:

(i) The Company has adopted the carrying value determined in accordance with Previous GAAP for all of its property plant and equipment and intangible assets as deemed cost of such assets at the transition date.

(ii) The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2019.

(iii) The estimates as at April 1, 2019 and at March 31, 2020 are consistent with those made for the same dates in accordance with the Previous GAAP.

(iv) The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

Further, as permitted by Ind AS 101, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition.

(v) **Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

(a) Reconciliation of Equity as at 1 April 2019 and as at 31 March 2020

(b) Reconciliation of Total Comprehensive Income for the year ended 31 March 2020

The presentation requirements under previous GAAP differs from Ind AS, and hence, previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped previous GAAP/ Indian GAAP information is derived from the Financial Statements of the Company prepared in accordance with previous GAAP.

(a) Reconciliation of total equity as at 31 March 2020 and 1 April 2019

	Notes	As at 31 March 2020	As at 1 April 2019
Equity Share Capital		9,66,66,670	8,00,00,000
Surplus in statement of profit and loss account		1,08,41,98,601	65,26,43,114
Shareholder's equity as per Indian GAAP audited financial statements		1,18,08,65,271	73,26,43,114
Ind AS adiustments			
- Impact on recognition of loans at amortised cost	c (i)	(3,86,57,142)	(7,51,58,322)
- Impact on recognition of borrowings at amortised cost using EIR	c (i)	1,45,34,708	89,32,796
- Investments measured at FVTPL	c (ii)	50,65,917	82,85,100
- EIR Impact of investments in government securities measured at amortised cost	c (ii)	6,45,576	1,37,518
- EIR Impact of security deposit	c (iii)	(58,061)	(46,479)
- Lease accounting impact	c (iv)	(7,58,383)	
- Expected credit loss on loans	c (v)	(7,47,55,637)	(1,13,64,351)
- Impact on recognition of securitised loan portfolio (De-recognised in previous GAAP)	c (vii)	5,21,049	-
- Deferred tax impact on above	c (ix)	2,41,69,642	2,07,63,114
- Others		(13,78,473)	8,97,208
Total Ind AS adjustments		**(7,06,70,802)**	**(4,75,53,416)**
Shareholder's equity as per Ind AS		**1,11,01,94,469**	**68,50,89,698**

(b) Reconciliation of total comprehensive income for the year ended 31 March 2020

	Notes	Year ended 31 March 2020
Profit as per Indian GAAP		16,91,27,374
Adjustment		
- Impact on recognition of loans at amortised cost by application of EIR	c (i)	(63,06,176)
- EIR Impact of borrowings measured at amortised cost	c (i)	56,01,912
- Investments measured at FVTPL	c (ii)	(32,19,183)
- EIR Impact of investments in government securities measured at amortised cost	c (ii)	5,08,058
- EIR Impact of security deposit	c (iii)	(11,582)
- Lease accounting impact	c (iv)	(7,58,383)
- Expected credit loss on loans	c (V)	(2,05,83,930)
- Impact of Employee stock option plan	c (vi)	(2,91,296)
- Impact on recognition of securitised loan portfolio (De-recognised in previous GAAP)	c (vii)	5,21,049
- Re-measurement losses on defined benefit plans reclassified to OCI	c (viii)	10,28,698
- Deferred Tax Impact on Ind AS adjustments	c (ix)	31,06,972
- Others		(22,75,681)
Net profit as per Ind AS		**14,64,47,834**
Other comprehensive income:		
Re-measurement gains / (losses) on defined benefit plans , net off tax	c (viii)	(7,29,141)
Total comprehensive income as per Ind AS		**14,57,18,693**

(c) Notes to first-time adoption

(i) Interest income and expense measured using effective interest method

Under Previous GAAP, origination fees and transaction costs charged to customers was recognised upfront. Under Ind AS, such fees and costs are amortised over the expected life of the loan assets and recognised as interest income.

Under Previous GAAP, the transaction costs related to borrowings were recognised upfront in the Statement of Profit and Loss. Under Ind AS, such costs are amortised over the contractual term of the borrowing and recognised as interest expense using effective interest method in the Statement of profit and loss.

(ii) Fair Valuation of Investments

Under Indian GAAP, investments that are acquired with the intention of holding them for not more than one year from the date on which such investments are made, are considered as current investment. Investments acquired with the intention of holding for more than one year from the date on which such investments are made are classified as long-term investments. The securities held as securities for trade is carried at cost. Long term investments are carried at acquisition cost after providing for diminution in value, if such diminution is other than of a temporary nature. As per Ind AS, all financial assets have to be classified at 'amortised cost', 'fair value through other comprehensive income' or 'fair value through profit and loss'. These classifications are based on the business model test and the contractual cash flow test. Under Indian GAAP, unrealized gains were not accounted in the books. Under Ind AS, unrealized gains have been accounted in the statement of profit and loss.

This has resulted in an increase in retained earnings in 1 April 2019 and 31 March 2020 of INR 8285100 and INR 5065917 respectively and a decrease in the net profit for the year ended March 2020 of INR -3219183 on account of fair valuation of investments measured at fair value through profit & loss.

This has resulted in an decrease in retained earnings as on 1 April 2019 and 31 March 2020 of INR -137518 and INR -645576 respectively and an decrease in the net profit for the year ended March 2020 of INR -508058 on account of investments in government securities measured at amortised cost using effective interest rate.

(iii) Security deposit

Under Indian GAAP, the security deposits given were accounted on the transaction price. Ind AS requires such assets to be recognized at present value. This has led to a decrease in the value of the security deposits on the date of transition and subsequently it is measured at amortised cost. The excess of the principal amount of the deposit over its fair value is recognised as right of use assets and subsequently shall be recognized as depreciation expense on a straight-line basis over the lease term, partially set off by the notional interest income recognised on such deposit. The increase in interest income is known as unwinding of interest accounted under other income.

The above transition has resulted a decrease in retained earnings in 1 April 2019 and 31 March 2020 of INR 46479 and INR 58061 respectively and decrease in the net profit for the year ended March 2020 of INR 11582 .

(iv) Operating Lease capitalised as per Ind AS 116 Initial recognition and measurement:

Lessees are required to initially recognize a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying asset for the lease term.

The lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The right-to use asset is initially measured at cost. The cost shall comprise of the amount of the lease liability and adjusted for lease prepayments, lease incentives received, the lessee's initial direct costs and an estimate of the restoration, removal and dismantling costs.

Subsequent measurement:

A lessee measure the right of use asset applying a cost model. A lessee shall measure the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments; and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Accordingly company has recognised right to use assets and lease liability using modified retrospective approach.

The above transition has impacted a decrease in retained earnings/net profit in 31 March 2020 of INR 758383 .

(v) Expected credit loss on loans

Under Indian GAAP, the Company recognized impairment on loans based on the incurred basis. Under Ind AS, the Company recognizes lifetime expected credit loss for loans.

The above transition has impacted a decrease in retained earnings in 1 April 2019 and 31 March 2020 of INR 11364350.79 and INR 74755636.79 respectively and an increase in the net profit for the year ended March 2020 of INR -20583929.8

(vi) Employee Stock Option Plan

The company has granted equity settled options in 2019-20 to the employees of the Company. Under Previous GAAP, the cost of Employee Stock Options was recognised at intrinsic value. Under Ind AS, the same is recognised on the basis of fair value. This has resulted in decrease of profit by INR 291296 for the year ended 31 March 2020.

(vii) Impact on derecognition of loans

Under Previous GAAP, financial assets were derecognized if the control criteria is met in accordance with relevant RBI guidelines. Under Ind AS, financial assets are derecogmsed only when the Company transfers substantially alt the risks and rewards related to the cash flows.

(viii) Re-measurement impact on defined benefit plans

Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, actuarial gains and losses, are recognised in other comprehensive income.

Thus, employee benefits expense is reduced by INR 1028698 and is recognised in other comprehensive income during the year ended 31 March 2020.

(ix) Deferred Tax

The transitional Ind AS adjustments has led to temporary differences in the tax and accordingly deferred tax impact on these adjustments has been accounted.

6 Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Cash on hand	1,13,84,723	63,95,297	89,07,303
Balances with banks			
In current accounts	76,10,80,399	16,91,99,129	16,07,30,563
In fixed deposits (with original maturity less than 3 months)	17,54,59,840	20,06,62,023	-
Total	**94,79,24,962**	**37,62,56,449**	**16,96,37,866**

7 Bank Balances other than cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Fixed Deposit (Including accrued Interest)	73,30,27,978	5,74,17,435	5,59,57,799
Balances with banks to the extent held as margin money or security against the borrowings	1,43,04,182	1,38,45,048	38,78,499
Earmarked balances with banks (Unpaid dividend)	1,53,913	3,04,087	2,89,501
Total	**74,74,86,073**	**7,15,66,570**	**6,01,25,799**

8 Loans

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(A) Loan measures of Amortised Cost			
i) Terms loans			
Loans (Refer Note 48)	6,71,80,56,652	4,66,78,19,694	3,56,49,17,238
Total (A) Gross	6,71,80,56,652	4,66,78,19,694	3,56,49,17,238
Less : Impairment loss allowance (Refer Note 48)	(12,32,21,203)	(6,66,16,110)	(3,82,69,054)
Total (A) Net	**6,59,48,35,449**	**4,60,12,03,584**	**3,52,66,48,184**

Disclosure pursuant to Ind AS 107 "Financial Instruments : Disclosures"
(a) Expected Credit Loss- Loans :

Particulars		As at March 31, 2021			As at March 31, 2020			As at March 31, 2019		
		Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment Provision	Gross Carrying Amount	Expected Credit Loss	Carrying amount net of impairment Provision	Gross Carrying Amount	Expected Credit Loss	Carrying amount net of impairment Provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	6,09,85,98,000	3,61,51,431	6,06,24,46,569	4,18,85,01,021	96,97,586	4,17,88,03,435	3,27,32,99,883	52,83,269	3,26,80,16,614
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-Impaired	45,10,55,694	3,36,00,798	41,74,54,896	35,82,21,653	1,81,79,927	34,00,41,726	21,77,63,819	97,97,586	20,79,66,233
	Financial assets for which credit risk has increased significantly and credit-impaired	16,84,02,958	5,34,68,974	11,49,33,984	12,10,97,020	3,87,38,597	8,23,58,423	7,38,53,536	2,31,88,199	5,06,65,337
Total		**6,71,80,56,652**	**12,32,21,203**	**6,59,48,35,449**	**4,66,78,19,694**	**6,66,16,110**	**4,60,12,03,584**	**3,56,49,17,238**	**3,82,69,054**	**3,52,66,48,184**

(b) Reconciliation of loss allowance provision - Loans:

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on March 31, 2019	**52,83,269**	**97,97,586**	**2,31,88,199**	**3,82,69,054**
New assets originated or purchased	72,44,034	1,11,60,791	1,16,14,634	3,00,19,459
Amount written off	(57,358)	(3,35,190)	(78,88,216)	(82,80,764)
Transfers to Stage 1	(2,17,57,505)	63,49,926	1,54,07,579	-
Transfers to Stage 2	93,137	(54,12,653)	5,319,516	-
Transfers to Stage 3	3,489	23,037	(26,526)	-
Increase/ (Decrease) provision on existing financial assets including recovery	1,88,88,526	(34,03,578)	(88,76,587)	66,08,362
ECL as on March 31, 2020	**96,97,593**	**1,81,79,919**	**3,87,38,598**	**6,66,16,110**
New assets originated or purchased	1,76,60,327	1,61,59,205	1,07,61,917	4,45,81,449
Amount written off	(51,345)	(1,73,441)	(53,28,975)	(55,53,762)
Transfers to Stage 1	(4,00,93,696)	1,49,39,405	2,51,54,291	-
Transfers to Stage 2	17,11,646	(1,29,34,886)	1,12,23,240	-
Transfers to Stage 3	68,789	1,18,163	(1,86,952)	-
Impact on year end ECL of Exposure transferred between stages	-	-	-	-
Increase/ (Decrease) provision on existing financial assets Including recovery	4,71,58,117	(26,87,567)	(2,68,93,145)	1,75,77,405
ECL as on March 31, 2021	**3,61,51,431**	**3,36,00,798**	**5,34,68,974**	**12,32,21,203**

(c) Reconciliation of Gross carrying amount - Loans:

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on March 31, 2019	**3,27,32,99,883**	**21,77,63,819**	**7,38,53,536**	**3,56,49,17,238**
New assets originated or purchased	3,22,37,21,683	22,16,99,796	3,63,26,112	3,48,17,47,592
Amount written off	(1,18,33,226)	(55,28,271)	(2,54,45,859)	(4,28,07,356)
Transfers to Stage 1	(17,20,35,046)	12,38,18,685	4,82,16,361	-
Transfers to Stage 2	3,18,95,275	(48,215,194)	1,63,19,919	-
Transfers to Stage 3	1,264,212	4,07,132	(1,671,344)	-
Net Recovery	(2,15,78,11,760)	(15,17,24,314)	(2,65,01,706)	(2,33,60,37,780)
Gross carrying amount as on March 31,2020	**4,18,85,01,022**	**35,82,21,653**	**12,10,97,019**	**4,66,78,19,694**
New assets originated or purchased	4,53,88,17,721	27,84,39,355	3,46,91,970	4,85,19,49,047
Amount written off	(4,69,07,672)	(35,05,570)	(1,71,90,243)	(6,76,03,485)
Transfers to Stage 1	(22,88,01,628)	15,01,19,762	7,86,81,866	-
Transfers to Stage 2	8,20,48,694	(11,72,09,138)	3,51,60,444	-
Transfers to Stage 3	35,18,832	12,21,529	(47,40,361)	-
Net Recovery	(2,43,85,78,970)	(21,62,31,897)	(7,92,97,737)	(2,73,41,08,604)
Gross carrying amount as on March 31, 2021	**6,09,85,98,000**	**45,10,55,694**	**16,84,02,958**	**6,71,80,56,652**

Asset Classification as per RBI Norms

Disclosure pursuant to Reserve Bank of India notification DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13,2020 pertaining to Asset classification as per RBI norms

(Amt in Rs.)

Asset Classification as per RBI Norms	Asset Classification as per INDAS 109	For the year ended March 31, 2021					For the year ended March 31, 2020				
		Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under Ind AS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms	Gross carrying amount as per Ind AS	Loss allowances (Provisions) as required under IndAS 109	Net carrying amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisons and IRACP norms
Performing assets											
Standard	Stage-1	6,09,85,98,000	3,61,51,431	60,624,46,569	76,40,388	2,85,11,043	4,18,85,01,022	96,97,593	4,17,88,03,429	36,60,805	60,36,788
	Stage-2	45,10,55,694	3,36,00,798	41,74,54,896	3,71,336	3,32,29,462	35,82,21,653	1,81,79,919	34,00,41,734	5,61,831	17,61,8,088
Subtotal		**6,54,96,53,694**	**6,97,52,229**	**6,47,99,01,465**	**80,11,724**	**6,17,40,505**	**4,54,67,22,675**	**2,78,77,512**	**4,51,88,45,163**	**42,22,636**	**2,36,54,876**
Non-Performing Assets (NPA)											
Substandard	Stage-3	15,84,52,557	5,03,09,662	10,81,42,895	1,62,43,047	3,40,66,615	10,34,65,877	33,098,449	7,03,67,428	1,07,15,616	2,23,82,833
Doubtful -1	Stage-3	87,53,496	27,79,288	59,74,208	23,42,551	4,36,737	1,05,05,178	33,60,575	71,44,603	26,44,645	7,15,930
Doubtful -2	Stage-3	3,23,144	1,02,600	2,20,544	1,14,880	-12,280	65,39,121	20,91,845	44,47,276	29,78,895	-8,87,050
Doubtful-3	Stage-3	8,73,761	2,77,424	5,96,337	5,05,031	-2,27,607	5,86,843	1,87,729	3,99,114	3,39,327	-1,51,598
Subtotal		**16,84,02,958**	**5,34,68,974**	**11,49,33,984**	**1,92,05,509**	**3,42,63,465**	**12,10,97,019**	**3,87,38,598**	**8,23,58,421**	**1,66,78,483**	**2,20,60,115**
Loss Asset	Stage-3	0	0	0	0	0	0	0	0	0	0
Total		**6,71,80,56,652**	**12,32,21,203**	**6,59,48,35,449**	**2,72,17,233**	**9,60,03,970**	**4,66,78,19,694**	**6,66,16,110**	**4,60,12,03,584**	**2,09,01,119**	**4,57,14,991**

9. Investments

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
i) Investments measured at amortised cost (Refer Note 1)			
Investments in Government Securities (Quoted)	10,54,51,544	8,23,38,976	6,98,35,959
ii) Investments measured at fair value through Profit or Loss (Refer Note II)			
Investments in Equity Instruments (Quoted)	13,44,630	1,20,25,338	1,64,49,853
Investments in Mutual funds (Quoted)	5,14,949	2,70,236	4,48,351
Other Investment			
Investment in alternative investment fund units	1,03,97,778		
Investment in Gold		2,17,950	1,65,250
iii) Investments measured at Cost (Refer Note III)			
Investments in Equity Instruments (Unquoted)			2,90,000
Total - Gross (A)	**11,77,08,901**	**9,48,52,500**	**8,71,89,413**
(i) Investments outside India			
(ii) Investments in India	11,77,08,901	9,48,52,500	8,71,89,413
Total (B)	**11,77,08,901**	**9,48,52,500**	**8,71,89,413**
Total (A) to tally with (B)	-	-	-
Less: Allowance for Impairment loss (C)			
Total - Net = (B)-(C)	**11,77,08,901**	**9,48,52,500**	**8,71,89,413**

Details of investments -
Note 1 - Investments in government securities measured at amortised cost

		As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Investments measured at amortised cost (Quoted)				
7.80% GOI BONDS	2021	5,18,139	5,13,022	5,08,219
8.28% GOI BONDS	2027	4,82,403	4,80,393	4,78,442
8.03% GOI BONDS	2024	9,97,894	9,92,427	9,87,197
8.23% GOI BONDS	2027	6,06,529	6,06,585	6,06,512
8.30% GOI BONDS	2023	11,08,910	11,02,802	10,96,966
7.94% GOI BONDS	2021	10,25,577	10,11,554	9,98,535
8.26% GOI BONDS	2027	1,002,520	1,001,342	10,00,049
8.26% GOI BONDS	2027	5,08,180	5,08,388	5,08,478
8.83% GOI BONDS	2041	5,75,623	5,75,018	5,74,332
8.24% GOI BONDS	2027	5,02,532	5,02,251	5,01,887
8.83% GOI BONDS	2023	20,98,373	21,10,676	21,21,627
8.24% GOI BONDS	2027	9,95,454	9,93,682	9,91,843
8.35% GOI BONDS	2022	92,86,622	92,88,957	92,89,199
8.15% GOI BONDS	2026	92,61,868	92,63,302	92,62,760
8.26% GOI BONDS	2027	35,74,720	35,78,221	35,80,738
7.88% GOI BONDS	2030	19,99,195	19,98,848	19,98,118
7.16% GOI BONDS	2023	85,50,583	84,80,866	84,14,807
7.88% GOI BONDS	2030	36,67,652	36,80,054	36,90,923
7.88% GOI BONDS	2030	24,65,957	24,63,106	24,59,957
7.59% GOI BONDS	2029	45,49,333	45,68,578	45,85,687
7.88% GOI BONDS	2030	58,12,043	57,97,633	57,83,110
7.40% GOI BONDS	2035	9,30,117	9,27,575	9,25,033
7.88% GOI BONDS	2030	15,22,282	15,23,041	15,23,439
7.40% GOI BONDS	2035	76,81,664	76,87,786	-
7.73% GOI BONDS	2034	16,30,545	16,34,781	-
7.50% GOI BONDS	2034	12,53,317	12,55,162	-
7.40% GOI BONDS	2035	74,56,876	74,49,726	74,41,610
7.50% GOI BONDS	2034	18,28,316	18,33,374	-
8.12% GOI BONDS	2020	-	5,09,828	5,06,493
7.40% GOI BONDS	2035	32,41,777	-	-
7.50% GOI BONDS	2034	25,09,807	-	-
6.22% GOI BONDS	2035	24,62,498	-	-
6.22% GOI BONDS	2035	1,53,44,237	-	-
Total		**10,54,51,544**	**8,23,38,976**	**6,98,35,960**

Note II - Investments measured at Fair Value through Profit or Loss

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Investments measured at Fair Value through Profit or Loss			
i) Investments in Equity Instruments (Quoted)			
Sundaram Finance Ltd			
100 (31 March 2020: 1000 ; 1 April 2019: 1000)	2,58,420	12,03,250	15,58,700
Bank Of Maharashtra			
NIL (31 March 2020: 1000 : 1 April 2019: 1000)	-	8,910	13,750
Bajaj Finance Ltd.			
100 (31 March 2020 : 2000 ; 1 April 2019: 2000)	5,14,890	44,31,600	60,50,000
ITC Ltd			
NIL (31 March 2020: 1500 ; 1 April 2019: 1500)	-	2,57,550	4,45,875
HDFC BANK LTD			
NIL (31 March 2020: 1000 ; 1 April 2019: 1000)	-	17,23,800	23,16,500
IDFC FIRST LTD			
NIL (31 March 2020: 1000 ; 1 April 2019: 1000)	-	2,93,290	7,67,278
PUNJAB NATIONAL BANK			
NIL (31 March 2020: 1000 ; 1 April 2019: 1000)	-	32,250	95,300
HDFC LTD			
100 (31 March 2020: 1000 ; 1 April 2019: 1000)	2,49,895	16,30,450	19,67,300
KOTAK MAHINDRA BANK LTD			
100 (31 March 2020: 1000 ; 1 April 2019: 1000)	1,75,400	12,96,050	13,34,500
YES BANK LTD			
1500 (31 March 2020: 2000 ; 1 April 2019: 2000)	23,400	44,900	5,50,200
RELIANCE INDUSTRIES LTD			
NIL (31 March 2020: 1000 ; 1 April 2019: 1000)	-	11,03,290	13,50,450
AU SMALL FINANCE BANK LTD.	1,22,625	-	-
100 (31 March 2020: NIL ; 1 April 2019: NIL)			
	13,44,630	**1,20,25,340**	**1,64,49,853**
ii) Investments In Mutual funds (Quoted)			
Sundaram Long Term Tax Advantage Fund Series III - Regular Idcw	5,14,737	2,70,038	4,48,142
50,700 Units (31 March 2020: 50,700; 1 April 2019: 50,700)			
Sundaram Short Term Debt Fund - Regular Growth	212	198	209
6.559 Units (31 March 2020: 6.559; 1 April 2019: 6.559)			
	5,14,949	**2,70,236**	**4,48,351**
iii) Other investments			
Investment in Alternative Investment fund			
Northern Arc Money Market Alpha Fund : 103977.78 Units (31 March 2020: NIL; 1 April 2019: NIL)	1,03,97,778	-	-
Investment in Gold	-	2,17,950	1,65,250
	1,03,97,778	**2,17,950**	**1,65,250**
Total (i+ii+iii)	**1,22,57,357**	**1,25,13,526**	**1,70,63,456**

Note III - Investment in equity instruments measured at cost :

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Investments in Equity Instruments (Unquoted)			
Avino Capcons Pvt Ltd.			
NIL (31 March 2020: NIL.; 1 April 2019: 29000)	-	-	2,90,000
Total	-	-	**2,90,000**

10 Other Financial assets

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Security deposits			
Premises	44 23,754	30,56,689	22,15,974
Others	55,82,753	52,84,973	6,91,639
Advances to dealers	18,03,78,193	16,67,83,821	13,06,42,677
Advances to employees	2,39,199	2,04,908	2,27,038
Receivable from recovery agent	5,95,46,528	80,19,851	1,39,35,437
Others	48,61,663	9,10,537	11,73,170
Total	**25,50,32,090**	**18,42,60,779**	**14,88,85,935**

11 Current tax assets (Net)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Advance income tax (Net of provision for tax)	-	37,30,514	-
Total	**-**	**37,30,514**	**-**

12 Deferred tax liabilities (Net)/tax expenses

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(A) Deferred tax relates to the following:			
Deferred tax assets			
- on financial assets measured at amortised cost	3,02,49,181	2,05,09,186	2,21,98,331
- on expected credit loss provision on loans	2,57,96,382	1,47,86,184	1,11,43,948
- on lease as per Ind AS 116	3,49,431	1,90,870	-
- on ESOP	3,34,379	73,313	-
- on gratuity	33,15,966	27,99,664	24,19,748
- on leave encashment	19,44,379	16,69,192	14,68,182
- on disallowances under section 43B of the Income Tax Act, 1961		36,06,024	
Total Deferred tax assets (A)	**6,19,89,718**	**4,36,34,439**	**3,72,30,209**
Deferred tax liabilities			
- On difference between written down value of fixed assets as per books of accounts and income tax	26,22,455	28,00,652	22,77,433
- On investments measured at FVTPL	1,232	5,46,164	18,04,548
- On financial liabilities measured at amortised cost	1,22,01,061	37,89,233	26,01,230
Total Deferred tax liabilities (B)	**1,48,24,748**	**71,36,049**	**66,83,211**
Deferred tax asset / (liability), net (A-B)	**4,71,64,970**	**3,64,98,384**	**3,05,46,999**

(B)Reconciliation of deferred tax assets/ (liabilities) (net):

	Year ended 31 March 2021	Year ended 31 March 2020
Opening balance as of 1 April	36,498,384	3,05,46,999
Deferred tax assets/((iabilities) recognized in Statement of Profit and Loss	10,700,670	56,51,828
Deferred tax assets/(llabilities) recognized in OCI	(34,084)	2,99,557
Closing balance	**47,164,970**	**3,64,98,384**

(C) Income tax expense recognised in profit and loss

	Year ended 31 March 2021	Year ended 31 March 2020
- Current tax	6,25,00,000	6,00,00,000
- Prior period income tax	-	15,37,042
- Deferred tax charge / (income)	(1,07,00,671)	(56,51,836)
Total	**5,17,99,329**	**5,58,85,206**

(D) Income tax expense recognised in other comprehensive income

	Year ended 31 March 2021	Year ended 31 March 2020
Net loss/(gain) on remeasurements of defined benefit plans	(34,084)	2,99,557
Total	**(34,084)**	**2,99,557**

(E) Major Components of tax expense/(Income) :

	Year ended 31 March 2021	Year ended 31 March 2020
Statement of Profit and Loss:		
a) Profit & Loss Section		
i) Current Tax		
Current Tax expense for the year	6,25,00,000	6,00,00,000
Tax expense for the earlier years	-	15,37,042
	6,25,00,000	**61,537,042**
ii) Deferred Tax		
Tax expense on origination and reversal of temporary differences	(1,07,00,671)	(56,51,836)
	(1,07,00,671)	**(56,51,836)**
Income tax expense reported in the statement of profit or loss[(i)+((ii)]	**5,17,99,329**	**5,58,85,206**
Other Comprehensive Income (OCI) Section:		
i) Items that will not be reclassified to profit or loss in subsequent years:		
Current tax expense/(income):		
Deferred tax expense/(income)	(34,084)	2,99,557
	(34,084)	**2,99,557**
ii) Items that will be reclassified to profit or loss in subsequent years:		
Income tax expenses reported in the other comprehensive income [i + ii]	**(34,084)**	**2,99,557**

(F) Reconciliation of tax charge

	Year ended 31 March 2021	Year ended 31 March 2020
Profit before tax	20,55,66,298	20,23,33,040
Income tax expense at tax rates applicable	25.17%	25.17%
Income tax expenses	5,17,36,926	5,09,23,180
Tax effects of:		
- Disallowed expense	1,48,21,505	79,74,419
- Excess Provision Made	11,76,880	40,53,568
- Other	(99,489)	(51,069)
Tax at different rate	(17,64,696)	(4,038)
Deductions under chapter VIA	(33,71,127)	(28,96,059)
-Adjustments related to tax of Prior Years	-	15,37,042
- Impact of Deferred Tax Adjustments	(1,05,33,654)	(68,59,053)
- Effect on Deferred Tax due to change in Tax Rates*	(1,67,017)	12,07,217
Tax expense recognised in Statement of Profit and Loss	**5,17,99,329**	**5,58,85,206**

(G) Computing Corporate Tax Rate Applicable to the Company

	Year ended 31 March 2021	Year ended 31 March 2020
Basic Tax Rate *	22%	22%
Add: Surcharge	10%	10%
Add: Cess	4%	4%
Corporate Tax Rate Applicable	**25.17%**	**25.17%**

* The recently promulgated Taxation Laws (Amendment) Ordinance 2019, has inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The reduced tax rates come with the consequential surrender of specified deductions/ incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income Tax Act, 1961, for assessment year (AY) 2020-21 or subsequent AYs. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs.

The Company has elected to apply the concessional tax rate. Accordingly, the Company has recognized the provision for income tax and re-measured the net deferred tax assets at concessional rate for the year ended 31 March 2020. Further, the opening net deferred tax asset has been re-measured at lower rate with a one-time impact of Rs. 12,07,217 recognized as transition adjustment in the Statement of profit and loss for the year ended 31 March 2020.

13 Property, plant and equipment

	Gross block				Accumulated depreciation and impairment					Net block	
	As at 31 March 2020	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2020	For the year	Deductions/ Adjustments	Impairment	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Owned assets											
Land-Free hold	11,81,07,451	-	-	11,81,07,451	-	-	-	-	-	11,81,07,451	11,81,07,451
Buildings	2,64,35,139	-	-	2,64,35,139	4,29,858	4,50,853	-	-	8,80,711	2,55,54,428	2,60,05,281
Office Equipments	70,21,230	22,88,340	1,12,288	91,97,282	16,24,911	16,90,960	1,06,674	-	32,09,197	59,88,085	53,96,319
Computers	58,11,559	44,86,057	-	1,02,97,616	17,02,083	21,20,311	-	-	38,22,394	64,75,222	41,09,476
Generator	17,658	13,85,414	-	14,03,072	-	53,361	-	-	53.361	13,49,711	17,658
Furniture & Fixtures	91,54,250	21,78,320	-	1,13,32,570	9,56,336	11,35,290	-	-	20,91,626	92,40,944	81,97,914
Vehicles	39,11,186	-	-	39,11,186	4,15,761	5,13,002	-	-	9,28,763	2,982,423	34,95,425
Printer	6,14,459	3,75,170	-	9,89,629	1,13,293	1,51,023	-	-	2,64,316	7,25,313	5,01,166
Server	3,73,625	-	-	3,73,625	1,37,156	1,37,156	-	-	2,74,312	99,313	2,36,469
Electrical Fitting	20,67,523	-	-	20,67,523	1,57,723	2,16,333	-	-	3,74,056	16,93,467	19,09,800
Total	**17,35,14,080**	**1,07,1 3,301**	**1,12,288**	**18,41,15,093**	**55,37,121**	**64,68,289**	**1,06,674**	**-**	**1,18,98,736**	**17,22,16,357**	**16,79,76,959**

	Gross block				Accumulated depreciation and impairment					Net block	
	As at 31 March 2020	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2021	As at31 March 2020	For the year	Deductions/ Adjustments	Impairment	31 March 2021	As at31 March 2021	As at31 March 2020
Owned assets											
Land-Freehold	11,81,07,451	-	-	11,81,07,451	-	-	-	-	-	11,81,07,451	11,81,07,451
Buildings	2,46,42,138	17,93,001	-	2,64,35,139	-	4,29,858	-	-	4,29,858	2,60,05,281	2,46,42,138
Office Equipments	46,73,548	23,47,682	-	70,21,230	-	16,24,911	-	-	16,24,911	5,396,319	46,73,548
Computers	31,45,948	26,65,611	-	58,11,559	-	17,02,083	-	-	17,02,083	41,09,476	31,45,948
Generator	17,658	-	-	17,658	-	-	-	-	-	17,658	17,658
Furniture & Fixtures	62,49,220	29,05,030	-	91,54,250	-	9,56,336	-	-	9,56,336	81,97,914	62,49,220
Vehicles	4,22,738	35,63,470	75,022	39,11,186	-	4,15,761	-	-	4,15,761	34,95,425	4,22,738
Printer	3,27,126	2,87,333	-	6,14,459	-	1,13,293	-	-	1,13,293	5,01,166	3,27,126
Server	3,73,625	-	-	3,73,625	-	1,37,156	-	-	1,37,156	2,36,469	3,73,625
Electrical Fitting	11,44,664	9,22,859	-	20,67,523	-	1,57,723	-	-	1,57,723	19,09,800	11,44,664
Total	**15,91,04,116**	**1,44,84,986**	**75,022**	**17,35,14,080**	**-**	**55,37,121**	**-**	**-**	**55,37,121**	**167,976,959**	**15,91,04,116**

The Company has availed the deemed cost exemption as per IND AS 101 in relation to property, plant and equipment as on the date of transition i.e. 1 April 2019 and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Intangible assets

14 Intangible assets

		Gross block			Accumulated depreciation and impairment					Net block	
	As at 31 March 2020	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2021	As at31 March 2020	For the year	Deductions/ Adjustments	Impairment	31 March 2021	As at31 March 2021	As at31 March 2020
Computer Software	1,18,76,673	15,70,676	-	1,34,47,349	10,14,247	43,01,504	-	-	53,15,751	81,31,598	1,08,62,426
Total	**1,18,76,673**	**15,70,676**	**-**	**13,447,349**	**10,14,247**	**43,01,504**	**-**	**-**	**53,15,751**	**81,31,598**	**1,08,62,426**

		Gross block			Accumulated depreciation and impairment					Net block	
	As at 1 April 2019 (Deemed Cost)	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2020	As at 1 April 2019 (Deemed Cost)	For the year	Deductions/ Adjustments	Impairment	As at 31 March 2020	As at 31 March 2020	As at 1 April 2019 (Deemed Cost)
Computer Software	74,37,019	44,39,654	-	1,18,76,673	-	10,14,247	-	-	10,14,247	1,08,62,426	74,37,019
Total	**74,37,019**	**44,39,654**	**-**	**1,18,76,673**	**-**	**10,14,247**	**-**	**-**	**10,14,247**	**1,08,62,426**	**74,37,019**

The Company has elected to continue with carrying value for all of its intangible assets as recognized in its Indian GAAP financial statements, as its deemed cost as at the date of transition under Ind AS 101 "First-time adoption of Indian Accounting Standards', i.e. 1 April 2019.

15 Right of use assets

	Amount
Carrying amount as at 1 April 2019	1,27,76,087
Addition	50,73,347
Adjustments/deletion	(23,289)
Depreciation for the year	(68,18,189)
Carrying amount as at 31 March 2020	1,10,07,956
Addition	1,88,09,051
Adjustments/deletion	(2,854)
Depreciation for the year	(82,84,981)
Carrying amount as at 31 March 2021	**2,15,29,172**

16 Other Non Financial Assets

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Balance with Government authorities	-	-	4,87,010
Advances to creditors for capital goods	65,715	-	
Stamps in Hands	13,80,250	8,43,400	8,95,200
Total	**14,45,965**	**8,43,400**	**13,82,210**

17 Trade Payable

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii)total outstanding dues of creditors other than micro enterprises and small enterprises	4,25,33,850	2,40,59,086	1,80,98,447
Total	**4,25,33,850**	**2,40,59,086**	**1,80,98,447**

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to Micro and Small Enterprises that are reportable under the MSMED Act, 2006. The disclosures relating to Micro and Small Enterprises are as below:

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
The amounts remaining unpaid to micro and small suppliers as at the end of the year:			
- Principal	-	-	-
- Interest	-	-	-
- The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
- The amount of payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-	-
- The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise.	-	-	-
Total	-	-	-

18 Debt Securities

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
At Amortised cost :			
Secured			
Non Convertible Debenture	1,20,66,01,743	-	-
	1,20,66,01,743	-	-

18A Disclosure on Debt Securities

Issue of secured redeemable non convertible debentures as on March 31,2021

Particulars	Face Value per Debenture	Date of Allotment	Interest Rate % p.a.	Date of Redemption	Redeemable Term	As at 31 March 2021
DCB Bank Limited	10,00,00,000	10-Jun-20	12.50	22-Jun-23	Redeemable at par at the end of 1038 days from the date of allotment.	9,94,50,156
Bank of Maharashtra	10,00,00,000	29-Jul-20	12.75	28-Jul-21	Redeemable at par at the end of 364 days from the date of allotment.	9,97,11,294
Northern ARC Money Market	10,00,00,000	30-Jul-20	13.00	02-Aug-21	Redeemable at par at the end of 368 days from the date of allotment.	9,99,11,922
IFMR Finance for Freedom Fund-III	10,00,00,000	11-Sep-20	14.00	11-Sep-23	Redeemable at par at the end of 1095 days from the date of allotment.	9,84,87,291
IFMR Fimpact Long Term Fund	15,00,00,000	18-Nov-20	13.75	30-Mar-23	Redeemable at par at the end of 862 days from the date of allotment.	14,80,20,666
VIVRITI Samarth Bond Fund	15,00,00,000	23-Dec-20	13.75	23-Dec-23	Redeemable at par at the end of 1095 days from the date of allotment.	14,76,38,666
UNIFI AIF	18,00,00,000	24-Feb-21	13.18	24-Feb-24	Redeemable at par at the end of 1067 days from the date of allotment.	17,38,40,469
Creation Investment FPI LLC	34,00,00,000	24-Mar-21	13.90	02-May-25	Redeemable at par at the end of 1393 days from the date of allotment.	33,95,41,279
			Total			1,20,66,01,743

Nature of Security:

The Debentures are secured by way of first/second charges, having pari passu right, as the case may be, on term loan receivables.

Secured redeemable non convertible debentures public issue :

During the year, The Company has raised Rs.122.00 crore issue of NCD's. The Company has utilised Rs.70.OO crore for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/prepayment of principal of borrowings) and general corporate purpose. Total unutilised balance amount of Rs.52.00 crore is in form of Fixed Deposits with Banks . The Security cover creation date is not due as on balance sheet date, thus the security creation is pending for the untilised balance.

19 Borrowings (Other than Debt Securities)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
At Amortised cost :			
a) Term loans			
i) Secured			
Term Loan from Banks	1,82,37,40,128	90,71,55,664	1,02,64,36,036
Term Loan from Financial Institutions	2,52,11,30,578	1,76,11,77,528	1,01,80,67,296
Associated liabilities in respect of securitization transactions	1,56,06,853	13,65,08,087	9,56,10,090
b) Loans repayable on demand			
i) Secured			
Cash Credit from Banks	51,98,71,407	58,58,38,282	48,83,83,451
Total	**4,88,03,48,966**	**3,39,06,79,561**	**2,62,84,96,873**

19A Disclosure for Borrowings

Term loans from bank as on March 31, 2021: Secured

Repayment Term	Tenure	Interest Range	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Monthly	Upto 5 Years	10.01%-11.00%	9,75,46,500	3,43,79,994	9,92,57,954
Monthly	Upto 5 Years	11.01 %-12.00%	45,70,75,513	11,01,60,901	14,18,68,971
Monthly	Upto 5 Years	12.01%-13.00%	12,11,29,372	10,05,55,295	21,34,56,160
Monthly	Upto 5 Years	13.01%-14.00%	94,48,87,942	41,01,58,913	32,03,58,733
Monthly	Above 5 Years	12.01%-13.00%	20,31,00,802	25,19,00,562	25,14,94,218
Total			**1,82,37,40,128**	**90,71,55,664**	**1,02,64,36,036**

Details of Securities Given

Term loan from banks are secured by first charge on specific receivables under Hypothecation Agreements. It is further secured by personal guarantees of Mr. M.G. Jawanjar and Mr. S.M. Jawanjal.

Term Loan taken from SBI is secured by equitable mortgage of Office premises situated at 1st & 2nd Floor at Avinisha Tower, Dhantoli, Nagpur.

Term loans from Financial Institutions as on March 31, 2021: Secured

Repayment Term	Tenure	Interest Range	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Monthly	Upto 5 Years	11.01%-12.00%	3,946,25,384	24,54,50,822	-
Monthly	Upto 5 Years	12.01%-13.00%	25,33,48,351	48,75,26,529	46,34,77,747
Monthly	Upto 5 Years	13.01%-14.00%	1,83,24,67,975	95,50,84,964	40,77,88,084
Monthly	Upto 5 Years	14.01%-15.00%	-	20,99,665	3,55,32,187
Quarterly	Upto 5 Years	12.01%-13.00%	4,06,88,868	7,10,15,547	11,12,69,278
Total			**2,52,11,30,578**	**1,76,11,77,528**	**1,01,80,67,296**

Details of Securities Given

Term loan from financial institutions is secured by first charge on specific receivables under Hypothecation Agreements other than those hypothecated to banks.It is further secured by personal guarantees of Mr. M.G.Jawanjar and Mr. S.M. Jawanjal.

Loan repayable on demand from bank : **Secured**

Repayment Term	Tenure	Interest Range	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Bank overdraft/Cash Credit	Bullet	11.01%-12.00%	51,98,71,407	58,58,38,282	48,83,83,451
Total			**51,98,71,407**	**58,58,38,282**	**48,83,83,451**

Details of Securities Given

Loan repayable on demand from bank is secured by:

- First charge on Hypothecation loan receivables present and future, ranking pari passu, excluding assets which are specifically charged to others lenders.
- Equitable mortgage of Office premises situated at Amravti, Akola, Chandrapur, Chhindwara, Raipur and Nagpur office 3rd Floor.
- Hypothecation of furniture/Fixture/Computers/Equipments in the above office premises.
- Personal guarantees of Mr. M.G.Jawanjar, Mrs Jyoti Jawanjar and Mr. S.M. Jawanjal.

20 Deposits

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
At Amortised cost :			
Deposits (Unsecured)			
- Public deposits	1,12,49,22,076	86,87,66,747	74,16,57,590
- Inter corporate deposits	69,16,602	-	-
Total	**1,13,18,38,678**	**86,87,66,747**	**74,16,57,590**

20.1 Maturity profile of public deposit (Including unclaimed deposit) and Rate of interest of Deposit (Fixed Deposits) are as set out below:

Rate of Interest	As at 31 March 2021		
	Upto 1 Year	1-3 Years	Total
9.00%	15,66,61,658		15,66,61,658
9.25%	21,38,06,323	2,18,45,336	23,56,51,659
9.50%	7,19,59,103	19,29,42,510	26,49,01,613
9.75%	5,94,60,402	21,40,81,977	27,35,42,379
10.00%	4,32,25,893	13,08,13,100	17,40,38,993
10.50%	-	8,60,81,079	8,60,81,079
Total	**54,51,13,379**	**64,57,64,002**	**1,19,08,77,381**

Rate of Interest	As at 31 March 2020		
	Upto 1 Year	1-3 Years	Total
9.00%	8,69,29,907	-	8,69,29,907
9.25%	12,74,35,425	1,94,26,222	14,68,61,647
9.50%	9,00,10,855	11,99,09,428	20,99,20,283
9.75%	10,59,95,851	11,76,77,011	22,36,72,862
10.00%	13,41,60,520	1,30,07,157	14,71,67,677
10.50%	11,02,78,768	-	11,02,78,768
11.00%	3,16,155	-	3,16,155
11.50%	70,279	-	70,279
Total	**65,51,97,760**	**27,00,19,818**	**92,52,17,578**

Rate of Interest	As at 1 April 2019		
	Upto 1 Year	1-3 Years	Total
9.00%	6,10,77,338	-	6,10,77,338
9.25%	10,61,49,163	1,15,90,393	11,77,39,556
9.50%	4,73,01,351	10,03,11,063	14,76,12,414
9.75%	2,01,85,739	14,44,36,877	16,46,22,616
10.00%	7,02,65,938	3,33,014	7,05,98,952
10.50%	2,51,17,474	7,89,97,413	10,41,14,887
11.00%	4,46,88,081	-	4,46,88,081
11.50%	5,90,45,963	-	5,90,45,963
Total	**43,38,31,047**	**33,56,68,760**	**76,94,99,807**

21 Other Financial liabilities

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Employee benefits payable	2,07,53,120	1,87,18,692	1,54,88,770
Unclaimed Dividend	1,53,912	3,14,765	2,89,505
Other expenses payable	43,51,590	66,08,785	49,01,822
Security deposits	2,56,07,483	2,01,68,526	1,51,61,125
Unclaimed matured deposits (Refer note 20.1)	6,59,55,305	5,64,50,831	2,78,42,217
Lease liability (Refer note 21.1 & 41)	2,21,88,891	1,11,97,013	1,20,88,540
Other credit balances	30,69,309	30,91,733	3,762,961
Total	**14,20,79,610**	**11,65,50,345**	**7,95,34,940**

21.1 Movement of lease liabilities

	As at 31 March 2021	As at 31 March 2020
Opening Balance	1,11,97,013	1,20,88,540
Additions	1,83,15,316	48,90,668
Interest expenses	20,64,437	15,36,716
Payments	(93,87,875)	(73,18,911)
Total	**2,21,88,892**	**1,11,97,013**

22 Current tax liabilities (net)

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Current income tax payable for 31st March 2021, net of advance tax of INR.5,00,00,000 and TDS receivable of INR.50,91,371 (31 March 2020: INR Nil, 1 April 2019: net of advance tax INR 5,25,00,000 and TDS receivable INR 37,30,514)	74,08,629	-	86,12,958
Total	**74,08,629**	**-**	**86,12,958**

23 Provisions

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Provision for employee benefits			
Provision for gratuity (Refer Note 40)	1,31,75,325	1,11,23,902	83,09,574
Provision for compensated absences (Refer Note 40)	77,25,599	66,32,199	50,41,833
Total	**2,09,00,924**	**1,77,56,101**	**1,33,51,407**

24 Other Non Financial liabilities

	As at 31 March 2021	As at March 2020	As at 1 April 2019
Statutory dues payable	1,84,23,320	3,10,53,212	2,91,51,715
Total	**1,84,23,320**	**3,10,53,212**	**2,91,51,715**

25 Equity share capital

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Authorized			
125,00,000 (31 March 2020 : 125,00,000 and 1 April 2019 : 150,00,000) Equity shares of INR 10/- each.	12,50,00,000	12,50,00,000	15,00,00,000
25,00,000 (31 March 2020 : 25,00,000 and 1 April 2019 : NIL) Cumulative Compulsorily Convertible Participating Preference shares of INR 10/- each.	2,50,00,000	2,50,00,000	-
	12,50,00,000	**12,50,00,000**	**15,00,00,000**
Issued, Subscribed and Paid up			
1,00,07,798 (31 March 2020 : 91,11,111 and 1 April 2019 : 80,00,000) Equity shares of INR 10/- each.	10,00,77,980	9,11,11,110	8,00,00,000
NIL (31 March 2020 : 5,55,556 and 1 April 2019 : NIL) 0.1% Cumulative Compulsorily Convertible- Participating Preference shares, INR 10/- each	-	55,55,560	-
Total	**10,00,77,980**	**9,66,66,670**	**8,00,00,000**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	91,11,111	9,11,11,110	80,00,000	8,00,00,000
Add: Issued during the year - Private Placement #	5,71,428	57,14,280	11,11,111	1,11,11,110
Add: On account of conversion of 0.1% Cumulative Compulsorily Convertible Preference shares	3,25,259	32,52,590		
Outstanding at the end of the year	**1,00,07,798**	**10,00,77,980**	**91,11,111**	**9,11,11,110**

(b) Reconciliation of 0.1% Cumulative Compulsorily Convertible Participating Preference shares outstanding at the beginning and at the end of the year

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	5,55,556	55,55,560	-	-
Add: Issued during the year - Private Placement	-	-	5,55,556	55,55,560
Add: Preference shares issued during the year through Private Placement #	3,80,953	38,09,530	-	-
Less: Preference shares converted into equity shares during the year ##	(9,36,509)	(93,65,090)	-	-
Outstanding at the end of the year	**-**	**-**	**5,55,556**	**55,55,560**

Note:

On October 27,2020 , the Company allotted fully paid up 5,71,428 Equity Shares and 3,80,953 Cumulative Compulsorily Convertible Participating Preference Shares ("CCPS") of face value of Rs.10/- each to the eligible equity shareholders at an issue price of Rs.210/- per shares (including premium of Rs.200/- per equity shares and CCPS) in the preference issue.

In accordance with the Investor Agreement, on March 30,2021, 555556 Tranche 1 Series A CCPS of INR 10/- each were converted into 189942 equity shares of INR 10/- each at a premium of INR 516.47 per share and 380953 Tranche 2 Series A CCPS of INR 10/- each were converted into 135317 equity shares of INR 10/- each at a premium of INR 581.20 per share.

b) Rights, preferences and restrictions attached to shares

The Company has only one class of shares referred to as equity shares having a face value of 10/-. (In the previous year the Company has two classes of shares. 91,11,111 equity shares of ₹10 each per share and 5,55,556 Cumulative Compulsorily Convertible Participating Preference shares of ₹10/- each per share.)

Each holder of equity shares is entitled to one vote per share. Voting rights of Preference shares is according to Sec 47 of the Companies Act,2013. 31,00,000 Equity shares out of issued, subscribed and fully paid up share capital were allotted as Bonus Shares by capitalisation of Share Premium and General Reserve.

(c) i) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
i) M/s Avino Capcons Pvt Ltd	14,88,484	14.87%	14,88,484	16.34%	14,88,484	18.61%
ii) Mr.Maroti Jawanjar	10,21,194	10.20%	10,21,194	11.21%	10,21,194	12.76%
iii) Mr.Maroti Jawanjar (HUF)	8,68,954	8.68%	8,68,954	9.54%	8,66,954	10.84%
iv) Amicus Capital Private Equity I LLP	20,07,798	20.06%	9,97,778	10.95%	-	-
Total	**53,86,430**	**53.82%**	**43,76,410**	**48.03%**	**33,76,632**	**42.21%**

ii) i) Details of 0.1% Cumulative Compulsorily Convertible Participating Preference shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31 March 2021		As at 31 March 2020		As at 1 April 2019	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
i) Amicus Capital - Private Equity I LLP	-	-	4,98,889	89.80%	-	-
ii) Amicus Capital Partners India Fund I	-	-	56,667	10.20%	-	-
Total	**-**	**-**	**5,55,556**	**100.00%**	**-**	**-**

26 Other equity

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Retained earnings	1,08,19,326	(4,83,96,036)	(3,21,70,302)
General Reserve	59,82,65,000	54,82,65,000	43,82,65,000
Securities Premium	46,75,43,848	27,09,55,148	-
Employee stock options plan	62,38,564	14,08,687	-
Statutory Reserve	28,12,95,000	24,12,95,000	19,89,95,000
Total	**1,36,41,61,738**	**1,01,35,27,799**	**60,50,89,698**

(A) Retained earnings

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Opening balance	(4,83,96,037)	(3,21,70,302)	(3,26,41,003)
Add : Net profit for the year	15,37,66,970	14,64,47,834	14,71,95,128
Add/(Less): Other comprehensive income	98,925	(7,29,141)	-
Appropriations:			
Less: Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(4,00,00,000)	(4,23,00,000)	3,70,80,000
Less: Dividend Paid including taxes on dividend			
Dividend Paid during the year	(44,29,897)	(80,00,000)	(80,00,000)
Dividend Distribution Tax	(2,20,635)	(16,44,427)	(16,44,427)
Less: Transfer to General Reserve	(5,00,00,000)	(11,00,00,000)	(10,00,00,000)
Closing balance	**1,08,19,326**	**(4,83,96,036)**	**(3,21,70,302)**

(B) General Reserve

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Opening balance	54,82,65,000	43,82,65,000	33,82,65,000
Add: Transfers from retained earnings	5,00,00,000	11,00,00,000	10,00,00,000
Closing balance	**59,82,65,000**	**54,82,65,000**	**43,82,65,000**

(C) Securities Premium

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Opening balance	27,09,55,148	-	-
Add: Premium on issue of Equity Shares (On account of conversion)	19,65,88,700	28,33,33,390	-
Less: Expenses related to Issue of Shares (Private Placement)	-	(1,23,78,242)	-
Closing balance	46,75,43,848	270,955,148	-

(D) Share option outstanding (Refer Note 44)

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Opening balance	14,08,687	-	-
Add: Share based payment expense	48,29,877	14,08,687	-
Closing balance	**62,38,564**	**14,08,687**	**-**

(E) Statutory Reserve

	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Opening balance	24,12,95,000	19,89,95,000	16,19,15,000
Add: Transferred during the year	4,00,00,000	4,23,00,000	3,70,80,000
Closing balance	**28,12,95,000**	**24,12,95,000**	**19,89,95,000**

Description of the nature and purpose of Other Equity :

(A) Retained Earnings: Retained earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders. It also includes actuarial gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).

(B) General Reserve: General reserve is created through annual transfer of profits at a specified percentage in accordance with applicable regulations under the erstwhile Companies Act, 1956.

(C) Securities premium: Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(D) Employee stock options plan: Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Group.

(E) Statutory Reserve: Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

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

27 Interest Income

	Year ended 31 March 2021	Year ended 31 March 2020
Interest income on financial assets measured at amortised cost:		
- Interest on loans	11,94,72,090	90,96,31,464
- Interest on fixed deposits with banks	1,69,75,480	50,83,151
- Interest income from investments;	73,99,256	58,14,274
- Interest on security deposits	3,64,801	2,63,667
Total	**1,22,12,11,627**	**92,07,92,556**

28 Dividend Income

	Year ended 31 March 2021	Year ended 31 March 2020
Dividend received	46,925	1,14,661
Total	**46,925**	**1,14,661**

29 Net gain/ (loss) on fair value changes*

	Year ended 31 March 2021	Year ended 31 March 2020
Net gain/ (loss) on financial instruments designated at fair value through profit or loss	88,12,637	(4,,2,59,930)
Total Net gain/(loss) on fair value changes (A)	**88,12,637**	**(42,59,930)**
Fair Value changes:		
-Realised	75,84,714	2,90,000
-Unrealised	12,27,923	(45,49,930)
Total Net gain/(loss) on fair value changes (B) to tally with (A)	**88,12,637**	**(42,59,930)**

* Fair value changes in this schedule are other than those arising on account of interest income/expense.

30 Other operating Income

	Year ended 31 March 2021	Year ended 31 March 2020
Other Financial Charges	11,84,61,293	12,73,98,381
Total	**11,84,61,293**	**12,73,98,381**

31 Other Income

	Year ended 31 March 2021	Year ended 31 March 2020
Profit on sale of assets	13,986	1,24,978
Miscellaneous income	71,744	1,12,107
Total	**85,730**	**2,37,085**

32 Finance Costs

	Year ended 31 March 2021	Year ended 31 March 2020
On Financial liabilities measured at Amortised Cost		
Interest on deposits	9,65,69,002	8,06,31,992
Interest on borrowings	50,72,05,423	38,51,40,437
Interest on debt securities	5,89,47,696	-
Interest on lease liabilities	20,64,437	15,36,716
Bank charges	1,05,01,502	78,40,109
Total	**67,52,88,060**	**47,51,49,254**

33 Impairment on financial instruments

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Financial assets measured at amortised cost	-	-
Loans	12,03,27,590	6,77,54,973
Total	**12,03,27,590**	**6,77,54,973**

34 Employee Benefits Expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, wages and bonus	14,25,31,216	12,63,22,630
Contribution to provident and other funds (Refer Note 40)	78,96,892	72,38,802
Gratuity expenses (Refer Note 40)	25,57,988	22,16,245
Compensated absences expenses	20,27,483	18,02,800
Staff welfare expenses	29,96,223	3,37.668
Share based payment to employees	48,29,878	14,08,687
Commission to Managerial persons	91,00,000	91,00,000
Total	**17,19,39,680**	**14,84,26,832**

35 Depreciation and amortization expense

	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on property plant & equipments	64,68,289	55,37,121
Depreciation on right to use assets	82,84,981	68,18,189
Amortization of intangible assets	43,01,504	10,14,247
Total	**1,90,54,774**	**1,33,69,557**

36 Other expenses

	Year ended 31 March 2021	Year ended 31 March 2020
Rent expenses	51,06,384	40,70,893
Rates and taxes	5,90,559	1,18,42,784
Goods & Service Tax	2,11,88,630	3,00,71,363
Conveyance & Travelling	85,79,378	69,44,265
Directors sitting fees	2,24,000	1,18,000
Legal and Professional charges	1,58,91,813	64,68,195
Advertisement Expenses	19,76,797	19,26,287
Marketing Commission	5,99,91,547	4,02,51,244
Courier & Postage Charges	47,43,785	39,06,999
Computer Charges	4,857,618	8,60,818
Electricity expenses	30,67,987	30,31,524
Office Car Expenses	66,693	1,39,803
Printing & Stationery	78,32,773	71,50,122
Telecom Charges	55,85,228	45,91,255
Office Expenses	6,066,791	36,74,640
Office Building Maintenances	4,78,875	4,53,381
CSR Contribution (Note II)	41,10,819	35,87,760
Misc Expenses	57,92,133	78,69,764
Statutory Auditors remuneration (Note I)	2,90,000	2,90,000
Total	**15,64,41,810**	**13,72,49,097**

Note I - Payments to Auditors

	Year ended 31 March 2021	Year ended 31 March 2020
Statutory audit fees	2,00,000	1,35,000
Taxation matters	75,000	45,000
Other Attest Services	15,000	1,10,000
Total	**2,90,000**	**2,90,000**

Note II - Corporate Social Responsibility (CSR):

As per Section 135 of the Companies Act,2013, a CSR Committee has been formed by the Company. The Company has made CSR expenditure for activities specified in Schedule VII of the Companies Act, 2013. As per section 135 (5) of the Companies Act, 2013, the Company was required to spend, in every financial year, at least two per cent of the average net profit of the company made during three immediately preceding financial years in pursuance of its Corporate Social Responsibility. Average net profit for 3 years works out to ₹ 2097.82 lakhs (2019-20 : ₹ 1,792.90 lakhs) and hence 2% required expenditure is ₹ 41.96 lakhs(2019-20 ₹ 35.87 lakhs).

The Company made CSR expenditure for the financial year 2020-21 of ₹ 41,10,819/-. However in the computation of eligible profit of CSR calculation for financial year 2020-21, certain allowances were not noticed and hence not included in the initial calculation of eligible profit for CSR calculation. The Company has done subsequently recalculation of eligible profits and unspent CSR contribution for financial year 2020-21 worked out as ₹ 84,823/-. Accordingly, the Company transferred ₹ 1,00,000 on 21.06.2021 to the Prime Minister's National Relief Fund as specified in Schedule VII of Companies Act, 2013 to comply with provisions of second proviso to Sec 135 (5) of the Companies Act , 2013.

i) Gross amount required to be spent by the Company during the year is ₹ 41.96 lakhs (31 March 2020: INR 35.87 lakhs).

ii) The breakup of expenditure incurred on Corporate Social Responsibility activities:

	Year ended 31 March 2021	Year ended 31 March 2020
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above	41,10,819	35,87,760
Total	**41,10,819**	**35,87,760**

37 Earnings per share

	Year ended 31 March 2021	Year ended 31 March 2020
Profit/(loss) attributable to ordinary equity holders	15,37,66,969	14,64,47,834
Less: Dividend attributable to preference shareholders (including tax thereon, if any)	-	94,971
Profit/(loss) attributable to ordinary equity holders	15,37,66,969	14,63,52,863
Weighted average number of equity shares for basic EPS	96,03,114	81,42,582
Weighted average number of equity shares for diluted EPS	96,65,447	82,04,915
Face Value per share		
Basic earnings/loss) per share (INR)	16.01	17.97
Diluted earnings/loss) per share (INR)	15.91	17.85

38 Contingent liabilities

The Company is contesting the demand to the tune of INR 7.45 lakhs in respect of income tax matter relating to Assessment Year 2017-18 before the Commissioner of Income Tax (Appeals). Based on interpretation of the relevant provisions of the Income Tax Act, the company has been legally advised that the impugned demand is likely to be deleted and accordingly no provision is considered necessary.

39 Capital Commitments

	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil	nil

40 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss -

	Year ended 31 March 2021	Year ended 31 March 2020
Contribution to Provident, ESIC and labour welfare fund (Refer Note 34)	78,96,892	72,38,802
Total	**78,96,892**	**72,38,802**

(B) Defined benefit plans

a) Gratuity payable to employees

The Company's liabilities under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each reporting period using the projected unit credit method.

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

The defined benefit plans expose the Company to risks such as actuarial risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

Basis of Assumptions

Calculating Defined benefit obligation, by using Projected Unit Credit Method, requires an actuary to make a lot of assumptions, based on current market scenarios. The basis of different assumptions used while calculating the defined benefit obligation is as follows :-

Discount rate

Discount rate has been determined by reference to market yields on Government bonds of term consistent with estimated term of obligations.

Mortality/ disability

If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Employee turnover/withdrawal rate

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Salary escalation rate

More or less than expected increase in the future salary levels may result in increase / decrease in the liability.

i) Principal assumptions used for the purposes of the actuarial valuations

	Year ended 31 March 2021	Year ended 31 March 2020
Economic Assumptions		
Discount rate (per annum)	6.75%	6.75%
Salary Escalation rate	6.00%	6.00%
Demographic Assumptions		
Mortality	Indian Assured Lives Ultimate Mortality Rates (2012-14) (IALM 2012-14)	Indian Assured Lives Ultimate Mortality Rates (2012-14) (IALM 2012-14)
Employee turnover/Withdrawal rate	1% at all ages	1% at all ages
Retirement age	58 Years	58 Years

ii) Amount recognized in the Balance Sheet:

	Year ended 31 March 2021	Year ended 31 March 2020
Present value of unfunded obligation as at the end of the year	1,31,75,325	1,11,23,902
Net liability recognized In Balance Sheet (Refer Note 23)	1,31,75,325	1,11,23,902
Current obligation	42,09,527	41,43,200
Non-current obligation	**89,65,798**	**69,80,702**

iii) Changes tn the present value of defined benefit obligation

	Year ended 31 March 2021	Year ended 31 March 2020
Present value of obligation at the beginning of the year	1,11,23,902	83,09,574
Interest cost	7,50,863	6,43,992
Current service cost	18,07,125	15,72,253
Past service cost	-	-
Benefits paid	(3,73,556)	(430,615)
Actuarial (gain)/ loss on obligations - Due to change in financial assumptions	-	9,00,785
Actuarial (gain)/ loss on obligations - Due to experience adjustments	(1,33,009)	1,27,913
Present value of obligation at the end of the year	**1,31,75,325**	**1 ,11,23,902**

iv) Expense recognized in the Statement of Profit and Loss

	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	18,07,125	15,72,253
Net Interest cost	7,50,863	6,43,992
Past service cost	-	-
Total expenses recognized In the Statement Profit and Loss (Refer Note 34)	**25,57,988**	**22,16,245**

v) Expense recognized in other comprehensive income

	Year ended 31 March 2021	Year ended 31 March 2020
Remeasurements due to		
- Effect of change in financial assumptions		9,00,785
- Effect of experience adjustments	(1,33,009)	1,27,913
Net actuarial (gains) / losses recognised in OCI	**(1,33,009)**	**10,28.698.00**

vi) A quantitative sensitivity analysis for significant assumption is shown below:

	Year ended 31 March 2021	Year ended 31 March 2020
Discount rate		
1% increase	(14,66,063)	(11,47,975)
1% decrease	18,18,968	14,26,404
Salary Escalation rate		
1% increase	18,14,182	14,30,140
1% decrease	(14,87,962)	(11,70,094)

vii) Maturity profile of defined benefit obligation

	Year ended 31 March 2021	Year ended 31 March 2020
Within next 12 months	40,91,538	40,42,846
Between 2 and 5 years		
Between 6 and 10 years	3,09,000	2,80,476
Beyond to years	12,93,14,384	12,11,03,914
Total expected payments	**13,37,14,922**	**12,54,27,236**

41 Leases

The Company has taken office premises at certain locations on tease. The agreements are executed for a period ranging from 10 months to 60 months.

The changes in the carrying value of right of use assets for the years ended 31 March 2021, 31 March 2020 and 1 April 2019 has been disclosed In Note 15.

The aggregate depreciation expense on right of use assets is included under depreciation and amortisation expense in the statement of Profit and Loss (Refer Note 35).The movement in lease liabilities has been disclosed in Note 21.1

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

	As at 31 March 2021	At at 31 March 2020	As at 1 April 2019
Less than one year	62,67,360	69,13,866	64,72,758
More than one year	65,11,083	70,37,083	78,21,063
Total	**1,27,78,443**	**1,39,50,949**	**1,42,93,821**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Short term leases

Rental expense incurred and paid for short term leases during the year was INR 51,06,384 (31 March 2020: INR 40,70,893).

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April 2019 is 13.54%. p.a.

42 Related Party Disclosures:

(A) **Names of related parties and description of relationship as identified and certified by the Company:**

(a) Enterprises over which Key Management Personnel are able to exercise significant influence

1) Avino Capcons Pvt. Ltd.
2) M.G.Jawanjar (HUF)
3) S.M.Jawanjal (HUF)

(b) Key Management Personnel

1) M.G.Jawanjar
2) S.M. Jawanjal
3) D.R. Balpande
4) Shantaram Mahakalkar
5) Dattatraya Dalal
6) Ashok Kachore
7) Vishwas Pathak
8) Rashmi Mitkary

c) Relative of Key Management Personnel

1) Mrs.Jyoti Jawanjar
2) Mr.Ravindra Balpande
3) Vaishali Charde
4) Mrs.Bakul Jawanjal
5) Mr.Arjun Jawanjal
6) Mr.Radhemohan Jawanjal
7) Purushottam Mahakalkar
8) Mansaram Mahakalkar
9) Aadya Dalal
10) Girish Dalal
11) Sayali Pimple Dalal
12) Prathamesh Dalal
13) Suhasini Dalal
14) Roshani Tupkari
15) Meenakshi Kachore
16) Narendra Kachore
17) Pritam Kachore
18) Ravindra Kachore
19) Rekha Kachore
20) Meena Tiple
21) Priti Padole
22) Anuradha Pathak
23) Viveknand Pathak
24) Wasudha Pathak
25) Meena Pidadi

(B) **Details of transactions with related party in the ordinary course of business for the year ended:**

	Relationship with the Entity	Nature of Transaction	Year ended 31 March 2021	Year ended 31 March 2020
M.G. Jawanjar	Key Management Personnel	Remuneration	86,65,000	91,58,513
S.M. Jawanjal	Key Management Personnel	Remuneration	72,81,016	72,82,006
D.R. Balpande	Key Management Personnel	Remuneration	15,87,333	15,99,639
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Remuneration	10,69,897	10,99,820
M.G. Jawanjar	Key Management Personnel	Interest on Deposit	2,19,253	50,989
S.M. Jawanjal	Key Management Personnel	Interest on Deposit	5,61,268	4,16,762
D.R. Balpande	Key Management Personnel	Interest on Deposit	1,11,731	75,246
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Interest on Deposit	62,988	0
Mr. Ravindra Balpande	Relative of Key Managerial Personnel	Interest on Deposit	15,056	2,919

Mrs.Vaishali Charde	Relative of Key Managerial Personnel	Interest on Deposit	2,51,026	1,87,943
Mrs. Bakul Jawanjal	Relative of Key Managerial Personnel	Interest on Deposit	1,61,123	1,23,300
Arjun Jawanjal	Relative of Key Managerial Personnel	Interest on Deposit	13,125	10,418
Radhemohan Jawanjal	Relative of Key Managerial Personnel	Interest on Deposit	23,624	19,620
M.G. Jawanjar (HUF)	Enterprise on which KMP can exercise Significant Influence	Interest on Deposit	40,743	0
S.M. Jawanjal (HUF)	Enterprise on which KMP can exercise Significant Influence	Interest on Deposit	35,666	32,674
Purushottam Mahakalkar	Relative of Key Managerial Personnel	Interest on Deposit	41,682	48,239
Mansaram Mahakalkar	Relative of Key Managerial Personnel	Interest on Deposit	48,748	48,881
Dattatraya Dalal	Key Management Personnel	Interest on Deposit	3,59,032	2,97,152
Aadya Dalal	Relative of Key Managerial Personnel	Interest on Deposit	18,858	10,766
Girish Dalal	Relative of Key Managerial Personnel	Interest on Deposit	1,19,979	1,08,478
Sayali Pimple Dalal	Relative of Key Managerial Personnel	Interest on Deposit	42,987	38,200
Prathamesh Dalal	Relative of Key Managerial Personnel	Interest on Deposit	1,89,121	1,59,396
Suhasini Dalal	Relative of Key Managerial Personnel	Interest on Deposit	49,430	91,586
Roshani Tupkari	Relative of Key Managerial Personnel	Interest on Deposit	65,977	59,191
Ashok Kachore	Key Management Personnel	Interest on Deposit	7,23,206	6,21,895
Meenakshi Kachore	Relative of Key Managerial Personnel	Interest on Deposit	81,366	1,10,758
Narendra Kachore	Relative of Key Managerial Personnel	Interest on Deposit	2,10,325	1,94,608
Pritam Kachore	Relative of Key Managerial Personnel	Interest on Deposit	84,988	81,959
Ravindra Kachore	Relative of Key Managerial Personnel	Interest on Deposit	1,22,239	86,113
Rekha Kachore	Relative of Key Managerial Personnel	Interest on Deposit	5,53,352	5,16,398
Meena Tiple	Relative of Key Managerial Personnel	Interest on Deposit	5,839	15,906
Priti Padole	Relative of Key Managerial Personnel	Interest on Deposit	4,327	3,192
Vishwas Pathak	Key Management Personnel	Interest on Deposit	1,72,562	1,64,313
Anuradha Pathak	Relative of Key Managerial Personnel	Interest on Deposit	24,279	22,416
Viveknand Pathak	Relative of Key Managerial Personnel	Interest on Deposit	2,016	1,827
Wasudha Pathak	Relative of Key Managerial Personnel	Interest on Deposit	1,471	1,344
Meena Pidadi	Relative of Key Managerial Personnel	Interest on Deposit	1,09,091	95,922
Rashmi Mitkary	Key Management Personnel	Interest on Deposit	12,026	11,078

M.G. Jawanjar	Key Management Personnel	Deposit Repaid	11,62,887	5,100
S.M. Jawanjal	Key Management Personnel	Deposit Repaid	7,95,262	41,681
D.R. Balpande	Key Management Personnel	Deposit Repaid	11,30,644	4,41,994
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Deposit Repaid	4,726	0
Mr. Ravindra Balpande	Relative of Key Managerial Personnel	Deposit Repaid	99,030	293
Vaishali Charde	Relative of Key Managerial Personnel	Deposit Repaid	17,19,037	21,19,181
Mrs. Bakul Jawanjal	Relative of Key Managerial Personnel	Deposit Repaid	10,50,069	3,60,234
Arjun Jawanjal	Relative of Key Managerial Personnel	Deposit Repaid	1,068	1,138
Radhemohan Jawanjal	Relative of Key Managerial Personnel	Deposit Repaid	80,650	1,33,872
M.G. Jawanjar (HUF)	Enterprise on which KMP can exercise Significant Influence	Deposit Repayment	3,057	0
S.M. Jawanjal (HUF)	Enterprise on which KMP can exercise Significant Influence	Deposit Repayment	1,64,566	2,20,414
Purushottam Mahakalkar	Relative of Key Managerial Personnel	Deposit Repayment	5,83,208	0
Dattatraya Dalal	Key Management Personnel	Deposit Repayment	23,00,000	5,00,000
Aadya Dalal	Relative of Key Managerial Personnel	Deposit Repayment	1,16,076	1,181
Girish Dalal	Relative of Key Managerial Personnel	Deposit Repayment	12,66,915	10,06,922
Sayali Pimple Dalal	Relative of Key Managerial Personnel	Deposit Repayment	1,30,291	54,796
Prathamesh Dalal	Relative of Key Managerial Personnel	Deposit Repayment	15,71,461	13,73,583
Suhasini Dalal	Relative of Key Managerial Personnel	Deposit Repayment	42,18,550	9,60,105
Roshani Tupkari	Relative of Key Managerial Personnel	Deposit Repayment	6,64,316	0
Ashok Kachore	Key Management Personnel	Deposit Repayment	39,18,791	37,83,451
Meenakshi Kachore	Relative of Key Managerial Personnel	Deposit Repayment	4,93,876	18,66,805
Narendra Kachore	Relative of Key Managerial Personnel	Deposit Repayment	20,41,114	18,46,917
Pritam Kachore	Relative of Key Managerial Personnel	Deposit Repayment	5,61,805	8,29,776
Ravindra Kachore	Relative of Key Managerial Personnel	Deposit Repayment	9,844	5,87,610
Rekha Kachore	Relative of Key Managerial Personnel	Deposit Repayment	21,53,716	44,66,761
Meena Tiple	Relative of Key Managerial Personnel	Deposit Repayment	1,38,352	50,000
Priti Padole	Relative of Key Managerial Personnel	Deposit Repayment	325	343,434
Vishwas Pathak	Key Management Personnel	Deposit Repayment	18,14,299	6,58,974
Anuradha Pathak	Relative of Key Managerial Personnel	Deposit Repayment	2,71,162	2,04,053

Viveknand Pathak	Relative of Key Managerial Personnel	Deposit Repayment	0	19,140
Wasudha Pathak	Relative of Key Managerial Personnel	Deposit Repayment	16,512	15,069
Meena Pidadi	Relative of Key Managerial Personnel	Deposit Repayment	3,25,772	7,60,594
Rashmi Mitkary	Key Management Personnel	Deposit Repayment	62,950	57,238
S.M. Jawanjal	Key Management Personnel	Loan Granted	16,10,000	29,60,000
D.R. Balpande	Key Management Personnel	Loan Granted	2,79,000	0
Ravindra Kachore	Relative of Key Managerial Personnel	Loan Granted	7,00,000	0
Meena Tiple	Relative of Key Managerial Personnel	Loan Granted	20,000	0
M.G. Jawanjar	Key Management Personnel	Equity Dividend	5,10,597	10,21,194
S.M. Jawanjal	Key Management Personnel	Equity Dividend	1,61,259	3,22,518
D.R. Balpande	Key Management Personnel	Equity Dividend	20,950	41,900
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Equity Dividend	1,37,275	2,74,550
Mr. Ravindra Balpande	Relative of Key Managerial Personnel	Equity Dividend	1,500	3,000
Vaishali Charde	Relative of Key Managerial Personnel	Equity Dividend	13,300	26,600
Mrs. Bakul Jawanjal	Relative of Key Managerial Personnel	Equity Dividend	50,500	1,01,000
Radhemohan Jawanjal	Relative of Key Managerial Personnel	Equity Dividend	700	1,400
Avino Capcons Pvt Ltd.	Enterprise on which Relative of KMP can exercise Significant Influence	Equity Dividend	7,44,242	14,88,484
M.G. Jawanjar (HUF)	Enterprise on which KMP can exercise Significant Influence	Equity Dividend	4,34,477	8,68,954
S.M. Jawanjal (HUF)	Enterprise on which KMP can exercise Significant Influence	Equity Dividend	58,850	1,15,700
Shantaram Mahakalkar	Key Management Personnel	Equity Dividend	14,950	29,900
Purushottam Mahakalkar	Relative of Key Managerial Personnel	Equity Dividend	1,650	2,800
Mansaram Mahakalkar	Relative of Key Managerial Personnel	Equity Dividend	7,000	14,000
Dattatraya Dalal	Key Management Personnel	Equity Dividend	56,908	1,13,816
Roshani Tupkari	Relative of Key Managerial Personnel	Equity Dividend	3,575	7,150
Ashok Kachore	Key Management Personnel	Equity Dividend	12,017	24,034
Narendra Kachore	Relative of Key Managerial Personnel	Equity Dividend	99,241	1,98,482
Ravindra Kachore	Relative of Key Managerial Personnel	Equity Dividend	1,16,742	2,33,484
Vishwas Pathak	Key Management Personnel	Equity Dividend	14,300	28,600
Meena Pidadi	Relative of Key Managerial Personnel	Equity Dividend	900	1,800

S.M. Jawanjal	Key Management Personnel	Interest on Loans	58,697	1,59,945
D.R. Balpande	Key Management Personnel	Interest on Loans	1,534	0
Avino Capcons Pvt Ltd.	Enterprise on which Relative of KMP can exercise Significant Influence	Interest on Loan	52,935	2,10,970
Ravindra Kachore	Relative of Key Managerial Personnel	Interest on Loan	4,411	0
Meena Tiple	Relative of Key Managerial Personnel	Interest on Loan	124	0
S.M. Jawanjal	Key Management Personnel	Repayment of Loans	30,38,996	30,60,173
D.R. Balpande	Key Management Personnel	Repayment of Loans	2,80,534	0
Avino Capcons Pvt Ltd.	Enterprise on which Relative of KMP can exercise Significant Influence	Repayment of Loans Granted	23,94,911	0
Meena Tiple	Relative of Key Managerial Personnel	Repayment of Loans Granted	20,124	0
M.G. Jawanjar	Key Management Personnel	Deposits Accepted	20,00,000	10,00,000
S.M. Jawanjal	Key Management Personnel	Deposits Accepted	25,50,000	27,00,000
D.R. Balpande	Key Management Personnel	Deposits Accepted	9,59,212	7,45,000
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Deposits Accepted	11,00,000	0
Mr. Ravindra Balpande	Relative of Key Managerial Personnel	Deposits Accepted	2,50,000	90,000
Vaishali Charde	Relative of Key Managerial Personnel	Deposits Accepted	37,97,958	7,50,000
Mrs. Bakul Jawanjal	Relative of Key Managerial Personnel	Deposits Accepted	13,99,963	4,60,209
Arjun Jawanjar	Relative of Key Managerial Personnel	Deposits Accepted	0	20,000
Radhemohan Jawanjal	Relative of Key Managerial Personnel	Deposits Accepted	1,28,746	1,30,152
M.G. Jawanjar (HUF)	Enterprise on which KMP can exercise Significant Influence	Deposit Accepted	8,00,000	0
S.M. Jawanjal (HUF)	Enterprise on which KMP can exercise Significant Influence	Deposit Accepted	2,11,686	1,70,000
Purushottam Mahakalkar	Relative of Key Managerial Personnel	Deposit Accepted	5,82,826	1,50,000
Dattatraya Dalal	Key Management Personnel	Deposit Accepted	53,50,000	16,00,000
Aadya Dalal	Relative of Key Managerial Personnel	Deposit Accepted	1,64,558	1,00,000
Girish Dalal	Relative of Key Managerial Personnel	Deposit Accepted	12,66,892	10,06,922
Sayali Pimple Dalal	Relative of Key Managerial Personnel	Deposit Accepted	1,30,291	1,04,788
Prathamesh Dalal	Relative of Key Managerial Personnel	Deposit Accepted	16,06,154	11,81,500
Suhasini Dalal	Relative of Key Managerial Personnel	Deposit Accepted	47,18,589	15,50,000

Roshani Tupkari	Relative of Key Managerial Personnel	Deposit Accepted	8,03,732	0
Ashok Kachore	Key Management Personnel	Deposit Accepted	49,92,522	31,43,699
Meenakshi Kachore	Relative of Key Managerial Personnel	Deposit Accepted	15,92,276	1,24,198
Narendra Kachore	Relative of Key Managerial Personnel	Deposit Accepted	20,24,063	18,38,306
Pritam Kachore	Relative of Key Managerial Personnel	Deposit Accepted	0	8,27,492
Ravindra Kachore	Relative of Key Managerial Personnel	Deposit Accepted	3,00,000	10,82,872
Rekha Kachore	Relative of Key Managerial Personnel	Deposit Accepted	21,08,852	44,46,705
Meena Tiple	Relative of Key Managerial Personnel	Deposit Accepted	13,88,352	35,000
Priti Padole	Relative of Key Managerial Personnel	Deposit Accepted	6,00,000	0
Vishwas Pathak	Key Management Personnel	Deposit Accepted	18,00,423	9,26,720
Anuradha Pathak	Relative of Key Managerial Personnel	Deposit Accepted	2,70,983	2,23,827
Viveknand Pathak	Relative of Key Managerial Personnel	Deposit Accepted	0	19,140
Wasudha Pathak	Relative of Key Managerial Personnel	Deposit Accepted	16,512	15,069
Meena Pidadi	Relative of Key Managerial Personnel	Deposit Accepted	3,87,230	7,56,537
Rashmi Mitkary	Key Management Personnel	Deposit Accepted	61,971	57,183

(C) Amount due to/from related parties

Relationship with	Nature of the Entity	As at Transaction	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
S.M. Jawanjal	Key Managerial Personnel	Amount receivable for Loans Granted	-	1,370,299	1,310,527
Avino Capcons Pvt Ltd	Enterprise on which KMP can exercise Significant Influence	Amount receivable for Loans Granted	0	2,341,976	2,131,006
Ravindra Kachore	Relative of Key Management Personnel	Amount receivable for Loans Granted	7,04,411	0	0
M.G. Jawanjar	Key Managerial Personnel	Amounts Payable for Deposits Accepted	21,02,255	10,45,889	0
S.M. Jawanjal	Key Managerial Personnel	Amounts Payable for Deposits Accepted	75,16,707	52,00,701	21,25,620
D.R. Balpande	Key Managerial Personnel	Amounts Payable for Deposits Accepted	9,13,847	9,73,548	5,95,296
Mrs. Jyoti Jawanjar	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	11,58,262	0	0
Mr. Ravindra Balpande	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	2,58,652	92,626	0
Vaishali Charde	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	39,54,803	16,24,856	28,06,094
Mrs. Bakul Jawanjal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	19,33,945	14,22,928	11,99,653

Arjun Jawanjal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	1,42,272	1,30,215	1,00,935
Radhemohan Jawanjal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	2,78,855	2,07,135	1,91,235
M.G. Jawanjar (HUF)	Enterprise on which KMP can exercise Significant Influence	Amounts Payable for Deposits Accepted	8,37,686	0	0
S.M. Jawanjal (HUF)	Enterprise on which KMP can exercise Significant Influence	Amounts Payable for Deposits Accepted	4,16,256	3,33,470	3,51,210
Purushottam Mahakalkar	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	6,08,103	5,66,803	3,68,564
Mansaram Mahakalkar	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	5,00,000	5,00,000	5,00,000
Dattatraya Dalal	Key Management Personnel	Amounts Payable for Deposits Accepted	61,00,000	30,50,000	19,50,000
Aadya Dalal	Relative of Key `Management Personnel	Amounts Payable for Deposits Accepted	2,27,927	1,60,587	51,002
Girish Dalal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	13,37,336	12,17,380	11,08,902
Sayali Pimple Dalal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	4,66,792	4,23,805	3,35,613
Prathamesh Dalal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	20,17,358	17,93,544	18,26,231
Suhasini Dalal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	69,85,836	64,36,367	57,54,886
Roshani Tupkari	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	8,48,274	6,42,881	5,83,690
Ashok Kachore	Key Management Personnel	Amounts Payable for Deposits Accepted	84,42,271	66,46,334	66,64,191
Meenakshi Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	16,56,004	4,76,238	21,08,087
Narendra Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	23,41,660	21,48,386	19,62,389
Pritam Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	4,03,898	8,80,715	8,01,040
Ravindra Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	15,25,294	11,12,899	5,31,524
Rekha Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	60,22,323	55,13,835	5,017,493
Meena Tiple	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	13,93,440	1,37,601	1,36,695
Priti Padole	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	6,04,002	0	3,40,242
Vishwas Pathak	Key Management Personnel	Amounts Payable for Deposits Accepted	19,82,292	18,23,606	13,91,547

Anuradha Pathak	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	2,75,181	2,51,081	2,08,891.00
Viveknand Pathak	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	22,482	20,466	18,639
Wasudha Pathak	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	16,804	15,333	13,989
Meena Pidadi	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	12,49,729	10,79,180	9,87,315
Rashmi Mitkary	Key Management Personnel	Amounts Payable for Deposits Accepted	1,35,387	1,24,340	1,13,317

*The remuneration to key managerial personnel does not include the provision made for employee benefits (defined benefit plan and other long term benefits) as they are determined on an actuarial basis for the Company as a whole.

43 Operating Segment

There is no separate reportable segment as per Ind AS 108 on Operating Segments' in respect of the Company.

The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure.

No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended 31 March 2021 or 31 March 2020.

44 Employee stock option scheme

(a) On December 7, 2019 the members of company approved the Berar Stock Option Scheme 2019 (Scheme 2019) for issue of stock options to the key employees of the Company. According to the Scheme 2019, the employee selected will be entitled to options, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of 60 months.

(b) Summary of option granted under the scheme

	Year ended 31 March 2021	Year ended 31 March 2020
Opening balance	1,32,000	-
Granted during the period -	-	1,32,000
Exercised during the period	-	-
Forfeited/Lapsed during the perid	-	-
Closing balance	1,32,000	1,32,000
Vested and exerciable	13,200	-

(c) Expiry date and exercise price of the share options outstanding

Grant date	Expiry date	Exercise price	Share options as at 31 March 2021	Share options as at 31 March 2020
23 Dec 19	22 Dec 24	95.00	1,32,000	1,32,000
TOTAL			1,32,000	1,32,000
Weighted average remaining contractual life of options outstanding at the end of period			**3.73**	**4.73**

(d) The fair value of each option granted is estimated on the date of grant using the black Scholes model with the following assumptions

Scheme	A
Grant date	23 Dec 19
Weighted average fair value of options granted	110.41
Exercise price	95.00
Share price at the grant date	180.83
Expected volatility	30.50%
Risk free interest rate	6.29%
Expected dividend yield	Nil

(e) Expense arising from share based payment transaction

	Year ended 31 March 2021	Year ended 31 March 2020
Gross expense arising from share based payments	48,29,877	14,08,687
Less: Options granted to employees of subsidiaries recognised as deemed investment in subsidiaries	-	-
Less: Options granted to employees of subsidiaries on reimbursement basis over the vesting period	-	-
Employee share based payment expense recognised in statement of profit and loss (Refer Note 34)	**48,29,877**	**14,08,687**

45 Changes in liability Irising from financing activities

Particulars	01st April 2020	Cash Flows	Exchange Differences	Others	31st March 2021
Borrowings	2,80,48,41,279	1,53,52,60,526	-	2,03,75,753	4,36,04,77,558
Debt Securities	-	1,21,65,34,892	-	(99,83,149)	1,20,66,01,743
Deposits Taken	86,87,66,747	26,30,71,931	-	-	1,13,18,38,678

Particulars	01st April 2019	Cash Flows	Exchange Differences	Others	31st March 2020
Borrowings	2,14,01,13,422	65,32,07,623	-	1,15,20,234	2,80,48,41,279
Debt Securities	0	-	-	-	-
Deposits Taken	74,16,57,590	12,71,09,157	-	-	86,87,66,747

46 Fair values of financial assets and financial liabilities

Classification of financial assets and financial liabilities

The following table shows the carrying amounts of financial assets and financial liabilities which are classified as fair value through profit and loss (FVTPL) and amortised cost.

Amount in ₹

	FVOCI	FVTPL	Amortised cost
As at 31 March 2021			
Financial Assets (other than investment In subsidiaries)			
Cash and cash equivalents	-	-	94,79,24,962
Bank Balances other than cash and cash equivalents	-	-	74,74,86,073
Loans	-	-	6,59,48,35,449
Investments	-	1,22,57,357	10,54,51,544
Other Financial assets			25,50,32,090
Financial liabilities			
Trade Payables	-	-	4,25,33,850
Debt Securities	-	-	1,20,66,01,743
Borrowings (Other than Debt Securities)	-	-	4,88,03,48,966
Deposits	-	-	1,13,18,38,678
Other financial liabilities	-	-	14,20,79,610
As at 31 March 2020			
Financial Assets (other than investment In subsidiaries)			
Cash and cash equivalents	-	-	37,62,56,449
Trade Receivables	-	-	7,15,66,570
Loans	-	-	4,60,12,03,584
Investments	-	1,25,13,524	8,23,38,976
Other Financial assets	-	-	18,42,60,779
Financial liabilities			
Trade Payables	-	-	24,059,086
Debt Securities	-	-	-
Borrowings (Other than Debt Securities)	-	-	33,90,679,561
Deposits	-	-	8,68,766,747
Other financial liabilities	-	-	1,16,550,345
As at 1 April 2019			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents	-	-	16,96,37,866
Trade Receivables	-	-	6,01,25,799
Loans	-	-	3,52,66,48,184
Investments	-	1,70,63,454	7,01,25,959
Other Financial assets	-		14,88,85,935
Financial liabilities			
Trade Payables	-	-	1,80,98,447
Debt Securities	-	-	-
Borrowings (Other than Debt Securities)	-	-	2,62,84,96,873
Deposits	-	-	74,16,57,590
Other financial liabilities	-	-	7,95,34,940

47 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

• Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

• Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

• Level 3 - inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of financial instruments measured at fair value on a recurring basis:

	Level 1	Level 2	Level 3	Total
As at 31 March 2021				
Financial assets	-	-	-	-
Financial assets measured at fair value through	-	-	-	-
profit or loss	-	-	-	-
Investment in equity instruments, mutual funds				
and Alternative Investment Fund	1,22,57,357	-	-	1,22,57,357
Total Financial Assets	**1,22,57,357**	**-**	**-**	**1,22,57,357**
As at 31 March 2020				
Financial assets	-	-	-	-
Financial assets measured at fair value through	-	-	-	-
profit or loss	-	-	-	-
Investment in equity instruments, mutual funds				
and Alternative Investment Fund	1,22,95,574	-	-	1,22,95,574
Investment in Gold	2,17,950	-	-	2,17,950
Total Financial Assets	**1,25,13,524**	**-**	**-**	**1,25,13,524**
As at 1 April 2019				
Financial assets	-	-	-	-
Financial assets measured at fair value through	-	-	-	-
profit or loss	-	-	-	-
Investment in equity instruments, mutual funds				
and Alternative Investment Fund	1,68,98,204	-	-	1,68,98,204
Investment in Gold	1,65,250	-	-	1,65,250
Total Financial Assets	**1,70,63,454**	**-**	**-**	**1,70,63,454**

1) Investment in quoted equity instruments are valued using the closing market rate on the reporting date

2) Investment in Mutual funds and Alternative Investment Funds are valued using the closing NAV on the reporting date

3) Investment in gold is valued using the rate of gold as on the reporting date.

The carrying amount of cash and cash equivalents, trade receivables, bank balances other than cash and cash equivalents, trade payables, and other receivables 6 payables are considered to be the same as their fair values.

48 Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's overall risk management program focuses on robust liquidity management as well as monitoring of various relevant market variables, thereby consistently seeking to minimize potential adverse effects on the Company's financial performance. Management has not formed formal risk management policies, however, the risks are monitored by management by analyzing exposures by degree and magnitude of risk on a continued basis. This note explains the sources of

risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to floating interest rate borrowings, hence it is not exposed to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company's mainly transacting in INR and hence the company is not exposed to any foreign currency risk.

(B) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation.Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk by following adequate internal controls according to the materiality of the risk involved. The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements.

Credit risk arises mainly from retail loans and advances and loan commitments arising from such lending activities. Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time.

Cash and cash equivalents are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial Institutions as approved by the Board of Directors.

(i) Loans and advances (including loan commitments and guarantees).

The estimation of credit exposure for risk management purposes is complex, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Company measures credit risk for each class of loan assets using inputs such as Probability of Default ("PD") and Loss Given Default ("LGD").

Computation of allowance for impairment losses:

The Company prepares its financial statements in accordance with the IND AS framework.

As per the RBI notification on acceptance of IND AS for regulatory reporting, the Company computes provision as per IND AS 109 as well as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where impairment allowance in aggregate for the Company under Ind AS 109 is lower than the provisioning required under IRACP (Including standard asset provisioning) for the Company, the difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. Any withdrawals from this reserve shall be done only with prior permission from the RBI.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "Base case" (the "Central" scenario) and two "Worst case" scenarios (the "Downside" scenario) and three "Best case' (the "Upside" scenario). Probability weights are assigned to each scenario. The Central scenario is based on the Company outlook of GDP growth,inflation, unemployment and interest rates for India and most relevant for the Company's loan portfolio. The Upside and Downside scenarios

generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly.

In case where the estimate based on ECL model does not appropriately capture the stress in the portfolio given the lag effect between the actual stress and its impact on ECL computation, the management estimates an additional provision over and above the estimate based on the model and computation methodology stated above. This additional provision is referred to as management overlay.

In accordance with the Board approved moratorium policy read with the RBI guidelines dated March 27, 2020, April 17,2020 and May 23,2020 related to "Covid-19 Regulatory Package", the Company has granted moratorium up to five months for payment of installment falling due between April 1,2020 and August 31,2020 to selected borrowers in accordance with the Company's policy approved by the Board. As per assessment of the Company, extension of such moratorium benefit to the borrowers as per the Covid-19 regulatory package of the RBI, is not considered to result in significant increase in credit risk as defined in Ind AS 109.The Company continued to recognize interest income during the moratorium period and in absence of other credit indicators, granting of moratorium period does not result in accounts becoming past due thereby automatically triggering stage 2 or stage 3 classification criteria as per IND AS 109. For all such accounts where moratorium is granted pursuant to the above RBI guidelines, the asset classification shall remain stand still during the moratorium period (i.e. number of days past-due shall exclude the moratorium period for the purpose of asset classification under Income Recognition, Asset Classification and provisioning norms).

Based on information available currently, the management has made additional provision for impairment of financial assets on account of the increase in credit risk due to the pandemic. Given the macro-economic uncertainties caused by the current "second wave" of COVID pandemic in India, the management will continue to assess the impact of the same on the financial performance of the Company. The management has considered internal and external information and economic forecasts upto the date of approval of the financial results and accordingly made additional prudential provision of Rs.193.99 Lakhs over and above the provision required as per ECL framework, towards potential impact on account of Covid-19 pandemic.

(ii) Other remaining financial assets ('Other financial assets and loans)

Other financial assets mainly includes deposit and advances given, and receivables from recovery agents. Loans, being a primary part of our operations, represent vehicle loans given to various parties for purchasing motor vehicles. Based on assessment carried by the Company, entire receivable under this category is classified as "Stage 1". There is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet Its liabilities when due.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.

The table below summarizes the maturity profile of the Company's financial liabilities: Amount in ₹

	Within 12 Months	Beyond 12 Months	Total
31 March 2021			
Trade payables	4,25,33,850	-	4,25,33,850
Debt Securities	40,34,91,756	1,15,83,66,437	1,56,18,58,193
Borrowings	3,19,07,15,324	2,35,13,44,154	5,54,20,59,478
Deposits (Including Unclaimed Deposits)	54,51,13,379	64,57,64,002	1,19,08,77,381
Other financial liabilities	7,61,24,305	2,56,07,483	10,17,31,788
	4,257,978,614	**4,18,10,82,076**	**8,43,90,60,690**
	Within 12 Months	**Beyond 12 Months**	**Total**
31 March 2020			
Trade payables	2,40,59,086	-	2,40,59,086
Debt Securities	-	-	-
Borrowings	1,79,71,45,393	1,27,14,00,302	3,06,85,45,695
Deposits (Including Unclaimed Deposits)	65,51,97,760	27,00,19,818	92,52,17,578
Other financial liabilities	6,00,99,514	2,01,68,526	8,02,68,040
	2,53,65,01,753	**1,56,15,88,646**	**4,09,80,90,399**
	Within 12 Months	**Beyond 12 Months**	**Total**
1 April 2019			
Trade payables	18,098,447	-	1,80,98,447
Debt Securities	-	-	-
Borrowings	2,11,73,12,133	1,59,79,42,612	3,71,52,54,745
Deposits (Including Unclaimed Deposits)	43,38,31,047	33,56,68,760	76,94,99,807
Other financial liabilities	5,16,92,723	1,51,61,125	6,68,53,848
	2,62,09,34,350	**1,94,87,72,497**	**4,56,97,06,847**

49 Maturity analysis of assets and liabilities

The below table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Maturity analysts of assets and liabilities as at 31st March 2021

Amount in ₹

	As at 31 March 2021		
	Within 12 Months	After 12 Months	Total
Assets			
Cash and cash equivalents	94,79,24,962	-	94,79,24,962
Bank Balances other than cash and cash equivalents	74,74,86,073	-	74,74,86,073
Loans	4,84,87,56,346	1,74,60,79,103	6,59,48,35,449
Investments	15,43,716	11,61,65,185	11,77,08,901
Other Financial assets	24,65,99,617	84,32,473	25,50,32,090
Tax assets (Net)	-	-	-
Deferred tax assets (Net)	-	4,71,64,970	4,71,64,970
Investment Property	-	-	-
Property, Plant and Equipment	-	17,22,16,357	17,22,16,357
Capital Work in Progress	8,99,901	-	8,99,901
Intangible assets	-	81,31,598	81,31,598
Right to use assets	-	2,15,29,172	2,15,29,172
Non financial assets	14,45,965	-	14,45,965
Total Assets	**6,79,46,56,580**	**2,11,97,18,858**	**8,91,43,75,438**
Liabilities			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.	4,25,33,850	-	4,25,33,850
Debt Securities	25,58,29,053	95,07,72,690	1,20,66,01,743
Borrowings (Other than Debt Securities)	2,73,49,09,932	2,14,54,39,034	4,88,03,48,966
Deposits	69,16,602	1,19,08,77,381	1,19,77,93,983
Other Financial liabilities	6,18,78,826	1,42,45,479	7,61,24,305
Tax liabilities (Net)	74,08,629	-	74,08,629
Provisions	40,91,538	1,68,09,386	2,09,00,924
Non-financial liabilities	1,84,23,320	-	1,84,23,320
Total Liabilities	**3,13,19,91,750**	**4,31,81,43,970**	**7,45,01,35,720**

Maturity analysis of assets and liabilities as at 31st March 2020

Amount in ₹

	As at 31 March 2020		
	Within 12 Months	**After 12 Months**	**Total**
Assets			
Cash and cash equivalents	37,62,56,449	-	37,62,56,449
Bank Balances other than cash and cash equivalents	7,15,66,570	-	7,15,66,570
Loans	2,97,30,80,470	1,62,81,23,114	4,60,12,03,584
Investments	1,18,66,938	8,29,85,562	9,48,52,500
Other Financial assets	17,63,27,758	79,33,021	18,42,60,779
Tax assets (Net)	-	37,30,514	37,30,514
Deferred tax assets (Net)	-	3,64,98,384	3,64,98,384
Property, Plant and Equipment	-	16,79,76,959	16,79,76,959
Capital Work in Progress	-	-	-
Intangible assets	-	1,08,62,426	1,08,62,426
flight to use assets	-	1,10,07,956	1,10,07,956
Non-financial assets	8,43,400	-	8,43,400
Total Assets	**3,60,99,41,585**	**1,94,91,17,936**	**5,55,90,59,521**
Liabilities			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,40,59,086	-	2,40,59,086
Debt Securities	-	-	-
Borrowings (Other than Debt Securities)	1,82,21,51,194	1,56,85,28,367	3,39,06,79,561
Deposits	-	92,52,17,578	92,52,17,578
Other Financial liabilities	5,41,23,677	59,75,837	6,00,99,514
Tax liabilities (Net)	-	-	-
Provisions	40,42,846	1,37,13,255	1,77,56,101
Non-financial liabilities	3,10,53,212	-	3,10,53,212
Total Liabilities	**1,93,54,30,015**	**2,51,34,35,037**	**4,44,88,65,052**

Maturity analysis of assets and liabilities as at 1st April 2019

Amount in ₹

	As at 1 April 2019		
	Within 12 Months	After 12 Months	Total
Assets			
Cash and cash equivalents	16,96,37,866	-	16,96,37,866
Bank Balances other than cash and cash equivalents	6,01,25,799	-	6,01,25,799
Loans	2,29,14,57,590	1,23,51,90,594	3,52,66,48,184
Investments	-	8,71,89,413	8,71,89,413
Other Financial assets	14,59,78,322	29,07,613	14,88,85,935
Tax assets (Net)	-	-	-
Deferred tax assets (Net)	-	3,05,46,999	3,05,46,999
Investment Property	-	-	-
Property, Plant and Equipment	-	15,91,04,116	15,91,04,116
Capital Work in Progress	2,60,000	-	2,60,000
Intangible assets	-	74,37,019	74,37,019
Right to use assets	-	1,27,76,087	1,27,76,087
Non-financial assets	8,95,200	4,87,010	13,82,210
Total Assets	**2,66,83,54,777**	**1,53,56,38,851**	**4,20,39,93,628**
Liabilities			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,80,98,447	-	1,80,98,447
Debt Securities	-	-	-
Borrowings (Other than Debt Securities)	1,49,71,06,363	1,13,13,90,510	2,62,84,96,873
Deposits	-	76,94,99,807	76,94,99,807
Other Financial liabilities	4,45,11,042	71,81,681	5,16,92,723
Tax liabilities (Net)	86,12,958	-	86,12,958
Provisions	-	1,33,51,407	1,33,51,407
Non-financial liabilities	2,91,51,715	-	2,91,51,715
Total Liabilities	**1,59,74,80,525**	**1,92,14,23,405**	**3,51,89,03,930**

50 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, Cumulative compulsorily convertible participating preference shares and all other equity reserves attributable to the equity holders.

The Company's objective while managing the capital are to :-

1) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders;
2) Maintain an optimal Capital Structure to reduce the cost of capital
3) Maximize shareholder value

The company strategically manages its funds by :-

1) Maintaining diversity of sources of funding and spreading the maturity across periods in order to minimize the liquidity risk
2) Minimizing or wherever possible, eliminating exposure to market rate risks like foreign exchange risk, interest rate risk and commodity price risk, thereby minimizing the impact of market volatility on earnings.

3) Analyzing the changes in macro economic factors affecting business environment and re-organizing its capital structure accordingly to adapt to the ever changing dynamics of business environment

4) By continuously monitoring and adjusting overall capital demand and supply in an effort to achieve an appropriate balance of the economic and regulatory considerations at all times and from all perspectives

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net gearing ratio : Net Debt (total borrowings net of cash and cash equivalents) divided by Total Equity (as shown in the balance sheet)

Particulars	As at 31 March 2021	As at 31 March 2020	As at 1 April 2019
Gross Debt	7,21,87,89,387	4,25,94,46,308	3,37,01,54,463
Less : Liquid Assets	(94,79,24,962)	(37,62,56,449)	(16,96,37,866)
Net	6,27,08,64,425	3,88,31,89,859	3,20,05,16,597
Equity	1,46,42,39,718	1,11,01,94,469	68,50,89,698
Net	4.28	3.50	4.67

The Company has not distributed dividend to its shareholders.
No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021, 31 March 2020 and 1 April 2019.

51 NOTE ON COVID

The Company had granted moratorium upto five months on the payment of installments falling due between April 01, 2020 and August 31, 2020 to all eligible borrowers based on the Board approved moratorium policy read with the Reserve Bank of India (RBI) guidelines dated March 27, 2020 and May 23, 2020 relating to COVID-19 -Regulatory Package' and RBI guidelines on EMI moratorium dated April 17, 2020. Further, period for which moratorium was granted had not been considered for computing days past due (DPD) as on March 31, 2021. Extension of such moratorium benefit to borrowers as per the COVID-19 Regulatory package of the RBI and DPD freeze for such period by itself is not considered to result in significant increase in credit risk as per Ind AS 109 for staging of accounts. The Company continued to recognise interest income during the moratorium period and in the absence of other credit risk indicators, the granting of a moratorium period does not result in accounts becoming past due and automatically triggering Stage 2 or Stage 3 classification criteria.

The COVID -19 pandemic has significantly affected various sectors of Indian economy. The prolonged lockdown imposed by the government due to Covid-19 pandemic has affected the Company's business operations. The Company has considered an additional Expected Credit Loss (ECL) provision on Loans of Rs. 38.08 crores on account of COVID –19 during the year ended March 31, 2021. As at March 31, 2021, additional ECL provision on Loan Assets as management overlay on account of COVID - 19 stood at Rs. 1.93 crores. The additional ECL provision on account of COVID – 19 is based on the Company's historical experience, collection efficiencies post completion of Moratorium period, internal assessment and other emerging forward looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company

52 Liquidity Coverage Ratio Disclosure

Disclosure as per circular no.RBI/2019-20/88 DOR.NBFC(PD)CC. No.102/03.10.001/2019-20 dated November 04,2019 issued by Reserve Bank of India on "Liquidity Coverage Ratio(LCR)"
Liquidity Coverage Ratio (LCR) for the quarter ended March 31, 2021 and December 31,2020

(Rs.in Crores)

		March 31,2021		December 31,2020	
Sr. no.	Particular	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets				
1	Total High Quality Liquid Assets (HQLA)	49.01	47.10	43.17	41.37
	Cash Outflow				
2	Deposits (for deposit taking companies)	9.85	11.33	3.27	3.77
3	Unsecured wholesale funding	0.43	0.49	0.31	0.36
4	Secured wholesale funding	23.19	26.66	20.26	23.29
5	Additional requirements, of which	0.00	0.00	0.00	0.00
(i)	Outflows related to derivative exposures and other collateral requirements	0.00	0.00	0.00	0.00
(ii)	Outflow related to loss of funding on debt product	0.00	0.00	0.00	0.00
(iii)	Credit and liquidity facilities	0.00	0.00	0.00	0.00
6	Other contractual funding obligations	2.90	3.33	3.84	4.42
7	Other contingent funding obligations	0.07	0.08	0.07	0.08
8	**TOTAL CASH OUTFLOW**	36.43	41.90	27.75	31.92
	Cash Inflows				
9	Secured lending	0.00	0.00		
10	Inflow from fully performing exposures	54.93	41.19	48.77	36.58
11	Other cash inflow	0.21	0.15	0.14	0.11
12	TOTAL CASH INFLOWS	55.13	41.35	48.91	36.69
13	TOTAL HQLA		47.10	43.17	41.37
14	TOTAL NET CASH OUTFLOWS		10.47		7.98
15	LIQUIDITY COVERAGE RATIO (%)		449.87		518.42

Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and Outflow.

The figures pertaining to December 31, 2020 are unaudited and are as represented by the management, which have been relied upon by the auditors.

Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Company, which has been relied upon by the auditors. The figures as at January 31, 2021 and February 28, 2021 used in the computation of Total High Quality Liquid Assets. (HQLA) are as represented by the management, which have been relied upon by the auditors

Qualitative disclosure around Liquidity Coverage Ratio (LCR)

The Reserve Bank of India has prescribed Guidelines on Maintenance of Liquidity Coverage Ratio (LCR). All non-deposit taking NBFCs with asset size of Rs.10,000 crore and above, and all deposit taking NBFCs irrespective of their asset size, is required to maintain a liquidity buffer in terms of LCR which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days.

The LCR requirement was applicable from December 1, 2020 with the minimum HQLA s to be held being 50% of the LCR, progressively reaching a level upto 60%, 70%, 85% and 100% by December 1, 2021, December 1, 2022, December 1, 2023, December 1, 2024 respectively.

Liquidity Coverage Ratio (LCR) ratio comprises of high quality liquid assets (HQLA s) as numerator and net cash outflows in 30 days as denominator.

The average LCR is computed at as simple averages of monthly observations over the previous quarter (ie. average of three months ie. January 2021, February 2021 and March 2021 for the quarter ended March 31, 2021 and average of three months ie. October 2020, November 2020 and December 2020 for the quarter ended December 31, 2020)

The Company, during the quarter ended March 31, 2021, had maintained average HQLA (after haircut) of Rs. 47.10 crores against Rs. 41.37 crores for the quarter ended December 31, 2020. HQLA primarily includes cash on hand, bank balances in current account and Government securities (such unencumbered approved securities held as per the provisions of section 45 IB of RBI Act, is reckoned as HQLA only to the extent of 80% of the required holding).

The Company has implemented the LCR framework and has maintained LCR well above the regulatory threshold. The average LCR for the quarter ended March 31, 2021 was 449.87% which is above the regulatory requirement of 50%. For the quarter ended December 31, 2020 average LCR was stood at 518.42% .

53 Liquidity Risk

Public Disclosure on Liquidity Risk for the quarter ended Mar. 2021 pursuant to RBI circular dated 4th November 2019 on Liquidity Risk Management Framework for Non- Banking Financial Companies and Core Investment Companies

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Sr. no.	Number of Significant counter parties	Amount (Rs. In Cr.)	%of total Deposits *	% of Total Liabilities
1	25	559.85	-	75.15%

* None of the Depositors hold more than 1% of the Total deposits

(ii) Top 20 large deposits

Particulars	As at March 31,2021
Total amount of Top 20 Large Deposits	Rs. 17.19 Cr.
% of amount of Top 20 Large Deposits to Total Deposits	14.35%

(iii) Top 10 borrowings (Note: All borrowing other than deposits)

Particulars	As at March 31,2021
Total amount of Top 10 Borrowings	Rs. 363.73 Cr.
% of amount of Top 10 Borrowings to Total Borrowings	59.75%

(iv) Funding Concentration based on significant instrument / product

Sr. no.	Name of the Instrument/product	Amount (Rs. In Cr.)	% of Total Liabilities
1	Non-Convertible Debentures	120.66	16.20%
2	Term loan	466.85	62.66%
3	Public Deposits	88.97	11.94%
4	Commercial paper	0.00	0.00%
5	Other Bank Borrowings	51.99	6.98%

(v) Stock Ratios:

Sr. no.	Name of the Instrument/product	As a % of Total Public Funds	As a % of Total Liabilities	As a % of Total Assets
1	Commercial Paper	0.00	0.00	0.00
2	Non-Convertible Debentures (original maturity < 1 year)	1.37	1.34	1.12
3	Other Short- term Liabilities	45.31	44.31	37.03

(vi) Institutional setup for Liquidity Risk management

Refer note no. 48 Risk management structure and Liquidity Risk and Funding Management for Institutional setup for Liquidity Risk Management

Notes:

1 Significant counterparty is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities as defined in RBI Circular RBI/2019-20/88 DO R.NBFC (PD) CC .No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

2 Significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC-NDSI's, NBFC-Ds total liabilities, as defined in RBI Circular RBI/2019-20/88 DO R.NBFC (PD) CC .No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

3 Total Liabilities has been computed as sum of all liabilities (Total of Balance Sheet less Total Equity).

4 Public funds includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue, as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

5 The amount stated in this disclosure is based on the audited financial statements for the year ended March 31, 2021.

54 Customers Complaints

a.	No of Complaints pending at the beginning of the year	NIL
b.	No. of Complaints received during the year	22
c.	No. of Complaints redressed during the year	22
d.	No. of Complaints pending at the end of the year	0

55 Details of Registration with Financials Regulators

Sr.No	Regulator	Registration No.
a.	Ministry of Company Affairs	U65929MH1190PLC057829
b.	Reserve Bank of India	13.01109

56 Rating assigned by Credit Rating Agencies

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

57 Concentration of Deposits, Advances, Exposures and Stage III Assets

a. Concentration of Deposits

Particulars	Amount in Cr
Total Deposits of Twenty Largest Depositors	17.19
Percentage of Deposits of Twenty largest depositors to Total Deposits	14.43%

b. Concentration of Advances

Particulars	Amount in Cr
Total Advances of Twenty Largest borrowers	1.92
Percentage of Advances of Twenty largest borrowers to Total Advances	0.29%

c. Concentration of Exposures

Particulars	Amount in Cr.
Total Exposure of Twenty Largest borrowers	1.92
Percentage of Exposure of Twenty largest borrowers to Total Exposure	0.29%

d. Concentration of Stage III Assets

Particulars	Amount in Cr
Total Exposure of Top Four Stage III Assets	0.22

58 Movements of Stage III Assets

	Particulars	31.03.2021	31.03.2020
i.	Net Stage III Assets to Net Advances (%)	1.74%	1.79%
ii.	Movements of Stage III Assets (Gross)		
	a. Opening Balances	12,10,97,020	7,38,53,535
	b. Addition during the year	14,85,34,280	10,08,62,392
	c. Reduction during the year	10,12,28,342	5,36,18,907
	d. Closing Balance	16,84,02,958	12,10,97,020
iii.	Movements of Net Stage III Assets		
	a. Opening Balances	8,23,58,423	5,06,65,337
	b. Addition during the year	10,13,94,832	6,85,20,663
	c. Reduction during the year	6,88,19,272	3,68,27,577
	d. Closing Balance	11,49,33,983	8,23,58,423
iv.	Movements of ECL on Stage III Assets		
	a. Opening Balances	3,87,38,597	2,31,88,198
	b. Provision made during the year	1,47,30,378	1,55,50,399
	c. Write-off/ Write back of excess provision	0	0
	d. Closing Balance	5,34,68,975	3,87,38,597

59 Stage III assets as a percentage to Advances in the respective segments

Sr.no	Sector	As at 31.03.2021	As at 31.03.2020
a.	Agriculture & Allied activities	2.54%	2.90%
b.	MSME	0.00%	0.00%
c.	Corporate Borrowers	0.00%	0.00%
d.	Services	0.00%	0.00%
e.	Unsecured personal loans	4.48%	0.41%
f.	Auto loans	2.48%	2.59%
g.	Other personal loans	0.00%	0.00%

60 Provisions and Contingencies

(Amt in Lakhs)

Break up of Provisions and Contingencies shows under the head Expenditure in Profit and Loss Accounts	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Impairement Loss Allowances	12,03,27,590	6,77,54,973
Provision for Income Tax (excluding deffered tax)	6,25,00,000	6,00,00,000

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

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company was noticed or reported during the course of our audit

62 During the year Company has not given any advances with intangible collateral such as charge over the rights, licenses, authority etc.

63 Registrations obtained from Other Financial Sector Regulators

During the year the Company has not obtained any registrations from other financial regulators

64 Penalties Imposed by RBI and Other Regulators

During the year no Penalties imposed by RBI or Other Regulators

65 Derivatives

The Company has no transcations/exposure in derivaties in the current year and previous year.

66 Investments

Amount in Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
1 Value of Investments		
(i) Gross Value of Investments		
(a) In India	1,177.09	948.53
(b) Outside India	0	0
(ii) Provision for Depreciation		
(a) In India	0	0
(b) Outside India	0	0
(iii) Net Value of Investments		
(a) In India	1,177.09	948.53
(b) Outside India	0	0
2 Movement of Provision held towards depreciation on Investments		
(i) Opening Balances	0	0
(ii) Add: Provision made during the year	0	0
(iii) Less: Write off/Write-back of excess provision during the year	0	0
(iv) Closing Balances	0	0

67 Disclosures relating to Securitisation

Rs in Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
No of SPVs sponsored by the NBFC for securitisation transactions	1	2
Total amount of securitised assets as per books of the SPVs sponsored	148.85	1856.47
Total amount of exposures retained by the applicable NBFC to comply with MRR as on the date of balance sheet		
Off-balance sheet exposures		
First loss	0	0
Others	0	0
On-balance sheet exposures		
First loss (In the form of Fixed Deposit)	99.67	138.45
Others	0	0
Amount of exposures to securitisation transactions other than MRR		
Off-balance sheet exposures		
Exposure to Own Securitisations		
First loss	0	0
Others	0	0
Exposure to third party Securitisations		
First loss	0	0
Others	0	0
On-balance sheet exposures		
Exposure to Own Securitisations		
First loss	0	0
Others	0	0
Exposure to third party Securitisations		
First loss	0	0
Others	0	0

68 The Company has not sold any Financial Assets to Securatisation/ Reconstruction Company during the current year.

69 Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CGM(PK)-2008 dated 1 August 2008

Capital Adequacy Ratio

Amount in Lakhs

Particulars	31.03.2021	31.03.2020 (Refer Note Below)
Capital Ratio		
CRAR - Tier 1 Capital (%)	19.56%	21.18%
CRAR - Tier II Capital (%)	0.90%	0.42%
Total Capital (%)	20.46%	21.60%

Note: The Capital Adequacy Ratio as at 31.03.2020 is recomputed based on restated financial statement.

70 The Company has no Exposure to Real Estate Sector in the current year and previous year.

71 Exposure to Capital Market

Amt in Lakhs

Particulars	As at 31.03.2021	As at 31.03.2020
Direct Investment in equity shares, convertible bonds, convertible debentures and unit of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt	122.57	122.96

72 The Company has given unsecured loan of ₹ 7,41,84,189 as a personal loans to the borrowers Personal loans are partly secured by assignment/pledge of life insurances polices, shares and other securities or are unsecured.

73 Asset Liability Management Maturity Pattern of certain items of Assets & Liabilities

Particulars	Upto 30/31 days	Over 1 month Upto 2 month	over 2 month Upto 3 month	Over 3 month & Upto 6 month	Over 6 month & upto 1 year	Over 1 Year & upto 3 years	Over 3 Year & upto 5 years	Over 5 years	Total
Deposits	2,007.73	490.89	444.96	1,073.96	1,502.76	5,596.83	860.81	0.00	11,977.94
Advances (Net of Provision)	3,215.01	3,467.79	2,922.69	7,497.01	17,202.73	29,457.02	2,186.11	0.00	65,948.36
Investments	4.67	9.17	0.00	0.00	0.00	329.21	9.59	824.45	1,177.09
Borrowing	2,285.39	2,230.93	2,935.75	7,453.21	16,527.34	27,724.58	1,712.30	0.00	60,869.50

74 The previous year figures have been reclassified & regrouped to confirm to Ind AS presentation requirements of Schedule III of Companies Act, 2013 for the purpose of these financial statements

As per our report of even date
For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W

Pravin Dhiran
Partner
M. No. 115580

Place: Nagpur
Date: 29/06/2021

For and on behalf of the Board of Directors of
BERAR FINANCE LIMITED

M. G. Jawanjar
(Executive Chairman)

S. M. Jawanjal
(Managing Director & CFO)

D. R. Balpande
(Company Secretary)

SCHEDULE TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2021

(As required in terms of paragraph 13 of Non-Banking Financial(Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs.in lakhs)

Particulars	Amount outstanding	Amount overdue
Liabilities:		
(1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
(a) Debentures : Secured	12,066.02	0.00
Unsecured (other than falling within the meaning of public deposits)	0.00	0.00
(b) Deferred credits	0.00	0.00
(c) Term Loans	43,604.78	-
(d) Inter-corporate loans and borrowing	0.00	0.00
(e) Commercial Paper	0.00	0.00
(f) Public deposits (Including deposits from directors and their relatives	11,977.94	659.55
(h) Cash Credit & Working Capital Demand Loan	5,198.71	0.00
Total	**72,847.45**	**659.55**
(2) Break-up of (1)(f) above outstanding public deposits inclusive of interest accrued thereon but not paid) :		
(a) In the form of unsecured debentures	0.00	0.00
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	0.00	0.00
(c) Other Public Deposits	11,977.94	659.55

(Rs.in lakh)

No.	Particulars	Amount Outstanding
	Assets:	
3	**Break-up of loans and advances including bills receivables**	
	[other than those included in (4) below]	
	(a) Secured	28.79
	(b) Unsecured	0.00
4	**Break-up of leased assets and stock on hire and other assets**	
	counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	0.00
	(b) Operating lease	0.00
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	0.00
	(b) Repossessed assets	0.00
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	0.00
	(b) Loans other than (a) above	67,151.78
5	**Break-up of Investments :**	
	Current Investments:	
	1. Quoted :	
	(i) Shares : (a) Equity	0.00
	(b) Preference	0.00
	(ii) Debentures and bonds	0.00
	(iii) Units of mutual funds	0.00
	(iv) Government securities	13.84
	(v) Others (please specify)	
	Investment in Alternative Investment Fund	103.98
	2. Unquoted :	
	(i) Shares : (a) Equity	0.00
	(b) Preference	0.00
	(ii) Debentures and bonds	0.00
	(iii) Units of mutual funds	0.00
	(iv) Government securities	0.00
	(v) Others (please specify)	0.00
	Long Term Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	13.45
	(b) Preference	0.00
	(ii) Debentures and bonds	0.00
	(iii) Units of mutual funds	5.15
	(iv) Government securities	1,040.68
	(v) Others (please specify)	0
	2. Unquoted :	
	(i) Shares : (a) Equity	0.00
	(b) Preference	0.00
	(ii) Debentures and bonds	0.00
	(iii) Units of mutual funds	0.00
	(iv) Government securities	0.00
	(v) Others (please specify)	0.00

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

(₹ in lakh)

	Category	Amount net of provisions		
		Secured	Unsecured	Total
(i)	Related parties			
	(a) Subsidiaries	0	0	0
	(b) Companies in the same group	0	0	0
	(c) Other related parties	0	0.00	0.00
(ii)	Other than related parties	67,180.57	741.84	67,922.41
	Total	**67,180.57**	**741.84**	**67,922.41**

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

(₹ in lakh)

	Category	Market Value/Breakup or fair value of NAV	Book Value (Net of Provisions)
(i)	Related parties		
	(a) Subsidiaries	0	0
	(b) Companies in the same group	0	0
	(c) Other related parties	0	0
(ii)	Other than related parties	1,177.09	1,177.09
	Total	**1,177.09**	**1,177.09**

(8) Other information

	Particulars	Amt ₹ in lakh
(i)	Gross Non-Performing Assets	
	(a) Related parties	0
	(b) Other than related parties	1,684.03
(ii)	Net Non-Performing Assets	
	(a) Related parties	0
	(b) Other than related parties	1,149.34
(iii)	Assets acquired in satisfaction of debt	0

As per our report of even date
For Pravin Dhiran & Co.
Chartered Accountants
FRN : 133656W

Pravin Dhiran
Partner
M. No. 115580

Place: Nagpur
Date: 29/06/2021

For and on behalf of the Board of Directors of
BERAR FINANCE LIMITED

M. G. Jawanjar
(Executive Chairman)

S. M. Jawanjal
(Managing Director & CFO)

D. R. Balpande
(Company Secretary)

FINANCIAL HIGHLIGHTS

(₹ in lacs)

YEAR	PAID-UP CAPITAL	NET WORTH	TOTAL ASSETS	PROFIT BEFORE TAX	PROFIT AFTER TAX	DIVIDEND	
						Rate%	AMOUNT
1990-91	1.44	1.50	3.03	0.06	0.06	--	--
1994-95	20.75	38.14	74.88	6.45	5.80	26.00%	4.07
1995-96	26.00	44.40	124.95	8.07	6.09	20.00%	5.04
1996-97	30.00	48.94	174.86	11.16	5.15	14.00%	3.72
1997-98	30.00	52.72	224.24	19.15	10.00	16.00%	4.80
1998-99	30.00	59.80	223.71	20.22	12.97	16.00%	4.80
1999-00	30.00	61.41	247.47	16.47	8.55	16.00%	4.80
2000-01	36.00	70.22	280.79	17.78	9.15	16.00%	4.92
2001-02	50.00	109.28	374.83	31.84	22.74	17.00%	7.70
2002-03	80.00	187.27	748.88	55.55	34.57	18.00%	14.40
2003-04	102.55	256.21	865.80	81.84	52.70	18.00%	15.55
2004-05	102.55	307.02	1,155.50	112.80	75.73	20.00%	20.51
2005-06	163.50	452.20	1,392.69	126.43	83.88	22.00%	26.04
2006-07	310.00	715.98	1,956.10	153.81	101.36	22.50%	44.64
2007-08	* 620.00	780.25	2,619.22	228.63	153.54	* 12.50%	90.67
2008-09	700.00	978.58	3,486.60	336.82	218.98	13.00%	100.66
2009-10	700.00	1,119.71	4,100.69	379.84	247.60	13.00%	106.47
2010-11	700.00	1,361.79	5,206.99	545.56	355.98	14.00%	113.90
2011-12	750.00	1,695.14	6,377.90	601.90	399.37	14.00%	116.01
2012-13	800.00	2,099.90	9,076.85	732.20	492.46	15.00%	137.70
2013-14	800.00	2,534.23	11,125.49	863.19	574.74	15.00%	140.39
2014-15	800.00	3,091.63	14,788.92	1,053.41	677.75	12.50%	120.35
2015-16	800.00	3,818.09	19,770.39	1,246.93	822.74	10.00%	96.29
2016-17	800.00	4,713.26	26,660.71	1,532.62	991.47	10.00%	96.29
2017-18	800.00	5,950.92	32,937.95	1,768.79	1,237.65	10.00%	96.44
2018-19	800.00	7,326.43	41,796.85	2,077.27	1,471.95	10.00%	96.44
2019-20	966.67	11,808.65	55,274.97	2,258.44	1,691.27	5.00%	46.50
2020-21	1,000.78	14,642.40	89,143.75	2,055.66	1,537.66	10.00%	100.07

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

MISSION

Partnering To Prosper

COMMITMENT

Close To The People

VISION

Miles To Go .....

BRANCHES

MAHARASHTRA -	Akola, Amravati, Aurangabad, Ahemadnagar, Bhandara, Buldhana, Bhusawal, Brahmapuri, Baramati, Chandrapur, Chalisgaon, Dhule, Gondia, Gadchiroli, Hingoli, Jalgaon, Khamgaon, Katol, Kolhapur, Karad, Kudal, Latur, Manmad, Nandurbar, Nashik, Nanded, Parbhani, Paratwada, Pune, Pusad, Pandharpur, Ratnagiri, Sangli, Satara, Solapur, Wardha, Washim, Wani & Yavatmal,
MADHYA PRADESH -	Bhopal, Betul, Burhanpur, Chhindwara, Dewas, Damoh, Hoshangabad, Harda, Indore, Katni, Mandla, Narsingpur, Seoni, Sehore, Sagar, & Vidisha
CHHATTISGARH -	Bilaspur, Balodabazar, Durg, Dallirajra, Dhamtari, Gariyaband, Janjgir, Jagdalpur, Kawardha, Korba, Kanker, Mahasamund, Raipur, Rajnandgaon & Saraipali,
GUJRAT -	Amreli, Bardoli, Navsari, Surat, & Vayara
KARNATAKA -	Belgavi, Bidar, Kalburgi, Raichur & Vijayapur
TELANGANA -	Adilabad, Jagtial, Jangaon, Karimnagar, Kamareddy, Khammam, Kothagudem, Mancherial, Miriyalaguda, Nirmal, Nizamabad, Nalgonda, Sangareddy, Siddipeth & Warangal.

BERAR FINANCE LIMITED

Partnership for Prosperity



Annual Report 2021-2022

CORPORATE INFORMATION

BOARD OF DIRECTORS:	CS Maroti Jawanjar — Executive Chairman Mr. Sandeep Jawanjal — Managing Director Mr. Shantaram Mahakalkar Mr. Vishwas Pathak CA Atul Sarda CS Rashmi Mitkary CA Avishek Addy Mr. Harishchandra Sukhdeve Mr. Siva Vadivel Alagan
COMPANY SECRETARY:	CS Deepali Balpande
CHIEF FINANCIAL OFFICER:	CA Yogesh Tahalyani
STATUTORY AUDITORS:	M/s Pravin Dhiran & Co. Chartered Accountants
SECRETARIAL AUDITORS:	M/s SPZ & Associates, Company Secretaries
BANKERS:	Bank of Maharashtra IDBI Bank Ltd. Punjab National Bank AU Small Finance Bank Ltd. IDFC First Bank Ltd.
REGISTERED OFFICE:	Avinisha Tower, Mehadia Chowk Dhantoli, NAGPUR - 440 012 Ph.: 0712 – 6663999 CIN: U65929MH1990PLC057829 **Website:** www.berarfinance.com **Email:** investor.relations@berarfinance.com
REGISTRAR & SHARE TRANSFER AGENT:	Bigshare Services Private Limited Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093 Tel: 022-6263 8289 Website: www.bigshareonline.com Email: vinayak@bigshareonline.com
DEBENTURE TRUSTEE:	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001. Tel.: 022 - 4080 7000 **Website:** www.idbitrustee.com
DEBENTURE TRUSTEE/ PUBLIC DEPOSIT TRUSTEE:	Catalyst Trusteeship Limited GDA House, First Floor, Plot No.85, Bhusari Colony (Right), Kothrud, Pune - 411038 **Website**: www.catalysttrustee.com

DIRECTORS' REPORT

Your Directors are glad to present the 32nd Annual Report and the audited accounts of your Company for the financial year ended March 31, 2022 ("**FY 2021-2022**").

FINANCIAL RESULTS

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

(₹ in lakhs)

Particulars	FY 2021-2022	FY 2020-2021
Loans Disbursed during the year	74,155.93	58,538.84
Gross Assets under Management (AUM)	**83,197.84**	**67,180.56**
Assets sold under Securitisation	1,235.73	156.07
Gross Income	**17,559.90**	**13,486.19**
Profit (before extra-ordinary items)	2,237.41	2,055.66
Net Profit (after Tax)	**1,741.97**	**1,537.67**

APPROPRIATION OF PROFITS

The operations of the Company have generated a Net Profit (after tax) of ₹ 1,741.97 lakhs (P.Y.: ₹ 1,537.67 lakhs) for the financial year ended March 31, 2022.

Your Directors propose to appropriate the same as under:

(₹ in lakhs)

Particulars	FY 2021-2022	FY 2020-2021
Net Profit (after Tax)	1,741.97	1,537.67
Add: Balance Brought Forward	108.19	(483.97)
Add/(Less): Other Comprehensive Income	(92.14)	0.99
Disposable Profit	**1,758.02**	**1,054.69**
Appropriations:		
- Dividend paid during the year including taxes	100.06	46.50
- Transfer to Statutory Reserve (As per Section 45-IC of RBI Act, 1934)	450.00	400.00
- Transfer to General Reserve	1,100.00	500.00
Balance Carried Forward	**107.96**	**108.19**

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis forming part of this Report and attached to this Report as **"Annexure I"**.

TRANSFER TO RESERVE FUND

Under section 45-IC(1) of Reserve Bank of India ("**RBI**") Act, 1934, non-banking financial companies ("**NBFCs**") are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend. Accordingly, the Company has transferred a sum of ₹ 450 lakhs to its reserve fund.

The Company, being an NBFC, is exempt from transferring any amount to debenture redemption reserve in respect of privately placed debentures. However, the Company maintains sufficient liquidity buffer and asset cover at all times to fulfil its obligations under debenture documents.

DIVIDEND

RBI vide its circular dated June 24, 2021 has laid down framework for declaration of dividend by NBFCs.

Your Directors recommend for consideration of the members at the ensuing Annual General Meeting ("**AGM**"), payment of dividend of ₹ 1.00 per Equity Share for FY 2021-2022. The total dividend payable for FY 2021-2022 is ₹ 1,23,36,846.

The dividend recommended is in accordance with the principles and criteria set out in the Company's dividend distribution policy. Total dividend proposed for the year does not exceed the ceilings specified in said circular/RBI Master Directions.

The dividend, if declared, at the ensuing AGM will be taxable in the hands of the members of the Company pursuant to Income Tax Act, 1961. For further details on taxability, please refer Notice of AGM.

FUNDING RESOURCES

i. **Bank Facilities** -

As on date, a consortium of bankers comprising of Bank of Maharashtra, IDBI Bank, Punjab National Bank, AU Small Finance Bank Limited and IDFC First Bank Limited are providing CC facilities of ₹ 6,500.00 lakhs. The outstanding balance of CC Limit as on March 31, 2022 is ₹ 4,892.68 lakhs.

ii. **Fixed Deposits** -

As on March 31, 2022, total fixed deposits amounted to ₹ 15,479.70 lakhs, of which public deposits amounted to ₹ 14,577.91 lakhs. The following table provides the details of the flow of public deposits during FY 2021-2022:

Particulars	₹ in lakhs
Public Deposits at the beginning of the year	10,967.92
Less: Public deposits repaid/renewed during the year	4,213.12
Add: Public Deposits accepted / renewed during the year	7,823.11
Public Deposits at the end of the year	**14,577.91**

₹ 415.56 lakhs of deposits (from 198 deposit accounts) matured during the year were unclaimed as on March 31, 2022. All these were claimed/renewed subsequently except 2 deposit accounts belonging to same person amounting to ₹ 1.64 lakhs. Periodic reminders are being sent to the depositors for repayment/ renewal of deposits.

iii. **Term Loans** -

Your Company has availed term loans for working capital from various lenders at favourable terms and at a reasonable rate of interest. The outstanding balance of such loans as on March 31, 2022 is ₹ 41,936.56 lakhs. The term loans offer ready availability, their repayments match maturity of receivables offered as security.

iv. **Assets Securitised** -

During the year your Company raised resources to the extent of ₹ 1,505.82 lakhs through securitization of receivables. The Closing balance of assets securitized as on March 31, 2022 is ₹ 1,235.73 lakhs.

v. **Non-Convertible Debentures -**

During the year, your Company has issued unlisted Market Linked Non-Convertible Debentures ("**NCDs**") on private placement basis amounting to ₹ 2,500 lakhs.

The Company has been regular in the payment of principal / interest towards all the outstanding Non-Convertible Debentures. As on March 31, 2022 the total outstanding Secured NCDs stood at ₹ 12,224.08 lakhs.

vi. **Equity Infusion through Preferential Allotment -**

With the view to strengthen the capital base, your Company raised additional equity funds by offering and allotting shares through preferential allotment on private placement basis as under:

Investors	No. of Equity Shares allotted	Amount received (in ₹)
Maj Invest Financial Inclusion Fund III K/S	19,79,691	85,00,00,128
Amicus Capital Private Equity I LLP	3,18,334	13,66,79,887
Amicus Capital Partners India Fund I	31,023	1,33,20,036
Total	**23,29,048**	**100,00,00,051**

With the Equity Shares issued under Preferential Allotment during the year, the paid-up Equity Share Capital of the Company stands increased to ₹ 12,33,68,460 (P.Y.:₹ 10,00,77,980) comprising of 1,23,36,846 Equity Shares (P.Y.:1,00,07,798 Equity Shares) of ₹ 10 each.

REVIEW OF OPERATIONS

Financing of two-wheelers continues to be the mainstay product of your Company. Additionally, your Company offers other loan products like personal loans, used car loans and two-wheeler re-financing loans. Your Company has a strong network and presence in rural and semi-urban India which has demonstrated strong growth potential and resilience in spite of multiple macro-economic challenges during the year. Your Company has recorded satisfactory growth in business with a 26.67% increase in disbursement and 30.21% increase in gross income during FY 2021-2022 compared to FY 2020-2021.

BRANCH NETWORK

During FY 2021-2022, your Company had opened 10 new branches - 2 in Maharashtra, 1 in Madhya Pradesh, 3 in Chhattisgarh, 2 in Gujarat and 2 in Karnataka. As on March 31, 2022, the Company had 101 branches and as on date of this report, it stands increased to 114 branches comprising 42 in Maharashtra, 22 in Madhya Pradesh, 21 in Chhattisgarh, 17 in Telangana, 7 in Gujarat and 5 in Karnataka.

Your Company plans to add more branches during the financial year 2022-2023 as it seeks to increase its geographical coverage and expand its customer reach across strategic locations in Central, Western and Southern India.

RESERVE BANK OF INDIA GUIDELINES

Your Company has been following guidelines issued by the Reserve Bank of India ("**RBI**") including those related to prudential norms for income recognition, asset classification, provisioning of bad and doubtful debts, capital adequacy and concentration of credit and investments. Your Company has a comfortable capital adequacy ratio of 28.84% (as against 15% prescribed by RBI) as on March 31, 2022. Under the regulatory framework of RBI, your Company is classified as **Systemically Important Asset Finance Company-Deposit Taking**.

The Liquidity Coverage Ratio ("**LCR**") requirement was applicable from December 1, 2020 with the minimum High Quality Liquid Assets ("**HQLA**") to be held being 50% of the LCR, progressively reaching a level up to 60%, 70%, 85% and 100% by December 1, 2021, December 1, 2022, December 1, 2023, December 1, 2024 respectively. The LCR of the Company was 170.54% against the LCR requirement of 60% as on March 31, 2022.

Reserve Bank of India vide its notification no. RBI/2018-19/130 DNBR (PD) CC.No.097/03.10.001/2018-19 February 22, 2019 harmonized different categories of NBFCs. According to this notification, your Company falls under the category of **Investment & Credit Company (NBFC-ICC)**.

Further, your Company being a deposit taking NBFC is classified as NBFC- Middle Layer as per Framework for Scale Based Regulation for Non-Banking Financial Companies dated October 22, 2021 issued by the RBI.

RELATED PARTY TRANSACTIONS

All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. The Company did not enter into any material transaction with related parties under Section 188 of the Companies Act, 2013 ("**Act**"), during FY 2021-2022. Form AOC-2, as required under Section 134(3)(h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as part of this Report vide **Annexure V (i).** Further, the Company's Policy on Related Party Transactions is attached as part of this report, vide **"Annexure V (ii)"**.

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

CREDIT RATING

The details of Credit Ratings assigned to various programmes of the Company are as follows:

Schemes	Credit Rating Agency	Rate of Grade
Fixed Deposits Programme	ICRA Ltd.	BBB (Stable)*
Borrowings from Banks/Financial Institutions	ICRA Ltd.	BBB (Stable)
Non-convertible Debentures (NCDs)	ICRA Ltd.	BBB (Stable)
Principal Protected Non-convertible Market Linked Debentures	ICRA Ltd.	PP-MLD BBB (Stable)

* According to the rationale published by ICRA Ltd. on June 02, 2022 on its website www.icra.in, in case of Fixed Deposits Programme, the Credit Rating MA - (Stable) has been migrated to ICRA BBB (Stable). The rationale behind the migration is that in compliance with the circular [SEBI/HO/MIRSD/MIRSD_CRADT/P/CIR/2021/594] issued by the Securities and Exchange Board of India (SEBI) on July 16, 2021 and the subsequent circular (SEBI/HO/MIRSD/MIRSD_CRADT /P/CIR/2022/43) of April 1, 2022, for standardising the rating scales used by credit rating agencies, ICRA has discontinued the medium-term rating scale which was being used to assign ratings to the fixed deposit programmes of entities.

Accordingly, ICRA has migrated the rating currently outstanding for the fixed deposit programme of the Company from the medium-term rating scale to the long-term rating scale. The medium-term rating scale of ICRA was a 14-point scale, while the long-term rating scale is a 20-point scale. The migration of the rating has resulted in a change in the rating symbol; however, this is to be construed only as a recalibration of the rating from one scale to another and not as a reflection of a change in the credit risk of the fixed deposit programme.

LISTING ON STOCK EXCHANGES

The Company has issued Non-Convertible Debentures (NCDs) on private placement basis some of which are listed on the Wholesale Debt Market Segment of BSE Limited.

STATUTORY AUDITORS & AUDITORS' REPORT

RBI issued Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) vide Circular RBI/2021-22 /25 Ref. No. DoS. CD.ARG/SEC.01/ 08.91.001/2021-22 dated April 27, 2021 ("RBI Guidelines"). Pursuant to RBI Guidelines, the Audit Firms completing tenure of three financial years in the NBFC were not eligible to continue to hold office as Statutory Auditors of the NBFC.

Our existing Statutory Auditors, M/s. Pravin Dhiran & Co. (Firm Registration No.: 133656W), Chartered Accountants were appointed as Statutory Auditors of the Company at the 29th Annual General Meeting of the Company for a period of 5 years from the conclusion of that Annual General Meeting till the conclusion of 34th Annual General Meeting.

In compliance with the aforesaid RBI Guidelines, the existing Statutory Auditors of the Company had communicated to the Company their inability to continue to hold office as Statutory Auditors of the Company as they will complete the tenure of 3 years on the conclusion of the ensuing Annual General Meeting of the Company.

The Board of Directors in its meeting held on August 12, 2022 took note of the said letter received from M/s. Pravin Dhiran & Co. and passed resolution to recommend to the Members of the Company for their approval, the appointment of M/s. Manubhai & Shah LLP (Firm Registration No.: 106041W/W100136), Chartered Accountants, Ahmedabad as the Statutory Auditors of the Company for a period of three years from the conclusion of 32nd AGM of the Company till conclusion of 35th AGM in compliance with the RBI Guidelines.

The Auditors Report on the financial statements of the Company for the year ended March 31, 2022 is self-explanatory.

INTERNAL AUDITORS

The internal audit function provides an independent view to the Board of Directors, the Audit Committee and the senior management on the quality and efficacy of the internal controls, governance systems and processes. In line with the RBI's guidelines on Risk Based Internal Audit, the Company has adopted a Risk Based Internal Audit Policy.

At the beginning of each financial year, an audit plan is rolled out after approval of the Audit Committee. Pursuant to Risk Based Internal Audit Framework, internal audit is aligned in such a manner that assurance is provided to the Audit Committee and Board of Directors on quality and effectiveness of the internal controls, and governance related systems and processes.

The Audit Committee regularly reviews the internal audit reports and the adequacy and effectiveness of internal controls. Significant audit observations, corrective and preventive actions thereon are presented to the Audit Committee on a quarterly basis.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board appointed M/s. SPZ & Associates, Company Secretaries, Nagpur (Firm Unique Identification Number S2015MH305600) **("Secretarial Auditor")** to conduct Secretarial Audit for FY 2021-2022.

On the recommendation of the Audit Committee meeting dated May 30, 2022, the Board through resolution passed at its meeting held on May 30, 2022 has re-appointed the Secretarial Auditor to conduct Secretarial Audit for FY 2022-2023.

The Secretarial Audit Report for the financial year ended March 31, 2022 in Form MR-3 is attached to this report as **"Annexure II"** and forms part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

DIRECTORS

The Company's Board has an optimum combination of Executive and Non-Executive Directors including a Woman Independent Director.

During the period under review, the following changes took place in the composition of the Board of Directors of the Company:

(A) Appointment of Non – Executive Directors:

During the period under review, the appointment of following Directors was approved by the Members of the Company:

Sr.No	Name of Director	Designation	Date of Approval of the Members	Remarks
1.	Ms. Rashmi Mitkary (DIN: 08960192)	Non-Executive Independent Director	Annual General Meeting held on September 27, 2021	--
2.	Mr. Avishek Addy (DIN:07973542)	Non-Executive Non-Independent Director, liable to retire by rotation.	Annual General Meeting held on September 27, 2021	Representative Director of private equity investors namely Amicus Capital Private Equity I LLP and Amicus Capital Partners India Fund I.
3.	Mr. Harishchandra Sukhdeve (DIN: 09289094)	Non-Executive Non - Independent Director liable to retire by rotation.	Annual General Meeting held on September 27, 2021	--
4.	Mr. Siva Chidambaram Vadivel Alagan (DIN: 08242283)	Non-Executive Non - Independent Director liable to retire by rotation.	Extra-ordinary General Meeting held on April 18, 2022	Representative Director of private equity investor namely Maj Invest Financial Inclusion Fund III K/S.

Further, first term of Ms. Rashmi Mitkary as Independent Director is coming to an end on November 12, 2022, and therefore the Board of Directors in its meeting held on August 12, 2022, based on the recommendation of the Nomination and Remuneration Committee of the Company, approved her re-appointment as Non-Executive Independent Director for a second term of 2 (Two) years w.e.f. November 13, 2022 subject to approval of members at the ensuing Annual General Meeting of the Company. She holds a valid registration certificate with the database of Independent Directors and has cleared the proficiency test for Independent Directors conducted by the Indian Institute of Corporate Affairs.

(B) Appointment of Executive Directors:

During the period under review, the appointment of Mr. Maroti Jawanjar (DIN: 00379916), Executive Chairman and Mr. Sandeep Jawanjal (DIN: 01490054), Managing Director was approved by the Members of the Company upon such terms and conditions including remuneration at the Annual General Meeting held on September 27, 2021 for a period of 5 (Five) years w.e.f. April 1, 2021.

(C) Resignation of Directors:

Since the date of last report of the Board of Directors, Mr. Dattatraya Prabhakar Dalal (DIN: 00380199) resigned from the Board of Directors of the Company w.e.f. March 9, 2022.

The Board of Directors have placed on record its appreciation for the support and invaluable services of Mr. Dattatraya Prabhakar Dalal.

(D) Re-appointment of Director retiring by rotation:

Mr. Shantaram Mahakalkar (DIN No. 00379988), Non-Executive Director, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered himself for reappointment.

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

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

KEY MANAGERIAL PERSONNEL

During the period under review, Mr. Sandeep Jawanjal (DIN: 01490054) resigned as the Chief Financial Officer (“**CFO**”) of the Company w.e.f. closure of business hours of February 28, 2022. He continues to act as the Managing Director of the Company. Subsequently, the Board through resolution passed at its meeting held on March 21, 2022 designated Mr. Yogesh Tahalyani who was working as Senior Manager, Finance as the CFO of the Company w.e.f. the date of the meeting.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors has carried out an annual performance evaluation of the Board, Chairman of the Board, its Committees, Managing Director and individual Directors based on the questionnaires duly filled in by the members of the Board. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition, administration, effectiveness of control systems, and flow of information etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Board Members on the basis of the criteria such as the composition of committees, amount of responsibility delegated to the Committees, independence of Committees etc. The performance of the Chairman of the Board and Managing Director was evaluated by the Board members after seeking inputs on the basis of the criteria such as attendance, leadership qualities, and compliance with policies etc. The Board of Directors reviewed the performance of the other individual Directors on the basis of the criteria such as the attendance and participation in the meetings, raising of valid concerns to the Board, relations with other Directors and Management and Understanding of the Company and the external environment in which it operates and contribution to strategic direction etc.

The Nomination and Remuneration Committee evaluated the performance of all the Directors of the Company, the Board and its Committees based on the questionnaires received from all the Directors and expressed its satisfaction on their overall performance.

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole, and performance of the Chairperson were evaluated taking into account the views of Executive and Non-Executive Directors. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

REPORT ON CORPORATE GOVERNANCE

Your Company has been following robust governance practices since its inception and is committed to adhere to high standards of the Corporate Governance Code in words and spirit.

The report on Corporate Governance forms a part of this report and is annexed as **"Annexure III".**

EXIT OFFER SCHEME GIVEN TO IDENTIFIED SHAREHOLDERS OF THE COMPANY

The Company had, between 1990 and 2005, undertaken certain allotments of equity shares of INR 10/- each of the Company ("**Equity Shares**") to employees of the Company, and friends and relatives of the directors (collectively "**Original Allottees**"), and in terms of which, the total number of allottees would have exceeded the thresholds prescribed under the applicable law ("**Allotments**").

The Company never intended to make any offer or invitation to the public, and only made an offer to the Original Allottees as aforesaid. However, substantial time has elapsed since the offer and Allotments and consequently the Company is not in possession of all the documents relating to such Allotments. In view of the above, the Company is now unable to categorically demonstrate that the offer would not have resulted in the shares of the Applicant becoming available for subscription or purchase by persons other than those receiving the offer or invitation, even though there was no intention on the part of the Company to do so.

The SEBI had, at its meeting held on November 30, 2015, decided that in cases involving issuance of securities to more than 49 persons but up to 200 persons in a financial year, the companies may avoid penal action if they provide the investors with an option to surrender the securities and get refund amount at a price not less than the amount of subscription money paid along with 15% interest per annum thereon (i.e. an exit offer).

The Board of Directors of your Company *suo moto* decided that though it is arguable that the Allotments were in compliance with the regulatory requirements, as a measure of abundant caution, it was imperative to take appropriate remediation steps in this regard and approved the Exit Offer scheme at its meeting held on August 23, 2021.

Accordingly, an invitation to Offer was given to the 1,107 identified shareholders holding 50,32,263 equity shares of the Company by Mr. Maroti Jawanjar and Mr. Sandeep Jawanjal ("**Purchasers**") to sell their shares at an exit price of ₹ 50 per equity share during the offer period between September 15, 2021 to November 15, 2021 out of which 2 shareholders accepted the invitation to offer and tendered 3,400 equity shares held by them to the Purchasers.

After, the successful completion of exit offer, the Company has approached the Hon'ble National Company Law Tribunal, Mumbai Bench for compounding of the aforesaid offence voluntarily and the matter is currently awaiting admission. The Company will subsequently approach SEBI for settlement of the said matter.

DIRECTORS' RESPONSIBILITY STATMENT

As required under Section 134(3)(c) and Section 134(5) of the Act, your Directors confirm that:

1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure;

2) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

3) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4) They have prepared the annual accounts on a going concern basis;

5) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

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

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

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

RISK MANAGEMENT

Your Company, being in the business of retail financing has to face inherent risks like credit risk, liquidity risk, interest rate risk and operational risk. The survival and growth of any financing entity largely depends upon effectively managing these risks. The Audit Committee, Risk Management Committee and Asset-Liability Management Committee review and monitor these risks at periodic intervals.

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

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

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

Pursuant to RBI circular RBI/2021-22/125 DOR/STR/REC.68/21.04.048/2021-22 dated November 12, 2021, on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications, the Company has revised its process of NPA classification to flagging of the borrower accounts as overdue as part of the day-end processes for the due date.

Had the Company followed the earlier method, the profit before tax for the year ended on March 31, 2022 would have been higher by ₹ 195.40 Lakhs.

INTERNAL FINANCIAL CONTROLS

Internal Financial Controls laid down by the Company is a systematic set of controls and procedures to ensure orderly and efficient conduct of its business including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. Internal financial controls not only require the system to be designed effectively but also to be tested for operating effectiveness periodically. The internal financial control with reference to the financial statements were tested and reported adequate and operating effectively. The internal financial controls are commensurate with the size, scale and complexity of operations.

HUMAN RESOURCES AND EMPLOYEES STOCK OPTIONS PLAN:

Quality organization needs quality people. To the Company, its people are the most valuable resource. Your Company is putting a strong emphasis on attracting, training and retaining the right talent with focus on merit and performance.

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

In order to reward performance and elicit long term commitment of the employees towards the growth of the Company the "Berar Employee Stock Option Plan, 2019" ("**ESOP 2019**"/"**Plan**") was introduced with the approval of Board & Shareholders in FY 2019-2020.

During the period under review, 22,800 options were vested with the employees to whom stock options were granted under the Plan.

Further, on February 21, 2022 the Board of Directors granted 1,08,000 Stock Options to select employees pursuant to ESOP 2019.

The summary of status of ESOP 2019 as required under the Indian Accounting Standard (Ind AS) 102 - Share-based Payment is annexed as "**Annexure VI**" and forms part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO IN TERMS OF SECTION 134 (3) (M):

(a) Conservation of Energy

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However, we always take adequate measures to ensure optimum utilization and maximum possible saving of energy. The Company has also implemented process to install all the energy saving devices in the branches such as energy savers for ACs, PLC, LED Light, etc. which runs on very nominal energy with high impact.

(b) Technology Upgradation:

In terms of Rule 8(3)B of the Companies (Accounts) Rules, 2014, the recent LMS implementation and IT Infra upgradation activities done by the Company have ensured a secured platform to encounter internal and external security threats and a high availability environment, which can drive the process improvements and automation to facilitate instant and real-time approvals of loan applications. The Company had successfully implemented a new cloud-based Loan Origination & Management System (FinnOne Neo), digital solutions to improve the product quality, services provided and the overall customer experience.

Your Company has undertaken multiple initiatives and made significant investments during the year to strengthen its digital infrastructure. The Company has appointed 'Nucleus Software Exports' as Technology Partner to implement "Cloud Based Loan Management System", Technovation IT Consultants & Services to implement "Sophos Advanced Firewall, EDS" for Cyber Security & IT Infra Upgradation, Arotalk Global Pvt Ltd for "Cloud Storage Drive", "CKYC Solution", "Genuine Windows, MS365 Licenses", Freshworks Inc. for "Freshdesk - Cloud-Based CRM Ticketing Tool" and Team Computers for "IceWarp Cloud Based Mailing Solution".

Your Company understands the new challenges and dynamic business trends that are changing rapidly. Hence, it has been investing significantly in new technologies which will enable the Company to adopt to the dynamic environment, provide the necessary pillars to support the next level of growth thereby benefiting it in the long run.

(c) Foreign Exchange Earning & Outgo:

In terms of Rule 8(3) C of the Companies (Accounts) Rules, 2014, there were no foreign exchange earnings and outgo during the year under review.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is pursuing the CSR programs and projects as per its approved Corporate Social Responsibility Policy.

The CSR Policy is uploaded on the Company's website at the web link:

https://www.berarfinance.com/pdf/policies/may22/corporate_social_responsibility_policy.pdf

In terms of the provisions of the Act, read with the CSR Rules, the Annual Report on CSR activities under the format prescribed in the amended CSR Rules is annexed to this Report as **"Annexure IV"**.

DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE POLICY

Your Company has put in place a policy for prevention, prohibition and redressal against sexual harassment of women at the workplace, to protect the women employees of the Company including any woman coming into any office premises of the Company and enable them to report sexual harassment at the workplace in line with the requirements of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013' ("**the Act**"). An Internal Committee ("**IC**") headed by a women employee has also been constituted for the purpose. All employees (including permanent, contractual, temporary, trainees) and any woman coming into any office premises of the Company are covered under this policy.

The Company has complied with provisions relating to constitution of Internal Committee under the Act.

No cases have been filed pursuant to the Act. There has been no incidence/complaint related to sexual harassment of women at workplace during the period under review.

SECRETARIAL STANDARDS OF INSTITUTE OF COMPANIES SECRETARIES OF INDIA

The Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of Directors (SS–1) and General Meetings (SS–2) read with MCA circulars granting exemptions in view of COVID-19 pandemic.

MAINTENANCE OF COST RECORDS

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

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

ANNUAL RETURN

A copy of the annual return as provided under section 92(3) of the Act, in the prescribed form, which will be filed with the Registrar of Companies/MCA, is hosted on the Company's website and can be accessed at https://www.berarfinance.com/pdf/agm/agm-22/mgt_7_annual_return_2021_2022.pdf

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of your Company during the FY 2021-2022.

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this Report.

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

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

OTHER STATUTORY DISCLOSURES

- Information pursuant to rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, containing details prescribed under Rule 5(3) of the said Rules, forms part of this report and is annexed to this report as "**Annexure VII**".

- The Company being an NBFC, the provisions relating to Chapter V of the Act, i.e., acceptance of deposit, are not applicable. Disclosures as per NBFC regulations have been made in this Annual Report.
- The auditors, i.e., statutory auditors and secretarial auditors have not reported any matter under section 143(12) of the Act, and therefore, no details are required to be disclosed under section 134(3)(ca) of the Act.
- The Company has not defaulted in repayment of loans from banks and financial institutions. There were no delays or defaults in payment of interest/principle of any of its debt securities.
- As on March 31, 2022, there is no amount remaining unclaimed in respect of non-convertible debentures.
- Your Company, being an NBFC registered with the RBI, the provisions of Section 185 of the Act are not applicable to the Company.
- No application was made under the Insolvency and Bankruptcy Code, 2016 during the year, therefore there is no requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.
- The requirement to disclose the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable during the year.
- Disclosures pursuant to RBI Master Directions, unless provided in the Directors' Report, form part of the notes to the standalone financial statements.

Annexures forming part of this Report:

1. Management Discussion and Analysis: **Annexure I**
2. Secretarial Audit Report: **Annexure II**
3. Report on Corporate Governance: **Annexure III**
4. Annual Report on CSR Activities: **Annexure IV**
5. Form AOC-2: **Annexure V(i)**
6. Related Party Transaction ("RPT") Policy: **Annexure V(ii)**
7. Disclosure under the Indian Accounting Standard (Ind AS) 102 - Share-based Payment: **Annexure VI**
8. Particulars of Employees as per Section 197 of The Companies Act, 2013 read with rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: **Annexure VII**

ACKNOWLEDGEMENT

The Board of Directors takes the opportunity to express its sincere appreciation for the support and co-operation from its members, depositors, debenture holders, banks, financial institutions and the regulators - RBI, SEBI and BSE Limited.

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

For and on behalf of Board of Directors

Date: August 12,2022
Place: Nagpur

M.G. Jawanjar
Chairman

Annexure I

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview

The financial year 2021-2022 began with continuation of the COVID-19 pandemic and associated uncertainties. It was deadly resulting in massive loss of life and tragic misery for the people in a big way. The economy suffered heavily as a result of nationwide lockdown and disruption of normal life especially in the first quarter of FY 2021-2022.

However, unlike the previous financial year, the effect of pandemic this time was short-lived. After the first quarter of subdued performance, the Indian economy demonstrated a strong recovery, resulting in GDP growth of 8.7% which is amongst the highest in leading economies. Almost all segments of the economy have stabilised and the whole economy showed robust growth during the year.

Market Scenario

Your Company's primary business is financing 2 - wheelers with focus on semi-urban and rural areas. While India's growth outlook for the year ahead remains bright, driven by private consumption and elevated public spending, there are certain risks which could have an effect on this - the biggest of which is inflation. The ongoing geopolitical crisis has caused supply chain disruptions which has led to higher commodity prices including crude oil. Higher inflation can curtail consumption and unfavourably affect the recovering domestic demand especially in discretionary spend like 2-wheelers. Any effect on demand for 2-wheelers will also have an effect on demand for loans to finance their purchase. Moreover, monetary measures like increasing benchmark interest rates by RBI to curtail inflation will affect demand for loan products as it becomes more expensive for the borrowers.

RBI Policy Measures

The RBI introduced its Resolution Framework-2.0 in May 2021 during the outbreak of the deadly second wave of COVID-19 which gave adversely impacted and vulnerable borrowers flexibility to meet their loan repayment obligations. Simultaneously, the RBI maintained adequate liquidity to support its accommodative stance throughout the year. It resorted to rebalancing liquidity on a dynamic basis without compromising systemic liquidity.

Moreover, the RBI kept its key policy rates including repo rate, reverse repo rate and bank rate unchanged at 4%, 3.35% and 4.25% respectively throughout FY 2021-2022.

Outlook

As we step out of the shadow of the pandemic, the economy is expected to witness a sustained recovery. As the market and customer expectations mature, differentiated customer acquisition and deeper customer engagement throughout the lifecycle will assume importance with technology being a key enabler towards achieving this. Your Company with a diversified product suite with products such as 2 – wheelers loans, car finance, personal loan and loan against property is well positioned to chart a growth path for fiscal 2023 and expects a sustained growth in business and profitability.

Your Company added 10 branches and 155 sales points during FY 2021-2022, thereby increasing its network to 101 branches. With the increase in branch network and sound branch infrastructure, the Company is ready to take advantage of the improved business sentiments.

New business opportunities are expected to gain further momentum as impact of COVID-19 remains low with near complete normalisation of economic activities. Several initiatives taken earlier by the Company to navigate the pandemic should hold it in good stead.

Your Company expects to improve its performance in FY 2022-2023 and sustain its growth trajectory. The approach would be to continue with the growth momentum while balancing risks. With a view to meet its growth plans the Company will continue to tap diverse source of funds including equity, debt and public deposits to maintain an optimal capital structure.

Performance during the Financial Year 2021 - 2022

The performance of the Company during the year was satisfactory, in the backdrop of growing competition, inflation and emergence of COVID-19.

(₹ in Lakhs)

Particulars	FY 2020-2021	FY 2021-2022	% Change
Total Income	13,486.19	17,559.90	**+30.21**
Total Cost	11,430.53	15,322.49	**+34.05**
Profit Before Tax	2,055.66	2,237.41	**+8.84**
Profit after Tax	1,537.67	1,741.97	**+13.29**
Earnings per Share (Fig. in ₹)			
Basic	16.01	17.28	-
Diluted	15.91	17.18	-

Risks and Concerns

Your Company is exposed to various risks that are an inherent part of any financial service business. The Company has a policy to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with business. The Company's risk management framework is well dimensioned and managed based on a clear understanding of various risks, disciplined risk assessment, measurement procedures and continuous monitoring.

Your Company conducts stress tests to assess the resilience of its Balance Sheet. This also helps to provide insights to the management to understand the nature and extent of vulnerabilities, quantify the impact and develop plausible business-as-usual mitigating actions.

The markets have witnessed substantial turbulence in the previous two years. However, as your Company has been fundamentally built on the principle of sound risk management practices, it has successfully weathered this turbulence and continues to remain resilient.

The main focus of your Company has been to ensure a diversified loan portfolio, improve credit quality, reduced mismatch in assets and liabilities and lower cost of funds. The Risk Management Committee and Asset-Liability Management Committee have been working constantly to meet these objectives. The Company has been largely successful in managing the risks and concerns inherent in the business of a finance company. With multiple lenders and other sources of funds, the Company is assured of availability of funds at lower cost for its growing business. Your Company does not perceive any material threat to the profitable business growth.

Customer Service

Your Company continues to remain customer focused. '*Once a Berar customer- always a Berar customer*' is a key motto of the Company. Customer data and status is available online at all branches. Accepting that time has value, the Company provides prompt services while sanctioning/disbursing loans as well as post-disbursement services.

Customer enquiries and complaints are attended instantly. The Company is known for its customer friendly and transparent finance schemes. There are committed employees at Head Office level as well as branch level to attend to customer enquiries, to offer prompt services and address customer's complaints promptly.

The Company has a dedicated team for customer relationship that deals with the concerns or complaints raise by the customers. It has implemented the grievance redressal mechanism, the RBI Integrated Ombudsman scheme and Internal Ombudsman ("**IO**") scheme within the organisation to deal with the unresolved concerns and complaints. More recently, the RBI introduced the Internal Ombudsman scheme extended to NBFCs on a selective basis in which the IO at the apex of the NBFC's shall independently review the resolution provided by the NBFC in the case of wholly or partially rejected complaints. The Company has appointed an IO who independently reviews the resolution provided by the Company in the case of wholly or partially rejected complaints.

Annexure II

Form No. MR- 3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
For the financial year ended 31st March, 2022

To,
The Members
Berar Finance Limited
(CIN- U65929MH1990PLC057829)
Add- Avinisha Tower, Mehadia Chowk,
Dhantoli, Nagpur, Maharashtra - 440012, India.

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **Berar Finance Limited (The Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's 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 our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2022 duly 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 Company for the financial year ended on 31st March, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

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

(v) The Regulations and Guidelines prescribed under the Securities and Exchanges Board of India Act, 1992 ("SEBI Act") i.e.

- The Listing Agreement entered into by the Company with BSE Limited with respect to Non-Convertible Debentures issued by the Company read with The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (***Not Applicable to the Company during the audit period)***
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (***Not Applicable to the Company during the audit period)***

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) - Regulations, 2021; ***(Not Applicable to the Company during the audit period)***

- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***(Not Applicable to the Company during the audit period)***

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***(Not Applicable to the Company during the audit period)***

- The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ***(Not Applicable to the Company during the audit period)***

(vi) Applicable Secretarial Standards issued by The Institute of Company Secretaries of India;

(vii) Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

(Hereinafter called as "Applicable Act, Rules, Regulations, Guidelines, Standards, and Directions")

During the period under review the Company ***has duly complied*** with the provisions of the Applicable Act, Rules, Regulations, Guidelines, Standards, and Directions.

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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. The decisions in the meeting are carried out with requisite majority.

We 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.

We further report that during the audit period;

1) The Special Resolution is passed through Postal Ballot by way of Remote Electronic Voting (Remote E-Voting) by the Members of the Company on Saturday, 26th June, 2021 for adopting the amended and re-stated Articles of Association of the Company which incorporate the relevant provisions of Second SHA Amendment Agreement dated 20th May, 2021.

2) In the Board Meeting held on 29th June, 2021, the Board has approved Annual Financial Statement of the Company for the financial year ended 31st March, 2021.

3) In the Board Meeting held on 29th June, 2021, the Board has appointed M/s SPZ & Associates, Company Secretaries (Firm Unique Identification Number- S2015MH305600) as Secretarial Auditors of the Company for financial year 2021-2022.

4) In the Board Meeting held on 29th June, 2021 the Board has appointed Mr. Satish Kumar Gupta, official of the Company, having qualification of Chartered Accountant (CA Membership No. 124944) as the "In house" Internal Auditor of the Company.

5) In the Board Meeting held on 23rd August 2021, the Board has noted the resignation of Mr. Ashok Ghanshyam Kachore (DIN-00380102), from the directorship of the Company with effect from 8th July 2021.

6) In the Board Meeting held on 23rd August 2021, Mr. Harishchandra Namaji Sukhdeve (DIN-09289094) has been appointed as Additional Director in the Company.

7) In the Board Meeting held on 23rd August 2021, the Board has adopted the Director's Report for the Financial Year ended on 31st March, 2021.

8) In the Board Meeting held on 23rd August 2021, the Board has approved an invitation to offer be made to refund to each of the 1,107 identified shareholders ("**Identified Shareholders**") holding 50,32,263 Equity Shares as on the Record Date of August 20, 2021 (excluding the 8,67,237 Equity Shares held by Mr. Maroti Jawanjar and Mr. Sandeep Jawanjal ("Purchasers"), (collectively, the "Relevant Shares") at ₹ 45.00 per Equity Share (such amount being not less than the subscription amount and adjusted for amounts already paid either as interest, dividend or otherwise) for inviting the Identified Shareholders for tendering their shares in terms of the Securities and Exchange Board of India Circulars (the "Exit Price").

9) The Board of Directors approved the revision of Exit Price from ₹ 45 to ₹ 50 vide Circular Resolution No. 1/2021-22 dated 1st September, 2021.

10) In the Board Meeting held on 14th September, 2021 the consent of the Board of Directors was accorded to issue and allot 250 (Two Hundred and Fifty) Rated, Secured, Unsubordinated, Redeemable, Taxable, Transferable, Unlisted, Market Linked, Principal Protected, Non-Convertible Debentures denominated in Indian Rupees ("INR") each having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) in one or more tranches on private placement basis to Northern Arc Income Builder Trust (Series II) with Northern Arc Income Builder Fund (Series II) as its scheme.

11) The Board of Directors of the Company vide Circular Resolution No. 2/2021-22 dated 17th September, 2021 approved the allotment of 250 (Two Hundred and Fifty) Rated, Secured, Unsubordinated, Redeemable, Taxable, Transferable, Unlisted, Market Linked, Principal Protected, Non-Convertible Debentures ("NCDs") denominated in Indian Rupees each having a face value of INR 10,00,000 (Indian Rupees Ten Lakh) comprising of 130 (One Hundred and Thirty) Tranche I NCDs and 120 (One Hundred and Twenty) Tranche II NCDs to Northern Arc Income Builder Trust (Series II) with Northern Arc Income Builder Fund (Series II) as its scheme on private placement basis.

12) In the Annual General Meeting held on 27th September, 2021, following resolutions were passed regarding the appointment/ reappointment of Directors of the Company.

- Re-appointment of Mr. Dattatraya Prabhakar Dalal (DIN-00380199) as Director, who retires by rotation and being eligible offer himself for re-appointment.
- Appointment of Mr. Maroti Gendaru Jawanjar (DIN-00379916) as Executive Chairman of the Company.
- Appointment of Mr. Sandeep Marotrao Jawanjal (DIN-01490054) as Managing Director of the Company.
- Appointment of Ms. Rashmi Mitkary (DIN-08960192) as an Independent Director of the Company.
- Appointment of Mr. Avishek Addy (DIN-07973542) as a Non- Executive Director of the Company.
- Appointment of Mr. Harishchandra Namaji Sukhdeve (DIN- 09289094) as a Non-Executive Director of the Company.

13) The Ordinary Resolution was passed through Postal Ballot by way of Remote Electronic Voting (Remote E-Voting) by the Members of the Company on Friday, 31st December, 2021 for approving the reclassification of Authorized Share Capital of the Company and thereby alteration of Memorandum of Association of the Company.

14) During the period under review, the Company has granted 1,08,000 (One Lakh Eight Thousand) options to the eligible employees under the Berar Employee Stock Option Plan 2019.

15) In the Extra-Ordinary General Meeting held on 22nd February, 2022, the Company has passed special resolution to issue 23,29,048 Equity Shares on a preferential basis by way of private placement.

16) In the Board Meeting held on 21st March, 2022, the Board has noted the resignation of Mr. Dattatraya Prabhakar Dalal (DIN-00380199), from the directorship of the Company with effect from 9th March 2022.

17) In the Board Meeting held on 21st March, 2022, Mr. Siva Chidambaram Vadivel Alagan (DIN-08242283) is appointed as an Additional Director in the Company.

18) In the Board Meeting held on 21st March, 2022, the Board has made an allotment of 23,29,048 Equity Shares on a preferential basis by way of private placement.

19) In the Board Meeting held on 21st March, 2022, the Board has noted the resignation of Mr. Sandeep Jawanjal, Managing Director, from the post of Chief Financial Officer ("CFO") of the Company with effect from 28th February, 2022.

20) In the Board Meeting held on 21st March, 2022, Mr. Yogesh Tahalyani, has been appointed as Chief Financial Officer ("CFO") of the Company with the immediate effect.

This Secretarial Audit Report is being issued on 29th June, 2022.

For SPZ & Associates

Company Secretaries

CS Sunil Zore

Certificate of Practice. No. 11837

Membership Number: 22144

Firm Unique Identification Number- S2015MH305600

Peer Review Certificate Number- 965/2020

ICSI UDIN: A022144D000541234

(NOTE-This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.)

Annexure A to the Secretarial Audit Report

To,
The Members
Berar Finance Limited
(CIN- U65929MH1990PLC057829)
Add- Avinisha Tower, Mehadia Chowk,
Dhantoli, Nagpur, Maharashtra - 440012, India.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

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

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

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

This Letter is being issued on 29th June, 2022.

For SPZ & Associates
Company Secretaries

CS Sunil Zore
Certificate of Practice. No. 11837
Membership Number: 22144
Firm Unique Identification Number- S2015MH305600
Peer Review Certificate Number- 965/2020

Annexure III

REPORT ON CORPORATE GOVERNANCE

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

1) Board of Directors:

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

The Composition of the Board as on March 31, 2022 is as follows:

Name of Director	Category	DIN	No of Board Meeting(s) attended during FY 2021-2022	Whether attended AGM held during FY 2021-2022
Mr. Maroti Jawanjar	Promoter and Executive Chairman	00379916	12	Yes
Mr. Sandeep Jawanjal	Promoter and Managing Director	01490054	12	Yes
Mr. Shantaram Mahakalkar	Non-Executive Director	00379988	12	Yes
Mr. Vishwas Pathak	Independent Director	00452917	12	Yes
Mr. Atul Sarda	Independent Director	02161209	12	Yes
Ms. Rashmi Mitkary	Independent Director	08960192	12	Yes
Mr. Avishek Addy	Non- Executive Director	07973542	12	Yes
Mr. Harishchandra Sukhdeve (w.e.f. 23.08.2021)	Non- Executive Director	09289094	7	Yes
Mr. Siva Vadivel Alagan (w.e.f. 21.03.2022)	Non- Executive Director	08242283	1	NA

Board Meeting

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

12 (Twelve) Board Meetings were held during the financial year ended March 31, 2022. The dates of the Board meetings held are as under:

Sr. No.	Date of Board Meeting	Sr. No.	Date of Board Meeting
1.	May 19, 2021	**7.**	November 25, 2021
2.	May 21, 2021	**8.**	December 28, 2021
3.	June 29, 2021	**9.**	January 27, 2022
4.	August 23, 2021	**10.**	February 14, 2022
5.	September 14, 2021	**11.**	March 21, 2022
6.	November 13, 2021	**12.**	March 31, 2022

Except Mr. Avishek Addy and Mr. Siva Vadivel Alagan, none of the other Directors are holding directorship in other companies.

Mr. Avishek Addy holds directorship in the following companies:

1. Opendoors Fintech Private Limited;
2. D2C Insurance Broking Private Limited; and
3. Altum Credo Home Finance Private Limited.

And Mr. Siva Vadivel Alagan holds directorship in the following companies:

1. SAVE Solutions Private Limited;
2. SAVE Microfinance Private Limited; and
3. SAVE Financial Services Private Limited.

Remuneration of Directors

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

During the financial year ended March 31, 2022, the details of sitting fees paid to the Directors are as under:

(Amt.in ₹)

Name of Director	Sitting Fees paid during the year
Mr. Shantaram Mahakalkar	46,000
Mr. Vishwas Pathak	66,000
Mr. Atul Sarda	58,000
Ms. Rashmi Mitkary	44,000
Mr. Ashok Kachore*	10,000
Mr. Dattatraya Dalal**	26,000
Mr. Harishchandra Sukhdeve	22,000

*Ceased to be a Director w.e.f. July 8, 2021 (close of business hours).

** Ceased to be a Director w.e.f. March 9, 2022 (close of business hours).

For the period under review the Company paid ₹ 105.07 lakhs towards remuneration to Mr. Maroti Jawanjar, Executive Chairman and ₹ 88.47 lakhs to Mr. Sandeep Jawanjal, Managing Director.

2) Audit Committee:

The Board has set up an Audit Committee pursuant to Section 177 of the Companies Act, 2013 which reviews the financial accounting policies, adequacy of internal control system and system audit and interacts with statutory auditors, internal auditors and senior executives. The Committee reviews the audit plan, quarterly and annual financial results of operations, and observations of internal and external auditors.

During the year under review, the Committee met Four (4) times on June 29, 2021, November 13, 2021, February 14, 2022 and March 31, 2022.

The particulars of Members of the Committee and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Atul Sarda	Chairman of the Committee	4
Mr. Vishwas Pathak	Member	4
Mr. Sandeep Jawanjal*	Member	4
Ms. Rashmi Mitkary	Member	4
Mr. Avishek Addy	Member	4
Mr. Siva Vadivel Alagan**	Member	-

* Mr. Sandeep Jawanjal ceased to be member of the Committee w.e.f. March 31, 2022(close of business hours).

** The Board of Directors inducted Mr. Siva Vadivel Alagan as a member of the Committee w.e.f. March 31, 2022.

The Company Secretary acts as Secretary to the Audit Committee.

The Board has accepted all the mandated recommendations made by the Audit Committee during the year. Besides the members of the Committee, meetings of the Audit Committee are attended by the Invitees, the Company Secretary, the Head Internal Audit and Chief Financial Officer of the Company etc.

3) Risk Management Committee:

The Board has set up a Risk Management Committee pursuant to the requirement of the Reserve Bank of India which regularly reviews the quality of assets and liabilities and its business risk. The Internal Auditors also reports to the Committee from time to time for risk management purposes.

Business risk evaluation and management is an ongoing process within the organization. The Company has a strong risk management framework to identify monitor and minimize risks as also identify business opportunities.

The objectives and scope of the Risk Management Committee broadly comprises the following:

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

During the year under review, the Committee met Three (3) times on June 29, 2021, November 19, 2021 and March 31, 2022.

The particulars of Members of the Committee and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Maroti Jawanjar	Chairman of the Committee	3
Mr. Sandeep Jawanjal	Member	3
Mr. Avishek Addy	Member	3
Mr. Siva Vadivel Alagan*	Member	-

* The Board of Directors inducted Mr. Siva Vadivel Alagan as a member of the Committee w.e.f. March 31, 2022.

The Company Secretary acts as Secretary to the Risk Management Committee.

The Board has accepted all the mandated recommendations made by the Risk Management Committee during the year. Besides the members of the Committee, meetings of the Risk Management are attended by the Invitees, the Company Secretary, the Head Internal Audit and Chief Financial Officer of the Company etc.

4) Asset-Liability Management (ALM) Committee:

The Board has set up Asset-Liability Management (ALM) Committee pursuant to the requirement of the Reserve Bank of India which regularly reviews the Company's assets and liabilities.The classification of assets and liabilities by the Company into various maturity buckets reflects adjustments for prepayments and renewals in accordance with the guidelines issued by Reserve Bank of India.

During the year under review, the Committee met Four (4) times on May 19, 2021, August 23, 2021, November 19, 2021 and March 31, 2022.

The particulars of Members of the Committee and the number of meetings attended by them during the year are as follows:

Name of Directors	Designation	Committee Meetings attended during the year
Mr. Maroti Jawanjar	Chairman of the Committee	4
Mr. Sandeep Jawanjal	Member	4
Mr. Avishek Addy	Member	4
Mr. Siva Vadivel Alagan*	Member	-

* The Board of Directors inducted Mr. Siva Vadivel Alagan as a member of the Committee w.e.f. March 31, 2022.

The Company Secretary acts as Secretary to the ALM Committee.

5) Nomination and Remuneration Committee:

The Board has set up Nomination and Remuneration Committee pursuant to Section 178 of the Companies Act, 2013.

The broad terms of reference of this Committee include recommending a Policy relating to remuneration and employment terms of Managing Directors, Executive Directors, senior management personnel, adherence to the remuneration and employment policy, preparing the criteria, identifying persons who may be appointed as Directors or senior management of the Company, administering Employee Stock Option Plan and evaluation of performance of Directors of the Company, Committees of the Board and Board as a whole.

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

During the year under review, the Committee met Five (5) times on May 19, 2021, August 20, 2021, February 21, 2022, March 21, 2022 and March 30, 2022.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Vishwas Pathak	Chairman of the Committee	5
Mr. Atul Sarda	Member	5
Mr. Avishek Addy	Member	5
Mr. Siva Vadivel Alagan*	Member	-

* The Board of Directors inducted Mr. Siva Vadivel Alagan as a member of the Committee w.e.f. March 31, 2022.

The Company Secretary acts as Secretary to the Nomination and Remuneration Committee.

6) Information Technology (IT) Strategy Committee:

The Company has constituted IT Strategy Committee pursuant to the RBI Master Direction RBI/DNBS/2016-17/53 DNBS.PPD.No.04/66.15.001/2016-17 dated June 08, 2017 pertaining to “Information Technology Framework for the NBFC Sector”.

During the year under review, the Committee met two (2) times on September 21, 2021 and March 28, 2022.

The particulars of Members of the Committee and their attendance in the meetings held during the year is as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Atul Sarda	Chairman of the Committee	2
Mr. Sandeep Jawanjal	Member	2
Mr. Amar Helonde	Member	2

The Company Secretary acts as Secretary to the IT Strategy Committee.

During the year under review, the Committee was apprised, inter alia, on IT Infrastructure upgradation, Security Overview, IT strategy review, implementation status of Cloud Solutions, new software requirements, new policy creation activity, and digitalisation of IT processes.

7) Stakeholders Relationship Committee:

The Board has set up Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the Company i.e., shareholders, debenture holders etc. and depositors of the Company.

During the year under review, the Committee met Six (6) times on April 3, 2021, July 7, 2021, August 26, 2021, October 9, 2021, November 29, 2021 and January 11, 2022.

The particulars of Members of the Committee and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Shantaram Mahakalkar	Chairman of the Committee	6
Mr. Ashok Kachore*	Member	2
Mr. Dattatraya Dalal**	Member	6
Mr. Harishchandra Sukhdeve*	Member	4
Mr. Maroti Jawanjar**	Member	0

*Consequent to resignation of Mr. Ashok Kachore, the Board of Directors at its meeting held on August 23, 2021 reconstituted the Committee and appointed Mr. Harishchandra Sukhdeve as a member of the Committee in place of Mr. Ashok Kachore.

**Consequent to resignation of Mr. Dattatraya Dalal, the Board of Directors at its meeting held on March 21, 2022 reconstituted the Committee and appointed Mr. Maroti Jawanjar as a member of the Committee in place of Mr. Dattatraya Dalal.

No complaints were received from the security holders during the year under review.

The Company Secretary acts as Secretary to the Stakeholders Relationship Committee.

8) Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility (CSR) Committee has formulated a Corporate Social Responsibility Policy indicating the CSR activities to be undertaken by the Company in accordance with the Annual Action Plan for each financial year approved by the Board. The terms of reference of the CSR Committee include recommending to the Board the amount of expenditure to be incurred on the CSR activities and monitoring the implementation of the CSR Policy from time to time. The CSR Policy of the Company, incorporating the recent changes, as approved and adopted by the Board, has been posted on the website.

During the year under review, the Committee met Two (2) times on June 28, 2021 and March 28, 2022.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Directors	Designation	Committee Meetings attended during the year
Mr. Maroti Jawanjar	Chairman of the Committee	2
Mr. Sandeep Jawanjal	Member	2
Mr. Vishwas Pathak	Member	2
Mr. Siva Vadivel Alagan*	Member	-

* The Board of Directors inducted Mr. Siva Vadivel Alagan as a member of the Committee w.e.f. March 31, 2022.

The Company Secretary acts as Secretary to the CSR Committee.

9) Fund Management Committee:

The Board of Directors of the Company has constituted Fund Management Committee ("Committee") and delegated the following powers to the Committee:

1. To avail an aggregate borrowing facility (fund based and non –fund based) which includes various credit facilities by way of overdrafts, cash credits, term loans, letter of credits, guarantees including deferred payment guarantees and indemnities, negotiation and discounting of demand and/or usance bills and cheques (inland as well as foreign) and such other facilities as may be agreed upon from time to time between the lenders and the Company.
2. To authorize sell, transfer and assign the standard loan receivables originated by the Company through securitization or direct assignment route.

During the year under review, the Committee met Nine (9) times on July 30, 2021, August 17, 2021, September 9, 2021, October 18, 2021, November 24, 2021, December 6, 2021, December 30, 2021, February 23, 2022 and March 25, 2022.

The particulars of Members of the Committee, and the number of meetings attended by them during the year are as follows:

Name of Director	Designation	Committee Meetings attended during the year
Mr. Maroti Jawanjar	Chairman of the Committee	9
Mr. Sandeep Jawanjal	Member	9
Mr. Vishwas Pathak	Member	9

The Company Secretary acts as Secretary to the Fund Management Committee.

10) Independent Directors Meeting

During the year under review the Independent Directors met on March 30, 2022, *inter alia* to discuss:

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

All the Independent Directors were present at the meeting. The meeting was conducted without the presence of non-independent directors and members of senior management.

11) General Body Meetings

I. The particulars of last 3 years Annual General Meetings (AGM) are as under:

Financial Year	Day	Date	Time	Venue
2020-2021	Monday	September 27, 2021	04.00 P.M	Through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
2019-2020	Monday	September 28, 2020	11.00 A.M	Through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
2018-2019	Saturday	September 21, 2019	4.00 P.M.	Arjuna Celebrations, Pande Layout Road, Khamla, Nagpur-440025

Details of the Special Resolutions passed at the AGM held during the last three years:

Sr. No.	Detail of resolutions	Date of passing	No. of votes in favour	No. of votes against	% of votes in favour	% of votes in against
1	To re-appoint Mr. Vishwas Pathak as Independent Director	21.09.2019	45,52,700	2,000	99.96 %	0.04%
2	To re-appoint Mr. Atul Sarda as Independent Director	21.09.2019	45,52,700	2,000	99.96 %	0.04%
3	To increase borrowing limits from ₹ 400 crores to ₹ 2,000 crores under Section180(1)(c) of Act	21.09.2019	45,44,300	10,200	99.78 %	0.22%
4	To authorize Board to create charge on the assets of the Company under Section 180 (1) (a) of the Act.	21.09.2019	45,44,600	6,000	99.87 %	0.13%
5	To approve the amendment, re-statement and entrenchment of the Articles of Association of the Company.	28.09.2020	56,94,211	0	100 %	0%
6	To authorize the issuance of Tranche 2 Series A Cumulative Compulsorily Convertible Participating Preference Shares.	28.09.2020	56,94,211	0	100 %	0%
7	To approve issuance of Tranche 2 Series A Equity Shares and Tranche 2 Series A CCPS through Private Placement.	28.09.2020	56,94,211	0	100 %	0%
8	Appointment of Mr. Maroti Gendaru Jawanjar (DIN: 00379916) as Executive Chairman of the Company	27.09.2021	66,62,048	0	100%	0%

The Special Resolutions from Sr.No. 1 to 4 were passed through E-voting and Ballot Paper as per the procedure prescribed under Section 108 of the Act read with Companies (Management and Administration) Rules, 2014 under the overall supervision of the Scrutinizer, Mr. Amit K. Rajkotiya, Practicing Company Secretary (CP No. 5162), Nagpur.

The Special Resolutions from Sr. No. 5 to 8 were passed through E-voting and remote E-voting at AGM as per the procedure prescribed under Section 108 of the Act read with Companies (Management and Administration) Rules, 2014 under the overall supervision of the Scrutinizer, Mr. Sunil Purushottam Zore, Practicing Company Secretary (CP No.11837), Nagpur.

All the Resolutions were passed by the shareholders with requisite majority.

II. Extraordinary General Meeting (EGM):

During the Financial year ended March 31, 2022 the EGM of the shareholders of the Company was held on February 22, 2022 through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

Sr. No.	Detail of resolution	No. of votes in favour	No. of votes against	% of votes in favour	% of votes in against
1.	Issuance of Equity Shares of the Company through Private Placement.	66,40,614	0	100%	0%

Mr. Sunil Purushottam Zore, Practicing Company Secretary (CP No.11837) Nagpur was appointed as the Scrutinizer for the purpose of scrutinizing the remote e-voting process along with e-voting during the EGM, in a fair and transparent manner.

The Resolution was passed by the shareholders with requisite majority.

III. Postal Ballot:

During the FY 2021-2022, the Company had sought approval of the members through Postal Ballot through remote e-voting only, the details of the same are given below:

Sr. No.	Detail of resolution	Date of passing resolution	No. of votes in favour	No. of votes against	% of votes in favour	% of votes in against
1.	To approve the amendment, re - statement and entrenchment of the Articles of Association of the Company.	26.06.2021	64,40,264	0	100%	0%
2.	Reclassification of Authorised Share Capital of the Company and alteration of Memorandum of Association of the Company.	31.12.2021	65,74,564	0	100%	0%

Mr. Sunil Purushottam Zore, Practicing Company Secretary (CP No.11837) Nagpur was appointed as the Scrutinizer for conducting the Postal Ballot process, in a fair and transparent manner.

All the Resolutions were passed by the shareholders with requisite majority.

12) Details of Shares transferred to Investor Education and Protection Fund (IEPF) during FY 2021-2022 and unclaimed dividend due dates:

The details of outstanding shares in Berar Finance Limited Investor Education and Protection Fund Authority, Ministry of Corporate Affairs are as follows:

Particulars	Aggregate Number of shareholders	Outstanding shares lying in Berar Finance Limited IEPF Account
Opening Balance as on April 01, 2021	8	4,550
Less: Requests received for transfer / delivery during F.Y. 2021-2022 and Shares transferred / delivered during F.Y. 2021-2022	0	0
Add: Transfer of shares to Investor Education and Protection Fund Authority of Ministry of Corporate Affairs during F.Y. 2021-2022	0	0
Balance as on March 31, 2022	8	4,550

The Company sends statutory reminders to shareholders before transfer of their shares/unclaimed dividend to IEPF. The Shareholders who have not encashed their dividend are requested to contact the Company immediately.

Following dividends are transferable to the Investor Education and Protection Fund (IEPF) on the respective due dates, as under, in accordance with the provisions of Section 124(5) of the Act:

Nature of Dividend	Transferable to IEPF on
Final Dividend 2014-15	October 26, 2022
Final Dividend 2015-16	September 26, 2023
Final Dividend 2016-17	October 2, 2024
Final Dividend 2017-18	October 8, 2025
Final Dividend 2018-19	October 21, 2026
Final Dividend 2019-20	October 28, 2027
Final Dividend 2020-21	October 27, 2028

Reminders are sent to members for encashing their unclaimed and unpaid dividends, on a regular basis through speed post at their address registered with the Company. Members who have not yet made claims are, therefore, requested to contact the Company /Registrar and Share Transfer Agent immediately.

13) Vigil Mechanism/Whistle Blower Policy

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner with highest standard of professionalism, honesty, integrity and ethical behaviour, the Company has adopted a Vigil Mechanism and Whistle Blower Policy. The mechanism of reporting under this policy is in place and a copy of the policy is posted on website of the Company. No personnel have been denied access to the Chairman or members of the Audit Committee.

Annexure IV

Annual Report on Corporate Social Responsibility ("CSR") Activities
[Pursuant to Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy ('Policy') was approved at the Board Meeting held on March 07, 2015 and last modification being made on June 29, 2021. The Policy is available on the Company's website at the following link: https://www.berarfinance.com/pdf/policies/may22/corporate_social_responsibility_policy.pdf

Our CSR initiatives are guided by our Policy. Our CSR activities focus on Education, Health Care, Livelihood, Environmental Sustainability, Poverty Alleviation and Promoting Sports.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Maroti Jawanjar	Executive Chairman	2	2
2.	Mr. Vishwas Pathak	Independent Director	2	2
3.	Mr. Sandeep Jawanjal	Managing Director	2	2
4.	Mr. Siva Vadivel Alagan	Non-Executive Director	2	0*

*Note: Mr. Siva Vadivel Alagan has been appointed as member of CSR Committee on March 31, 2022.

3. The web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company are provided below:

Sl. No.	Particular	Web-link
1	The composition of the CSR Committee	https://www.berarfinance.com/csr.html
2	CSR Policy	
3	CSR projects as approved by the Board	

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

Since the average CSR obligation of the Company is below Rupees Ten Crore in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, hence the impact assessment is **Not Applicable (NA)**

5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
NA			

6. Average net profit of the Company as per Section 135(5) of the Companies Act, 2013:₹ 23,42,56,864/-

7. CSR Expenditure:

Sl. No.	Particular	Amount (in ₹)
(a)	Two percent of average net profit of the Company as per Section 135(5) of the Companies Act, 2013	46,85,137/-
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
(c)	Amount required to be set-off for the financial year, if any	Nil
(d)	**Total CSR obligation for the financial year (7a+7b-7c)**	46,85,137/-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
50,18,342/-	Nil	NA	NA	Nil	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)
Sl No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation- Direct (Yes/No).	Mode of Implementation- Through Implementing Agency
				State	District					Name	CSR Registration number.
NA											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in₹).**	**Mode of Implementation- Direct. (Yes/No).**	**Mode of Implementation- Through Implementing Agency.**	
				State.	**District.**			**Name.**	**CSR registration number.**
1.	Reimbursement of medical expenditure of COVID patient Late. Mr. Sanjay Waikar.	Promoting health care	Yes	Maharashtra	Nagpur	2,00,000	Yes	Direct	NA
2.	Contribution to Vishwa Hindu Jankalyan Parishad, Vidarbha	Livelihood enhancement projects	Yes	Maharashtra	Nagpur	5,00,000	No	Vishwa Hindu Jankalyan Parishad, Vidarbha	CSR00012736

3.	Contribution to Jeevoday Education Society	Promoting education, including special education	Yes	Maharashtra	Nagpur	5,00,000	No	Jeevoday Education Society	CSR00019107
4.	Contribution to Central India Institute of Medical Science, Nagpur (CIIMS)	Promoting healthcare	Yes	Maharashtra	Nagpur	5,00,000	No	Central India Institute of Medical Science, Nagpur	CSR00004345
5.	Contribution to Maharogi Sewa Samiti	Promoting health care	Yes	Maharashtra	Gadchiroli	5,00,000	No	Maharogi Sewa Samiti	CSR00000738
6.	Contribution to Dhobi Samaj Vikas Bahuuddeshiya Sanstha.	Livelihood enhancement projects	Yes	Maharashtra	Nagpur	5,00,000	No	Dhobi Samaj Vikas Bahuuddeshiya Sanstha	CSR00004352
7.	Reimbursement of medical expenses of poor needy person Ms. Shubhangi Bhujade.	Promoting health care	Yes	Maharashtra	Nagpur	1,18,342	Yes	Direct	NA
8.	Contribution to Cause to Connect Foundation	Livelihood enhancement projects	Yes	Maharashtra	Located at Pune having projects around Pune Sangli & Kolhapur	2,00,000	No	Cause to Connect Foundation	CSR00000522
9.	Contribution to Home for Aged and Handicapped	Livelihood enhancement projects	Yes	Maharashtra	Nagpur	5,00,000	No	Home for Aged and Handicapped	CSR00017951
10.	Contribution to Amrapali Utkarsh Sangh	Promoting education of poor abandoned children	Yes	Maharashtra	Nagpur	10,00,000	No	Amrapali Utkarsh Sangh	CSR00018461
11.	Contribution to Research and Development Association of India	Promoting education of poor needy children	Yes	Maharashtra	Nagpur	5,00,000	No	Research and Development Association of India	CSR00020161

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 50,18,342/-

(g) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5) of the Act	46,85,137/-
(ii)	Total amount spent for the financial year	50,18,342/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,33,205/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	* 3,33,205/-

* The Company does not propose to avail any set-off against the excess amount spent in FY 2021-2022 for succeeding financial years.

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sl No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135(6) (in ₹).	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of Fund	Amount (in ₹).	Date of transfer.	
NA	NA	Nil	NA	NA	Nil	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No.	Project ID.	Name of Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year. (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project- Completed/ Ongoing.
NA	NA	NA	NA	NA	Nil	Nil	Nil	NA

Note: There was no provision of ongoing projects prior to financial year 2021-2022.

10. Details of creation or acquisition of capital asset acquired through CSR spent in the financial year:

(a) Date of creation or acquisition of the capital asset(s):**None**

(b) Amount of CSR spent for creation or acquisition of capital asset: **Nil**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **NA**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): **NA**

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) of the Companies Act, 2013 - NA

Place: Nagpur
Date: August 10, 2022

Sandeep Jawanjal
DIN: 01490054
Managing Director

Maroti Jawanjar
DIN: 00379916
Executive Chairman
cum Chairman of CSR Committee

Annexure V (i)

Form AOC-2

(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 contracts or arrangements or transactions not at arm's length basis.

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

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

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

For and on behalf of Board of Directors

Date: August 12,2022
Place: Nagpur

M.G Jawanjar
Chairman

Annexure V (ii)

Related Party Transaction ("RPT") Policy

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

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

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

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

Annexure VI

Requirements under the Indian Accounting Standard (Ind AS) 102 - Share-based Payment

Summary of Status of ESOPs Granted

The position of the existing schemes is summarized as under -

Sr.No.	Particulars	ESOP 2019
I. Details of the ESOP		
1	Date of Shareholder's Approval	07.12.2019
2	Total Number of Options approved	240,000
3	Vesting Requirements	Time based vesting
4	Exercise Price or Pricing formula (Rs.)	Exercise price for the first grant dated December 23, 2019 - ₹95 Exercise price for the second grant dated February 21, 2022 - ₹250
5	Maximum term of Options granted (years)	Maximum terms of the options granted dated December 23, 2019 - 5 years Maximum terms for the options granted dated February 21, 2022 - 4 years
6	Source of shares	Primary issuance
7	Variation in terms of ESOP	Nil
II. Option Movement during the year		
1	No. of Options Outstanding at the beginning of the year	132,000
2	Options Granted during the year	108,000
3	Options Forfeited / lapsed during the year	0
4	Options Vested during the year	22,800
5	Options Exercised during the year	0
6	Total number of shares arising as a result of exercise of options	0
7	Money realised by exercise of options (Rs.)	0
8	Number of options Outstanding at the end of the year	240,000
9	Number of Options exercisable at the end of the year	36,000
III Weighted average exercise price of Options granted during the year whose		
(a)	Exercise price equals market price	NIL
(b)	Exercise price is greater than market price	250.00
(c)	Exercise price is less than market price	NIL
Weighted average fair value of options granted during the year whose		
(a)	Exercise price equals market price	NIL
(b)	Exercise price is greater than market price	83.04
(c)	Exercise price is less than market price	NIL

The weighted average market price of options exercised during the year	No options Exercised during the year
Remaining Contractual life of options outstanding (Years)	3.26

IV	Employee-wise details of options granted during the financial year 2021-2022 to:	
(i)	**Senior managerial personnel :**	
	Name	**No. of options granted**
	Yogesh Tahalyani (Chief Financial Officer)	5,000
(ii)	**Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year**	
	Name	**No. of options granted**
	Nil	
(iii)	**Identified employees who were granted option, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.**	
	Name	**No. of options granted**
	Nil	

Method and Assumptions used to estimate the fair value of options granted during the year:

The fair value has been calculated using the Black Scholes Option Pricing model.

The Assumptions used in the model are as follows:

	Date of grant	Particulars
1.	Risk Free Interest Rate	5.41%
2.	Expected Life	3.50
3.	Expected Volatility	39.37%
4.	Dividend Yield	0.41%
5.	Price of the underlying share in market at the time of the option grant (Rs.)	245.33

Assumptions:

Stock Price: Share price is taken as informed by the Company

Volatility: The historical volatility over the expected life has been considered to calculate the fair value.

Risk-free rate of return: The risk-free interest rate being considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

Exercise Price: Exercise Price of each specific grant has been considered.

Time to Maturity: Time to Maturity / Expected Life of options is the period for which the Company expects the options to be live.

Expected divided yield: Expected dividend yield has been calculated as an average of dividend yields for five financial years preceding the date of the grant.

Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20	₹17.18

Annexure VII

Statement of Particulars of Employees as per Section 197 of The Companies Act, 2013 read with rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, and forming part of the Directors' Report for the year ended March 31, 2022:

Sr. No	Name of the Employee	Designation/ Nature of Employment	Age/ Qualification	Experience (in years)	Remuneration (₹)	Last Employment	Date of Appointment	Equity holding %
1	Mr. Maroti Jawanjar	Executive Chairman, Permanent	70, Company Secretary	32	1,05,07,100	--	01/10/1997	8.29
2	Mr. Sandeep Jawanjal	Managing Director, Permanent	38, B.Com.	16	88,46,700	--	01/08/2006	2.65
3	Mrs. Deepali Balpande	Company Secretary, Permanent	42, Company Secretary	19	20,59,450	--	09/06/2003	0.34
4	Mr. Someshwar Dhonge	Head- Collection, Permanent	35 M.Com., PGDBM	13	14,98,561	V.K Surana & Co.	01/10/2010	--
5	Mr. Sewak Bhisikar	Head Business Development, Permanent	37 MBA (HR & Finance)	12	14,82,428	Sanvijay Rolling & Engineering Limited	05/08/2013	--
6	Mr. Satish Kumar Gupta	Head- Internal Audit Permanent	40, C.A, MBA, M.Com, DISA	16	14,52,763	Cholamanda-lam Investment and Finance Company Limited	14/06/2021	--
7	Mr. Yogesh Tahalyani	Chief Financial Officer	26, C.A	4	10,59,400	Loksuvidha Finance Limited	22/03/2021	--
8	Mrs. Jyoti Jawanjar	Manager (P.R.), Permanent	64, B.A.	31	10,10,198	--	01/04/1991	2.23
9	Mr. Rajesh Hinge	State Head- CG, Permanent	39, M.A.	16	9,03,574	--	01/06/2006	--
10	Mr. Amar Helonde	Manager (IT) Permanent	41, Diploma in Industrial Electronics	20	8,65,129	Tata Consultancy Services	01/10/2020	--

Notes: i. Remuneration includes Salary and allowances.

ii. None of the above employees are related to any Director or Manager except Mr. Sandeep Jawanjal, Mrs. Jyoti Jawanjar and Mrs. Deepali Balpande who are relatives of Mr. Maroti Jawanjar (Executive Chairman).

PRAVIN DHIRAN & CO.

CHARTERED ACCOUNTANTS

"Manish-Sadan", Opp. Raman Cycle Industries, Krishna Nagar, Wardha – 442 001
Ph.: (07152) 242724 Fax : 245678 E-mail: pravin_dhiran@rediffmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members,
BERAR FINANCE LIMITED

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Berar Finance Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of matter

We draw attention to Note 51 to the financial statements in which the company has opined that due to short term nature of its loans and consideration of enhanced risk factors in its ECL model, additional management overlay is not required due to uncertainties of economic activities caused by the COVID-19 pandemic which has not yet ebbed.

Our Opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the

financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the 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 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 Financial Statements.

Key Audit Matter	Auditor's Response
(a) **Allowance for expected credit losses ('ECL'):** (as described in Note 3.6 of the Ind AS financial statements)	
As at 31 March 2022, the carrying value of loan assets measured at amortised cost, aggregated ₹ 81,933.84 lakhs (net of allowance for expected credit loss ₹ 1,264.00 lakhs) constituting approximately 79% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost; • Basis used for estimating probabilities of default ('PD'), loss given default ('LGD') and exposure at default ('EAD') at product level with past trends; • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and • Adjustments to model driven ECL results to address emerging trends. (Refer note no. 3.6 and 51 to the financial statements).	**Audit Procedures included but were not limited to the following:** • Understanding of the internal control environment related to Impairment loss allowance recognition and measurement and testing operating effectiveness of key controls • Assessing the approach of the Company regarding definition of Default, Probability of Default (PD), Loss Given Default (LGD), Exposure at Default (EAD) and incorporation of forward-looking information for the calculation of ECL. • Checking the reliability of key data inputs and related management controls. • Checking on sample basis the stage classification as at the balance sheet date as per definition of Default as per Board approved policy for ECL provisioning and RBI circulars for classification of loans as NPA issued from time to time. • Validation of ECL Model and its calculation by manual calculation of ECL provision for selected samples. • Assessing the assumptions made by the Company in making accelerated provision considering forward looking information. • For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regard along with its compliance on sample basis.

Information Other than the Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director Report, Corporate Governance Report, Report on Corporate Social Responsibility and Secretarial Audit Report but does not include the Financial Statements and our Auditor's Report thereon. These reports are expected to be made available to us after the date of this Auditor's Report.
- Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Directors Report, Management Discussion Analysis, Corporate Governance Report, Report on Corporate Social Responsibility and Secretarial Audit Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Other Matter:

i. As per paragraph 'E' of RBI Circular RBI/2021-2022/125 DOR.STR.REC.68/21.04.048/2021-22 dated 12-Nov-2021, there has been change in the manner of upgradation of loan accounts from NPA to Standard. According to the said circular, the loan account, one classified as NPA, may be upgraded to 'Standard' category only if entire arrears of interest and principal are paid by the borrower as against earlier practice of upgradation upon recovery of overdue beyond 90 days only. RBI has issued clarifications to this circular with regard to implementation of Ind-AS vide circular no. RBI/2021-2022/125 DOR.STR.REC.85/21.04.048/2021-22 dated 15-Feb-2022. As per para 2(v) of the February circular, "the circular does not, in any way, interfere with the extant guidelines on implementation of Ind-AS by NBFCs." Thus, the classification of loan accounts as Stage-1, Stage-2 and Stage-3 shall continue to be governed by Ind-AS 109. The company has made its ECL provision on the basis on Ind-AS 109 classifications depending upon days past due (DPD).

ii. Our Opinion is not modified in respect of these matters.

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 Act with respect to the preparation of these 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 Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit on the separate financial statements, 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 purpose 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

(d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;

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

(f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. **(a)** The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and

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

v. The final dividend proposed with respect to previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

2. As required by Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the said Order.

For PRAVIN DHIRAN & CO.
Chartered Accountants
FRN: 133656W

PRAVIN DHIRAN
Partner
M.No. 115580
UDIN - 22115580ANFWVV2096

Nagpur
Dated: May 30th, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls over Financial Reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of **BERAR FINANCE LIMITED** as at March 31, 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's responsibility for Internal Financial Controls

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

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 judgement, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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.

For PRAVIN DHIRAN & CO.
Chartered Accountants
FRN: 133656W

PRAVIN DHIRAN
Partner
M.No. 115580
UDIN - 22115580ANFWVV2096

Nagpur
Dated: May 30th, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

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

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The property, plant and equipment, were physically verified during the year by the Management, in accordance with a regular programme of verification which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.

(c) Based on our examination of the documents provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year. Accordingly, paragraph 3(i)(d), of the Order is not applicable.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

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

(b) As stated in note no. 18, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, by banks or financial institutions on the basis of security of loans (assets) during the year. We have observed differences/reconciliation items in the quarterly returns or statements filed by the Company with such banks or financial institutions as compared to the books of account maintained by the Company. However, we have not carried out a specific audit of such statements. The differences are primarily due to furnishing of quarterly returns to the banks by the company before giving effect to adjustments as per Ind-AS as stated in note no. 18 of the financials statements of the Company.

(iii) As explained in note no. 1 to the financial statements, the Company is a Deposit-taking Non-Banking Financial Company ('NBFC') registered with the Reserve Bank of India ('RBI') and as a part of its business activities is engaged in the business of lending across various types of loans.

During the year, in the ordinary course of its business, the Company has made investments in, provided guarantee/security to and granted loans and advances in the nature of loans, secured and unsecured, to companies, firms, limited liability partnerships and other parties. With respect to such investments, guarantees/security and loans and advances:

(a) The provisions of paragraph 3(iii)(a) of the Order are not applicable to the Company as its principal business is to give loans;

(b) In our opinion, having regard to the nature of the Company's business, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest;

(c) In respect of loans and advances in the nature of loans (together referred to as 'loan assets'), the schedule of repayment of principal and payment of interest has been stipulated. Note no. 3.6 to the financial statements explains the Company's accounting policy relating to impairment of financial assets which include loan assets. In accordance with that policy, loan assets with balance as at 31 March 2022, aggregating ₹ 1,813.56 lakhs were categorised as credit impaired ('Stage 3') and ₹ 3,049.92 lakhs were categorised as those where the credit risk has increased significantly since initial recognition ('Stage 2'). Disclosures in respect of such loans have been provided in note no. 7 to the financial statements. Out of loans and advances in the nature of loans with balances as at the year end aggregating ₹ 78,334.37 lakhs, where credit risk has not significantly increased since initial recognition (categorised as 'Stage 1'), certain delinquencies in respect of payment of principal and payment of interest were observed which were regularized or were overdue for less than 30 days. Mostly, repayment of principal and interest is regular in case of loans categorized as Stage-1. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been observed.

(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 1069.71 lakhs (out of outstanding amount of ₹ 1,813.56 lakhs). Also, unrealized interest not recognized as per RBI guidelines on such loans is Rs.1367.55 lakhs. Reasonable steps are being taken by the Company for recovery of the principal and interest.

(e) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans.

(f) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees in contravention of provisions of Section 185 of the Act. The Company has complied with the provisions of Section 186(1) of the Act; the other provisions of Section 186 of the Act are not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company being NBFC registered with RBI, provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) section 148 of the Act for the business activities carried out by the Company. Accordingly, the provision of paragraph 3(vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues –

(a) According to the records of the company, the company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax (GST), Provident Fund, Employees State Insurance, Income-tax, cess and other material statutory dues, as applicable to it, with the appropriate authorities. As explained to us, the Company does not have any dues on account of sales tax, service tax, duty of customs, duty of excise and value added tax.

There were no arrears of undisputed statutory dues as stated above, at the end of the financial year which were outstanding for more than six months from the date they become payable.

(b) The details of statutory dues referred to in sub- paragraph (a) above which have not been deposited with the concerned authorities as on 31 March 2022, on account of dispute are given below:

Name of the Statute	Nature of Disputed Dues	Amount under Dispute	Amount paid*	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income-tax	7,45,844	1,49,170	FY 2016-17 or AY 2017-18	Commissioner of Income-tax (Appeals)

* paid under protest

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion, the Company has utilized the money obtained by way of term loans from bank during the year for the purposes for which they were obtained, other than temporary parking in Cash credit account or in the form of a term deposit for a few days, pending utilization towards purpose for which the same are obtained.

(d) On the basis of the maturity profile of financial assets and financial liabilities provided in the note no. 89 to the standalone financial statements, financial liabilities maturing within the 12 months following the reporting date (i.e. 31 March 2022) are less than expected recoveries from financial assets during that period. Further, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) & (f) The Company does not have any subsidiary, associate or joint venture. As such, clauses (e) and (f) of paragraph 3(ix) of the Order are not applicable to the Company.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable. Further, in our opinion, monies raised by the Company by way of unlisted debt instruments were applied for the purposes for which those were obtained, though idle/ surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.

(b) The Company has made preferential allotment of equity shares by way of private placement during the year. The Company has complied with the relevant provisions of the Act viz. section 42 and section 62(1)(c) read with relevant rules in connection with the funds raised through preferential allotment and the same have been utilised for the purposes for which they were raised.

(xi) (a) Based on the audit procedures performed and representations obtained from the management and as disclosed in note-78 to the financial statements, we report that three instances of fraud on the company were noticed and reported by the management to Reserve Bank of India in terms of applicable regulatory provisions. Of this, two instances involving amount of Rs.28.36 lakhs were in respect of fraud committed by employees and one instance involving amount of Rs.5.77 lakhs was in respect of fraud committed by outsider (recovery agent). Out of the three cases, one was reported during the year 2021-22 and rest two were reported before the date of this report since the investigations were ongoing. The nature of fraud in all three cases was short or non-deposit of cash collected and/ or seized vehicle from customers (borrowers) of company. The company has made provision against expected loss due to such frauds. Besides, there are instances reported in Risk

Based Internal Audit Report of the company wherein cash collected from customers was deposited after prodding by internal audit team. The company has treated such instances as late deposit of cash and not classified the same as fraud citing that no loss has occurred to the company.

Further, no material fraud by the company has been noticed or reported during the course of our audit.

(b) The frauds reported in clause (a) above were individually of amount less than Rs.1 Crore and management has already reported the cases where recovery was not made to the Reserve Bank of India as per regulatory framework. As such, no report under section 143(12) of the Companies Act, 2013 has been filed in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report either by us or by secretarial auditor.

(c) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.

(xii) The Company is not a Nidhi company and hence reporting under paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements, etc., as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures in accordance with the guidance provided in SA 610 “Using the work of Internal Auditors”.

(xv) In our opinion and based on our examination of the records of the company, the company has not entered into non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (‘RBI Act’) and it has obtained the registration.

(b) The Company has conducted the non-banking financial activities with a valid Certificate of Registration (‘CoR’) from the RBI as per the RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.

(c) The Company is not a Core Investment Company (‘CIC’) and hence reporting under paragraph 3(xvi) (c) of the Order is not applicable to the Company.

(d) The Group (as defined under Master Direction DNBR.PD.008/03.10.119/2016-17 - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) to which the company belongs does not have any CIC as part of the group.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, along with details provided in Note 89 to the Financial statements which describe the maturity analysis of assets & liabilities other information accompanying the financial

statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a fund specified in schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Further as disclosed in Note 36.1 (Note-II) to the financial statements, unspent amount pertaining to FY 2021 was transferred to Prime Minister National Relief Fund in Jun-2021.

(b) There is no amount which is remaining unspent under sub section 5 of section 135 of the Act pursuant to any ongoing CSR project since there is no ongoing project.

(xxi) The Company does not have any subsidiary, associate or joint venture and is not required to prepare consolidated financial statements. As such, paragraph 3(xxi) of the Order is not applicable to the Company.

For PRAVIN DHIRAN & CO.
Chartered Accountants
FRN: 133656W

PRAVIN DHIRAN
Partner
M.No. 115580
UDIN - 22115580ANFWVV2096

Nagpur
Dated: May 30th, 2022

Financial Statements

Balance Sheet as at 31 March 2022

(₹ in Lakhs)

	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
Financial Assets			
(a) Cash and cash equivalents	5	9,507.52	9,479.25
(b) Bank Balances other than cash and cash equivalents	6	4,371.89	7,474.86
(c) Loans	7	81,933.84	65,948.35
(d) Investments	8	1,562.29	1,177.09
(e) Other Financial assets	9	3,619.80	2,550.32
Non-financial Assets			
(a) Current Tax assets (Net)	10	-	-
(b) Deferred tax assets (Net)	11	672.69	471.65
(c) Property, Plant and Equipment	12	1,794.81	1,722.16
(d) Capital Work in Progress		21.99	9.00
(e) Other Intangible assets	13	71.85	81.32
(f) Right of use assets	14	271.61	215.29
(g) Other non-financial assets	15	14.40	14.46
Total Assets		**1,03,842.69**	**89,143.75**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	16	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	16	462.55	425.34
Debt Securities	17	12,224.08	12,066.02
Borrowings (Other than Debt Securities)	18	48,064.97	48,803.49
Deposits	19	15,064.14	11,318.39
Other financial liabilities	20	1,401.56	1,420.80
Non-Financial Liabilities			
Current Tax liabilities (Net)	21	140.66	74.08
Provisions	22	360.26	209.01
Other non-financial liabilities	23	210.28	184.23
EQUITY			
Equity Share capital	24	1,233.68	1,000.78
Other Equity	25	24,680.51	13,641.61
Total Liabilities and Equity		**1,03,842.69**	**89,143.75**

The accompanying notes are an integral part of the financials statements

As per our Report of even date attached

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

Pravin Dhiran
M.No 115580

Place : Nagpur
Date: 30/05/2022

On Behalf of Board of Directors

M.G.Jawanjar
Executive Chairman
DIN: 00379916

S.M.Jawanjal
Managing Director
DIN: 01490054

Y.M. Tahalyani
Chief Financial Officer

D.R.Balpande
Company Secretary

Statement of Profit and Loss for the year ended 31 March 2022

(₹ in Lakhs)

	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
Revenue from operations			
Interest Income	26	15,888.76	12,104.33
Dividend Income	27	0.05	0.47
Fee & Commission Income	28	1,630.48	1,184.61
Net gain on fair value changes	29	8.73	88.13
Other operating Income	30	22.29	107.79
Total Revenue from operations		**17,550.31**	**13,485.33**
Other Income	31	9.59	0.86
Total Income		**17,559.90**	**13,486.19**
Expenses			
Finance Costs	32	9,021.06	6,752.88
Impairment on financial instruments	33	964.44	1,203.28
Employee Benefits Expenses	34	2,638.91	1,719.40
Depreciation, amortization and impairment	35	237.04	190.55
Other expenses	36	2,461.04	1,564.42
Total Expenses		**15,322.49**	**11,430.53**
Profit before tax		**2,237.41**	**2,055.66**
Tax Expense:			
- Current Tax	11	715.00	625.00
- Prior period income tax	11	-	-
- Deferred Tax	11	(219.56)	(107.01)
Profit for the year		**1,741.97**	**1,537.67**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(73.61)	1.33
Income tax impact		(18.53)	(0.34)
Other Comprehensive Income for the year		(92.14)	0.99
Total Comprehensive Income for the year (Comprising Profit and other comprehensive income for the year)		**1,649.83**	**1,538.66**
Earnings per equity share			
Basic (INR)		17.28	16.01
Diluted (INR)		17.18	15.91

The accompanying notes are an integral part of the financials statements

As per our Report of even date attached

On Behalf of Board of Directors

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

M.G.Jawanjar
Executive Chairman
DIN: 00379916

S.M.Jawanjal
Managing Director
DIN: 01490054

Pravin Dhiran
M.No 115580

Y.M. Tahalyani
Chief Financial Officer

D.R.Balpande
Company Secretary

Place : Nagpur
Date: 30/05/2022

Statement of Cash Flows for the year ended 31 March 2022

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities		
Profit before tax	2,237.41	2,055.66
Adjustments for:		
Depreciation and amortisation expense	237.04	190.55
ESOP expense	40.62	48.30
Provision for Defined Benefit Obligation	33.65	25.58
Finance cost	377.45	124.57
Interest Income on Security Deposit	(4.99)	3.65
Amortization impact of Processing fees and commission on Loans	-	(634.08)
Interest income on investment	(86.20)	(73.99)
Net gain on fair value changes in Investment	(2.02)	37.30
Profit on sale of investment	(6.71)	(75.85)
Gain on termination of lease	(4.33)	(0.01)
Income on Mutual Funds	0.24	-
Impairment on financial instruments	964.44	1,203.28
Profit on sale of property, plant and equipment (Net)	(0.19)	(0.14)
Operating profit before working capital changes	**3,786.41**	**2,904.82**
Changes in working capital		
Increase/ (decrease) in trade payables	37.21	184.75
Increase/ (decrease) in other financial liabilities	(83.31)	145.37
Increase/ (decrease) in provisions and other liabilities	70.04	(119.10)
(Increase)/ decrease in other financial assets	(1,070.46)	(716.26)
(Increase)/ decrease in Loans	(16,949.93)	(20,505.52)
(Increase)/ decrease in other assets	0.06	(6.03)
Cash generated from/(used in) operations	**(14,209.98)**	**(18,111.97)**
Income tax paid	(648.42)	(513.61)
Net cash used in operating activities (A)	**(14,858.40)**	**(18,625.58)**
B. Cash flow from Investing activities		
Payment for property, plant and equipment, intangible assets and Capital Work-in-progress	(191.83)	(131.84)
Change in Other Bank balances not available for Immediate use	3,102.97	(6,759.20)
Proceeds from sale of property plant and equipment	0.34	0.19
Purchase of investment	(400.42)	(331.80)
Proceeds from sale of Investments	20.55	146.11
Interest received	90.00	69.67
Net cash used in investing activities (B)	**2,621.61**	**(7,006.87)**
C. Cash flow from Financing activities		
Proceeds from Bank & Financial Institution Borrowing (Net of Repayments)	(740.79)	15,352.61
Debt Securities issued	123.80	12,165.85
Deposits taken (Net of Repayments)	3,745.75	2,630.72

Capital raised	232.90	34.12
Premium received on issue of shares	9,767.10	1,965.89
Expenses related to Issue of Shares	(318.59)	-
Dividend Paid	(100.06)	(46.51)
Repayment of lease liabilities	(139.01)	(93.88)
Net cash used generated from financing activities (C)	**12,571.10**	**32,008.80**
Net increase in cash and cash equivalents (A+B+C)	334.31	6,376.35
Cash and cash equivalents at the beginning of the year	4,280.54	(2,095.81)
Cash and cash equivalents at the end of the year	**4,614.84**	**4,280.54**

Notes:

1. Statement of Cash flows has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash flows" as specified in the Companies(Indian Accounting Standard Rules), 2015
2. Cash receipts and payments for transaction in which the turnover is quick, the amounts are large, and the maturities are short are presented on net basis in accordance with Ind AS-7 Statement of Cash Flows
3. **Cash & Cash Equivalents included in the Statement of Cash Flow includes the following**

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Balances with banks		
In current accounts	3,968.60	7,610.80
In fixed deposits (with original maturity less than 3 months)	5,495.88	1,754.60
Cash Credit from Banks	(4,892.68)	(5,198.71)
Cash in Hand	43.04	113.85
	4,614.84	**4,280.54**

The accompanying notes are an integral part of the financials statements

As per our Report of even date attached

On Behalf of Board of Directors

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

M.G.Jawanjar
Executive Chairman
DIN: 00379916

S.M.Jawanjal
Managing Director
DIN: 01490054

Pravin Dhiran
M.No 115580

Y.M. Tahalyani
Chief Financial Officer

D.R.Balpande
Company Secretary

Place : Nagpur
Date: 30/05/2022

Statement of Changes in Equity for the year ended 31 March 2022

A. Equity Share Capital

(1) Current reporting period

(₹ in Lakhs)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,000.78	-	1,000.78	232.90	1,233.68

(2) Previous reporting period

(₹ in Lakhs)

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
911.11	-	911.11	89.67	1,000.78

B. Other Equity

(1) Current reporting period

(₹ in Lakhs)

Particulars	Reserves and Surplus					
	Statutory Reserve	Securities Premium	General Reserve	Employee stock options plan	Retained Earnings	Total
Balance at the beginning of the current reporting period	**2,812.95**	**4,675.44**	**5,982.65**	**62.38**	**108.20**	**13,641.61**
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**2,812.95**	**4,675.44**	**5,982.65**	**62.38**	**108.20**	**13,641.61**
Profit for the year	-	-	-	-	1,741.97	1,741.97
Other comprehensive income for the year	-	-	-	-	(92.14)	(92.14)
Total comprehensive income for the year	**2,812.95**	**4,675.44**	**5,982.65**	**62.38**	**1,758.02**	**15,291.44**
Dividend Paid including taxes on dividend	-	-	-	-	(100.06)	(100.06)
Transfers to Statutory reserves	450.00	-	-	-	(450.00)	-
Transfers to General reserves	-	-	1,100.00	-	(1,100.00)	-
Any other change:	-	-	-	-	-	-
Premium on issue of Shares	-	9,767.09	-	-	-	**9,767.09**
Expenses related to issue of shares (Private Placement)	-	(318.60)	-	-	-	(318.60)
Share based payment expense	-	-	-	40.64	-	40.64
Balance at the end of the current reporting period	**3,262.95**	**14,123.93**	**7,082.65**	**103.02**	**107.96**	**24,680.51**

(2) Previous reporting period

(₹ in Lakhs)

Particulars	Reserves and Surplus					
	Statutory Reserve	Securities Premium	General Reserve	Employee stock options plan	Retained Earnings	Total
Balance at the beginning of the previous reporting period	**2,412.95**	**2,709.55**	**5,482.65**	**14.09**	**(483.96)**	**10,135.28**
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	**2,412.95**	**2,709.55**	**5,482.65**	**14.09**	**(483.96)**	**10,135.28**
Profit for the year	-	-	-	-	1,537.67	1,537.67
Other comprehensive income for the year	-	-	-	-	0.99	0.99
Total comprehensive income for the year	**2,412.95**	**2,709.55**	**5,482.65**	**14.09**	**1,054.70**	**11,673.94**
Dividend Paid including taxes on dividend	-	-	-	-	(46.50)	(46.50)
Transfers to Statutory reserves	400.00	-	-	-	(400.00)	-
Transfers to General reserves	-	-	500.00	-	(500.00)	-
Any other change:						
Premium on issue of Shares	-	1,965.89	-	-	-	**1,965.89**
Share based payment expense	-	-	-	48.28	-	**48.28**
Balance at the end of the previous reporting period	**2,812.95**	**4,675.44**	**5,982.65**	**62.38**	**108.20**	**13,641.61**

The accompanying notes are an integral part of the financials statements

As per our Report of even date attached

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

Pravin Dhiran
M.No 115580

Place : Nagpur
Date: 30/05/2022

On Behalf of Board of Directors

M.G.Jawanjar
Executive Chairman
DIN: 00379916

S.M.Jawanjal
Managing Director
DIN: 01490054

Y.M. Tahalyani
Chief Financial Officer

D.R.Balpande
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Corporate Information

The Company is a registered non-banking finance company engaged in the business of providing finance. The Company is registered with the Reserve Bank of India as a Non-Banking Finance Company (NBFC) with effect from 24 November 1998, with Registration No. 13.01109. The Company primarily deals in the financing of two-wheelers, used car finance,and personal loan etc. The Company is a systemically important NBFC as per Reserve Bank of India. The company was re-classified from Asset Finance Company to Investment & Credit Company (NBFC-ICC)as per RBI notification no. 097/03.10.001/2018-19 dated 22-Feb-2019. The Company is having its head office at Nagpur and currently having 101 branches as on 31 March 2022. The financial statements of the Company for the year ended March 31, 2022 were approved in accordance with the resolution of the Board of Directors on May 30, 2022.

2 Basis of Preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

2.2 Basis of preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period. Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹) in lakhs (INR in lakhs or ₹ In lakhs) which is the currency of the primary economic environment in which the Company operates (the 'functional currency'). Due to rounding off, numbers presented in the tables given may not add up precisely to the totals provided.

2.4 Use of estimates, judgements and assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are the areas that involved a higher degree of estimates and judgement or complexity in determining the carrying amount of some assets and liabilities.

i) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values.

ii) Effective interest rate ('EIR') method

The Company's EIR methodology, as explained in Note 3.1(A), recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/ expense that are integral parts of the instrument.

iii) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ('ECL') calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ('LTECL') basis.

b) Development of ECL models, including the various formulas and the choice of inputs.

c) Determination of associations between macroeconomic scenarios and economic inputs as gross domestic products, and the effect on probability of default ('PD'), exposure at default ('EAD') and loss given default ('LGD').

d) Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into ECL models.

iv) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates. For further details on provisions and other contingencies refer note 38.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

2.5 Presentation of the financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees in lakhs.

3 Significant Accounting Policies

3.1 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

A Interest and dividend income

Interest income for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) are recognised in 'Interest income' in the profit or loss account using the effective interest method (EIR).

Effective interest rate (EIR) wherever applicable in case of a financial asset is computed as the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. It is computed by consideraing all contractual terms of the financial instrument in estimating the cash flows. The cash flows are estimated using all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit impaired financial assets and financial asset classified as measured at FVTPL. Interest income on credit-impaired financial assets are treated to accrue only upon realisation, due to uncertainty involved in its realisation and are accounted accordingly.

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

B Other Financial Charges

Other Financial Charges includes fees other than those that are an integral part of EIR. Service income, bounce charges, penal charges and foreclosure charges etc. are recognised upfront in the statement of profit & loss account .

C Net gain or fair value change

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

D Other operational revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

3.2 Financial instrument - initial recognition

A Date of recognition

Debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

B Initial measurement of financial instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.3 Financial assets and liabilities

A Financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.

b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.

c) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward."

Solely payments of principal and interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial to identify whether they meet SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set. In contrast, contractual terms that introduce a more than the minimise exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to

contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortised cost ('AC')

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets measured at FVOCI

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii) Financial assets measured at FVTPL

A financial asset which is not classified in any of the above categories are measured at FVTPL.

B Financial liabilities

i) Initial recognition and measurement

Financial liabilities are classified and measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition.

ii) Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. The EIR amortization is included as finance costs in the statement of profit and loss.

3.4 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in the year ended 31 March 2022 and 31 March 2021.

3.5 Derecognition of financial assets and liabilities

i) Financial assets

A Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes.

B Derecognition of financial assets other than due to substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit and loss.

ii) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

3.6 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at FVTPL. Expected credit losses are measured through a loss allowance at an amount equal to:

i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

ii) Full lifetime expected credit losses ('LTECL') (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12 months ECL. Stage 1 loans includes those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also includes facilities where the credit risk has improved and the loan has been reclassified from stage 3.

Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time ECL.

B. Calculation of ECLs

The mechanics of ECL calculations are outlined below and the key elements are, as follows:

PD: Probability of Default ('PD') is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. For investments and balances with banks, the Company uses external ratings for determining the PD of respective instruments.

EAD: Exposure at Default ('EAD') is an estimate of the amount outstanding when the borrower defaults. It is the total amount of an asset the entity is exposed to at the time of default. It is defined based on characteristics of the asset.

LGD: Loss Given Default ('LGD') is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed. The mechanics of the ECL method are summarised below:

Stage 1: The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

C. Forward looking information

The Company use multiple economic factors and test their correlations with past loss trends witnessed. These were GDP growth rates, growth of bank credit, wholesale price index (WPI), consumer price index (CPI), industrial production index, unemployment rate, crude oil prices and policy interest rates. Based on past correlation trends, GDP growth rate was considered to be the factor with acceptable correlation with past loss trends which was in line with Management views on the drivers of portfolio trends.

3.7 Write-offs

Financial assets are written off when there are no prospects of recovery which are subject to management decision. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any recoveries made from written off assets are netted off against the amount of financial assets written off during the year under bad debts and write offs forming part of impairment on financial instruments in statement of profit and loss.

3.8 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;
- **Level 2** financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted

prices such as interest rates and yield curves, implied volatilities, and credit spreads; and market-corroborated inputs.

- **Level 3** financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

3.9 I) Recognition of other expense

A. Borrowing costs

Borrowing costs are the interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

3.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.11 Property, plant and equipment

Property, plant and equipment ('PPE') are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably.

Depreciation is calculated using the straight line method to write down the cost of property and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act. Land is not depreciated.

The estimated useful lives are, as follows:

i) Building - 60 years

ii) Office equipment - 5 years

iii) Computers - 3 years

iv) Furniture and electrical fittings - 10 years

v) Vehicles - 8 years

vi) Printers - 5 years

vii) Server - 6 years

viii) Generator - 10 years

Depreciation is provided on a pro-rata basis from the date on which such asset is ready for its intended use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

3.12 Intangible assets

The Company's intangible assets include the value of software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

The estimated useful life is as follows:

i) Computer Software - 5 years

3.13 Impairment of non financial assets - property, plant and equipments and intangible assets

The carrying values of assets / cash generating units at the each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognised in the statement of profit and loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss.

3.14 Leases

The Company as a lessee, recognises the right-of-use asset and lease liability at the lease commencement date. Initially the right-of-use asset is measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or a change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The right-of-use asset is measured by applying cost model i.e. right-of-use asset at cost less accumulated depreciation /impairment losses.

The right-of-use assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. Carrying amount of lease liability is increased by interest on lease liability and reduced by lease payments made.

Lease payments associated with following leases are recognised as expense on straight-line basis:

- Low value leases; and
- Leases which are short-term.

3.15 Retirement and other employee benefits

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / retirement. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.16 Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

B. Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognised nor disclosed in the financial statements.

3.17 Taxes

A. Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or equity.

B. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

A deferred tax asset is recognised for the carry forward of unused tax losses and accumulated depreciation to the extent that it is probable that future taxable profit will be available against which the unused tax losses and accumulated depreciation can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or equity.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

C. Goods and services tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

3.18 Earnings per share

Basic earnings per share ('EPS') is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the profit after tax (i.e. profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognised in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

3.19 Dividends on ordinary shares

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorised when it is approved by the shareholders and interim dividend is authorised when it is approved by the Board of Directors of the Company. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

3.20 Cash flow statement

Cash flows are reported using the indirect method as prescribed under Ind AS 7, whereby profit 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.

4 Standards (including amendments) issued but not yet effective

MCA notifies new standard or amendments to the existing standards. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 which is effective from April 01, 2022. On March 24, 2021, MCA through a notification, amended Schedule III of the Companies Act, 2013 effective from April 01, 2021. Amendments relating to Division III which relate to NBFCs whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015, as amended by the Companies (Indian Accounting Standards) Rules, 2016, have been complied with.

4 A Ind AS 101 - First time adoption of Ind AS

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

(i) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment, intangible assets and investment property as at March 31, 2019 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, intangible assets and investment property as on April 01, 2019.

(ii) On transition to Ind AS, the Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2019.

(iii) On transition to Ind AS, the Company has applied the impairment requirements of Ind AS 109 retrospectively. However, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date.

5 Cash and cash equivalents

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Cash on hand	43.04	113.85
Balances with banks		
In current accounts	3,968.60	7,610.80
In fixed deposits (with original maturity less than 3 months)	5,495.88	1,754.60
Total	**9,507.52**	**9,479.25**

6 Bank Balances other than cash and cash equivalents

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Fixed Deposits (Including accrued Interest)	4,120.01	7,330.28
Balances with banks to the extent held as margin money or security against the borrowings	251.18	143.04
Earmarked balances with banks (Unpaid dividend)	0.70	1.54
Total	**4,371.89**	**7,474.86**

7 Loans

(₹in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Loans measured at Amortised Cost		
i) Terms loans		
Loans (Refer Note 48)	83,197.84	67,180.56
Total (A) Gross	**83,197.84**	**67,180.56**
Less: Impairment loss allowance (Refer Note 48)	(1,264.00)	(1,232.21)
Total (A) Net	**81,933.84**	**65,948.35**

Details of loans or advances in the nature of loans granted to promoters, directors, KMPs and related parties that are repayable on demand or without specifying any terms or period of repayment as at 31 March 2022 are as follows:

(₹ in Lakhs)

Type of borrower	Amount of loan or advance in the nature of loan outstanding	% to the total loans and advances in the nature of loans
Promoter	3.64	0.004%
Director	-	-
KMPs	-	-
Related parties	-	-

Details of loans or advances in the nature of loans granted to promoters, directors, KMPs and related parties that are repayable on demand or without specifying any terms or period of repayment as at 31 March 2021 are as follows:

(₹ in Lakhs)

Type of borrower	Amount of loan or advance in the nature of loan outstanding	% to the total loans and advances in the nature of loans
Promoter	-	-
Director	-	-
KMPs	-	-
Related parties	7.04	0.01%

8 Investments

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
i) Investments measured at amortised cost (Refer Note I)		
Investments in Government Securities (Quoted)	1,442.84	1,054.52
ii) Investments measured at fair value through Profit or Loss (Refer Note II)		
Investments in Equity Instruments (Quoted)	14.78	13.45
Investments in Mutual funds (Quoted)	-	5.15
Other Investment		
A **Investment in alternative investment fund units**	104.67	103.97
Total - Gross (A)	**1,562.29**	1,177.09
(i) Investments outside India	-	-
(ii) Investments in India	1,562.29	1,177.09
Total (B)	**1,562.29**	1,177.09
Less: Allowance for Impairment loss (C)	-	-
Total - Net C= (A)-(B)	**1,562.29**	1,177.09

Details of investments -

Note I - Investments in government securities measured at amortised cost

(₹ in Lakhs)

		As At 31 March 2022	As At 31 March 2021
Investments measured at amortised cost (Quoted)			
7.80% GOI BONDS	2021	-	5.18
8.28% GOI BONDS	2027	4.85	4.82
8.03% GOI BONDS	2024	10.04	9.97
8.23% GOI BONDS	2027	6.06	6.07
8.30% GOI BONDS	2023	11.16	11.09
7.94% GOI BONDS	2021	-	10.26
8.26% GOI BONDS	2027	10.04	10.03
8.26% GOI BONDS	2027	5.08	5.08
8.83% GOI BONDS	2041	5.76	5.76
8.24% GOI BONDS	2027	5.03	5.03
8.83% GOI BONDS	2023	20.85	20.98
8.24% GOI BONDS	2027	9.97	9.95
8.35% GOI BONDS	2022	92.84	92.87
8.15% GOI BONDS	2026	92.60	92.62
8.26% GOI BONDS	2027	35.71	35.75
7.88% GOI BONDS	2030	20.00	19.99
7.16% GOI BONDS	2023	86.26	85.51
7.88% GOI BONDS	2030	36.54	36.68
7.88% GOI BONDS	2030	24.69	24.66
7.59% GOI BONDS	2029	45.29	45.49
7.88% GOI BONDS	2030	58.28	58.12
7.40% GOI BONDS	2035	9.33	9.30
7.88% GOI BONDS	2030	15.21	15.22
7.40% GOI BONDS	2035	76.75	76.82
7.73% GOI BONDS	2034	16.26	16.31
7.50% GOI BONDS	2034	12.51	12.53
7.40% GOI BONDS	2035	74.65	74.57
7.50% GOI BONDS	2034	18.23	18.28
7.40% GOI BONDS	2035	32.32	32.42
7.50% GOI BONDS	2034	24.99	25.10
6.22% GOI BONDS	2035	24.64	24.62
6.22% GOI BONDS	2035	153.44	153.44
6.22% GOI BONDS	2035	24.33	-
6.64% GOI BONDS	2035	49.96	-
6.22% GOI BONDS	2035	48.12	-
6.64% GOI BONDS	2035	141.15	-
6.83% GOI BONDS	2039	139.90	-
Total		**1,442.84**	**1,054.52**

Note II - Investments measured at Fair Value through Profit or Loss

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Investments measured at Fair Value through Profit or Loss		
i) Investments in Equity Instruments (Quoted)		
Sundaram Finance Ltd 100 (31 March 2021: 100)	1.94	2.58
Bajaj Finance Ltd. 100 (31 March 2021: 100)	7.26	5.15
HDFC LTD 100 (31 March 2021: 100)	2.39	2.50
KOTAK MAHINDRA BANK LTD 100 (31 March 2021: 100)	1.75	1.75
YES BANK LTD 1,500 (31 March 2021: 1,500)	0.19	0.24
AU SMALL FINANCE BANK LTD. 100 (31 March 2021: 100)	1.25	1.23
	14.78	**13.45**
ii) Investments in Mutual funds (Quoted)		
Sundaram Long Term Tax Advantage Fund Series III - Regular Idcw Nil (31 March 2021: 50,700 units)	-	5.15
Sundaram Short Term Debt Fund - Regular Growth Nil (31 March 2021: 6.559 units)	-	0.00
	-	**5.15**
iii) Other investments		
Investment in Alternative Investment fund		
Northern Arc Money Market Alpha Fund: 1,10,099.27 units (31 March 2021: 1,03,977.78 units)	104.67	103.98
	104.67	**103.98**
Total (i+ii+iii)	**119.45**	**122.57**

9 Other Financial assets

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Security deposits		
Premises	50.71	44.24
Others	19.19	55.83
Advances to employees	2.23	2.39
	72.13	**102.46**
Advances to dealers	2,291.76	1,803.78
Receivable from recovery agent	1,174.88	595.46
Others	148.93	48.62
Less: Impairment loss allowance	(67.90)	-
	3,547.67	**2,447.86**
Total	**3,619.80**	**2,550.32**

10 Current tax assets (net)

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Advance income tax (Net of provision for tax)	-	-
Total	**-**	**-**

11 Deferred tax assets/ (liabilities), net / tax expenses

(₹ in Lakhs)

		As At 31 March 2022	As At 31 March 2021
(A)	**Deferred tax relates to the following:**		
	Deferred tax assets		
	- on financial assets measured at amortised cost	418.98	302.49
	- on expected credit loss provision on loans	335.21	257.96
	- on lease as per Ind AS 116	5.41	3.49
	- on ESOP	6.28	3.34
	- on gratuity	58.50	33.16
	- on leave encashment	32.17	19.45
	- on Provision for bad debts	-	-
	Total Deferred tax assets (A)	**856.55**	**619.89**
	Deferred tax liabilities		
	- On difference between written down value of fixed assets as per books of accounts and income tax	28.96	26.22
	- On investments measured at FVTPL	0.49	0.01
	- On financial assets measured at amortised cost	1.76	-
	- On financial liabilities measured at amortised cost	96.19	122.01
	- ECL provision claimed	56.46	-
	Total Deferred tax liabilities (B)	**183.86**	**148.24**
	Deferred tax asset / (liability), net (A-B)	**672.69**	**471.65**

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Opening balance as of 1 April	471.65	364.98
Deferred tax assets/(liabilities) recognized in Statement of Profit and Loss	219.56	107.01
Deferred tax assets/(liabilities) recognized in OCI	(18.53)	(0.34)
Closing balance	**672.68**	**471.65**

(C) Income tax expense recognised in profit and loss

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
- Current tax	715.00	625.00
- Prior period income tax		
- Deferred tax charge / (income)	(219.56)	(107.01)
Total	**495.44**	**517.99**

(D) Income tax expense recognised in other comprehensive income

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Net loss/(gain) on remeasurements of defined benefit plans	(18.53)	(0.34)
Total	**(18.53)**	**(0.34)**

(E) Major Components of tax expense/(Income) :

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Statement of Profit and Loss:		
a) Profit & Loss Section		
i) Current Tax		
Current Tax expense for the year	715.00	625.00
Tax expense for the earlier years	-	-
	715.00	**625.00**
ii) Deferred Tax		
Tax expense on origination and reversal of temporary differences	(219.56)	(107.01)
	(219.56)	**(107.01)**
Income tax expense reported in the statement of profit or loss[(i)+(ii)]	**495.44**	**517.99**
Other Comprehensive Income (OCI) Section:		
i) Items that will not be reclassified to profit or loss in subsequent years:		
Current tax expense/(income):		
Deferred tax expense/(income):	(18.53)	(0.34)
	(18.53)	**(0.34)**
ii) Items that will be reclassified to profit or loss in subsequent years:	-	-
Income tax expenses reported in the other comprehensive income [i+ii]	**(18.53)**	**(0.34)**

(F) Reconciliation of tax charge

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended31 March 2021
Profit before tax	2,237.41	2,055.66
Income tax expense at tax rates applicable	25.17%	25.17%
Income tax expenses	**563.11**	**517.37**
Tax effects of:		
- Disallowed expense	164.66	148.21
- Excess Provision Made	59.50	11.77
- Other	-	(0.99)
- Tax at different rate	(0.14)	(17.65)
- Deductions under chapter VIA	(72.13)	(33.71)
-Adjustments related to tax of Prior Years	-	-
- Impact of Deferred Tax Adjustments	(219.56)	(105.34)
- Effect on Deferred Tax due to change in Tax Rates *	-	(1.67)
Tax expense recognised in Statement of Profit and Loss	**495.44**	**517.99**

(G) Computing Corporate Tax Rate Applicable to the Company

	Year ended 31 March 2022	Year ended 31 March 2021
Basic Tax Rate *	22%	22%
Add: Surcharge	10%	10%
Add: Cess	4%	4%
Corporate Tax Rate Applicable	**25.17%**	**25.17%**

* In the financial year ended March 31, 2021, the Taxation Laws (Amendment) Ordinance 2019, had inserted section 115BAA in the Income Tax Act, 1961, providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The Company had elected to apply the concessional tax rate and accordingly, the Company has recognized the provision for income tax for the years ended March 31 , 2022 and March 31, 2021.

12 A. Property, plant and equipment

(₹ in Lakhs)

	Gross block				Accumulated depreciation and impairment					Net block	
	As at 31 March 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2022	As at 31 March 2021	For the year	Deductions/ Adjustments	Impairment	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Owned assets											
Land-Freehold	1,181.08	-	-	1,181.08	-	-	-	-	-	1,181.08	1,181.08
Buildings	264.35	-	-	264.35	8.81	4.51	-	-	13.32	251.03	255.54
Office Equipments	91.97	28.76	1.10	119.63	32.09	18.27	0.96	-	49.40	70.23	59.88
Computers	102.98	74.78	0.20	177.56	38.23	37.64	0.20	-	75.67	101.89	64.75
Generator	14.03	-	-	14.03	0.53	1.32	-	-	1.85	12.18	13.50
Furniture & Fixtures	113.33	35.73	-	149.06	20.92	14.51	-	-	35.43	113.63	92.41
Vehicles	39.11	-	-	39.11	9.29	5.13	-	-	14.42	24.69	29.82
Printer	9.90	4.75	-	14.65	2.65	2.43	-	-	5.08	9.57	7.25
Server	3.74	6.71	-	10.45	2.75	1.44	-	-	4.19	6.26	0.99
Electrical Fitting	20.68	9.78	-	30.46	3.75	2.46	-	-	6.21	24.25	16.93
Total	**1,841.17**	**160.51**	**1.30**	**2,000.38**	**119.01**	**87.71**	**1.16**	**-**	**205.57**	**1,794.81**	**1,722.16**

(₹ in Lakhs)

	Gross block				Accumulated depreciation and impairment					Net block	
	As at 31 March 2020	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2020	For the year	Deductions/ Adjustments	Impairment	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Owned assets											
Land-Freehold	1,181.08	-	-	1,181.08	-	-	-	-	-	1,181.08	1,181.08
Buildings	264.35	-	-	264.35	4.30	4.51	-	-	8.81	255.54	260.05
Office Equipments	70.21	22.88	1.12	91.97	16.25	16.91	1.07	-	32.09	59.88	53.96
Computers	58.12	44.86	-	102.98	17.03	21.20	-	-	38.23	64.75	41.09
Generator	0.18	13.85	-	14.03	-	0.53	-	-	0.53	13.50	0.18
Furniture & Fixtures	91.54	21.79	-	113.33	9.56	11.36	-	-	20.92	92.41	81.98
Vehicles	39.11	-	-	39.11	4.16	5.13	-	-	9.29	29.82	34.95
Printer	6.14	3.76	-	9.90	1.13	1.51	-	-	2.65	7.25	5.01
Server	3.74	-	-	3.74	1.37	1.38	-	-	2.75	0.99	2.36
Electrical Fitting	20.68	-	-	20.68	1.58	2.17	-	-	3.75	16.93	19.10
Total	**1,735.15**	**107.15**	**1.12**	**1,841.17**	**55.38**	**64.70**	**1.07**	**-**	**119.01**	**1,722.16**	**1,679.77**

(a) Title deeds of all immovable properties and lease agreements for all the leased premises are held in the name of the Company.

(b) The Company has not revalued any of its property, plant and equipment during the years ended March 31, 2022 and March 31, 2021. Hence, the amount of change in gross and net carrying amount due to revaluation and impairment losses/reversals is nil.

(c) *Refer note 4A of Significant accounting policies for exemption applied during first-time adoption of Indian Accounting Standards.

B. Capital work in progress (CWIP)

CWIP ageing schedule as at 31 March 2022 (₹ in Lakhs)

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	21.99	-	-	-	21.99
Projects temporarily suspended	-	-	-	-	-

CWIP ageing schedule as at 31 March 2021 (₹ in Lakhs)

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	9.00	-	-	-	9.00
Projects temporarily suspended	-	-	-	-	-

There are no projects as on each reporting date where activity had been suspended. Also there are no projects as on the reporting date which has exceeded cost as compared to its original plan or where completion is overdue.

13 Other Intangible assets

(₹ in Lakhs)

	Gross block				Accumulated amortisation and impairment					Net block	
	As at 31 March 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2022	As at 31 March 2021	For the year	Deductions/ Adjustments	Impairment	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Computer Software	134.48	18.33	-	152.81	53.16	27.80	-	-	80.96	71.85	81.32
Total	**134.48**	**18.33**	**-**	**152.81**	**53.16**	**27.80**	**-**	**-**	**80.96**	**71.85**	**81.32**

(₹ in Lakhs)

	Gross block				Accumulated amortisation and impairment					Net block	
	As at 31 March 2020	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2021	As at 31 March 2020	For the year	Deductions/ Adjustments	Impairment	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Computer Software	118.77	15.71	-	134.48	10.14	43.02	-	-	53.16	81.32	108.63
Total	**118.77**	**15.71**	**0.00**	**134.48**	**10.14**	**43.02**	**-**	**-**	**53.16**	**81.32**	**108.63**

14 Right of use assets

(₹ in Lakhs)

	Amount
Carrying amount as at 31 March 2020	110.08
Addition	188.07
Adjustments/deletion	(0.03)
Depreciation for the year	(82.83)
Carrying amount as at 31 March 2021	**215.29**
Addition	203.53
Adjustments/deletion	(25.68)
Depreciation for the year	(121.53)
Carrying amount as at 31 March 2022	**271.61**

15 Other Non Financial Assets

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Advances to creditors for capital goods	-	0.66
Stamps in Hands	14.40	13.80
Total	**14.40**	**14.46**

16 Trade Payables

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	462.55	425.34
Total	**462.55**	**425.34**

16.1 DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company. Based on the information available with the Company, as at the year end, there are no dues to micro and small Enterprises that are reportable under the MSMED Act, 2006. The disclosures relating to Micro and Small Enterprises are as below:

	As At 31 March 2022	As At 31 March 2021
The amounts remaining unpaid to micro and small suppliers as at the end of the year:		
- Principal	-	-
- Interest	-	-
- The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-

- The amount of payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
- The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise.	-	-
Total	**-**	**-**

16.2 Trade Payables ageing

a) Trade payables ageing schedule as at 31 March 2022

(₹ in Lakhs)

Particulars	**Outstanding for following periods from due date of payment**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
1. MSME	-	-	-	-	**-**
2. Others	278.67	-	-	-	**278.67**
3. Disputed dues - MSME	-	-	-	-	**-**
4. Disputed dues - Others	-	-	-	-	**-**
5. Unbilled trade payables, if any	183.88	-	-	-	**183.88**

b) Trade payables ageing schedule as at 31 March 2021

(₹ in Lakhs)

Particulars	**Outstanding for following periods from due date of payment**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
1. MSME	-	-	-	-	**-**
2. Others	276.06	-	-	-	**276.06**
3. Disputed dues - MSME	-	-	-	-	**-**
4. Disputed dues - Others	-	-	-	-	**-**
5. Unbilled trade payables, if any	149.28	-	-	-	**149.28**

17 Debt Securities

(₹ in Lakhs)

	As At 31 March 2022	**As At 31 March 2021**
At Amortised cost :		
Secured		
Non Convertible Debentures	12,224.08	12,066.02
Total	**12,224.08**	**12,066.02**

17.1 Disclosure on Debt Securities issued on private placement basis.

Issue of secured redeemable non convertible debentures as on March 31, 2022

(₹ in Lakhs)

Particulars	Face Value per Debenture	Date of Allotment	Date of full and final Redemption	Redeemable Terms	As at 31 March 2022
13.18% Listed Non Convertible Debentures*	1.00	24-Feb-21	24-Feb-24	Redeemable at par at the end of 36 Months from the date of allotment.	1,145.63
13.91% Listed Non Convertible Debentures*	10.00	24-Mar-21	05-Feb-25	Redeemable at par at the end of 46 Months 12 days from the date of allotment.	3,399.01
12.50% Unlisted Non Convertible Debentures	10.00	22-Jun-20	22-Jun-23	Redeemable at par at the end of 36 Months from the date of allotment.	998.05
14.00% Unlisted Non Convertible Debentures	10.00	11-Sep-20	11-Sep-23	Redeemable at par at the end of 36 Months from the date of allotment.	990.56
13.75% Unlisted Non Convertible Debentures	10.00	18-Nov-20	30-Mar-23	Redeemable at par at the end of 29 Months from the date of allotment.	1,489.12
13.75% Unlisted Non Convertible Debentures	1.00	23-Dec-20	23-Dec-23	Redeemable at par at the end of 36 Months from the date of allotment.	1,486.25
13.63% Unlisted Non Convertible Debentures	10.00	17-Sep-21	31-Oct-24	Redeemable at par at the end of 38 Months from the date of allotment.	1,411.93
13.63% Unlisted Non Convertible Debentures	10.00	17-Sep-21	30-Nov-24	Redeemable at par at the end of 39 Months from the date of allotment.	1,303.53
Total					**12,224.08**

Issue of secured redeemable non convertible debentures as on March 31, 2021

(₹ in Lakhs)

Particulars	Face Value per Debenture	Date of Allotment	Date of full and final Redemption	Redeemable Terms	As at 31 March 2021
13.18% Listed Non Convertible Debentures*	1.00	24-Feb-21	24-Feb-24	Redeemable at par at the end of 36 Months from the date of allotment.	1,738.40
15.00% Listed Non- Convertible Debentures*	10.00	24-Mar-21	05-Feb-25	Redeemable at par at the end of 46 Months 12 days from the date of allotment.	3,395.42
12.50% Unlisted Non Convertible Debentures	10.00	22-Jun-20	22-Jun-23	Redeemable at par at the end of 36 Months from the date of allotment.	994.50
12.75% Unlisted Non Convertible Debentures	10.00	29-Jul-20	28-Jul-21	Redeemable at par at the end of 364 days from the date of allotment.	997.11

13.00% Unlisted Non Convertible Debentures	10.00	30-Jul-20	02-Aug-21	Redeemable at par at the end of 1 Year 3 days from the date of allotment.	999.12
14.00% Unlisted Non Convertible Debentures	10.00	11-Sep-20	11-Sep-23	Redeemable at par at the end of 36 Months from the date of allotment.	984.87
13.75% Unlisted Non Convertible Debentures	10.00	18-Nov-20	30-Mar-23	Redeemable at par at the end of 29 Months from the date of allotment.	1,480.21
13.75% Unlisted Non Convertible Debentures	1.00	23-Dec-20	23-Dec-23	Redeemable at par at the end of 36 Months from the date of allotment.	1,476.39
Total					**12,066.02**

Nature of Security:

The Secured Non - Convertible Debentures are secured by Hypothecation of specific Loan receivables with a cover as per the terms of issue. It is further secured by personal guarantees of Mr. M.G.Jawanjar and Mr. S.M.Jawanjal.

* The NCDs are listed on BSE Ltd.

Secured redeemable non convertible debentures:

During the year, the Company has raised ₹ 2,500 lakhs issue of NCD's (31 March 2021: ₹ 12,200 lakhs). The Company has utilised ₹ 2,500 lakhs (31 March 2021: ₹ 7,000 lakhs) for the purpose of onward lending, financing, refinancing the existing indebtedness of the Company (payment of interest and/or repayment/ prepayment of principal of borrowings) and general corporate purpose. Total unutilised balance amount of ₹ Nil (31 March 2021: ₹ 5,200 lakhs) is in form of Fixed Deposits with Banks.

18 Borrowings (Other than Debt Securities)

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
At Amortised cost :		
a) Term loans		
i) Secured		
Term Loan from Banks	18,522.89	18,237.40
Term Loan from Financial Institutions	23,413.67	25,211.31
Associated liabilities in respect of securitization transactions	1,235.73	156.07
b) Loans repayable on demand		
i) Secured		
Cash Credit from Banks	4,892.68	5,198.71
Total	**48,064.97**	**48,803.49**

18A Disclosure for Borrowings

Term loans from bank as on March 31, 2022 : Secured **(₹ in Lakhs)**

Repayment Term	Tenure	Interest Range	As at 31 March 2022	As at 31 March 2021
Monthly	Upto 5 Years	10.01%-11.00%	652.02	975.47
Monthly	Upto 5 Years	11.01%-12.00%	7,300.35	4,570.76
Monthly	Upto 5 Years	12.01%-13.00%	4,998.22	1,211.29
Monthly	Upto 5 Years	13.01%-14.00%	4,380.45	9,448.87
Monthly	Above 5 Years	12.01%-13.00%	1,191.85	2,031.01
Total			**18,522.89**	**18,237.40**

Details of Securities Given

Term loan from banks are secured by first charge on specific receivables under Hypothecation Agreements. It is further secured by personal guarantees of Mr. M.G.Jawanjar and Mr. S.M.Jawanjal.

Term Loan taken from SBI is secured by equitable mortgage of Office premises situated at 1st & 2nd Floor at Avinisha Tower, Dhantoli, Nagpur.

Term loans from Financial Institutions as on March 31, 2022 : Secured **(₹ in Lakhs)**

Repayment Term	Tenure	Interest Range	As at 31 March 2022	As at 31 March 2021
Monthly	Upto 5 Years	10.01%-11.00%	1,348.00	-
Monthly	Upto 5 Years	11.01%-12.00%	2,806.14	3,946.25
Monthly	Upto 5 Years	12.01%-13.00%	5,127.56	2,533.49
Monthly	Upto 5 Years	13.01%-14.00%	14,131.97	18,324.68
Quarterly	Upto 5 Years	12.01%-13.00%	-	406.89
Total			**23,413.67**	**25,211.31**

Details of Securities Given

Term loan from financial institutions is secured by first charge on specific receivables under Hypothecation Agreements other than those hypothecated to banks. It is further secured by personal guarantees of Mr. M.G.Jawanjar and Mr. S.M.Jawanjal.

Loan repayable on demand from bank : Secured

(₹ in Lakhs)

Repayment Term	Tenure	Interest Range	As at 31 March 2022	As at 31 March 2021
Bank overdraft/Cash Credit	Bullet	11.01%-12.00%	4,892.68	5,198.71
Total			**4,892.68**	**5,198.71**

Details of Securities Given

Loan repayable on demand from bank is secured by:

- First charge on Hypothecation loan receivables present and future, ranking pari passu, excluding assets which are specifically charged to others lenders.
- Equitable mortgage of Office premises situated at Amravati, Akola, Chandrapur, Chhindwara, Raipur and Nagpur office 3rd Floor.

- Hypothecation of furniture/Fixture/Computers/Equipments in the above office premises.
- Personal guarantees of Mr. M.G.Jawanjar, Mrs Jyoti Jawanjar and Mr. S.M.Jawanjal.

The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed. The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. Quarterly Returns or Statements of current assets filed by the Company with Banks or Financial Institutions are prima facie in agreement with the Books of Accounts prepared before giving the effect for adjustments made pursuant to Ind-AS.

19 Deposits

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
At Amortised cost :		
Deposits (Unsecured)		
- Public deposits	14,990.24	11,249.22
- Inter corporate deposits	73.90	69.17
Total	**15,064.14**	**11,318.39**

19.1 Maturity profile of public deposit (Including unclaimed deposit) and Rate of interest of Deposit (Fixed Deposits) are as set out below:

(₹ in Lakhs)

Rate of Interest	As at 31 March 2022		
	Upto 1 Year	1-3 Years	Total
8.50%	753.84	-	753.84
8.75%	941.66	168.09	1,109.75
9.00%	842.93	675.31	1,518.24
9.25%	1,586.39	519.67	2,106.06
9.50%	1,298.42	2,590.70	3,889.12
9.75%	796.57	2,012.79	2,809.36
10.00%	1,388.69	916.16	2,304.85
10.50%	-	914.58	914.58
Total	**7,608.50**	**7,797.30**	**15,405.80**

(₹ in Lakhs)

Rate of Interest	As at 31 March 2021		
	Upto 1 Year	1-3 Years	Total
9.00%	1,566.62	-	1,566.62
9.25%	2,138.06	218.45	2,356.51
9.50%	719.59	1,929.43	2,649.02
9.75%	594.60	2,140.82	2,735.42
10.00%	432.26	1,308.13	1,740.39
10.50%	-	860.81	860.81
Total	**5,451.13**	**6,457.64**	**11,908.77**

20 Other Financial liabilities

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Employee benefits payable	299.82	207.53
Unclaimed Dividend	1.19	1.54
Other expenses payable	41.26	43.52
Security deposits	330.49	256.08
Unclaimed matured deposits (Refer note 19.1)	415.56	659.55
Lease liability (Refer note 20.1	285.96	221.89
Other credit balances	27.28	30.69
Total	**1,401.56**	**1,420.80**

20.1 Movement of lease liabilities

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Opening Balance	221.89	111.97
Additions	199.28	183.15
Interest expenses	34.90	20.64
Payments	(139.01)	(93.87)
Deletions	(31.10)	-
Total	**285.96**	**221.89**

21 Current tax liabilities (net)

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Current income tax payable for 31 March 2022, net of advance tax of INR 503.29 lakhs and TDS receivable of INR 31.18 lakhs (31 March 2021: net of advance tax INR 500 lakhs and TDS receivable INR 50.91 lakhs)	140.66	74.08
Total	**140.66**	**74.08**

22 Provisions

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Provision for employee benefits		
Provision for gratuity (Refer Note 40)	232.45	131.75
Provision for compensated absences (Refer Note 40)	127.81	77.26
Total	**360.26**	**209.01**

23 Other Non Financial liabilities

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Statutory dues payable	210.28	184.23
Total	**210.28**	**184.23**

24 Equity share capital

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Authorized		
1,45,00,000 (31 March 2021: 1,25,00,000) Equity shares of INR 10/- each.	1,450.00	1,250.00
5,00,000 (31 March 2021: 25,00,000) 0.1% Cumulative Compulsorily Convertible Participating Preference shares of INR 10/- each.	50.00	250.00
	1,500.00	**1,500.00**
Issued, Subscribed and Paid up		
1,23,36,846 (31 March 2021: 1,00,07,798) Equity shares of INR 10/- each.	1,233.68	1,000.78
Total	**1,233.68**	**1,000.78**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

(₹ in Lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	100.08	1,000.78	91.11	911.11
Add: Issued during the year - Private Placement	23.29	232.90	5.72	57.14
Add: On account of conversion of 0.1% Cumulative Compulsorily Convertible Participating Preference shares	-	-	3.25	32.53
Outstanding at the end of the year	**123.37**	**1,233.68**	**100.08**	**1,000.78**

(b) Reconciliation of 0.1% Cumulative Compulsorily Convertible Participating Preference shares outstanding at the beginning and at the end of the year

(₹ in Lakhs)

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	-	-	5.56	55.56
Add: Issued during the year - Private Placement	-	-	-	-
Add: Preference shares issued during the year through Private Placement	-	-	3.81	38.10
Less: Preference shares converted into equity shares during the year	-	-	(9.37)	(93.66)
Outstanding at the end of the year	**-**	**-**	**-**	**-**

On March 21, 2022, the Company alloted fully paid up 23,29,048 equity shares of face value of ₹10/- each in the preferential issue through private placement basis at an issue price of ₹429.36/- per shares (including premium of ₹419.36/- per equity shares).

On October 27, 2020, the Company had allotted fully paid up 5,71,428 Equity Shares and 3,80,953 0.1% Cumulative Compulsorily Convertible Participating Preference Shares (""CCPS"") of face value of ₹10/- each to the eligible equity shareholders at an issue price of ₹210/- per shares (including premium of ₹200/- per equity shares and CCPS) in the preference issue.

(c) Rights, preferences and restrictions attached to shares

The Company has only one class of paid up share capital i.e equity share having a face value of INR 10 each. Each holder of equity shares is entitled to one vote per share.

In accordance with the Investor Agreement, on 30 March 2021, 5,55,556 Tranche 1 Series A CCPS of INR 10/- each were converted into 1,89,942 equity shares of INR 10/- each at a premium of INR 516.47 per share and 3,80,953 Tranche 2 Series A CCPS of INR 10/- each were converted into 1,35,317 equity shares of INR 10/- each at a premium of INR 581.20 per share.

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% Holding	Number of shares	% Holding
i) M/s Avino Capcons Pvt Ltd	14.88	12.06%	14.88	14.87%
ii) Mr.Maroti Jawanjar	10.23	8.29%	10.21	10.20%
iii) Mr.Maroti Jawanjar (HUF)	8.69	7.04%	8.69	8.68%
iv) Amicus Capital Private Equity I LLP	21.28	17.25%	18.10	18.08%
v) Maj Invest Financial Inclusion Fund III K/S	19.80	16.05%	-	0.00%
Total	**74.88**	**60.69%**	**51.88**	**51.83%**

(e) Shareholding of Promoters

Name of the Promoter	As at 31 March 2022		As at 31 March 2021		% Change during the year
	Number of shares	% Holding	Number of shares	% Holding	
Maroti Jawanjar	10.23	8.29%	10.21	10.20%	-1.91%
Sandeep Jawanjal	3.26	2.64%	3.23	3.22%	-0.58%
Maroti Jawanjar (HUF)	8.69	7.04%	8.69	8.68%	-1.64%
Jyoti Jawanjar	2.74	2.22%	2.74	2.74%	-0.52%
Avino Capcons Pvt Ltd	14.88	12.07%	14.88	14.87%	-2.80%
Bakul Jawanjal	1.01	0.82%	1.01	1.01%	-0.19%
Radhemohan Jawanjal	0.01	0.01%	0.01	0.01%	0.00%
Sandeep Jawanjal(HUF)	1.18	0.96%	1.18	1.18%	-0.22%

25 Other equity

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Retained earnings	107.96	108.19
General Reserve	7,082.65	5,982.65
Securities Premium	14,123.93	4,675.44
Employee stock options plan	103.02	62.38
Statutory Reserve	3,262.95	2,812.95
Total	**24,680.51**	**13,641.61**

(A) Retained earnings

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Opening balance	108.19	(483.97)
Add: Net profit for the year	1,741.97	1,537.67
Add/(Less): Other comprehensive income	(92.14)	0.99
Appropriations:		
Less: Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934	(450.00)	(400.00)
Less: Dividend Paid including taxes on dividend		
Dividend Paid during the year	(100.06)	(46.50)
Dividend Distribution Tax	-	-
Less: Transfer to General Reserve	(1,100.00)	(500.00)
Closing balance	**107.96**	**108.19**

(B) General Reserve

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Opening balance	5,982.65	5,482.65
Add: Transferred during the year	1,100.00	500.00
Closing balance	**7,082.65**	**5,982.65**

(C) Securities Premium

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Opening balance	4,675.44	2,709.55
Add: Premium on issue of Equity Shares	9,767.10	1,965.89
Less: Expenses related to Issue of Shares (Private Placement)	(318.60)	
Closing balance	**14,123.94**	**4,675.44**

(D) Share option outstanding

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Opening balance	62.38	14.09
Add: Share based payment expense	40.64	48.29
Closing balance	**103.02**	**62.38**

(E) Statutory Reserve

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Opening balance	2,812.95	2,412.95
Add: Transferred during the year	450.00	400.00
Closing balance	**3,262.95**	**2,812.95**

Description of the nature and purpose of Other Equity :

(A) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders. It also includes actuarial gains and losses on defined benefit plans recognised in other comprehensive income (net of taxes).

(B) **General Reserve:** General reserve is created through annual transfer of profits at a specified percentage in accordance with applicable regulations under the erstwhile Companies Act, 1956.

(C) **Securities premium:** Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

(D) **Employee stock options plan:** Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees of the Group.

(E) **Statutory Reserve:** Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilised only for limited purposes as specified by RBI from time to time and every such utilisation shall be reported to the RBI within specified period of time from the date of such utilisation.

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

26 Interest Income

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Interest income on financial assets measured at amortised cost:		
- Interest on loans	15,558.93	11,856.94
- Interest on fixed deposits with banks	238.64	169.75
- Interest income from investments;	86.20	73.99
- Interest on security deposits	4.99	3.65
Total	**15,888.76**	**12,104.33**

27 Dividend Income

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Dividend received	0.05	0.47
Total	**0.05**	**0.47**

28 Fee & Commission Income

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Fee & Commission Income	1,630.48	1,184.61
Total	**1,630.48**	**1,184.61**

29 Net gain/ (loss) on fair value changes*

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Net gain/ (loss) on financial instruments designated at fair value through profit or loss	8.73	88.13
Total Net gain/(loss) on fair value changes (A)	**8.73**	**88.13**
Fair Value changes:		
-Realised	6.71	75.85
-Unrealised	2.02	12.28
Total Net gain/(loss) on fair value changes (B) to tally with (A)	**8.73**	**88.13**

*Fair value changes in this schedule are other than those arising on account of interest income/expense.

30 Other operating Income

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Securitisation fees	22.29	107.79
Total	**22.29**	**107.79**

31 Other Income

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Profit on sale of assets	0.19	0.14
Gain on derecognition of leased asset	0.05	-
Gain on termination of lease	5.80	-
Miscellaneous income	3.55	0.72
Total	**9.59**	**0.86**

32 Finance Costs

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
On Financial liabilities measured at Amortised Cost		
Interest on deposits	1,293.95	965.69
Interest on borrowings	6,034.71	5,072.05
Interest on debt securities	1,558.16	589.48
Interest on lease liabilities	34.89	20.64
Bank charges	99.35	105.02
Total	**9,021.06**	**6,752.88**

33 Impairment on financial instruments

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Financial assets measured at amortised cost		
Loans	964.44	1,203.28
Total	**964.44**	**1,203.28**

34 Employee Benefits Expenses

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	2,215.51	1,425.32
Contribution to provident and other funds	143.83	78.97
Gratuity expenses (Refer Note 40)	33.65	25.58
Compensated absences expenses	68.07	20.27
Staff welfare expenses	18.58	29.96
Share based payment to employees	40.62	48.30
Commission to Managerial persons	118.65	91.00
Total	**2,638.91**	**1,719.40**

35 Depreciation and amortization expense

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property plant & equipments	87.71	64.70
Depreciation on right to use assets	121.53	82.83
Amortization of intangible assets	27.80	43.02
Total	**237.04**	**190.55**

36 Other expenses

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Rent expenses	80.33	51.06
Rates and taxes	4.68	5.91
Goods & Service Tax	468.95	211.88
Conveyance & Travelling	176.66	85.79
Directors sitting fees	2.72	2.24
Legal and Professional charges	214.35	158.92
Advertisement Expenses	23.24	19.77
Marketing Commission	795.98	599.91
Courier & Postage Charges	77.85	47.44
Computer Charges	124.70	48.58
Electricity expenses	44.09	30.68
Office Car Expenses	0.77	0.67
Printing & Stationery	107.77	78.33
Telecom Charges	76.29	55.85
Office Expenses	114.47	60.67
Office Building Maintenances	5.27	4.79
Statutory Auditors remuneration (Note I)	2.90	2.90
CSR Contribution (Note II)	51.18	41.11
Misc Expenses	88.84	57.92
Total	**2,461.04**	**1,564.42**

Note I – Payments to Auditors

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Statutory audit fees	2.00	2.00
Taxation matters	0.75	0.75
Other Attest Services	0.15	0.15
Total	**2.90**	**2.90**

Note II - Corporate Social Responsibility (CSR) :

As per Section 135 of the Companies Act,2013, a CSR Committee has been formed by the Company. The Company has made CSR expenditure for activities specified in Schedule VII of the Companies Act, 2013. As per section 135 (5) of the Companies Act, 2013, the Company was required to spend, in every financial year, at least two per cent of the average net profit of the company made during three immediately preceding financial years in pursuance of its Corporate Social Responsibility. The details are as follows:

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Amount required to be spent by the Company during the year	46.85	41.96
Amount of expenditure incurred	50.18	41.11
Shortfall at the end of the year*	-	0.85

The breakup of expenditure incurred on Corporate Social Responsibility activities:

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above	50.18	41.11
- Paid in cash	50.18	41.11
- Yet to be paid in cash	-	-
Total	**50.18**	**41.11**

*There was a shortfall of Nil (31 March 2021: INR 84,823) required to be paid by the Company as per section 135(5) of the Act. In computation of eligible profit of CSR calculation for financial year 2020-21, certain allowances were not noticed and hence not included in the initial calculation of eligible profit for CSR calculation. Accordingly, the Company transferred INR 1 lakh on 21 June 2021 to the Prime Minister's National Relief Fund as specified in Schedule VII of Companies Act, 2013 to comply with provisions of second provison to Sec 135 (5) of the Companies Act, 2013.

CSR activities include promoting health care, undertaking livelihood enhancement projects, promoting education, including special education, eradicating hunger, poverty and malnutrition which are specified under Schedule VII of Companies Act, 2013. The Company has neither made any CSR Contributions towards its related parties nor recorded any provision for CSR expenditure during the financial years ended 31 March 2022 and 31 March 2021.

37 Earnings per share

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Profit / (loss) attributable to ordinary equity holders	1,741.97	1,537.67
Less: Dividend attributable to preference shareholders (including tax thereon, if any)	-	-
Profit / (loss) attributable to ordinary equity holders	1,741.97	1,537.67
Weighted average number of equity shares for basic EPS	100.79	96.03
Weighted average number of equity shares for diluted EPS	101.41	96.65
Face Value per share	-	-
Basic earnings/(loss) per share (INR)	17.28	16.01
Diluted earnings/(loss) per share (INR)	17.18	15.91

38 Contingent liabilities

The Company is contesting the demand to the tune of ₹ 7.46 lakhs (31 March 2021: ₹ 7.46 lakhs) in respect of income tax matter relating to Assessment Year 2017-18 before the Commissioner of Income Tax (Appeals). Based on interpretation of the relevant provisions of the Income Tax Act, the company has been legally advised that the impugned demand is likely to be deleted and accordingly no provision is considered necessary.

39 Capital Commitments

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-

40 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Contribution to Provident, ESIC and labour welfare fund (Refer Note 34)	143.83	78.97
Total	**143.83**	78.97

(B) Defined benefit plans

a) Gratuity payable to employees

The Company's liabilities under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each reporting period using the projected unit credit method.

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

The defined benefit plans expose the Company to risks such as actuarial risk, liquidity risk, market risk, legislative risk. These are discussed as follows:

Basis of Assumptions

Calculating Defined benefit obligation, by using Projected Unit Credit Method, requires an actuary to make a lot of assumptions, based on current market scenarios. The basis of different assumptions used while calculating the defined benefit obligation is as follows :-

Discount rate

Discount rate has been determined by reference to market yields on Government bonds of term consistent with estimated term of obligations.

Mortality/ disability

If the actual mortality rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Employee turnover/withdrawal rate

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase / decrease in the liability.

Salary escalation rate

More or less than expected increase in the future salary levels may result in increase / decrease in the liability.

i) Principal assumptions used for the purposes of the actuarial valuations

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Economic Assumptions		
Discount rate (per annum)	7.10%	6.75%
Salary Escalation rate	6.00%	6.00%
Demographic Assumptions		
Mortality	Indian Assured Lives Ultimate Mortality Rates (2012-14) (IALM 2012-14)	Indian Assured Lives Ultimate Mortality Rates (2012-14) (IALM 2012-14)
Employee turnover/Withdrawal rate	1% at all ages	1% at all ages
Retirement age	58 Years	58 Years

ii) Amount recognized in the Balance Sheet:

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Present value of unfunded obligation as at the end of the year	232.45	131.75
Net liability recognized in Balance Sheet (Refer Note 22)	**232.45**	**131.75**
Current obligation	54.58	42.10
Non-current obligation	**177.87**	**89.65**

iii) Changes in the present value of defined benefit obligation

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Present value of obligation at the beginning of the year	131.75	111.24
Interest cost	8.89	7.51
Current service cost	24.77	18.07
Past service cost	-	-
Benefits paid	(6.57)	(3.74)
Actuarial (gain)/ loss on obligations - Due to change in Financial Assumptions	(11.53)	-
Actuarial (gain)/ loss on obligations - Due to experience adjustments	85.14	(1.33)
Present value of obligation at the end of the year	**232.45**	**131.75**

iv) Expense recognized in the Statement of Profit and Loss

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	24.77	18.07
Net Interest cost	8.89	7.51
Past service cost	-	-
Total expenses recognized in the Statement Profit and Loss (Refer Note 34)	**33.66**	**25.58**

v) Expense recognized in Other comprehensive income

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Remeasurements due to-		
- Effect of change in financial assumptions	(11.53)	-
- Effect of experience adjustments	85.14	(1.33)
Net actuarial (gains) / losses recognised in OCI	**73.61**	**(1.33)**

vi) A quantitative sensitivity analysis for significant assumption is shown below:

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Discount rate		
1% increase	(203.86)	(14.66)
1% decrease	267.86	18.19
Salary Escalation rate		
1% increase	267.89	18.14
1% decrease	(203.35)	(14.88)

vii) Maturity profile of defined benefit obligation

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Within next 12 months	54.58	40.92
Between 2 and 5 years	13.18	5.24
Between 6 and 10 years	22.10	10.71
Beyond 10 years	692.58	330.97
Total expected payments	**782.44**	**387.84**

41 Leases

The Company has taken office premises at certain locations on lease. The agreements are executed for a period ranging from 10 months to 60 months.

The changes in the carrying value of right of use assets for the years ended 31 March 2022 and 31 March 2021 has been disclosed in Note 14.

The aggregate depreciation expense on right of use assets is included under depreciation and amortisation expense in the statement of Profit and Loss (Refer Note 35).

The movement in lease liabilities has been disclosed in Note 20.1

The below table provides the details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Less than one year	106.69	62.67
More than one year	179.27	159.22
Total	**285.96**	221.89

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Short term leases:

Rental expense incurred and paid for short term leases during the year was ₹ 80.33 lakhs (31 March 2021: ₹ 51.06 lakhs).

42 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

(a) Enterprises over which Key Management Personnel are able to exercise significant influence

1) Avino Capcons Private Ltd.
2) M.G.Jawanjar (HUF)
3) S.M.Jawanjal (HUF)

(b) Key Management Personnel

1) M.G.Jawanjar
2) S.M. Jawanjal
3) D.R. Balpande
4) Shantaram Mahakalkar
5) Dattatraya Dalal
6) Ashok Kachore
7) Vishwas Pathak
8) Atul Sarda
9) Rashmi Mitkary
10) Avishek Addy
11) Harishchandra Sukhdeve
12) Siva Vadivel Alagan
13) Y.M. Tahalyani

(c) Relatives of Key Management Personnel

1) Jyoti Jawanjar

2) Ravindra Balpande

3) Vaishali Charde

4) Bakul Jawanjal

5) Arjun Jawanjal

6) Radhemohan Jawanjal

7) Purushottam Mahakalkar

8) Mansaram Mahakalkar

9) Aadya Dalal

10) Girish Dalal

11) Sayali Pimple Dalal

12) Prathamesh Dalal

13) Suhasini Dalal

14) Roshani Tupkari

15) Meenakshi Kachore

16) Narendra Kachore

17) Pritam Kachore

18) Ravindra Kachore

19) Rekha Kachore

20) Meena Tiple

21) Priti Padole

22) Anuradha Pathak

23) Viveknand Pathak

24) Wasudha Pathak

25) Meena Pidadi

26) Hemant Charde

27) Samruddhi Charde

28) Mangala Mahakalkar

(B) Details of transactions with related parties in the ordinary course of business for the year ended:

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
I) Key Management Personnel		
Remuneration*		
M.G. Jawanjar	109.21	86.65
S.M. Jawanjal	85.91	72.81
D.R. Balpande	23.49	15.87
Y.M. Tahalyani	10.59	-
Interest on Deposit		
M.G. Jawanjar	2.16	2.19
S.M. Jawanjal	7.14	5.61
D.R. Balpande	1.49	1.12
Ashok Kachore	8.04	7.23
Vishwas Pathak	1.97	1.73
Rashmi Mitkary	0.13	0.12
Deposit Repaid		
M.G. Jawanjar	11.09	11.63
S.M. Jawanjal	46.37	7.95
D.R. Balpande	5.17	11.31
Dattatraya Dalal	-	23.00
Ashok Kachore	49.08	39.19
Vishwas Pathak	4.78	18.14
Rashmi Mitkary	0.71	0.63
Loans Granted		
S.M. Jawanjal	7.21	16.10
D.R. Balpande	-	2.79
Equity Dividend		
M.G. Jawanjar	10.21	5.11
S.M. Jawanjal	3.23	1.61
D.R. Balpande	0.42	0.21
Shantaram Mahakalkar	0.30	0.15
Dattatraya Dalal	1.14	0.57
Ashok Kachore	0.24	0.12
Vishwas Pathak	0.28	0.14

Interest on Loans		
S.M. Jawanjal	0.12	0.59
D.R. Balpande	-	0.02
Repayment of Loans		
S.M. Jawanjal	3.70	30.39
D.R. Balpande	-	2.81
Deposits Accepted		
M.G. Jawanjar	11.00	20.00
S.M. Jawanjal	39.08	25.50
D.R. Balpande	13.50	9.59
Dattatraya Dalal	9.00	53.50
Ashok Kachore	69.70	49.93
Vishwas Pathak	4.58	18.00
Rashmi Mitkary	0.70	0.62
II) Relatives of Key Management Personnel		
Remuneration		
Jyoti Jawanjar	13.00	10.70
Interest on Deposit		
Jyoti Jawanjar	1.35	0.63
Ravindra Balpande	0.37	0.15
Vaishali Charde	5.05	2.51
Hemant Charde	1.29	0.85
Samruddhi Charde	0.02	-
Bakul Jawanjal	2.15	1.61
Arjun Jawanjal	0.15	0.13
Radhemohan Jawanjal	0.29	0.24
Purushottam Mahakalkar	0.77	0.42
Mansaram Mahakalkar	0.49	0.49
Dattatraya Dalal	6.37	3.59
Aadya Dalal	0.27	0.19
Girish Dalal	1.35	1.20
Sayali Pimple Dalal	0.47	0.43
Prathamesh Dalal	2.22	1.89
Suhasini Dalal	6.92	0.49
Roshani Tupkari	0.86	0.66
Meenakshi Kachore	1.78	0.81

Narendra Kachore	1.35	2.10
Pritam Kachore	0.40	0.85
Ravindra Kachore	1.39	1.22
Rekha Kachore	5.95	5.53
Meena Tiple	-	0.06
Priti Padole	0.61	0.04
Anuradha Pathak	0.27	0.24
Viveknand Pathak	0.02	0.02
Wasudha Pathak	0.02	0.01
Meena Pidadi	1.22	1.09
Mangala Mahakalkar	0.35	-
Deposit Repaid		
Jyoti Jawanjar	0.13	0.05
Ravindra Balpande	0.04	0.99
Vaishali Charde	30.93	17.19
Hemant Charde	0.13	7.48
Bakul Jawanjal	6.00	10.50
Arjun Jawanjal	1.32	0.01
Radhemohan Jawanjal	0.03	0.81
Purushottam Mahakalkar	6.22	5.83
Aadya Dalal	0.67	1.16
Girish Dalal	-	12.67
Sayali Pimple Dalal	2.75	1.30
Prathamesh Dalal	0.22	15.71
Suhasini Dalal	20.17	42.19
Roshani Tupkari	-	6.64
Meenakshi Kachore	1.72	4.94
Narendra Kachore	24.39	20.41
Pritam Kachore	4.12	5.62
Ravindra Kachore	13.00	0.10
Rekha Kachore	41.38	21.54
Meena Tiple	-	1.38
Priti Padole	0.06	0.00
Anuradha Pathak	0.25	2.71
Viveknand Pathak	0.23	-
Wasudha Pathak	-	0.17
Meena Pidadi	12.64	3.26
Mangala Mahakalkar	0.04	-

Loans Granted		
Ravindra Kachore	-	7.00
Meena Tiple	-	0.20
Equity Dividend		
Jyoti Jawanjar	2.75	1.37
Ravindra Balpande	0.03	0.02
Vaishali Charde	0.27	0.13
Hemant Charde	0.08	0.04
Samruddhi Charde	0.04	0.02
Bakul Jawanjal	1.01	0.51
Radhemohan Jawanjal	0.01	0.01
Purushottam Mahakalkar	0.03	0.02
Mansaram Mahakalkar	0.14	0.07
Roshani Tupkari	0.07	0.04
Narendra Kachore	1.98	0.99
Ravindra Kachore	2.33	1.17
Meena Pidadi	0.02	0.01
Mangala Mahakalkar	0.14	0.07
Interest on Loans		
Ravindra Kachore	0.34	0.04
Meena Tiple	-	0.00
Repayment of Loans Granted		
Meena Tiple	-	0.20
Ravindra Kachore	7.38	-
Deposits Accepted		
Jyoti Jawanjar	10.00	11.00
Ravindra Balpande	2.25	2.50
Vaishali Charde	58.13	37.98
Hemant Charde	6.50	8.00
Samruddhi Charde	0.50	-
Bakul Jawanjal	10.71	14.00
Arjun Jawanjal	1.30	-
Radhemohan Jawanjal	-	1.29
Purushottam Mahakalkar	6.22	5.83
Aadya Dalal	1.45	1.65
Girish Dalal	-	12.67
Sayali Pimple Dalal	2.75	1.30
Prathamesh Dalal	3.50	16.06

Suhasini Dalal	22.89	47.19
Roshani Tupkari	-	8.04
Meenakshi Kachore	1.55	15.92
Narendra Kachore	37.93	20.24
Pritam Kachore	4.08	-
Ravindra Kachore	10.48	3.00
Rekha Kachore	40.78	21.09
Meena Tiple	-	13.88
Priti Padole	-	6.00
Anuradha Pathak	0.25	2.71
Viveknand Pathak	0.23	-
Wasudha Pathak	-	0.17
Meena Pidadi	12.43	3.87
Mangala Mahakalkar	20.00	-
III) Enterprises on which Relative of Key Managerial Personnel can exercise significant influence		
Interest on Deposit		
M.G. Jawanjar (HUF)	1.09	0.41
S.M. Jawanjal (HUF)	0.47	0.36
Deposit Repayment		
M.G. Jawanjar (HUF)	0.11	0.03
S.M. Jawanjal (HUF)	0.05	1.65
Equity Dividend		
Avino Capcons Private Ltd.	14.88	7.44
M.G. Jawanjar (HUF)	8.69	4.34
S.M. Jawanjal (HUF)	1.18	0.59
Interest on Loan		
Avino Capcons Private Ltd.	-	0.53
Repayment of Loans Granted		
Avino Capcons Private Ltd.	-	23.95
Deposit Accepted		
M.G. Jawanjar (HUF)	10.00	8.00
S.M. Jawanjal (HUF)	1.00	2.12

(C) Amount due to/from related parties

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
I) Key Management Personnel		
Amount receivable for Loans Granted		
S.M. Jawanjal	3.64	-
Amount payable for Deposits Accepted		
M.G. Jawanjar	23.09	21.02
S.M. Jawanjal	75.02	75.17
D.R. Balpande	18.95	9.14
Dattatraya Dalal	70.00	61.00
Ashok Kachore	113.08	84.42
Vishwas Pathak	21.60	19.82
Rashmi Mitkary	1.47	1.35
II) Relatives of Key Management Personnel		
Amount receivable for Loans Granted		
Ravindra Kachore	-	7.04
Amount payable for Deposits Accepted		
Jyoti Jawanjar	22.80	11.58
Ravindra Balpande	5.17	2.59
Vaishali Charde	71.81	39.55
Bakul Jawanjal	26.19	19.34
Arjun Jawanjal	1.55	1.42
Radhemohan Jawanjal	3.05	2.79
Purushottam Mahakalkar	6.85	6.08
Mansaram Mahakalkar	5.00	5.00
Aadya Dalal	3.32	2.28
Girish Dalal	14.73	13.37
Sayali Pimple Dalal	5.14	4.67
Prathamesh Dalal	25.67	20.17
Suhasini Dalal	79.50	69.86
Roshani Tupkari	9.34	8.48
Meenakshi Kachore	18.16	16.56
Narendra Kachore	38.30	23.42
Pritam Kachore	4.40	4.04
Ravindra Kachore	14.12	15.25
Rekha Kachore	65.58	60.22
Meena Tiple	13.93	13.93

Priti Padole	6.59	6.04
Anuradha Pathak	3.02	2.75
Viveknand Pathak	0.25	0.23
Wasudha Pathak	0.18	0.17
Meena Pidadi	13.51	12.50
Hemant Charde	15.91	8.25
Samruddhi Charde	0.52	-
Mangala Mahakalkar	20.32	-
III) Enterprises on which Relative of Key Managerial Personnel can exercise significant influence		
Amount payable for Deposits Accepted		
M.G. Jawanjar (HUF)	19.36	8.38
S.M. Jawanjal (HUF)	5.59	4.16

*The remuneration to key managerial personnel does not include the provision made for employee benefits (defined benefit plan and other long term benefits) as they are determined on an actuarial basis for the Company as a whole.

43 Operating Segment

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.

The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure.

No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended 31 March 2022 or 31 March 2021.

44 Employee stock option scheme

(a) On December 7, 2019 the members of company approved the Berar Stock Option Scheme 2019 (Scheme 2019) for issue of stock options to the key employees of the company. According to the Scheme 2019, the employee selected will be entitled to options, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of 60 months/ 48 months as the case may be.

In pursuant to the said scheme, the Company issued additional stock options on February 21, 2022.

(b) **Summary of option granted under the scheme**

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Opening balance	1.32	1.32
Granted during the year	1.08	-
Exercised during the year	-	-
Forfeited / Lapsed during the year	-	-
Closing balance	**2.40**	**1.32**
Vested and exercisable	**0.36**	**0.13**

(c) **Expiry date and exercises prices of the share options outstanding**

(₹ in Lakhs)

Grant date	Expiry date	Exercise price	Share options as at 31 March 2022	Share options as at 31 March 2021
23 Dec 19	22 Dec 24	95.00	1.32	1.32
21 Feb 22	21 Feb 26	250.00	1.08	-
Total			**2.40**	**1.32**
Weighted average remaining contractual life of options outstanding at the end of year			**3.90**	**3.73**

(d) **The fair value of each option granted is estimated on the date of grant using the black Scholes model with the following assumptions**

(₹ in Lakhs)

Scheme	A
Grant date	21 Feb 22
Weighted average fair value of options granted	83.04
Exercise price	250.00
Share price at the grant date	245.33
Expected volatility	39.97%
Risk free interest rate	5.29%
Expected dividend yield	0.41%

(₹ in Lakhs)

Scheme	A
Grant date	23 Dec 19
Weighted average fair value of options granted	110.41
Exercise price	95.00
Share price at the grant date	180.83
Expected volatility	30.50%
Risk free interest rate	6.29%
Expected dividend yield	Nil

(e) **Expense arising from share based payment transaction**

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
Gross expense arising from share based payments	40.64	48.29
Less: Options granted to employees of subsidiaries recognised as deemed investment in subsidiaries	-	-
Less: Options granted to employees of subsidiaries on reimbursement basis over the vesting period	-	-
Employee share based payment expense recognised in statement of profit and loss (Refer Note 34)	**40.64**	48.29

45 Changes in Liability Arising from Financing Activities

(₹ in Lakhs)

Particulars	1st April 2021	Cash Flows	Exchange Differences	Others	31st March 2022
Borrowings	43,604.78	(740.79)	-	308.30	43,172.29
Debt Securities	12,165.85	123.80	-	(65.57)	12,224.07
Deposits Taken	11,318.39	3,745.75	-	-	15,064.14

(₹ in Lakhs)

Particulars	1st April 2020	Cash Flows	Exchange Differences	Others	31st March 2021
Borrowings	28,048.41	15,352.61	-	203.76	43,604.78
Debt Securities	-	12,165.85	-	-	12,165.85
Deposits Taken	8,687.67	2,630.72	-	-	11,318.39

46 Fair values of financial assets and financial liabilities

Classification of financial assets and financial liabilities

The following table shows the carrying amounts of financial assets and financial liabilities which are classified as fair value through profit and loss (FVTPL) and amortised cost.

(₹ in Lakhs)

	FVOCI	FVTPL	Amortised cost
As at 31 March 2022			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents			9,507.52
Bank Balances other than cash and cash equivalents			4,371.89
Loans			81,933.84
Investments		119.45	1,442.84
Other Financial assets			3,619.80
Financial liabilities			
Trade Payables			462.55
Debt Securities			12,224.08
Borrowings (Other than Debt Securities)			48,064.97
Deposits			15,064.14
Other financial liabilities			1,401.56

(₹ in Lakhs)

	FVOCI	FVTPL	Amortised cost
As at 31 March 2021			
Financial Assets (other than investment in subsidiaries)			
Cash and cash equivalents			9,479.25
Bank Balances other than cash and cash equivalents			7,474.86
Loans			65,948.35
Investments		122.57	1,054.52
Other Financial assets			2,550.32
Financial liabilities			
Trade Payables			425.34
Debt Securities			12,066.02
Borrowings (Other than Debt Securities)			48,803.49
Deposits			11,318.39
Other financial liabilities			1,420.80

47 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- **Level 1 -** Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2 -** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3 -** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of financial instruments measured at fair value on a recurring basis:

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
As at 31 March 2022				
Financial assets				
Financial assets measured at fair value through profit or loss				
Investment in equity instruments and Alternative Investment Fund	119.45	-	-	119.45
Total Financial Assets	**119.45**	**-**	**-**	**119.45**
As at 31 March 2021				
Financial assets				
Financial assets measured at fair value through profit or loss				
Investment in equity instruments, mutual funds and Alternative Investment Fund	122.57	-	-	122.57
Total Financial Assets	**122.57**	**-**	**-**	**122.57**

1) Investment in quoted equity instruments are valued using the closing market rate on the reporting date

2) Investment in Mutual funds and Alternative Investment Funds are valued using the closing NAV on the reporting date

The carrying amount of cash and cash equivalents, trade receivables, bank balances other than cash and cash equivalents, trade payables, and other receivables & payables are considered to be the same as their fair values.

48 Financial risk management objectives

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's overall risk management program focuses on robust liquidity management as well as monitoring of various relevant market variables, thereby consistently seeking to minimize potential adverse effects on the Company's financial performance. Management has not formed formal risk management policies, however, the risks are monitored by management by analyzing exposures by degree and magnitude of risk on a continued basis. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to floating interest rate borrowings, hence it is not exposed to interest rate risk.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company's mainly transacting in INR and hence the company is not exposed to any foreign currency risk.

(B) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligation. Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk by following adequate internal controls according to the materiality of the risk involved.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements.

Credit risk arises mainly from retail loans and advances and loan commitments arising from such lending activities. Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time.

Cash and cash equivalents are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

(i) Loans and advances (including loan commitments and guarantees).

The estimation of credit exposure for risk management purposes is complex, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring and of the associated loss ratios. The Company measures credit risk for each class of loan assets using inputs such as Probability of Default ("PD") and Loss Given Default ("LGD").

Computation of allowance for impairment losses:

The Company prepares its financial statements in accordance with the IND AS framework.

As per the RBI notification on acceptance of IND AS for regulatory reporting, the Company computes provision as per IND AS 109 as well as per extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP). Where impairment allowance in aggregate for the Company under Ind AS 109 is lower than the provisioning required under IRACP (including standard asset provisioning) for the Company, the difference is appropriated from net profit or loss after tax to a separate 'Impairment Reserve'. Any withdrawals from this reserve shall be done only with prior permission from the RBI.

In the current year, the provision as per IRACP has been done in line with Reserve Bank of India Master Circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances and Clarifications dated November 12, 2021 wherein the borrower accounts shall be flagged as overdue as part of the day-end processes for the due date, irrespective of the time of running such processes. Similarly, classification of borrower accounts as Non-Performing Asset shall be done as part of day-end process for the relevant date i.e. more than 90 days overdue and NPA classification date shall be the calendar date for which the day end process is run. In other words, the date of Non-Performing Asset shall reflect the asset classification status of an account at the day-end of that calendar date.

ECL allowances recognised in the financial statements reflect the effect of a range of possible economic outcomes, calculated on a probability weighted basis, based on certain economic scenarios. The recognition and measurement of ECL involves use of significant judgement and estimation. Forward looking economic forecasts are used in developing the ECL estimates. Three scenarios sufficient to calculate unbiased ECL were used - representing the "Base case" (the "Central" scenario) and two "Worst case" scenarios (the "Downside" scenario) and three "Best case" (the "Upside" scenario). Probability weights are assigned to each scenario. The Central scenario is based on the Company outlook of GDP growth, inflation, unemployment and interest rates for India and most relevant for the Company's loan portfolio. The Upside and Downside scenarios generated at the reporting dates are designed to cover cyclical changes and are updated during the year only if the economic conditions change significantly.

In case where the estimate based on ECL model does not appropriately capture the stress in the portfolio given the lag effect between the actual stress and its impact on ECL computation, the management estimates an additional provision over and above the estimate based on the model and computation methodology stated above. This additional provision is referred to as management overlay.

In the previous year, in accordance with the Board approved moratorium policy read with the RBI guidelines dated March 27, 2020, April 17,2020 and May 23,2020 related to "Covid-19 Regulatory Package", the Company had granted moratorium up to five months for payment of installment falling due between April 1,2020 and August 31,2020 to selected borrowers in accordance with the Company's policy approved by the Board. The Company continued to recognize interest income during the moratorium period and in absence of other credit indicators, granting of moratorium period did not result in accounts becoming past due thereby automatically triggering stage 2 or stage 3 classification criteria as per IND AS 109. For all such accounts where moratorium is granted pursuant to the above RBI guidelines, the asset classification remained stand still during the moratorium period.

(ii) **Other remaining financial assets ('Other financial assets and loans)**

Other financial assets mainly includes deposit and advances given, and receivables from recovery agents. Loans, being a primary part of our operations, represent vehicle loans given to various parties for purchasing motor vehicles. Based on assessment carried by the Company, the majority receivables under this category is classified as "Stage 1" while provision has been created at INR 6.79 million on

the remaining receivables. The provision is created with respect to the established policy by Company to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. Furthermore, there is no history of loss and credit risk and the amount of provision for expected credit losses on other financial assets is negligible for the receivables categorised under "Stage 1".

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. 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.

The table below summarizes the maturity profile of the Company's financial liabilities:

(₹ in Lakhs)

	Within 12 Months	Beyond 12 Months	Total
31 March 2022			
Trade payables	462.55	-	462.55
Debt Securities	5,188.97	9,967.03	15,156.00
Borrowings	32,745.42	19,899.52	52,644.94
Deposits (Including Unclaimed Deposits)	7,979.76	8,971.10	16,950.86
Other financial liabilities	986.00	330.49	1,316.49
	47,362.70	**39,168.14**	**86,530.84**

(₹ in Lakhs)

	Within 12 Months	Beyond 12 Months	Total
31 March 2021			
Trade payables	425.34	-	425.34
Debt Securities	4,034.92	11,583.66	15,618.58
Borrowings	31,907.15	23,513.44	55,420.59
Deposits (Including Unclaimed Deposits)	5,608.89	7,540.73	13,149.62
Other financial liabilities	761.25	256.08	1,017.33
	42,737.55	**42,893.91**	**85,631.46**

49 Maturity analysis of assets and liabilities

The below table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Maturity analysis of assets and liabilities as at 31st March 2022 **(₹ in Lakhs)**

	As at 31 March 2022		
	Within 12 Months	**After 12 Months**	**Total**
Assets			
Cash and cash equivalents	9,507.52	-	9,507.52
Bank Balances other than cash and cash equivalents	3,552.02	819.87	4,371.89
Loans	43,586.89	38,346.95	81,933.84
Investments	92.84	1,469.45	1,562.29
Other Financial assets	3,619.80	-	3,619.80
Deferred tax assets (Net)	-	672.69	672.69
Property, Plant and Equipment	-	1,794.81	1,794.81
Capital Work in Progress	-	21.99	21.99
Intangible assets	-	71.85	71.85
Right to use assets	-	271.61	271.61
Non-financial assets	14.40	-	14.40
Total Assets	**60,373.47**	**43,469.22**	**1,03,842.69**
Liabilities			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	462.55	-	462.55
Debt Securities	4,280.00	7,944.08	12,224.08
Borrowings (Other than Debt Securities)	29,799.57	18,265.40	48,064.97
Deposits	7,266.85	7,797.29	15,064.14
Other Financial liabilities	757.84	643.72	1,401.56
Tax liabilities (Net)	140.66	-	140.66
Provisions	360.26	-	360.26
Non-financial liabilities	210.28	-	210.28
Total Liabilities	**43,278.01**	**34,650.49**	**77,928.50**

Maturity analysis of assets and liabilities as at 31st March 2021 **(₹ in Lakhs)**

	As at 31 March 2021		
	Within 12 Months	**After 12 Months**	**Total**
Assets			
Cash and cash equivalents	9,479.25	-	9,479.25
Bank Balances other than cash and cash equivalents	6,913.48	561.38	7,474.86
Loans	34,320.97	31,627.38	65,948.35
Investments	15.44	1,161.65	1,177.09
Other Financial assets	2,401.64	148.68	2,550.32
Deferred tax assets (Net)	-	471.65	471.65
Property, Plant and Equipment	-	1,722.16	1,722.16
Capital Work in Progress	-	9.00	9.00
Intangible assets	-	81.32	81.32
Right to use assets	215.29	-	215.29
Non-financial assets	14.46	-	14.46
Total Assets	**53,360.53**	**35,783.22**	**89,143.75**
Liabilities			
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	-		-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	425.34		425.34
Debt Securities	2,516.01	9,550.01	12,066.02
Borrowings (Other than Debt Securities)	28,916.61	19,886.88	48,803.49
Deposits	4,860.74	6,457.65	11,318.39
Other Financial liabilities	912.14	508.66	1,420.80
Tax liabilities (Net)	74.08	-	74.08
Provisions	-	209.01	209.01
Non-financial liabilities	184.23	-	184.23
Total Liabilities	**37,889.15**	**36,612.21**	**74,501.36**

50 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders.

The Company's objective while managing the capital are to :-

1) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders;

2) Maintain an optimal Capital Structure to reduce the cost of capital

3) Maximize shareholder value

The company strategically manages its funds by :-

1) Maintaining diversity of sources of funding and spreading the maturity across periods in order to minimize the liquidity risk.

2) Minimizing or wherever possible, eliminating exposure to market rate risks like foreign exchange risk, interest rate risk and commodity price risk, thereby minimizing the impact of market volatility on earnings.

3) Analyzing the changes in macro economic factors affecting business environment and re-organizing its capital structure accordingly to adapt to the ever changing dynamics of business environment

4) By continuously monitoring and adjusting overall capital demand and supply in an effort to achieve an appropriate balance of the economic and regulatory considerations at all times and from all perspectives.

The company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net gearing ratio : Net Debt (total borrowings net of cash and cash equivalents) divided by Total Equity (as shown in the balance sheet).

(₹ in Lakhs)

	As At 31 March 2022	As At 31 March 2021
Gross Debt	75,768.75	72,847.45
Less: Liquid Assets	(9,507.52)	(9,479.25)
Net Debt	66,261.23	63,368.20
Equity	25,914.20	14,642.39
Net Gearing Ratio	2.56	4.33

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

51 The country faced the second wave of COVID-19 in the April-June 2021 quarter. It led to higher levels of infections and fatality causing severe toll on life. Fortunately, the curtailment actions by the government were more localised and well calibrated at city and specific zone levels enabling continuity and minimal disruption to economic activity throughout the country. Though this caused a marginal uptick in instalment default rate and compression in debt management efficiencies for a period of three months, the revival was quick and strong. As a result, unlike the first wave, the impact on the portfolio and loan losses was not as severe for the Company. Adequate internal process in debt management services in FY2021 has helped in curtailing the impact on the portfolio amidst the second wave as well. The third wave which started in mid-December 2021 had no significant impact on risk metrics both for new business and the overall portfolio. The risk of a fourth wave remains but confidence and optimism seem to have been re-established among the general population. Also, due to adequate vaccination coverage and development of natural herd immunity, wide scale economic impact in near future may not occur. As the average tenure of loans sanctioned by the company is around 24 months, most of the loans sanctioned before the COVID-19 pandemic have either been closed or adequately provided for while computing ECL provision. Further, while granting new loans during the COVID-19 pandemic, the company has taken more agile and calibrated approach and has closely monitored the credit risk involved due to impact of the pandemic on economic activities. The management is of view that the ECL model used by the company adequately provides for the enhanced credit risks associated with the disruptions to economic activities that may be caused by COVID-19 pandemic. As such, no additional management overlay is required in FY 2022 and the earlier overlay made in FY 2021 need not be continued since the enhanced risks are already considered in ECL model. As such, management overlay of Rs.193.99 Lakhs created during FY 2021 in view of COVID-19 uncertainties has been reversed in FY 2022.

52 Analytical Ratios

Particulars	As at March 31, 2022	As at March 31, 2021	% Variance	Reasons for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)				
Tier I CRAR	28.51%	19.56%	45.76%	The company has infused equity in the FY 2022 due to which the Tier 1 capital has increased significantly.
Tier II CRAR	0.33%	0.90%	-63.33%	The management has not provided any management overlay in FY 2022 considering most of the loans sanctioned before the COVID-19 pandemic have either been closed or adequately provided for while computing ECL provision.
Liquidity Coverage Ratio	170.54%	449.87%	-62.09%	The company has improvised their debt and cash management system in the current FY. In FY 21 the company has maintained higher liquidity due to covid scenario.

53 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial years ended March 31, 2022 and March 31, 2021.

54 Details of Benami Property Held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder in the financial years ended March 31, 2022 and March 31, 2021.

55 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2022 and March 31, 2021.

56 Expenditure in foreign currency (accrual basis)

(₹ in Crores)

	As At 31 March 2022	**As At 31 March 2021**
Share Issue Expenses*	0.30	0.00

* Share issue expenses are charged directly to the Securities premium account.

57 Floating charge on investment in government securities and Bank Deposits with Nationalised Banks

In accordance with the Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 dated August 25, 2016, the Company has created a floating charge on the statutory liquid assets comprising of investment in government securities and bank deposits with Nationalised banks to the extent of ₹2185.23 Lakhs (March 31, 2021:₹1607.86 Lakhs) in favour of trustees representing the public deposit holders of the Company.

58 Refer note 3.1 Revenue from operations for the circumstances in which revenue recognition has been postponed pending uncertainty of realisation.

59 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

60 Registration of charges or satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2022 and March 31, 2021. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

61 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31,2021.

62 Compliance with approved Scheme(s) of Arrangements

The Company has not approved any scheme of arrangements in the financial years ended March 31, 2022 and March 31, 2021

63 Utilisation of Borrowed funds and share premium

The Company, as part of its normal business, grants loans and advances, makes investment, to and accept deposits and borrowings from its customers, other entities and persons. These transactions are part of Company's normal non-banking finance business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has also not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

64 Undisclosed income

There are no transactions not recorded in the books of accounts.

65 Change in the process of NPA Classification.

Pursuant to RBI circular RBI/2021-22/125 DO R/STR/REC.68/21.04.048/2021-22 dated November 12, 2021, on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances Clarifications, the Company has revised its process of NPA classification to flagging of the borrower accounts as overdue as part of the day-end processes for the due date. Had the Company followed the earlier method, the profit before tax for the year ended on March 31, 2022 would have been higher by ₹ 195.40 Lakhs.

66 Title deeds of Immovable Properties not held in name of the Company

The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company during the financial year ended March 31, 2022 and March 31, 2021.

67 Relationship with Struck off Companies

The Company has not done any transactions with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2022 and March 31, 2021.

68 Previous year comparatives

Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification

Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures"

(a) Expected credit loss - Loans: **(₹ in Lakhs)**

Particulars		As at March 31, 2022			As at March 31, 2021		
		Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision	Gross carrying amount	Expected Credit Loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	78,334.36	361.72	77,972.64	60,985.98	361.51	60,624.47
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired	3,049.92	224.35	2,825.57	4,510.56	336.01	4,174.55
	Financial assets for which credit risk has increased significantly and credit-impaired	1,813.56	677.93	1,135.63	1,684.02	534.69	1,149.33
Total		**83,197.84**	**1,264.00**	**81,933.84**	**67,180.56**	**1,232.21**	**65,948.35**

(b) Reconciliation of loss allowance provision - Loans: **(₹ in Lakhs)**

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL as on March 31, 2020	96.98	181.80	387.39	666.16
New assets originated or purchased	176.60	161.59	107.62	445.81
Amount written off	(469.08)	(35.06)	(171.90)	(676.03)
Transfers to Stage 1	104.43	(80.60)	(23.83)	-
Transfers to Stage 2	(6.34)	12.10	(5.75)	-
Transfers to Stage 3	(4.65)	(30.60)	35.25	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	463.57	126.77	205.93	796.27
ECL as on March 31, 2021	361.51	336.01	534.69	1,232.21
New assets originated or purchased	253.53	116.48	94.32	464.34
Amount written off	(393.88)	(127.45)	(387.09)	(908.43)
Transfers to Stage 1	188.91	(107.83)	(81.08)	-
Transfers to Stage 2	(17.68)	24.45	(6.78)	-
Transfers to Stage 3	(18.03)	(57.81)	75.84	-
Impact on year end ECL of exposures transferred between stages during the year and reversal of ECL on account of recovery	(12.66)	40.50	448.03	475.88
ECL as on March 31, 2022	**361.72**	**224.35**	**677.94**	**1,264.00**

(c) Reconciliation of Gross carrying amount - Loans: **(₹ in Lakhs)**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on March 31, 2020	41,885.01	3,582.22	1,210.97	46,678.20
New assets originated or purchased	45,391.36	2,783.21	344.91	48,519.49
Amount written off	(469.08)	(35.06)	(171.90)	(676.03)
Transfers to Stage 1	1,719.19	(1,643.37)	(75.82)	-
Transfers to Stage 2	(2,204.80)	2,222.64	(17.84)	(0.00)
Transfers to Stage 3	(1,258.01)	(572.22)	1,830.22	-
Net Recovery	(24,077.70)	(1,826.87)	(1,436.52)	(27,341.09)
Gross carrying amount as on March 31, 2021	60,985.98	4,510.56	1,684.03	67,180.56
New assets originated or purchased	57,509.83	1,595.93	249.30	59,355.07
Amount written off	(393.88)	(127.45)	(387.09)	(908.43)
Transfers to Stage 1	1,914.85	(1,659.25)	(255.60)	-
Transfers to Stage 2	(2,339.94)	2,361.35	(21.41)	0.00
Transfers to Stage 3	(1,281.83)	(691.64)	1,973.48	-
Net Recovery	(38,060.64)	(2,939.57)	(1,429.15)	(42,429.36)
Gross carrying amount as on March 31, 2022	**78,334.36**	**3,049.92**	**1,813.56**	**83,197.84**

(d) Asset classification as per Ind AS 109: **(₹ in Lakhs)**

	For the year ended March 31, 2022			For the year ended March 31, 2021		
Asset Classification as per IND AS 109	**Gross carrying amount as per IndAS**	**Loss allowances (Provisions) as required under IndAS 109**	**Net carrying amount**	**Gross carrying amount as per IndAS**	**Loss allowances (Provisions) as required under IndAS 109**	**Net carrying amount**
Stage-1	78,334.36	361.72	77,972.64	60,985.98	361.51	60,624.47
Stage-2	3,049.92	224.35	2,825.57	4,510.56	336.01	4,174.55
Stage-3	1,813.56	677.93	1,135.63	1,684.02	534.69	1,149.33
Total	**83,197.84**	**1,264.00**	**81,933.84**	**67,180.56**	**1,232.21**	**65,948.35**

(e) Asset classification as per RBI norms: **(₹ in Lakhs)**

Asset Classification as per RBI norms	**Provisions required as per IRACP norms (For the year ended March 31, 2022)**	**Provisions required as per IRACP norms) For the year ended March 31, 2021)**
Performing assets		
Standard	341.26	279.19
Subtotal	**341.26**	**279.19**
Non-Performing Assets (NPA)		
Substandard	221.83	162.43
Doubtful - 1	101.68	23.43
Doubtful - 2	14.56	1.15
Doubtful - 3	8.26	5.05
Subtotal	**346.33**	**192.06**
Loss Asset	-	-
Total	**687.59**	**471.25**

69. Liquidity Coverage Ratio Disclosure

Disclosure as per circular No.RBI/2019-20/88 DOR.NBFC(PD)CC. No.102/03.10.001/2019-20 dated November 04,2019 issued by Reserve Bank of India on "Liquidity Coverage Ratio(LCR)" Liquidity Coverage Ratio (LCR) for the quarter ended March 31, 2022, December 31,2021, September 30,2021 and June 30,2021.

(₹ in Crores)

	Particular	31-Mar-22		31-Dec-21		30-Sep-21		30-Jun-21	
		Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets								
1	**Total High Quality Liquid Assets (HQLA)	**24.14**	**21.49**	**29.04**	**26.62**	**32.45**	**30.19**	**31.85**	**29.68**
	Cash Outflow								
2	Deposits (for deposit taking companies)	8.51	9.79	2.19	2.52	1.53	1.76	4.38	5.03

3	Unsecured wholesale funding	0.31	0.35	0.06	0.07	0.30	0.34	0.55	0.63
4	Secured wholesale funding	29.30	33.69	25.69	29.55	24.41	28.07	31.01	35.66
5	Additional requirements, of which	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(i) Outflows related to derivative exposures and other collateral requirements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(ii) Outflow related to loss of funding on debt product	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(iii) Credit and liquidity facilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Other contractual funding obligations	5.72	6.57	6.00	6.90	6.23	7.16	4.14	4.77
7	Other contingent funding obligations	0.00	0.00	0.07	0.08	0.07	0.08	0.07	0.08
8	**TOTAL CASH OUTFLOW**	**43.83**	**50.41**	**34.01**	**39.11**	**32.53**	**37.41**	**40.15**	**46.17**
	Cash Inflows								
9	Secured lending	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Inflow from fully performing exposures	61.16	45.87	66.94	50.20	59.78	44.83	56.15	42.12
11	Other cash inflow	0.59	0.45	0.13	0.10	0.25	0.19	0.26	0.19
12	**TOTAL CASH INFLOWS**	**61.75**	**46.32**	**67.07**	**50.30**	**60.03**	**45.02**	**56.41**	**42.31**
13	**TOTAL HQLA**		**21.49**		**26.62**		**30.19**		**29.68**
14	**TOTAL NET CASH OUTFLOWS**		**12.60**		**9.79**		**9.35**		**11.54**
15	**LIQUIDITY COVERAGE RATIO (%)**		**170.54**		**271.92**		**322.93**		**257.18**

Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and Outflow.

The figures pertaining to December 31, 2021 , September 30, 2021 and June 30, 2021 are unaudited and are as represented by the management, which have been relied upon by the auditors.

Classification of inflows and outflows for determining the run off factors is based on the same estimates and assumptions as used by the Company, which has been relied upon by the auditors.

Qualitative disclosure around Liquidity Coverage Ratio (LCR)

The Reserve Bank of India has prescribed Guidelines on Maintenance of Liquidity Coverage Ratio (LCR). All nondeposit taking NBFCs with asset size of Rs.10,000 crore and above, and all deposit taking NBFCs irrespective of their asset size, is required to maintain a liquidity buffer in terms of LCR which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. The stock of HQLA to be maintained by the NBFCs shall be minimum of 100% of total net cash outflows over the next 30 calendar days.

The LCR requirement was applicable from December 1, 2020 with the minimum HQLA s to be held being 50% of the LCR, progressively reaching a level upto 60%, 70%, 85% and 100% by December 1, 2021, December 1, 2022, December 1, 2023, December 1, 2024 respectively.

**The LCR is calculated by dividing the company's stock of HQLA by its total net cash outflows over a 30-day stress period. "High Quality Liquid Assets (HQLA)" means liquid assets that can be readily sold or immediately

converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. Total Net cash outflows is defined as total expected cash outflows minus total expected cash inflows in the specified stress scenario for the subsequent 30 calendar days. The main drivers of LCR are adequate HQLAs and lower net cash outflow.

The average LCR for the quarter ended June 30, 2021, September 30, 2021, and December 31, 2021 is computed as simple averages of monthly observations over the previous quarter. The average LCR for the quarter ended March 31, 2022 is computed as simple averages of daily observations over the previous quarter.

The average LCR for the quarter ended March 31, 2022 is 128% which is well above the RBI regulatory requirement.

70 Liquidity Risk

Public Disclosure on Liquidity Risk for the quarter ended March 2022 pursuant to RBI circular dated 4th November 2019 on Liquidity Risk Management Framework for Non- Banking Financial Companies and Core Investment Companies

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Number of Significant counter parties	Amount **(₹ in Crores)**	% of total Deposits *	% of Total Liabilities
1	22	529.49	-	67.95%

* None of the Depositors hold more than 1% of the Total deposits

(ii) Top 20 large deposits **(₹ in Crores)**

Particulars	**As at March 31, 2022**
Total amount of Top 20 Large Deposits	21.43
% of amount of Top 20 Large Deposits to Total Deposits	13.84%

(iii) Top 10 borrowings (Note: All borrowing other than deposits) **(₹ in Crores)**

Particulars	**As at March 31, 2022**
Total amount of Top 10 Borrowings	392.43
% of amount of Top 10 Borrowings to Total Borrowings	66.02%

(iv) Funding Concentration based on significant instrument / product **(₹ in Crores)**

Sl. No.	**Name of the Instrument/product**	**Amount**	**% of Total Liabilities**
1	Non-Convertible Debentures	122.24	15.69%
2	Term loan	468.04	60.06%
3	Public Deposits	118.48	15.20%
4	Commercial paper	0.00	0.00%
5	Other Bank Borrowings	48.93	6.28%

(v) Stock Ratios:

Sl. No.	**Name of the Instrument / Product**	**As a % of Total Public Funds**	**As a % of Total Liabilities**	**As a % of Total Assets**
1	Commercial Paper	0.00	0.00	0.00
2	Non-Convertible Debentures *(original maturity < 1 year)*	0.00	0.00	0.00
3	Other Short- term Liabilities	61.58	59.87	44.36

(vi) Institutional setup for Liquidity Risk management

Refer note no. 48 Risk management structure and Liquidity Risk and Funding Management for Institutional setup for Liquidity Risk Management

Board has setup the Asset Liability Management Committee (ALCO) and Risk Management Committee to manage various risks of the Company. ALCO meets on a regular basis and is responsible for ensuring adherence to the risk tolerance/limits set by the Board including the Liquidity risk of the Company. The performance of the ALCO is reviewed by Board.

The Company has formulated a policy on Liquidity Risk Management Framework. Accordingly, the Company,

- Performs stress testing on a quarterly basis which enables the Company to estimate the liquidity requirements as well as adequacy and cost of the liquidity buffer under stressed conditions.
- Has also formulated a contingency funding plan as a part of the outcome of stress testing results.
- Monitors liquidity risk based on 'Stock' approach to liquidity by way of pre-defined internal limits for various critical ratios pertaining to liquidity risk.

The Company has diversified source of funding to ensure that there is no significant source, the withdrawal of which could trigger liquidity problems.

The Company monitors cumulative mismatches across all time buckets by establishing internal prudential limits. The Company maintains adequate liquidity buffer of readily marketable assets, to protect itself against any liquidity risk at the same time is mindful of the cost associated with it.

Notes:

1. As per the circular issued by RBI on Liquidity Risk Management Framework for Non- Banking Financial Companies and Core Investment Companies dated 04th Nov 2019, "Significant counterparty" is defined as a single counter party or group of connected or affiliated counter parties accounting in aggregate for more than 1% of the total Liabilities and "Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total Liabilities.
2. Total Liabilities represent 'Total Liabilities and Equity' as per Balance sheet less Equity.
3. Public funds are as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
4. Other Short-term liabilities represent all Short-term borrowings other than CPs.

71 Customers Complaints

a.	No of Complaints pending at the beginning of the year	NIL
b.	No. of Complaints received during the year	162
c.	No. of Complaints redressed during the year	162
d.	No. of Complaints pending at the end of the year	0

72 Details of Registration with Financials Regulators

Sr.No	Regulator	Registration No.
a.	Ministry of Company Affairs	U65929MH1990PLC057829
b.	Reserve Bank of India	13.01109

73 Rating assigned by Credit Rating Agencies

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

74 Concentration of Deposits, Advances, Exposures and Stage III Assets

a. Concentration of Deposits **(₹ in Crores)**

Particulars	Amount
Total Deposits of Twenty Largest Depositors	21.43
Percentage of Deposits of Twenty largest depositors to Total Deposits	13.84%

b. Concentration of Advances **(₹ in Crores)**

Particulars	Amount
Total Advances of Twenty Largest borrowers	1.45
Percentage of Advances of Twenty largest borrowers to Total Advances	0.17%

c. Concentration of Exposures **(₹ in Crores)**

Particulars	Amount
Total Exposure of Twenty Largest borrowers	1.45
Percentage of Exposure of Twenty largest borrowers to Total Exposure	0.17%

d. Concentration of NPAs **(₹ in Crores)**

Particulars	Amount
Total Exposure of Top Four NPAs	0.36

75 Movements of NPAs

(₹ in Crores)

	Particulars	31.03.2022	31.03.2021
i)	**Net NPAs to Net Advances (%)**	2.23%	1.74%
ii)	**Movements of NPAs (Gross)**		
	a. Opening Balances	16.84	12.11
	b. Addition during the year	21.11	14.85
	c. Reduction during the year	12.40	10.12
	d. Closing Balance	25.55	16.84
iii)	**Movements of Net NPAs**		
	a. Opening Balances	11.49	8.24
	b. Addition during the year	15.43	10.14
	c. Reduction during the year	8.62	6.88
	d. Closing Balance	18.30	11.49
iv)	**Movements of ECL on NPAs**		
	a. Opening Balances	5.35	3.87
	b. Provision made during the year	1.91	1.47
	c. Write-off/ Write back of excess provision		
	d. Closing Balance	7.25	5.35

76 NPAs as a percentage to Advances in the respective segments

Sr. No.	Sector	As At 31.03.2022	As At 31.03.2021
a.	Agriculture & Allied activities	3.78%	2.54%
b.	MSME	0.00%	0.00%
c.	Corporate Borrowers	0.00%	0.00%
d.	Services	0.00%	0.00%
e.	Unsecured personal loans	7.56%	4.48%
f.	Auto loans	2.99%	2.48%
g.	Other personal loans	0.00%	0.00%

77 Provisions and Contingencies

(₹ in Crores)

Break up of Provisions and Contingencies shows under the head Expenditure in Profit and Loss Accounts	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Impairement Loss Allowances on Loans	8.97	12.03
Impairement Loss Allowances on Other Financial Assets	0.68	-
Provision for Income Tax (excluding deffered tax)	7.15	6.25

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

Instances of fraud for the year ended March 31, 2022

(₹ in Crores)

No of Cases*	Nature of Fraud^	Amount of Fraud	Recovery*	Write off
2	Fraud committed by employees	0.28	-.00	-.00
1	Fraud committed by borrowers and outsiders	0.06	-.00	-.00

*Out of the above cases, Only one was reported to RBI during the financial year 2021-22 and the for the remaining two cases, the investigations were on going and final amount was brought to the knowledge of management in the month of May 2022 and were reported to RBI Immediately thereafter. The management had therefore made adhoc provision as on 31st March 2022 in respect of these frauds.

^Further there are certain instances reported in risk based internal audit reports of the company where in the recovery proceeds collected by the employee were not deposited in Company's bank account but were deposited after the lapse was identified by the Internal audit team of the Company.The management does not view these instances as fraud as there was only delay in deposit of the recovery proceeds and no loss was incurred by the Company.

Instances of fraud for the year ended March 31, 2021

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company was noticed or reported during the financial year.

79 During the year Company has not given any advances with intangible collateral such as charge over the rights, licenses, authority etc.

80 Registrations obtained from Other Financial Sector Regulators

During the year the Company has not obtained any registrations from other financial regulators

81 Penalties Imposed by RBI and Other Regulators

No Penalties have been levied by RBI during the financial Year 2021-22. However penalty of Rs.1.00 Lakh has been imposed by the SEBI under section 15A(b) of the SEBI Act, 1992 for failure on the part of the Company to timely comply with the provision of regulation 52(1) of SEBI LODR regulations,2015.

82 Derivatives

The Company has no transactions/exposure in derivaties in the current year and previous year.

83 Investments

(₹ in Crores)

	Particulars	As at 31 March 2022	As at 31 March 2021
1.	**Value of Investments**		
	(i) Gross Value of Investments		
	(a) In India	15.62	11.77
	(b) Outside India	0	0
	(ii) Provision for Depreciation		
	(a) In India	0	0
	(b) Outside India	0	0
	(iii) Net Value of Investments		
	(a) In India	15.62	11.77
	(b) Outside India	0	0
2.	**Movement of Provision held towards depreciation on Investments**		
	(i) Opening Balances	0	0
	(ii) Add: Provision made during the year	0	0
	(iii) Less: Write off/Write-back of excess provision during the year	0	0
	(iv) Closing Balances	0	0

84 Disclosures relating to Securitisation

(₹ in Crores)

	As at 31 March 2022	As at 31 March 2021
No of SPVs sponsored by the NBFC for securitisation transactions	1	1
Total amount of securitised assets as per books of the SPVs sponsored	15.06	1.49
Total amount of exposures retained by the applicable NBFC to comply with MRR as on the date of balance sheet	1.81	1.00
Off-balance sheet exposures		
First loss		
Others		
On-balance sheet exposures		
First loss (In the form of Fixed Deposit)	1.36	1.00
Others (over-collaterisation)	0.45	-
Amount of exposures to securitisation transactions other than MRR		
Off-balance sheet exposures		
Exposure to Own Securitisations		
First loss	-	-
Others	-	-
Exposure to third party Securitisations		
First loss	-	-
Others	-	-
On-balance sheet exposures		
Exposure to Own Securitisations		
First loss	-	-
Others	-	-
Exposure to third party Securitisations		
First loss	-	-
Others	-	-
Sale consideration received for the securitised assets	15.06	-
Gain/loss on sale on account of securitisation		
Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	15.06	-
Performance of facility provided. Please provide separately for each facility viz.Credit enhancement, liquidity support, servicing agent etc.		

Credit enhancement (12%)		
(a) Amount paid	1.81	-
(b) Repayment Received	3.39	1.81
(c) Outstanding Amount	1.81	3.39
Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	-	-
Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	Nil	Nil
Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	Nil	Nil

85 Disclosure Pursuant to Reserve Bank of India Notification DNBS.200/CGM(PK)-2008 dated 1 August 2008

Capital Adequacy Ratio

Particulars	31.03.2022	31.03.2021
Capital Ratio		
CRAR - Tier I Capital (%)	28.51%	19.56%
CRAR - Tier II Capital (%)	0.33%	0.90%
Total Capital (%)	28.84%	20.46%

86 The Company has no Exposure to Real Estate Sector in the current year and previous year.

87 Exposure to Capital Market **(₹ in Crores)**

Particulars	As at 31.03.2022	As at 31.03.2021
Direct Investment in equity shares, convertible bonds, convertible debentures and unit of equity- oriented mutual funds the corpus of which is not exclusively invested in corporate debt	1.19	1.23

88 The Company has given unsecured loan of ₹ 4,81,83,299 as a personal loans to the borrowers Personal loans are partly secured by assignment/pledge of life insurances polices, shares and other securities or are unsecured

89 Asset Liability Management Maturity Pattern of certain items of Assets & Liabilities

(₹ in Crores)

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (One month)	Over 1 month upto 2 months	Over 2 month upto 3 months	Over 3 month & upto 6 months	Over 6 month & upto 1 Year	Over 1 Year & upto 3 Years	Over 3 Years upto 5 Years	Over 5 Years	Total
Deposits	7.20	2.47	8.32	4.87	6.21	11.75	36.00	67.62	10.36	0.00	154.80
Advances (Net of Provision)	7.26	17.26	24.52	36.93	35.02	93.95	220.94	366.63	16.83	0.00	819.34
Investments	0.00	0.00	0.00	0.93	0.00	0.00	0.00	2.48	1.13	11.08	15.62
Borrowing	8.19	1.27	13.16	22.24	23.12	65.65	207.17	238.25	23.84	0.00	602.89

The accompanying notes are an integral part of the financials statements

As per our Report of even date attached

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

Pravin Dhiran
M.No 115580

Place : Nagpur
Date: 30/05/2022

On Behalf of Board of Directors

M.G.Jawanjar
Executive Chairman
DIN: 00379916

S.M.Jawanjal
Managing Director
DIN: 01490054

Y.M. Tahalyani
Chief Financial Officer

D.R.Balpande
Company Secretary

SCHEDULE TO THE BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2022

(As required in terms of paragraph 13 Of Non-Banking Financial (Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions,2007)

(₹ in Lakhs)

	Particulars	Amount outstanding	Amount overdue
	Liabilities :		
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	12,224.08	0.00
	Unsecured (other than falling within the meaning of public deposits)	0.00	0.00
	(b) Deferred credits	0.00	0.00
	(c) Term Loans	43,172.29	--
	(d) Inter-corporate loans and borrowing	73.90	0.00
	(e) Commercial Paper	0.00	0.00
	(f) Public deposits (Including deposits from directors and their relatives)	15,405.80	415.56
	(h) Cash Credit & Working Capital Demand Loan	4,892.68	--
	Total	**75,768.75**	**415.56**
(2)	Break-up of (1)(f) above(outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	(a) In the form of unsecured debentures	0.00	0.00
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	0.00	0.00
	(c) Other Public Deposits	15,405.80	415.56

(₹ in Lakhs)

No.	Particulars	Amount Outstanding
	Assets :	
3	**Break-up of loans and advances including bills receivables [other than those included in (4) below]**	
	(a) Secured	56.70
	(b) Unsecured	0.00
4	**Break-up of leased assets and stock on hire and other assets counting towards AFC activities**	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	0.00
	(b) Operating lease	0.00
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	0.00
	(b) Repossessed assets	0.00
	(iii) Other loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	0.00
	(b) Loans other than (a) above	83141.14
5	**Break-up of Investments :**	
	Current Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	0.00
	(b) Preference	0.00
	(ii) Debentures and bonds	0.00
	(iii) Units of mutual funds	0.00
	(iv) Government securities	92.84
	(v) Others (please specify)	
	Investment in Alternative Instrument Fund	104.67
	2. Unquoted :	
	(i) Shares : (a) Equity	0.00
	(b) Preference	0.00
	(ii) Debentures and bonds	0.00
	(iii) Units of mutual funds	0.00
	(iv) Government securities	0.00
	(v) Others (please specify)	0.00

	Long Term Investments :	
	1. Quoted :	
	(i) Shares : (a) Equity	14.78
	(b) Preference	0.00
	(ii) Debentures and bonds	0.00
	(iii) Units of mutual funds	0.00
	(iv) Government securities	1,350.00
	(v) Others (please specify)	0.00
	2. Unquoted :	
	(i) Shares : (a) Equity	0.00
	(b) Preference	0.00
	(ii) Debentures and bonds	0.00
	(iii) Units of mutual funds	0.00
	(iv) Government securities	0.00
	(v) Others (please specify)	0.00

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

(₹ in Lakhs)

	Category	Amount net of provisions		
		Secured	Unsecured	Total
(i)	**Related parties**			
	(a) Subsidiaries	0	0	0
	(b) Companies in the same group	0	0	0
	(c) Other related parties	0	0.00	0.00
(ii)	**Other than related parties**	83,197.84	481.83	83,679.67
	Total	**83,197.84**	**481.83**	**83,679.67**

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

(₹ in Lakhs)

	Category	Market Value/Breakup or fair value of NAV	Book Value (Net of Provisions)
(i)	**Related parties**		
	(a) Subsidiaries	0	0
	(b) Companies in the same group	0	0
	(c) Other related parties	0	0
(ii)	**Other than related parties**	1562.29	1562.29
	Total	**1562.29**	**1562.29**

(8) Other information

(₹ in Lakhs)

	Particulars	Amount
(i)	Gross Non-Performing Assets	
	(a) Related parties	0
	(b) Other than related parties	2555.40
(ii)	Net Non-Performing Assets	
	(a) Related partied	0
	(b) Other than related parties	1829.92
(iii)	Assets acquired in satisfaction of debt	0

As per our Report of even date attached

On Behalf of Board of Directors

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

M.G.Jawanjar
Executive Chairman
DIN: 00379916

S.M.Jawanjal
Managing Director
DIN: 01490054

Pravin Dhiran
M.No 115580

Y.M. Tahalyani
Chief Financial Officer

D.R.Balpande
Company Secretary

Place : Nagpur
Date: 30/05/2022

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

YEAR	PAID-UP CAPITAL	NET WORTH	TOTAL ASSETS	PROFIT BEFORE TAX	PROFIT AFTER TAX	DIVIDEND	
						Rate%	AMOUNT
1990-91	1.44	1.50	3.03	0.06	0.06	--	--
1994-95	20.75	38.14	74.88	6.45	5.80	26.00%	4.07
1995-96	26.00	44.40	124.95	8.07	6.09	20.00%	5.04
1996-97	30.00	48.94	174.86	11.16	5.15	14.00%	3.72
1997-98	30.00	52.72	224.24	19.15	10.00	16.00%	4.80
1998-99	30.00	59.80	223.71	20.22	12.97	16.00%	4.80
1999-00	30.00	61.41	247.47	16.47	8.55	16.00%	4.80
2000-01	36.00	70.22	280.79	17.78	9.15	16.00%	4.92
2001-02	50.00	109.28	374.83	31.84	22.74	17.00%	7.70
2002-03	80.00	187.27	748.88	55.55	34.57	18.00%	14.40
2003-04	102.55	256.21	865.80	81.84	52.70	18.00%	15.55
2004-05	102.55	307.02	1,155.50	112.80	75.73	20.00%	20.51
2005-06	163.50	452.20	1,392.69	126.43	83.88	22.00%	26.04
2006-07	310.00	715.98	1,956.10	153.81	101.36	22.50%	44.64
2007-08	* 620.00	780.25	2,619.22	228.63	153.54	* 12.50%	90.67
2008-09	700.00	978.58	3,486.60	336.82	218.98	13.00%	100.66
2009-10	700.00	1,119.71	4,100.69	379.84	247.60	13.00%	106.47
2010-11	700.00	1,361.79	5,206.99	545.56	355.98	14.00%	113.90
2011-12	750.00	1,695.14	6,377.90	601.90	399.37	14.00%	116.01
2012-13	800.00	2,099.90	9,076.85	732.20	492.46	15.00%	137.70
2013-14	800.00	2,534.23	11,125.49	863.19	574.74	15.00%	140.39
2014-15	800.00	3,091.63	14,788.92	1,053.41	677.75	12.50%	120.35
2015-16	800.00	3,818.09	19,770.39	1,246.93	822.74	10.00%	96.29
2016-17	800.00	4,713.26	26,660.71	1,532.62	991.47	10.00%	96.29
2017-18	800.00	5,950.92	32,937.95	1,768.79	1,237.65	10.00%	96.44
2018-19	800.00	7,326.43	41,796.85	2,077.27	1,471.95	10.00%	96.44
2019-20	966.67	11,808.65	55,274.97	2,258.44	1,691.27	5.00%	46.50
2020-21	1,000.78	14,642.40	89,143.75	2,055.66	1,537.66	10.00%	100.07
2021-22	1,233.68	25,914.20	1,03,842.69	2,237.41	1,741.97	10.00%	123.36

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

MISSION
Partnering To Prosper

COMMITMENT
Close To The People

VISION
Miles To Go .....

BRANCHES

MAHARASHTRA - Ahmednagar,Akola,Amravati,Aurangabad,Baramati,Bhandara,Bhusawal,Brahmapuri,Buldhana, Chalisgaon,Chandrapur,Dhule,Gadchiroli,Gondia,Hingoli,Jalgaon,Karad,Katol,Khamgaon,Kolhapur,Kudal,Latur, Manmad,Nanded,Nandurbar,Nashik,Osmanabad,Pandharpur,Paratwada,Parbhani,Pune,Pusad,Ratnagiri,Sangli, Satara,Solapur,Udgir,Wagholi,Wani,Wardha,Washim & Yavatmal.

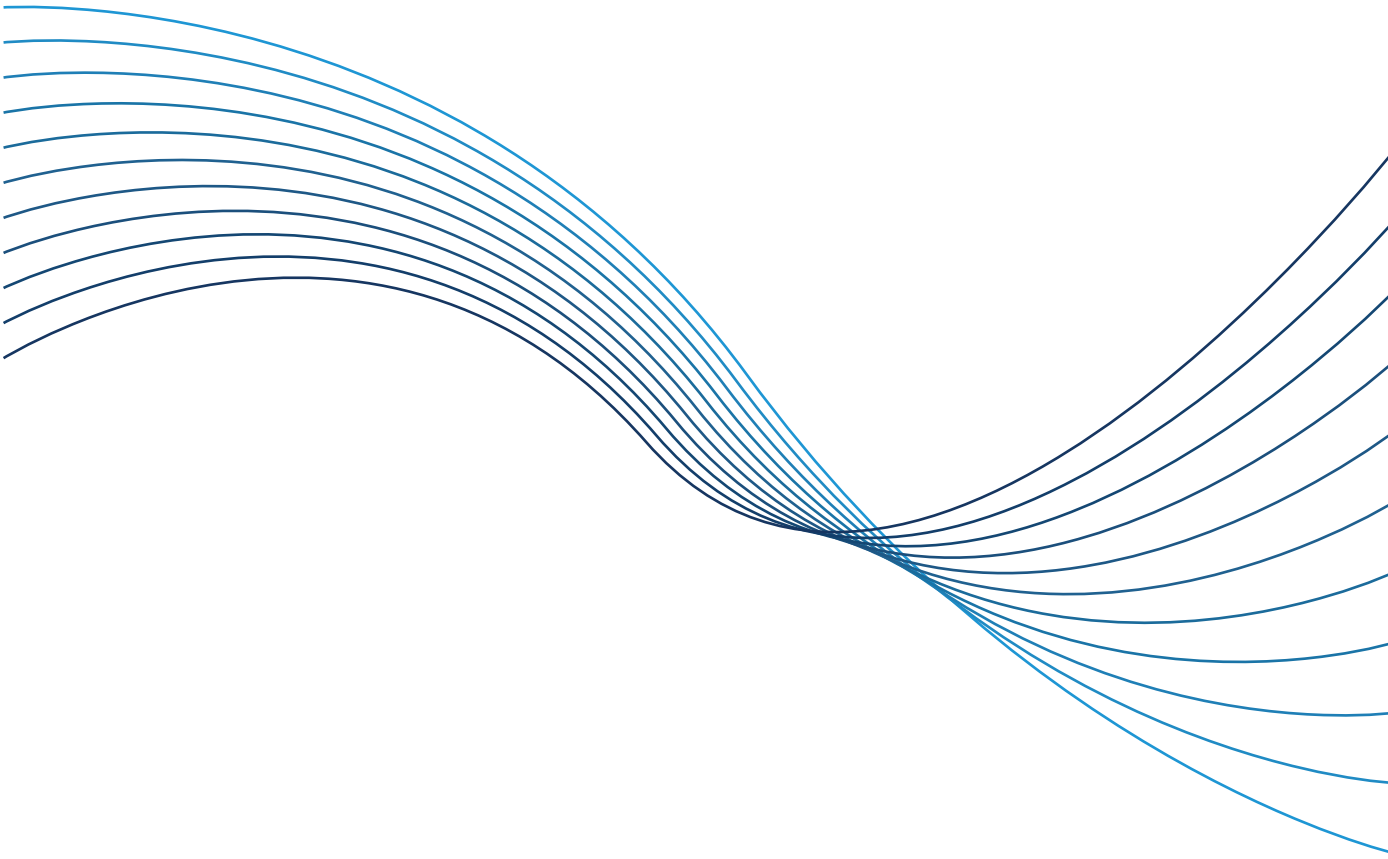
MADHYA PRADESH - Betul,Bhopal,Burhanpur,Chhatarpur,Chhindwara,Damoh,Dewas,Dhar,Harda,Hoshangabad, Indore,Katni,Mandla,Narsinghpur,Rewa,Sagar,Satna,Sehore,Seoni,Shahdol,Sidhi & Vidisha.

CHHATTISGARH - Ambikapur,Balodabazar,Bemetara,Bilaspur,Dallirajhara,Dhamtari,Dongargarh,Durg,Gariyaband, Jagdalpur,Janjgir,Kanker,Kawardha,Kondagaon,Korba,Mahasamund,Raigarh,Raipur,Rajim,Rajnandgaon & Saraipali.

GUJARAT - Amreli,Bardoli,Botad,Junagadh,Navsari,Surat & Vyara.

KARNATAKA - Belgavi,Bidar,Kalaburagi,Raichur & Vijayapur.

TELANGANA - Adilabad,Jagtial,Jangaon,Kamareddy,Karimnagar,Khammam,Kothagudem,Mahabubnagar,Mancherial, Miriyalaguda,Nalgonda,Nirmal,Nizamabad,Sangareddy,Siddipeth,Suryapet & Warangal.



BERAR FINANCE LIMITED
Partnership for Prosperity

CIN No. : U65929MH1990PLC057829
REGD. OFFICE: AVINISHA TOWER, MEHADIA CHOWK,
DHANTOLI, NAGPUR-440 012
TEL.:- 0712 - 6663999
WEBSITE: WWW.BERARFINANCE.COM
EMAIL: INVESTOR.RELATIONS@BERARFINANCE.COM

(ii) Computation of weighted average number of shares (denominator):		
a. Number of shares outstanding at the beginning of the year	8,000,000	8,000,000
b. Add: Weighted average number of equity shares issued and outstanding during the year	171,766	0
Adjusted weighted average equity shares (N)	8,171,766	8,000,000
EPS (Basic) (₹) (I/N)	20.81	18.40
B) DILUTED		
(i) Computation of Profit (numerator)		
Profit after Tax (₹) (I)	169,127,375	147,195,325
(ii) Computation of weighted average number of shares (denominator);		
a. Number of shares outstanding at the beginning of the year	8,000,000	8,000,000
b. Add: Weighted average number of equity shares issued and outstanding during the year	171,766	0
c. Add: Weighted average number preference shares issued and outstanding at the close of the year (Dilutive Equity Shares upon future conversion)	20,816	0
d. Add: Number of options outstanding at the close of the year (Dilutive Equity Shares under outstanding ESOPs)	62,333	0
Adjusted weighted average equity shares (M)	8,204,915	8,000,000
EPS (Diluted) (₹) (I/M)	20.62	18.40

23.5. Deferred Tax (Liabilities) / Assets (Net)
The breakup of deferred Tax assets / liabilities is as under:

Sr.	PARTICULARS	31.03.20(₹)	Current year (Credit)/ Charges	31.03.19(₹)
A)	Deferred Tax Assets -			
	For Gratuity Provision	1,238,280	(819,592)	2,419,748
	For Non Performing Assets Provision	7,804,642	(735,616)	7,069,026
	For Earned Leave Provision	1,931,296	(463,114)	1,468,182
	For Other Provision	5,972,419	(5,191,726)	780,693
	Deferred Tax Assets	16,947,637	(5,209,988)	11,737,649
B)	Deferred Tax Liability -			
	For WDV of Fixed Assets	3,240,424	389,455	2850969
	Deferred Tax Liabilities	3,240,424	389,455	2,850,969
	NET DEFFERED TAX ASSETS/(liability)	13,707,213	(4,820,533)	8,886,680

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

23.5. Final Dividend
Final dividend of ₹46.50Lakhs (₹0.50 per share) has been recommended by the board for the year ended 31st March, 2020 for the Equity as well as for Preference Share Holders The Central government vide notification dated 30.03.2016 has amended the Companies (Accounting standard) Rules, 2006. According to the amended rule, the dividend declared after the balance sheet date shall not be recorded as a liability in the previous year. Therefore the Company has not recorded ₹46.50Lakhs as liability for proposed dividend as at 31st March 2020. However the same will be recognised as liability on approval of the shareholders in the Annual General Meeting.

23.6 Extraordinary item
A demand towards service tax of ₹1,78,85,877 for the period 01/04/2013 to 30/06/2017 and ₹5,04,547 01/04/2017 to 30/06/2017 was raised against Company, the Company has preferred an appeal with Commissioner of Central Excise & Service Tax, Nagpur. However the Company has paid the tax dues under Sabka Vishwas - (Legacy Dispute Resolution) Scheme, 2019 (SVLDRS scheme) announced in Finance Act No.II 2019 and has withdrawn the appeal. The has been shown as Extraordinary item in the statement of Profit & Loss account.

23.7. Related Party Disclosures : (With Whom the Company has transactions)
Related Party Disclosures as stipulated by AS-18-Related Party Disclosures, issued by ICAI are given below:

Key Management Personnel :	1)Mr. M.G. Jawanjar, Managing Director 2)Mr. S.M. Jawanjal, Executive Director 3)Mrs Deepali Balpande, Company Secretary
Relative of Key Management Personnel	1)Mrs Jyoti Jawanjar 2)Mrs Rahul Jawanjal 3)Radhamohan Jawanjal 4)Mrs Vaishali Chande 5)Mr.Ravindra Balpande 6)Aaryan Balpande 7) Shaunak Balpande 8) Arjun Jawanjal
Enterprises on which Key Management Personnel & their relative can exercise significant influence	1)Avinsa Capcons Pvt Ltd 2)Maroti Jawanjar(HUF) 3)Sandeep Jawanjal (HUF)

PRAVIN DHIRAN & CO. FRN 133658 W Wardha

RELATED PARTY TRANSACTIONS FOR THE YEAR ENDED 31ST MARCH 2020

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

NATURE OF RELATIONSHIP → / NATURE OF TRANSACTION ↓	KEY MANAGERIAL PERSONNEL		RELATIVES OF KEY MANAGERIAL PERSONNEL		ENTERPRISE ON WHICH RELATIVE OF KEY MANAGEMENT PERSONNEL CAN EXERCISE SIGNIFICANT INFLUENCE	
	2019-20	2018-19	2019-20	2018 19	2019-20	2018-19
PAYMENTS						
REMUNERATION	1,80,40,158	1,56,11,662	10,99,820	9,77,646	0	0
INTEREST ON DEPOSIT	5,42,997	2,72,681	3,44,200	4,68,591	32,674	3,13,836
LOAN GRANTED	29,60,000	18,00,000	0	0	0	30,00,000
DEPOSIT REPAID	4,88,775	45,93,113	26,14,425	22,55,799	2,20,240	1,12,65,783
EQUITY DIVIDEND	13,85,612	13,49,062	4,06,550	4,12,450	24,73,138	20,51,538
RECEIPTS						
INTEREST ON LOAN	1,59,945	16,288	0	0	2,10,970	1,45,562
REPAYMENT OF LOANS GRANTED	30,60,173	5,05,761	0	0	0	10,14,556
DEPOSIT ACCEPTED	44,45,000	35,70,000	14,50,361	11,22,089	1,70,000	4,00,000
BALANCE OUTSTANDING						
LOAN GRANTED						
OPENING BALANCE	13,10,527	8,00,592	0	0	21,31,006	0
CLOSING BALANCE	13,70,299	13,10,527	0	0	23,41,976	21,31,006
DEPOSIT ACCEPTED						
OPENING BALANCE	27,20,916	34,71,348	42,97,917	49,63,036	3,51,210	1,09,03,157
CLOSING BALANCE	72,20,138	27,20,916	34,78,053	42,97,917	3,33,644	3,51,210

As per our Report of even date attached

For Pravin Dhiran & Co.
Chartered Accountants
FRN: 133656W

Pravin Dhiran
M.No 115580

Date: 27/07/2020
Place :Nagpur

PRAVIN DHIRAN & CO. FRN 133656 W Wardha CHARTERED ACCOUNTANTS

On Behalf of Board of Directors

M.G.Jawanjar
(Managing Director)

S.M.Jawanjal
(Executive Director)

D.R.Balpande
(Company Secretary)

Short term leases:

Rental expense incurred and paid for short term leases during the year was INR 5,106,384 (31 March 2020: INR 4,070,893).

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April 2019 is 13.54%. p.a.

42 **Related Party Disclosures:**

(A) **Names of related parties and description of relationship as identified and certified by the Company:**

(a) Enterprises over which Key Management Personnel are able to exercise significant influence

1) Avino Agri Farms Ltd.
2) M.G. Jawanjar (HUF)
3) S.M. Jawanjal (HUF)

(b) Key Management Personnel

1) M.G. Jawanjar
2) S.M. Jawanjal
3) D.R. Balpande
4) Shantaram Mahalkar
5) Dattatraya Dalal
6) Ashok Kachore
7) Vishwas Pathak
8) Rashmi Mitkary

(c) Relative of Key Management Personnel

1) Mrs. Jyoti Jawanjar
2) Mr.Ravindra Balpande
3) Vaishali Charde
4) Mrs.Bakul Jawanjar
5) Mr.Arjun Jawanjal
6) Mr.Radhemohan Jawanjal
7) Purushottam Mahakalkar
8) Mansaram Mahakalkar
9) Aadya Dalal
10) Girish Dalal
11) Sayali Pimple Dalal
12) Prathamesh Dalal
13) Suhasini Dalal
14) Roshani Tupkari
15) Meenakshi Kachore
16) Narendra Kachore
17) Pritam Kachore
18) Ravindra Kachore
19) Rekha Kachore
20) Meena Tiple
21) Priti Padole
22) Anuradha
23) Viveknand
24) Wasudha
25) Meena Pidadi

(B) **Details of transactions with related party in the ordinary course of business for the year ended:**

PRAVIN DHIRAN & CO. FRN 133658 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

	Relationship with the Entity	Nature of Transaction	Year ended 31 March 2021	Year ended 31 March 2020
M.G. Jawanjar	Key Management Personnel	Remuneration	8,665,000.00	9,158,513
S.M. Jawanjal	Key Management Personnel	Remuneration	7,281,016.00	7,282,006
D.R. Balpande	Key Management Personnel	Remuneration	1,587,333.00	1,599,639
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Remuneration	1,069,897.00	1,099,820
M.G. Jawanjar	Key Management Personnel	Interest on Deposit	219,253.00	50,989
S.M. Jawanjal	Key Management Personnel	Interest on Deposit	561,268.00	416,762
D.R. Balpande	Key Management Personnel	Interest on Deposit	111,731.00	75,246
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Interest on Deposit	62,988.00	0
Mr. Ravindra Balpande	Relative of Key Managerial Personnel	Interest on Deposit	15,056.00	2,919
Mrs. Vaishali Charde	Relative of Key Managerial Personnel	Interest on Deposit	251,026.00	187,943
Mrs. Bakul Jawanjal	Relative of Key Managerial Personnel	Interest on Deposit	161,123.00	123,300
Arjun Jawanjal	Relative of Key Managerial Personnel	Interest on Deposit	13,125.00	10,418
Radhemohan Jawanjal	Relative of Key Managerial Personnel	Interest on Deposit	23,624.00	19,620
M.G. Jawanjar (HUF)	Enterprise on which Relative of KMP can	Interest on Deposit	40,743.00	0
S.M. Jawanjal (HUF)	Enterprise on which Relative of KMP can	Interest on Deposit	35,666.00	32,674
Purushottam Mahakalkar	Relative of Key Managerial Personnel	Interest on Deposit	41,682.00	48,239
Mansaram Mahakalkar	Relative of Key Managerial Personnel	Interest on Deposit	48,748.00	48,881
Dattatraya Dalal	Key Management Personnel	Interest on Deposit	359,032.00	297,152
Aadya Dalal	Relative of Key Managerial Personnel	Interest on Deposit	18,858.00	10,766
Girish Dalal	Relative of Key Managerial Personnel	Interest on Deposit	119,979.00	108,478
Sayali Pimple Dalal	Relative of Key Managerial Personnel	Interest on Deposit	42,987.00	38,200
Prathamesh Dalal	Relative of Key Managerial Personnel	Interest on Deposit	189,121.00	159,396.00
Suhasini Dalal	Relative of Key Managerial Personnel	Interest on Deposit	49,430.00	91,586.00
Roshani Tupkari	Relative of Key Managerial Personnel	Interest on Deposit	65,977.00	59,191.00
Ashok Kachore	Key Management Personnel	Interest on Deposit	723,206.00	621,895.00
Meenakshi Kachore	Relative of Key Managerial Personnel	Interest on Deposit	81,366.00	110,758.00
Narendra Kachore	Relative of Key Managerial Personnel	Interest on Deposit	210,325.00	194,608.00
Pritam Kachore	Relative of Key Managerial Personnel	Interest on Deposit	84,988.00	81,959.00
Ravindra Kachore	Relative of Key Managerial Personnel	Interest on Deposit	122,239.00	86,113.00
Rekha Kachore	Relative of Key Managerial Personnel	Interest on Deposit	553,352.00	516,398.00
Meena Tiple	Relative of Key Managerial Personnel	Interest on Deposit	5,839.00	15,906.00
Priti Padole	Relative of Key Managerial Personnel	Interest on Deposit	4,327.00	3,192.00
Vishwas Pathak	Key Management Personnel	Interest on Deposit	172,562.00	164,313.00
Anuradha Pathak	Relative of Key Managerial Personnel	Interest on Deposit	24,279.00	22,416.00
Vivekanand Pathak	Relative of Key Managerial Personnel	Interest on Deposit	2,016.00	1,827.00
Vasudha Pathak	Relative of Key Managerial Personnel	Interest on Deposit	1,471.00	1,344.00
Meena Pidadi	Relative of Key Managerial Personnel	Interest on Deposit	109,091.00	95,922.00
Rashmi Mirkary	Key Management Personnel	Interest on Deposit	12,026.00	11,078.00
M.G. Jawanjar	Key Management Personnel	Deposit Repaid	1,167,887.00	5,100.00
S.M. Jawanjal	Key Management Personnel	Deposit Repaid	795,262.00	41,681.00
D.R. Balpande	Key Management Personnel	Deposit Repaid	1,130,644.00	441,994.00
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Deposit Repaid	4,726.00	-

PRAVIN DHIRAN & CO. FRN 133656 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LTD. NAGPUR

Mr. Ravindra Balpande	Relative of Key Managerial Personnel	Deposit Repaid	99,030.00	293.00
Vaishali Charde	Relative of Key Managerial Personnel	Deposit Repaid	1,719,037.00	2,119,181.00
Mrs. Bakul Jawanjal	Relative of Key Managerial Personnel	Deposit Repaid	1,050,069.00	360,234.00
Arjun Jawanjal	Relative of Key Managerial Personnel	Deposit Repaid	1,068.00	1,138.00
Radhemohan Jawanjal	Relative of Key Managerial Personnel	Deposit Repaid	80,650.00	133,872.00
M.G. Jawanjar (Huf)	Enterprise on which Relative of KMP can exercise Significant Influence	Deposit Repayment	3,057.00	-
S.M. Jawanjal (Huf)	Enterprise on which Relative of KMP can exercise Significant Influence	Deposit Repayment	164,566.00	220,414.00
Purushottam Mahakalkar	Relative of Key Managerial Personnel	Deposit Repayment	583,208.00	-
Dattatraya Dalal	Key Management Personnel	Deposit Repayment	2,300,000.00	500,000.00
Aadya Dalal	Relative of Key Managerial Personnel	Deposit Repayment	116,076.00	1,181.00
Girish Dalal	Relative of Key Managerial Personnel	Deposit Repayment	1,266,915.00	1,006,922.00
Sayali Pimple Dalal	Relative of Key Managerial Personnel	Deposit Repayment	130,291.00	54,796.00
Prathamesh Dalal	Relative of Key Managerial Personnel	Deposit Repayment	1,571,461.00	1,373,583.00
Suhasini Dalal	Relative of Key Managerial Personnel	Deposit Repayment	4,218,550.00	960,105.00
Roshani Tupkari	Relative of Key Managerial Personnel	Deposit Repayment	664,316.00	-
Ashok Kachore	Key Management Personnel	Deposit Repayment	3,918,791.00	3,783,451.00
Meenakshi Kachore	Relative of Key Managerial Personnel	Deposit Repayment	493,876.00	1,866,805.00
Narendra Kachore	Relative of Key Managerial Personnel	Deposit Repayment	2,041,114.00	1,846,917.00
Pritam Kachore	Relative of Key Managerial Personnel	Deposit Repayment	561,805.00	829,776.00
Ravindra Kachore	Relative of Key Managerial Personnel	Deposit Repayment	9,844.00	587,610.00
Rekha Kachore	Relative of Key Managerial Personnel	Deposit Repayment	2,153,716.00	4,466,761.00
Meena Tiple	Relative of Key Managerial Personnel	Deposit Repayment	138,352.00	50,000.00
Priti Pedole	Relative of Key Managerial Personnel	Deposit Repayment	325.00	343,434.00

PRAVIN DHIRAN & CO. FRN 133656 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

Vishwas Pathak	Key Management Personnel	Deposit Repayment	1,814,299.00	658,974.00
Anuradha Pathak	Relative of Key Managerial Personnel	Deposit Repayment	271,162.00	204,053.00
Vivekanand Pathak	Relative of Key Managerial Personnel	Deposit Repayment	-	19,140.00
Vasudha Pathak	Relative of Key Managerial Personnel	Deposit Repayment	16,512.00	15,069.00
Meena Pilodi	Relative of Key Managerial Personnel	Deposit Repayment	325,772.00	760,594.00
Rashmi Mitkary	Key Management Personnel	Deposit Repayment	62,950.00	57,238.00
S.M. Jawanjal	Key Management Personnel	Loan Granted	1,610,000.00	2,960,000.00
D.R. Balpande	Key Management Personnel	Loan Granted	279,000.00	-
Ravindra Kachare	Relative of Key Managerial Personnel	Loan Granted	700,000.00	-
Meena Tiple	Relative of Key Managerial Personnel	Loan Granted	20,000.00	-
M.G. Jawanjar	Key Management Personnel	Equity Dividend	510,597.00	1,021,194.00
S.M. Jawanjal	Key Management Personnel	Equity Dividend	161,259.00	322,518.00
D.R. Balpande	Key Management Personnel	Equity Dividend	20,950.00	41,900.00
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Equity Dividend	137,275.00	274,550.00
Mr. Ravindra Balpande	Relative of Key Managerial Personnel	Equity Dividend	1,500.00	3,000.00
Vaishali Charde	Relative of Key Managerial Personnel	Equity Dividend	13,300.00	26,600.00
Mrs. Bakul Jawanjal	Relative of Key Managerial Personnel	Equity Dividend	50,500.00	101,000.00
Radhemohan	Relative of Key Managerial Personnel	Equity Dividend	700.00	1,400.00
Avino Agri Farms	Enterprise on which Relative of KMP can exercise Significant Influence	Equity Dividend	744,242.00	1,488,484.00
M.G. Jawanjar (Huf)	Enterprise on which Relative of KMP can exercise Significant Influence	Equity Dividend	434,477.00	868,954.00
S.M. Jawanjal (Huf)	Enterprise on which Relative of KMP can exercise Significant Influence	Equity Dividend	58,850.00	115,700.00

PRAVIN DHIRAN & CO. FRN 133658 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

Shantaram Mahakalkar	Key Management Personnel	Equity Dividend	14,950.00	29,900.00
Purushottam Mahakalkar	Relative of Key Managerial Personnel	Equity Dividend	1,650.00	2,800.00
Mansaram Mahakalkar	Relative of Key Managerial Personnel	Equity Dividend	7,000.00	14,000.00
Dattatraya Dalal	Key Management Personnel	Equity Dividend	56,908.00	113,816.00
Roshani Tupkari	Relative of Key Managerial Personnel	Equity Dividend	3,575.00	7,150.00
Ashok Kachore	Key Management Personnel	Equity Dividend	12,017.00	24,034.00
Narendra Kachore	Relative of Key Managerial Personnel	Equity Dividend	99,241.00	198,482.00
Ravindra Kachore	Relative of Key Managerial Personnel	Equity Dividend	116,742.00	233,484.00
Vishwas Pathak	Key Management Personnel	Equity Dividend	14,300.00	28,600.00
Meena Pidadi	Relative of Key Managerial Personnel	Equity Dividend	900.00	1,800.00
S.M. Jawanjal	Key Management Personnel	Interest on Loans	58,697.00	159,945.00
D.R. Balpande	Key Management Personnel	Interest on Loans	1,534.00	-
Avino Agri Farms	Enterprise on which Relative of KMP can exercise Significant Influence	Interest on Loan	52,935.00	210,970.00
Ravindra Kachore	Relative of Key Managerial Personnel	Interest on Loan	4,411.00	-
Meena Tiple	Relative of Key Managerial Personnel	Interest on Loan	124.00	-
S.M. Jawanjal	Key Management Personnel	Repayment of Loans	3,038,996.00	3,060,173.00
D.R. Balpande	Key Management Personnel	Repayment of Loans	280,534.00	-
Avino Agri Farms	Enterprise on which Relative of KMP can exercise Significant Influence	Repayment of Loans Gra	2,394,911.00	-
Meena Tiple	Relative of Key Managerial Personnel	Repayment of Loans Gra	20,124.00	-
M.G. Jawanjar	Key Management Personnel	Deposits Accepted	2,000,000.00	1,000,000.00
S.M. Jawanjal	Key Management Personnel	Deposits Accepted	2,550,000.00	2,700,000.00

PRAVIN DHIRAN & CO. FRN 133656 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

D.R. Balpande	Key Management Personnel	Deposits Accepted	959,212.00	745,000.00
Mrs. Jyoti Jawanjar	Relative of Key Managerial Personnel	Deposits Accepted	1,100,000.00	-
Mr. Ravindra Balpande	Relative of Key Managerial Personnel	Deposits Accepted	250,000.00	90,000.00
Vaishali Charde	Relative of Key Managerial Personnel	Deposits Accepted	3,797,958.00	750,000.00
Mrs. Bakul Jawanjal	Relative of Key Managerial Personnel	Deposits Accepted	1,399,963.00	460,209.00
Arjun Jawanjar	Relative of Key Managerial Personnel	Deposits Accepted	-	20,000.00
Radhemohan	Relative of Key Managerial Personnel	Deposits Accepted	128,746.00	130,152.00
M.G. Jawanjar (Huf)	Enterprise on which Relative of KMP can exercise Significant Influence	Deposit Accepted	800,000.00	-
S.M. Jawanjal (Huf)	Enterprise on which Relative of KMP can exercise Significant Influence	Deposit Accepted	211,686.00	170,000.00
Purushottam Mahakalkar	Relative of Key Managerial Personnel	Deposit Accepted	582,826.00	150,000.00
Dattatraya Dalal	Key Management Personnel	Deposit Accepted	5,350,000.00	1,600,000.00
Aadya Dalal	Relative of Key Managerial Personnel	Deposit Accepted	164,558.00	100,000.00
Girish Dalal	Relative of Key Managerial Personnel	Deposit Accepted	1,266,892.00	1,006,922.00
Sayali Pimple Dalal	Relative of Key Managerial Personnel	Deposit Accepted	130,291.00	104,788.00
Prathamesh Dalal	Relative of Key Managerial Personnel	Deposit Accepted	1,606,154.00	1,181,500.00
Suhasini Dalal	Relative of Key Managerial Personnel	Deposit Accepted	4,718,589.00	1,550,000.00
Roshani Tupkari	Relative of Key Managerial Personnel	Deposit Accepted	803,732.00	-
Ashok Kachore	Key Management Personnel	Deposit Accepted	4,992,522.00	3,143,699.00
Meenakshi Kachore	Relative of Key Managerial Personnel	Deposit Accepted	1,592,276.00	124,198.00
Narendra Kachore	Relative of Key Managerial Personnel	Deposit Accepted	2,024,063.00	1,838,306.00
Pritam Kachore	Relative of Key Managerial Personnel	Deposit Accepted	-	827,492.00

PRAVIN DHIRAN & CO. FRN 133656 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

Ravindra Kachore	Relative of Key Managerial Personnel	Deposit Accepted	300,000.00	1,082,872.00
Rekha Kachore	Relative of Key Managerial Personnel	Deposit Accepted	2,108,852.00	4,446,705.00
Meena Tiple	Relative of Key Managerial Personnel	Deposit Accepted	1,388,352.00	35,000.00
Priti Padole	Relative of Key Managerial Personnel	Deposit Accepted	600,000.00	-
Vishwas Pathak	Key Management Personnel	Deposit Accepted	1,800,423.00	926,720.00
Anuradha Pathak	Relative of Key Managerial Personnel	Deposit Accepted	270,983.00	223,827.00
Viveknand Pathak	Relative of Key Managerial Personnel	Deposit Accepted	-	19,140.00
Vasudha Pathak	Relative of Key Managerial Personnel	Deposit Accepted	16,512.00	15,069.00
Meena Pilladi	Relative of Key Managerial Personnel	Deposit Accepted	387,230.00	756,537.00
Rashmi Mitkary	Key Management Personnel	Deposit Accepted	61,971.00	57,183.00

(C) Amount due to/from related parties

	Relationship with the Entity	Nature of Transaction	As at 31 March 2021	As at 31 March 2020	As at 01 April 2019
S.M. Jawanjal	Key Managerial Personnel	Amount receivable for Loans Granted	-	1,370,299	1,310,527
Avina Capcons Pvt Ltd	Enterprise on which Relative of KMP can exercise Significant Influence	Amount receivable for Loans Granted	-	2,341,976	2,131,006
Ravindra Kachore	Relative of Key Management Personnel	Amount receivable for Loans Granted	704,411.00	-	-
M.G. Jawanjal	Key Managerial Personnel	Amounts Payable for Deposits Accepted	2,102,255.00	1,045,889.00	-
S.M. Jawanjal	Key Managerial Personnel	Amounts Payable for Deposits Accepted	7,516,707.00	5,200,701.00	2,125,620.00
D.R. Balpande	Key Managerial Personnel	Amounts Payable for Deposits Accepted	913,847.00	973,548.00	595,296.00
Mrs. Jyoti Jawanjar	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	1,158,262.00	-	-
Mr. Ravindra Balpande	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	258,652.00	92,626.00	-
Vaishali Charde	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	3,954,803.00	1,624,856.00	2,806,094.00
Mrs. Bakul Jawanjal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	1,933,945.00	1,422,928.00	1,199,653.00
Arjun Jawanjar	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	142,272.00	130,215.00	100,935.00

PRAVIN DHIRAN & CO. FRN 133656 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

Radhemohan	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	278,855.00	207,135.00	191,235.00
M.G. Jawanjal (HUF)	Enterprise on which Relative of KMP can exercise Significant	Amounts Payable for Deposits Accepted	837,686.00	-	-
S.M. Jawanjal (HUF)	Enterprise on which Relative of KMP can exercise Significant	Amounts Payable for Deposits Accepted	416,256.00	333,470.00	351,210.00
Purushottom Mahakalkar	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	608,103.00	566,803.00	368,564.00
Mansaram Mahakalkar	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	500,000.00	500,000.00	500,000.00
Dattatraya Dalal	Key Management Personnel	Amounts Payable for Deposits Accepted	6,100,000.00	3,050,000.00	1,950,000.00
Aadya Dalal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	227,927.00	160,587.00	51,002.00
Girish Dalal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	1,337,336.00	1,217,380.00	1,108,902.00
Sayali Pimple Dalal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	466,792.00	423,805.00	335,613.00
Prathamesh Dalal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	2,017,358.00	1,793,544.00	1,826,231.00
Suhasini Dalal	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	6,985,836.00	6,436,367.00	5,754,886.00
Rashani Tupkari	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	848,274.00	642,881.00	583,690.00
Ashok Kachore	Key Management Personnel	Amounts Payable for Deposits Accepted	8,442,271.00	6,646,334.00	6,664,191.00
Meenakshi Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	1,656,004.00	476,238.00	2,108,087.00
Narendra Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	2,341,660.00	2,148,386.00	1,962,389.00
Pritam Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	403,898.00	880,715.00	801,040.00
Ravindra Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	1,525,294.00	1,112,899.00	531,524.00
Rekha Kachore	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	6,022,323.00	5,513,835.00	5,017,493.00
Meena Tiple	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	1,393,440.00	137,601.00	136,695.00
Priti Padole	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	604,002.00		340,242.00
Vishwas Pathak	Key Management Personnel	Amounts Payable for Deposits Accepted	1,982,292.00	1,823,606.00	1,391,547.00
Anuradha Pathak	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	275,181.00	251,081.00	208,891.00
Viveknand Pathak	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	22,482.00	20,466.00	18,639.00
Wasudha Pathak	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	16,804.00	15,333.00	13,989.00
Meena Pidadi	Relative of Key Management Personnel	Amounts Payable for Deposits Accepted	1,249,729.00	1,079,180.00	987,315.00
Rashmi Mirkary	Key Management Personnel	Amounts Payable for Deposits Accepted	135,387	124,340.00	113,317.00

*The remuneration to key managerial personnel does not include the provision made for employee benefits (defined benefit plan and other long term benefits) as they are determined on an actuarial basis for the Company as a whole.

43 Operating Segment

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure.
No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended 31 March 2021 or 31 March 2020.

PRAVIN DHIRAN & CO. FRN 133656 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

Short term leases:
Rental expense incurred and paid for short term leases during the year was INR 80.33 lakhs (31 March 2021: INR 51.06 lakhs).

42 Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

(a) Enterprises over which Key Management Personnel are able to exercise significant influence

1) Avino Capcons Private Ltd.
2) M.G. Jawanjar (HUF)
3) S.M. Jawanjal (HUF)

(b) Key Management Personnel

1) M.G. Jawanjar
2) S.M. Jawanjal
3) D.R. Balpande
4) Shantaram Mahakalkar
5) Dattatraya Dalal
6) Ashok Kachore
7) Vishwas Pathak
8) Atul Sarda
9) Rashmi Mitkary
10) Avishek Addy
11) Harishchandra Sukhdeve
12) Siva Vadivel Alagan
13) Y.M. Tahaiyani

(c) Relatives of Key Management Personnel

1) Jyoti Jawanjar
2) Ravindra Balpande
3) Vaishali Charde
4) Bakul Jawanjal
5) Arjun Jawanjal
6) Radhemohan Jawanjal
7) Purushottam Mahakalkar
8) Mansaram Mahakalkar
9) Aadya Dalal
10) Girish Dalal
11) Sayali Pimple Dalal
12) Prathamesh Dalal
13) Suhasini Dalal
14) Roshani Tupkari
15) Meenakshi Kachore
16) Narendra Kachore
17) Pritam Kachore
18) Ravindra Kachore
19) Rekha Kachore
20) Meena Tiple
21) Priti Padole
22) Anuradha Pathak
23) Vivekanand Pathak
24) Vasudha Pathak
25) Meena Pidadi
26) Hemant Charde
27) Samruddhi Charde
28) Mangala Mahakalkar

(B) Details of transactions with related parties in the ordinary course of business for the year ended:

(₹ in Lakhs)

	Year ended 31 March 2022	Year ended 31 March 2021
I) Key Management Personnel		
Remuneration*		
M.G. Jawanjar	109.21	86.65
S.M. Jawanjal	85.91	72.81
D.R. Balpande	23.49	15.87
Y.M. Tahaiyani	10.59	-
Interest on Deposit		
M.G. Jawanjar	2.16	2.19
S.M. Jawanjal	7.14	5.61
D.R. Balpande	1.49	1.12
Ashok Kachore	8.04	7.23
Vishwas Pathak	1.97	1.73
Rashmi Mitkary	0.13	0.12
Deposit Repaid		
M.G. Jawanjar	11.09	11.63
S.M. Jawanjal	46.37	7.95
D.R. Balpande	5.17	11.31
Dattatraya Dalal	-	23.00
Ashok Kachore	49.08	39.19
Vishwas Pathak	4.78	18.14
Rashmi Mitkary	0.71	0.63
Loans Granted		
S.M. Jawanjal	7.21	16.10
D.R. Balpande	-	2.79
Equity Dividend		
M.G. Jawanjar	10.21	5.11
S.M. Jawanjal	3.23	1.61
D.R. Balpande	0.42	0.21
Shantaram Mahakalkar	0.30	0.15
Dattatraya Dalal	1.14	0.57
Ashok Kachore	0.24	0.12
Vishwas Pathak	0.28	0.14
Interest on Loans		
S.M. Jawanjal	0.12	0.59
D.R. Balpande	-	0.02
Repayment of Loans		
S.M. Jawanjal	3.70	30.39
D.R. Balpande	-	2.81
Deposits Accepted		
M.G. Jawanjar	11.00	20.00
S.M. Jawanjal	39.08	25.50
D.R. Balpande	13.50	9.59
Dattatraya Dalal	9.00	53.50

PRAVIN DHIRAN & CO. FRN 133658 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

Ashok Kachore	69.70	49.93
Vishwas Pathak	4.58	18.00
Rashmi Mithary	0.70	0.62
II) Relatives of Key Management Personnel		
Remuneration		
Jyoti Jawanjar	13.00	10.70
Interest on Deposit		
Jyoti Jawanjar	1.35	0.63
Ravindra Belpande	0.37	0.15
Vaishali Charde	5.05	2.51
Hemant Charde	1.29	0.85
Samruddhi Charde	0.02	-
Bakul Jawanjal	2.15	1.61
Arjun Jawanjal	0.15	0.13
Radhemohan Jawanjal	0.29	0.24
Purushottam Mahakalkar	0.77	0.42
Manoram Mahakalkar	0.49	0.49
Dattatraya Dalal	6.37	3.59
Aadya Dalal	0.27	0.19
Girish Dalal	1.35	1.20
Sayali Pimple Dalal	0.47	0.43
Prathamesh Dalal	2.22	1.89
Suhasini Dalal	6.92	0.49
Roshani Tupkari	0.86	0.66
Meenakshi Kachore	1.78	0.81
Narendra Kachore	1.35	2.10
Pritam Kachore	0.40	0.85
Ravindra Kachore	1.39	1.22
Rekha Kachore	5.95	5.53
Meena Tiple	-	0.06
Priti Padole	0.61	0.04
Anuradha Pathak	0.27	0.24
Viveknand Pathak	0.02	0.02
Wasudha Pathak	0.02	0.01
Meena Pidadi	1.22	1.09
Mangala Mahakalkar	0.35	-
Deposit Repaid		
Jyoti Jawanjar	0.13	0.05
Ravindra Belpande	0.04	0.99
Vaishali Charde	30.93	17.19
Hemant Charde	0.13	7.48
Bakul Jawanjal	6.00	10.50
Arjun Jawanjal	1.32	0.01
Radhemohan Jawanjal	0.03	0.81
Purushottam Mahakalkar	6.22	5.83
Aadya Dalal	0.67	1.16
Girish Dalal	-	12.67
Sayali Pimple Dalal	2.75	1.30
Prathamesh Dalal	0.22	15.71
Suhasini Dalal	20.17	42.19
Roshani Tupkari	-	6.64
Meenakshi Kachore	1.72	4.94
Narendra Kachore	24.39	20.41
Pritam Kachore	4.12	5.62
Ravindra Kachore	13.00	0.10
Rekha Kachore	41.38	21.54
Meena Tiple	-	1.38
Priti Padole	0.06	0.00
Anuradha Pathak	0.25	2.71
Viveknand Pathak	0.23	-
Wasudha Pathak	-	0.17
Meena Pidadi	12.64	3.26
Mangala Mahakalkar	0.04	-
Loans Granted		
Ravindra Kachore	-	7.00
Meena Tiple	-	0.20
Equity Dividend		
Jyoti Jawanjar	2.75	1.37
Ravindra Belpande	0.03	0.02
Vaishali Charde	0.27	0.13
Hemant Charde	0.08	0.04
Samruddhi Charde	0.04	0.02
Bakul Jawanjal	1.01	0.51
Radhemohan Jawanjal	0.01	0.01
Purushottam Mahakalkar	0.03	0.02
Manoram Mahakalkar	0.14	0.07
Roshani Tupkari	0.07	0.04
Narendra Kachore	1.98	0.99
Ravindra Kachore	2.33	1.17
Meena Pidadi	0.02	0.01
Mangala Mahakalkar	0.14	0.07
Interest on Loans		
Ravindra Kachore	0.34	0.04
Meena Tiple	-	0.00
Repayment of Loans Granted		
Meena Tiple	-	0.20
Ravindra Kachore	7.38	-
Deposits Accepted		
Jyoti Jawanjar	10.00	11.00
Ravindra Belpande	2.25	2.50
Vaishali Charde	58.13	37.98
Hemant Charde	6.50	8.00
Samruddhi Charde	0.50	-
Bakul Jawanjal	10.71	14.00
Arjun Jawanjal	1.30	-
Radhemohan Jawanjal	-	1.29
Purushottam Mahakalkar	6.22	5.83
Aadya Dalal	1.45	1.65
Girish Dalal	-	12.67
Sayali Pimple Dalal	2.75	1.30
Prathamesh Dalal	3.50	16.06
Suhasini Dalal	22.89	47.19
Roshani Tupkari	-	8.04
Meenakshi Kachore	1.55	15.92

PRAVIN DHIRAN & CO. FRN 133658 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR

Narendra Kachare	37.93	20.24
Pritam Kachare	4.08	-
Ravindra Kachare	10.48	3.00
Rekha Kachare	40.78	21.09
Meena Tiple	-	13.88
Priti Padole	-	6.00
Anuradha Pathak	0.25	2.71
Viveknand Pathak	0.23	-
Wasudha Pathak	-	0.17
Meena Pidadi	12.43	3.87
Mangala Mahakalkar	20.00	-
III) Enterprises on which Relative of Key Managerial Personnel can exercise significant influence		
Interest on Deposit		
M.G. Jawanjal (HUF)	1.09	0.41
S.M. Jawanjal (HUF)	0.47	0.36
Deposit Repayment		
M.G. Jawanjal (HUF)	0.11	0.03
S.M. Jawanjal (HUF)	0.05	1.65
Equity Dividend		
Avino Capcons Private Ltd.	14.88	7.44
M.G. Jawanjal (HUF)	8.69	4.34
S.M. Jawanjal (HUF)	1.18	0.59
Interest on Loan		
Avino Capcons Private Ltd.	-	0.53
Repayment of Loans Granted		
Avino Capcons Private Ltd.	-	23.95
Deposit Accepted		
M.G. Jawanjal (HUF)	10.00	8.00
S.M. Jawanjal (HUF)	1.00	2.12

(C) Amount due to/from related parties

(₹ In Lakhs)

	As at 31 March 2022	As at 31 March 2021
I) Key Management Personnel		
Amount receivable for Loans Granted		
S.M. Jawanjal	3.64	-
Amount payable for Deposits Accepted		
M.G. Jawanjar	23.09	21.02
S.M. Jawanjal	75.02	75.17
D.R. Belpande	18.95	9.14
Dattatraya Dalal	70.00	61.00
Ashok Kachare	113.08	84.42
Vishwas Pathak	21.60	19.82
Rushmi Mitkary	1.47	1.35
II) Relatives of Key Management Personnel		
Amount receivable for Loans Granted		
Ravindra Kachare	-	7.04
Amount payable for Deposits Accepted		
Jyoti Jawanjar	22.80	11.58
Ravindra Belpande	5.17	2.59
Vaishali Charde	71.81	39.55
Bakul Jawanjal	26.19	19.34
Arjun Jawanjal	1.55	1.42
Radhemohan Jawanjal	3.05	2.79
Purushottam Mahakalkar	6.85	6.08
Manoram Mahakalkar	5.00	5.00
Aadya Dalal	3.32	2.28
Girish Dalal	14.73	13.37
Sayali Pimple Dalal	5.14	4.67
Prathamesh Dalal	25.67	20.17
Suhasini Dalal	79.50	69.86
Rashani Tupkari	9.34	8.48
Meenakshi Kachare	18.16	16.56
Narendra Kachare	38.30	23.42
Pritam Kachare	4.40	4.04
Ravindra Kachare	14.12	15.25
Rekha Kachare	65.58	60.22
Meena Tiple	13.93	13.93
Priti Padole	6.59	6.04
Anuradha Pathak	3.02	2.75
Viveknand Pathak	0.25	0.23
Wasudha Pathak	0.18	0.17
Meena Pidadi	13.51	12.50
Hemant Charde	15.91	8.25
Samruddhi Charde	0.52	-
Mangala Mahakalkar	20.32	-
III) Enterprises on which Relative of Key Managerial Personnel can exercise significant influence		
Amount payable for Deposits Accepted		
M.G. Jawanjar (HUF)	19.36	8.38
S.M. Jawanjal (HUF)	5.59	4.16

*The remuneration to key managerial personnel does not include the provision made for employee benefits (defined benefit plan and other long term benefits) as they are determined on an actuarial basis for the Company as a whole.

43 **Operating Segment**

There is no separate reportable segment as per Ind AS 108 on 'Operating Segments' in respect of the Company.
The Company operates in single segment only. There are no operations outside India and hence there is no external revenue or assets which require disclosure.

No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended 31 March 2022 or 31 March 2021.

44 **Employee stock option scheme**

(a) On December 7, 2019 the members of company approved the Berar Stock Option Scheme 2019 (Scheme 2019) for issue of stock options to the key employees of the company. According to the Scheme 2019, the employee selected will be entitled to options, subject to satisfaction of the prescribed vesting conditions, viz., continuing employment of 60 months/ 48 months as the case may be.
In pursuant to the said scheme, the Company issued additional stock options on February 21, 2022.

PRAVIN DHIRAN & CO. FRN 133658 W Wardha CHARTERED ACCOUNTANTS

BERAR FINANCE LIMITED NAGPUR