

DIRECTORS' REPORT

To
 The Shareholders
KAMAL FINCAP PRIVATE LIMITED,
KOTA.

Your Directors have pleasure in presenting their 24th Annual Report on the business and operations of the Company and Audited Financial Statements for the year ended 31st March, 2020.

1. Financial Summary or Highlights

Particulars	31 st March, 2020	31 st March, 2019
Income from Operations	309,078,820	236,928,067
Other Income	17,897,918	7,075,731
Total Income	326,976,738	244,003,798
Profit Before Depreciation & Tax	83,928,113	77,790,723
Less: Depreciation	4,554,940	1,702,128
Profit Before Tax	79,373,173	76,088,595
Less: Tax Expenses	21,741,472	21,022,863
Profit After Tax	57,631,701	55,065,731

2. Brief description of the Company's working during the year/State of Company's affair

The Company is engaged in business of Micro finance since November 2013. The company faced hindrance and restrictions in beginning of the year due to elections, Later on the Company expanded its business to three new states in Maharashtra, Uttar Pradesh and Chhattisgarh and the numbers of branches increased from 77 to 130 branches which were considered as major expansion of the business in FY 2019-20. The Company also entered into BC partnership with three new Banks DCB Bank, CSB Bank and ESAF Small Finance Bank. During the year, the Assets under Management of the Company increased from Rs. 250 cr in the financial year 2018-19 to Rs. 396 cr in the financial year 2019-20 which reflects YOY growth of company is 58%. The Company earned profit of 5.76 cr in the financial year 2019-20.

In March, 2020, the COVID pandemic struck bringing the entire country to a standstill. This adversely affected business and your company had to pause its operations. The pandemic brought the new normal and your company adapted to resume business with social distancing, digital platform, Work from home set up etc. The year ahead is full of challenges but your company's resilience and ability to deal with various prior crisis gives it strength to move on effectively. The Company is also under discussion and planning to launch Gold Loan and BCBO outlets from the financial year 2020-21.

3. Dividend

During the year under review, the Board of Directors of your Company is pleased to recommend a dividend of Rs. 10.50/- per preference share of face value of Rs. 100 each @ 10.50%) payable to those preference shareholders whose names appear in the Register of Members as on 31st March, 2020.

An amount of Rs. 104570/- (rupees one Lac four thousand five hundred and seventy only) would be paid as dividend distribution tax on the dividend.

Your directors do not recommend any dividend for equity shareholders for the year under review.

4. Transfer to Reserves

During the year under review, your Directors' has decided not to transfer any amount to the reserves.

5. Changes in Nature of Business

The Company is engaged in the business of microfinance, two wheeler loans and business loans and provides business correspondent services to banks and NBFCs. There is no change in nature of business of the company during the financial year 2019-20.

6. Material changes and commitments

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

7. Details of significant and material orders passed by the regulators or courts or tribunals

There are no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

8. Statutory Auditors

M/s NSB & Associates, Chartered Accountants, New Delhi, having Firm Registration No. 023043N, was appointed as Statutory Auditors of the Company in 23rd Annual General Meeting dated 14th September, 2019 for the audit of annual accounts of the Company from the FY 2018-19 to FY 2021-22.

Company has received certificate from the Auditors to the effect they are not disqualified to continue as statutory auditors under the provisions of applicable laws.

9. Board's Comment on Auditors' Report

The observations made in the Auditor's Report of the financial year 2019-20, read together with the relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

10. Cost Auditor

The Cost Audit in pursuant to section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 is not applicable on the company.

11. Secretarial Auditor

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

12. Fraud Reporting

During the year under review, Auditors of the company have not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

13. Share Capital

The Paid-Up Share Capital of the Company is Rs. 6,28,85,730/- (Rupees Six Crores Twenty Lacs Eighty Five Thousand Seven Hundred and Thirty only) divided into 57,18,573 (Fifty Seven Lacs Eighteen Thousand Five Hundred and Seventy Three) Equity Shares of Rs. 10/- (Rupees Ten) each amounting to Rs. 5,71,85,730/- (Rupees Five Crores Seventy One Lacs Eighty Five Thousand Seven Hundred and Thirty Only) and 57,000 (Fifty Seven Thousand) 10.50% Non Cumulative Preference Shares of Rs. 100/- (Rupees Hundred) each amounting to Rs. 57,00,000/- (Rupees Fifty Seven Lacs only).

During the year under review, there was no change in the share capital of the company.

The Company has not issued any equity shares with differential rights/ sweat equity shares/ employee stock options or not made any provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2019-20.

The Company has not made any purchase or provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2019-20.

14. Details of Subsidiary / Joint Ventures / Associate Companies

The Company does not have any Subsidiary, Joint Venture Company or Associate Company as on 31st March, 2020 and any information for this purpose is not applicable to the company.

15. Deposits

During the year under review, the Company has not accepted any deposit from the public under Section 73 of the Companies Act, 2013, read with Companies (Acceptance of Deposits) Rules, 2014. No amounts were outstanding which were classified as 'Deposits' under the applicable provisions of Companies Act, 2013 as on the date of balance sheet.

Further, it is noted that Company received allowed unsecured deposit from shareholders as mentioned below:

S. No.	Name of the shareholder	Amount (in Rs.)
1.	Zakir Hussain	30,00,000/-

16. Details in respect of Internal Financial Controls with reference to Financial Statements

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations.

The Company has policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

17. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

a) Energy conservation & Technology Absorption:

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However adequate measures are always taken to ensure optimum utilization and maximum possible saving of energy.

Since the Company is not engaged in any manufacturing, the information in connection with technology absorption is NIL.

b) Foreign exchange earnings and Outgo:

The foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014, during the financial year 2019-20 as follows:

Total foreign exchange earned	NIL
Total foreign exchange outgo	NIL

18. Particulars of loans, guarantees or investments under section 186

During the year under review, the company has not given any loan, guarantee or made any investment under the provisions of section 186 of the Companies Act, 2013.

19. Extract of Annual Return

The extract of Annual Return for the financial year 2019-20 as required under Section 92 of the Companies Act, 2013 is set out at **Annexure-I** in Form MGT-9 which forms part of this report.

The Company is having website i.e. www.kamalfincap.com and annual return for the financial year 2019-20 has been published on such website. The link of website is www.kamalfincap.com

20. Disclosures related to Directors and Key Managerial Personnel

The Board is entrusted with ultimate responsibility of the management, directions and performance of the Company. Board conducts and exercises the overall supervision and control by setting the goals and policies, reporting mechanism and decision making processes to be followed.

During the year under review, Mr. Mohan Chandanathil Pappachan appointed as an Additional Director on the Board of the Company w.e.f. 16th December, 2019.

Further, Ms. Prachi Jain resigned from the post of Company Secretary with effect from 20th September, 2019 and Mrs. Simranjeet Kaur appointed as Company Secretary of the Company w.e.f. 16th December, 2019.

After the closure of the financial year, the Company has received miserable news regarding sudden demise of Mr. Deshnidhi Kasliwal, Promoter and Director of the Company. During his tenure of office, he has made distinct and immense contribution towards the growth of the Company. The Board placed on record the valuable guidance, support and advice extended by him during his tenure.

Mr. Mohan Chandanathil Pappachan has also resigned from the post of Additional Director from the Board of the Company after the end of the Financial Year 2019-20 w.e.f. 28th May, 2020.

21. Disclosures related to Board and Committee Meetings

a) **Board Meetings**

The Board of Directors met 5 times during the financial year 2019-20 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The date of Board meetings are 27th April, 2019, 16th July, 2019, 11th November, 16th December, 2019 and 10th February, 2020.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Name of Director	Designation	No. of Board Meetings during the financial year 2019-20	
		Held/Entitled to Attend	Attended
Mr. Deshnidhi Kasliwal	Director	5	3
Mr. Anshul Kasliwal	Director	5	5
Mrs. Nidhi Kasliwal	Managing Director	5	5
Mr. Ashish Kumar Gupta	Non Executive Director	5	3
Mr. Uma Shanker Singh	Non Executive Director	5	2
Mr. Mohan Chandanathil Pappachan	Additional Director	2	1

b) **Committees of the Board**

The Company has voluntarily constituted following committees of the Board of Directors:

➤ **Audit Committee**

The audit committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014. The primary objective of the Committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting.

Composition and Attendance:

The Committee's Composition is in line with the requirements of section 177 of the Companies Act, 2013.

During the financial year 2019-20, three meeting of Audit committee was held as detailed below:

Name of Committee Members	Designation/ Category	Attendance of the members at the Committee Meetings		
		27 th April, 2019	16 th July, 2019	16 th December, 2019
Mr. Ashish Kumar Gupta	Non-Executive Director; Chairman	Yes	Yes	Yes
Mr. Uma Shanker Singh	Non-Executive Director; Member	Yes	Yes	Yes
Mrs. Nidhi Kasliwal	Managing Director; Member	Yes	Yes	Yes

➤ **HR Committee**

During the financial year 2019-20, 2 meetings of the HR Committee were held on 27th April, 2019 and 16th December, 2019.

Name of Committee Members	Designation/ Category	Attendance of the members at the Committee Meetings	
		27 th April, 2019	16 th December, 2019
Mr. Ashish Kumar Gupta	Non-Executive Director; Chairman	Yes	Yes
Mr. Uma Shanker Singh	Non-Executive Director; Member	Yes	Yes
Mrs. Nidhi Kasliwal	Managing Director; Member	Yes	Yes

➤ **Corporate Social Responsibility Committee:**

During the financial year 2019-20, the Company falls in limits of section 135 of the Companies Act 2013 and attract the liability to spend the required amount on CSR activities as per section 135 of the Companies Act 2013. The Board approved CSR policy and formed a Corporate Social Responsibility Committee for management of CSR budget and CSR activities in compliance of section 135

The terms of reference of the Corporate Social Responsibility Committee are as follows:

1. To review the CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
2. To recommend the expenditure that can be incurred for this purpose;
3. To provide guidance on various CSR activities to be undertaken by the Company and to monitor process.

Composition and Attendance

The Committee's Composition is in line with the requirements of section 177 of the Companies Act, 2013.

During the financial year 2019-20, only one meeting of CSR committee was held as detailed below:

Name of Committee Members	Designation/ Category	Attendance of the members at the Committee Meetings
		16 th December, 2019
Mr. Ashish Kumar Gupta	Non-Executive Director; Chairman	Yes
Mr. Uma Shanker Singh	Non-Executive Director; Member	No
Mrs. Nidhi Kasliwal	Managing Director; Member	Yes

The Annual Report on CSR activities of the Financial Year 2019-20 with requisite details in the specified format as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed at **Annexure-II** and forms part of this Board's report. The CSR Policy of the Company is enclosed at **Annexure-III** and form part of this Board's report.

As per the Annual Report on CSR activities, some amount out of budget sanctioned for CSR activities remain unspent because activities proposed could not be executed due to COVID issue and lockdown.

22. Risk Management and Control

The Company recognized that risk is an integral part of business and is committed to managing the risk in a proactive and efficient manner so the company has developed and implemented a risk management policy which identifies major risk which may threaten the existence of the Company. The same has been adopted by the Board. Risk mitigation process and measures have been also formulated and clearly spelled out in the Risk Management Policy.

The Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in strategy, business and operational plans.

23. Board Evaluation

The provision of section 134(3) (p) relating to board evaluation is not applicable on the company.

24. Prevention, Prohibition and Redressal of Sexual Harassment at workplace

In order to prevent sexual harassment of women at work place "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" was notified on December 09, 2013, under the said Act, every Company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

In terms of the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace.

Company has formed an “Internal Complaints Committee” for prevention and redressal of sexual harassment at workplace. The Committee is having requisite members and is chaired by a senior woman member of the organization. Further, the Company has not received any complaint of sexual harassment during the financial year 2019-20. During the financial year 2019-20, no complaint has been received by the members of the committee. Hence, no complaint is pending at the end of the financial year.

25. Particulars of Contracts or Arrangements with Related Parties

All the related party transactions entered during the Year 2019-20 were on Arm’s Length Basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and Approval of the Board of Directors and shareholders was obtained wherever required.

Further all the necessary details of transaction entered with the related parties are attached herewith in Form no. AOC-2, for your kind perusal and information **Annexure-IV**

26. Managerial Remuneration

None of the employees of the Company employed throughout the financial year 2019-20 were in receipt of remuneration in excess of the limits as prescribed under Section 197 of the Companies Act, 2013, read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no particulars are required to be given.

27. Vigil Mechanism / Whistle Blower Policy

The Provisions of Vigil Mechanism under Section 177(9) and (10) of the Companies Act, 2013 are not applicable to the company.

28. Directors’ Responsibility Statement

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013 and to the best of their knowledge & belief and according to the information and explanations obtained, your Directors’ state that:

- (a) In the preparation of the annual financial statements for the year ended 31st March, 2020, the applicable accounting standards has been followed and proper explanations has been provided relating to material departures, if any;
- (b) Such accounting policies has been selected and applied 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 as at 31st March, 2020 and of the profit and loss of the Company for the year ended on that date;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) The annual financial statements have been prepared on a going concern basis; and
- (e) Requisite internal financial controls were in place and that such financial controls were adequate and were operating effectively;

29. Statement on Compliances of Applicable Secretarial Standards

Pursuant to the approval given on 10 April 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1 July 2015. The said standards were further amended w.e.f. 1 October 2017. The Company is in compliance with the same.

30. Acknowledgements and Appreciation

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
KAMAL FINCAP PRIVATE LIMITED**

Date: 16.10.2020
Place: KOTA

Sd/-
NIDHI KASLIWAL
(MANAGING DIRECTOR)
(DIN: 02227201)
Add: H. No. 668, Pratap Nagar,
Dadabari, Kota, Rajasthan

Sd/-
ANSHUL KASLIWAL
(DIRECTOR)
(DIN: 02906110)
Add: H. No. 668, Pratap Nagar,
Dadabari, Kota, Rajasthan

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON FINANCIAL YEAR ENDED 31ST MARCH 2020

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U67120RJ1996PTC011402
2	Registration Date	15/01/1996
3	Name of the Company	KAMAL FINCAP PRIVATE LIMITED
4	Category / Sub-Category of the Company:	Indian Non-Govt. Company limited by Shares
5	Address of the Registered office & contact details	Plot No. 5, Near Bajaj Showroom, Aerodrome Circle, Jhalawar Road, Kota-324007, Rajasthan. E-mail id: cs.simran@kamalfincap.com Website: www.kamalfincap.com Phone Number: 0744 2360143
6	Whether listed company (Yes / No)	No
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product/ service*	% to total turnover of the company
1.	Financial Advisory, brokerage and Consultancy Services	64920 & 66190	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

There is no Holding, Subsidiary, Joint Venture and Associate of the Company as on March 31, 2020.

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

EQUITY SHARES

(i) (a) A Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	5239999	5239999	91.63%	-	5239998	5239998	91.63 %	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-

c) Bodies Corporate	-	50000	50000	0.87%	-	50000	50000	0.87%	-
d) Bank/Fl	-	-	-	-	-	--	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	-	5289999	5289999	92.5%	-	5289998	5289998	92.5%	
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	--	-	--	-	--	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	-	5289999	5289999	92.5%	-	5289998	5289998	92.5%	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/Fl	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	--	-
(2) Non Institutions									
a) Bodies corporate	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	--	-	-	-	-
i) Individual shareholders holding nominal share capital	-	-	-	-	-	-	-	-	-

upto Rs.1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	428574	428574	7.5%	-	428575	428575	7.5%	-
c) Others (Specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	428574	428574	7.5%	-	428575	428575	7.5%	
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	428574	428574	7.5%	-	428575	428575	7.5%	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	5718573	5718573	100%	-	5718573	5718573	100%	

(ii) (a) Shareholding of Promoters

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1.	Mr. Deshniidhi Kasliwal	1051230	18.38%	-	1051230	18.38%	-	-
2.	Mr. Anshul Kasliwal	1533700	26.81%	-	1533700	26.81%	-	
3.	Mrs. Nidhi Kasliwal	660029	11.54%	-	660028	11.54%	-	0.0001
4.	Mrs. Manju Kasliwal	1890000	33.05%	-	1890000	33.05%	-	-
5.	Mr. Ankit Kasliwal	20000	0.34%	-	20000	0.34%	-	
6.	Mr. Sudhanidhi Kasliwal	21260	0.37%	-	21260	0.37%	-	
7.	Mr. Dayanidhi Kasliwal	21260	0.37%	-	21260	0.37%	-	
8.	Mr. Payonidhi Kasliwal	21260	0.37%	-	21260	0.37%	-	
9.	Mr. Ishnidhi Kasliwal	21260	0.37%	-	21260	0.37%	-	-
10.	Kamal Anshukit Enterprises Pvt. Ltd.	50000	0.94%	-	50000	0.87%	-	
	Total	5289999	92.50%	-	5289998	92.5%	-	0.00

(iii) (a) Change in Promoters shareholding (Please specify, if there is no change, Equity)

S.No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Deshnidhi Kasliwal				
	At the beginning of the year	1051230	18.38%	1051230	18.38%
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease	No change			
	At the end of the year	1051230	18.38%	1051230	18.38%
2	Mr. Anshul Kasliwal				
	At the beginning of the year	1533700	26.81%	1533700	26.81%
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease	No Change			
	At the end of the year	1533700	26.81%	1533700	26.81%
3	Mrs. Nidhi Kasliwal				
	At the beginning of the year	660029	11.54%	660029	11.54%
	Transfer of shares on 10.02.2020	1	0.0001%	-	
	At the end of the year	660028	11.54%	660028	11.54%
4	Mrs. Manju Kasliwal				
	At the beginning of the year	1890000	33.05%	1890000	33.05%
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease	No change			
	At the end of the year	1890000	33.05%	1890000	33.05%
5	Mr. Ankit Kasliwal				
	At the beginning of the year	20000	0.34%	20000	0.34%
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease	No change			
	At the end of the year	20000	0.34%	20000	0.34%
6	Mr. Sudhanidhi Kasliwal				
	At the beginning of the year	21260	0.37%	21260	0.37%
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease	No change			
	At the end of the year	21260	0.37%	21260	0.37%
7	Mr. Dayanidhi Kasliwal				
	At the beginning of the year	21260	0.37%	21260	0.37%
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease	No change			
	At the end of the year	21260	0.37%	21260	0.37%

8	Mr. Payonidhi Kasliwal				
	At the beginning of the year	21260	0.37%	21260	0.37%
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease	No change			
	At the end of the year	21260	0.37%	21260	0.37%
9	Mr. Ishnidhi Kasliwal				
	At the beginning of the year	21260	0.37%	21260	0.37%
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease	No Change			
	At the end of the year	21260	0.37%	21260	0.37%
10	Kamal Anshukit Enterprises Pvt. Ltd.				
	At the beginning of the year	50000	0.87%	50000	0.87%
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease	No change			
	At the end of the year	50000	0.87%	50000	0.87%

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

S.No.	Name	Shareholding at the beginning of the year		Transaction During the Year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of Total Shares of Company	Date of Transaction	No. of Shares	No. of Shares	% of total Shares of Company
1.	Sanjana Rajgarhia	1	0.000017%	NA	NA	1	0.000017%
	At the End of the Year					1	0.000017%
2.	Meena Devi Rajgarhia	214286	3.75%	NA	NA	214286	3.75%
	At the End of the Year					214286	3.75%
3.	Pankaj Rajgarhia	71429	1.25%	NA	NA	71429	1.25%
	At the End of the Year					71429	1.25%
4.	Ruchika Rajgarhia	71429	1.25%	NA	NA	71429	1.25%
	At the End of the Year					71429	1.25%
	Seema Rajgarhia	71429	1.25%			71429	1.25%

5.				NA	NA		
	At the End of the Year					71429	1.25%
6.	Zakir Hussain	0.00	0.00	Acquired on 10/02/2020	1	1	0.000017%
	At the End of the Year					1	0.000017%
	Total	30	0.00057%			30	0.00057%

(b) Shareholding Pattern of Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs, Preference)-

S.No.	Name	Shareholding at the beginning of the year,2019-20		Transaction During the Year		Cumulative Shareholding at the end of the year,2019-20	
		No. of Shares	% of Total Shares of Company	Date of Transaction	No. of Shares	No. of Shares	% of total Shares of Company
1.	Shweta Bhasin	30000	52.63%	NA	NA	30000	52.63%
	At the End of the Year					30000	52.63%
2.	Ekta Jaipuria	20000	35.09%	NA	NA	20000	35.09%
	At the End of the Year					20000	35.09%
3.	Pradeep Rajgarhia (HUF)	5000	8.77%	NA	NA	5000	8.77%
	At the End of the Year					5000	8.77%
	Total	55000	96.49%			55000	96.49%

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year,2019-20		Shareholding at the end of the year,2019-20	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1.	Mr. Anshul Kasliwal (Executive Director)	1533700	26.81%	1533700	26.81%
2.	Mr. Deshniidhi Kasliwal (Executive Director)	1051230	18.38%	1051230	18.38%
3.	Mrs. Nidhi Kasliwal (Managing Director & CEO)	660029	11.54%	660028	11.54%
4.	Mr. Ashish Kumar Gupta (Independent Director)	0	0%	0	0%
5.	Mr. Uma Shanker Singh (Independent Director)	0	0%	0	0%

6.	Mr. Mohan Chandanathil Pappachan (Additional Director)	0	0.00%	0	0.00%
7.	Ms. Prachi Jain (Company Secretary till 20.09.2019)	0	0%	0	0%
7.	Mrs. Simran Jeet Kaur (Company Secretary w.e.f. 16.12.2019)	0	0%	0	0%

(vi) Indebtedness

(Amount in Rs.)

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	47,606,789	15,000,000	-	62,606,789
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	47,606,789	15,000,000	-	62,606,789
Changes in Indebtedness during the Year				
Addition	-	19,950,000	-	19,950,000
Reduction	3,495,157	5,000,000	-	8,495,157
Net Change	3,495,157	14,950,000		11,454,843
Indebtedness at the end of the financial year				
i) Principal Amount	44,111,632	29,950,000		74,061,632
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	44,111,632	29,950,000		74,061,632

(vii) Remuneration of Directors and Key Managerial Personnel

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

S. No.	Gross Salary	Name of the MD/WTD/Manager			Total
		Mrs. Nidhi Kasliwal (MD & CEO)	Mr. Deshnidhi Kasliwal (Executive Director)	Mr. Anshul Kasliwal (Executive Director)	
1.	(a.) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	4,200,000	2,920,000	2,350,000	9,470,000
	(b.) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	(a.) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission as % of profit others (specify)	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (a)	4,200,000	2,920,000	2,350,000	9,470,000

b. Remuneration to other directors:

S.No.	Particulars of Remuneration	Name of the Directors		Total
1.	Independent Directors	Mr. Ashish Gupta (Non Executive Director)	Mr. Uma Shanker Singh (Non Executive Director)	
(a.)	Fees for attending the Board-Meetings	1,60,000	37,500	1,97,500
(b.)	Commission	-	-	-
(c.)	Others, please specify	-	-	-
	Total b(1)	1,60,000	37,500	1,97,500
2.	Other Non-Executive Directors	-		
(a.)	Fees for attending the Board-Meetings	-		
(b.)	Commission	-		
(c.)	Others, please specify (Professional Capacity)	-		
	Total b(2)	-		
	Total (b1+b2)	1,60,000	37,500	1,97,500
	Ceiling as per Act	Rs.1,00,000 per board-meeting per Director		

c. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

S. No.	Gross Salary	Name of the Key Managerial Personnel			Total
		Nidhi Kasliwal (Managing Director)	Prachi Jain (Company Secretary till 20.09.2019)	Simranjeet Kaur (Company Secretary from 16.12.2019)	
1.	(a.) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	4,200,000	1,39,902	93,268	4,433,170
	(b.) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	(c.) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission as % of profit	-	-	-	-
	others (specify)	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (c)	4,200,000	1,39,902	93,268	4,433,170

(viii) **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES (Under the Companies Act):**

Type	Section of the Companies Act	Brief Description	Details of Penalties/ Punishments/ Compounding fees imposed	Authority (RD/NCLT /Court)	Appeal made, If any (give details)
A. Company-NA					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors-NA					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in Default-NA					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
KAMAL FINCAP PRIVATE LIMITED**

Date: 16.10.2020
Place: KOTA

Sd/-
NIDHI KASLIWAL
(MANAGING DIRECTOR)
(DIN: 02227201)
Add: H. No. 668, Pratap Nagar,
Dadabari, Kota, Rajasthan

Sd/-
ANSHUL KASLIWAL
(DIRECTOR)
(DIN: 02906110)
Add: H. No. 668, Pratap Nagar,
Dadabari, Kota, Rajasthan

Annexure-IV

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

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

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

S. No.	Particulars	Details
A	Name(s) of the related party and nature of relationship	Mrs. Manju Kasliwal
B	Nature of contracts/arrangements/transactions	Salary
C	Duration of the contracts/arrangements/transactions	2019-20
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Nil
E	Date(s) of approval by the Board, if any	27 th April, 2019
F	Amount paid as advances, if any:	Nil

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF
KAMAL FINCAP PRIVATE LIMITED**

Date: 16.10.2020
Place: KOTA

Sd/-
NIDHI KASLIWAL
(MANAGING DIRECTOR)
(DIN: 02227201)
Add: H. No. 668, Pratap Nagar,
Dadabari, Kota, Rajasthan

Sd/-
ANSHUL KASLIWAL
(DIRECTOR)
(DIN: 02906110)
Add: H. No. 668, Pratap Nagar,
Dadabari, Kota, Rajasthan



N S B & ASSOCIATES

Chartered Accountants

UDIN Ref. No.: 20099805AAAAKZ4786

Independent Auditors Report

To the Members of
Kamal Fincap Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Kamal Fincap Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit And Loss Account, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (collectively referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, and profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of 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 implementation and maintenance of 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.



Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government 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 order to the extent applicable.
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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the 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 and the Companies (Accounting Standards) Amendment Rules, 2016.
 - (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".
 - (g) Other matter Paragraph (OMP) – Scope Limitation due to COVID 19.

The opinion expressed in the present report is based on the limited information, facts and inputs made available to us through electronic means by the organization's management. We wish to highlight that due to the COVID 19 induced restrictions on physical movement and strict timelines, undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to:

- Inspection, observation, examination and verification of the original documents/ files
- Physical verification of cash, stationery items including adequate internal controls thereof
- Verification of the valuation and legal reports of the Immovable properties charged to the bank branch
- Examination of the FA registers physical verification process / Stationery movement records
- Physical verification of title documents, investments records.
- Physical verification of minute's books, meeting registers.
- Physical verification of project activities on sample basis.



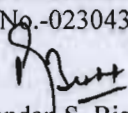
(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Delhi
Date: October 16, .2020



For N S B & Associates
Chartered Accountants
Firm's Reg. No.-023043N


Nandan S. Bisht
Partner

Membership No.:099805

“Annexure — A” referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the financial statements of Kamal Fincap Private Limited (“the Company”) as at and for the year ended March 31, 2020

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(b) Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There was no disposal of a substantial part of a Property, Plant & Equipment during the year.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3 (ii) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) According to the information and explanations given to us, the company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable.
- (vi) The Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the services rendered by the Company.
- (vii) (a) Undisputed statutory dues including income-tax, goods and service tax, and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax and goods and service tax which have not been deposited on account of any dispute.

In respect of sub clause (vii) (a) to (vii) (b) above, the Company did not have any dues towards wealth-tax, sales-tax, customs duty, excise duty, value added tax, goods and services tax and cess during the year.

- (viii) In our opinion and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or borrowings to any financial institution, bank or government or dues to 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, hence not commented upon.

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 utilization were gainfully invested in liquid assets payable on demand. '

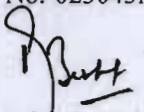


- (x) The company has provided disclosures in the financial statements as to the fraud cases noticed / reported during the year. As on March 31, 2020, fraud noticed by company was amounting to Rs.5,49,885/-.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act.
- (xii) The company is not a Nidhi company. 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 Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standard.
- (xiv) The Company has not made preferential allotment or private placement of Compulsorily Convertible fully paid up Preference shares during the year under review. Requirement of relevant provisions of the Companies Act 2013 has been dealt with.
- (xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with the directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly the provision of clause 3(xvi) of the order are not applicable to the company and hence not commented upon.

Place: Delhi
Date: October 16, 2020



For N S B & Associates
Chartered Accountants
Firm's Reg. No.-023043N


Nandan S. Bisht
Partner

Membership No.:099805

“Annexure — B” referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date on the financial statements of Kamal Fincap Private Limited (‘the Company’) as at and for the year ended March 31, 2020

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

We have audited the internal financial controls over financial reporting of Kamal Fincap Private limited (“the Company”) as of 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal Financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

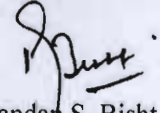
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Institute of Chartered Accountants of India.

Place: Delhi
Date: October 16, 2020



For N S B & Associates
Chartered Accountants
Firm's Reg. No.-023043N


Nandan S. Bisht
Partner

Membership No.:099805

Annexure to the Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of Kamal Fincap Private Limited on the accounts of the company for the year ended March 31, 2020]

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (i) In respect of its Property, Plant & Equipment:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant & Equipment.
 - b) Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - c) There was no disposal of a substantial part of Property, Plant & Equipment during the year.
- (ii) In respect of its inventory:
 - a) The company's business does not involve inventories and, accordingly, the requirement therefore sub-clauses (a), (b), & (c) of the order are not applicable to the company.
- (iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act, 2013:

According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.

In our opinion and according to the information and explanation given to us, the company has not granted any loans, Secured or unsecured to companies, firm or other parties covered in the registered maintained under section 301 of the Act. Accordingly, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in respect of loans, investments, guarantees, and security.
- (iv) In our opinion and according to the information and explanation given to us by the company, the company has not accepted any deposits from the public and so the directions issued by the Reserve Bank of India and the provisions of the Act and rules framed there under are not applicable. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (v) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vi) In respect of statutory dues:



- a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including, Investor Education and Protection Fund, Income-tax, Tax Collected at Source, Professional Tax, Goods and Services Tax, Sales Tax, Value Added Tax (VAT), Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Sales Tax, VAT, GST , Cess and other material statutory dues in arrears outstanding as at 31 March, 2020 for a period of more than six months from the date they became payable.
- c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise as at 31st March, 2020, the Company has been registered for less than 5 years; hence, clause 3(vii)(c) of the Order is not applicable to it.
- (vii) In our opinion and according to the information and explanation given to us by the company, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (viii) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans.
- (ix) To the best of our knowledge and according to the information and explanations given to us, fraud of Rs.5,49,885/- noticed by the Company and no material fraud on the Company has been noticed or reported during the year.
- (x) According to the information and explanations given to us, during the year the company has paid managerial remuneration which is in accordance with the requisite approvals mandated by the provision of section 197 read with schedule 5 to the Companies act 2013.
- (xi) The company is not a Nidhi Company and hence clause XII of the report is not applicable over it.
- (xii) According to the information and explanations given to us by the company, it has disclosed all the related party transactions in the financial statements.
- (xiii) According to the information and explanations given to us by the company there have been no preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.



- (xiv) According to the information and explanations given to us by the company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xv) According to the information and explanations given to us, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and accordingly the provision of clause 3(xvi) of the order are not applicable to the company and hence not commented upon.

For N S B & Associates
Chartered Accountants
ICAI Firm's Registration No. 023043N

Place: New Delhi
Date: October 16, 2020



A handwritten signature in black ink, appearing to read "N. Bisht".

Nandan S. Bisht
Partner
Membership No.: 099805

(Amount in Rupees unless otherwise stated)

Balance Sheet as at	Notes	31-Mar-20	31-Mar-19
Equity and liabilities			
Shareholder's funds			
Share capital	1	62,885,730	62,885,730
Reserves and surplus	2	151,481,806	94,703,572
Non-current liabilities			
Long-term borrowings	3	73,137,217	61,131,669
Current liabilities			
Short-term borrowings	-	-	-
Other current liabilities	4	32,050,824	17,187,755
Short-term provisions	5	22,903,743	21,897,328
TOTAL		342,459,320	257,806,054

ASSETS
Non-current assets

Property Plant & Equipments	6	11,285,798	5,546,180
Long-term loans and advances	7	40,000	40,000
Non-current investment	8	26,035,743	47,067,918
Deferred tax assets (net)		725,238	266,037

Current assets

Trade Receivables		66,623	940,426
Cash and cash equivalents	10	50,310,383	24,578,257
Short-term loans and advances	7	18,658,332	22,256,621
Other current assets	9	235,337,203	157,110,615

TOTAL		342,459,320	257,806,054
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Summary of significant accounting policies

11

The accompanying notes are an integral part of the financial statement

As per our report of even date

For N S B & ASSOCIATES

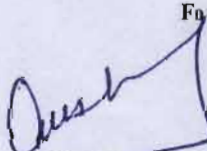
Chartered Accountants

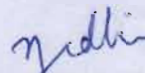
FIRM : 023043N

 Nandan S. Bisht
 Partner

Membership No. 099805


 For and on behalf of the Board of Directors of
 Kamal Fincap Private Limited


 ANSHUL KASLIWAL
 Director
 DIN : 02906110


 NIDHI KASLIWAL
 Director
 DIN : 02227201


 SIMRANJEET KAUR
 Company Secretary
 M. No. A36242

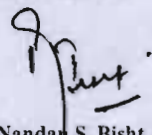

Place: New Delhi

Date: 16.10.2020

Statement of profit and loss for the year ended	Notes	31-Mar-20	31-Mar-19
Income			
Revenue from operations	12	309,078,820	236,928,067
Other income	13	17,897,918	7,075,731
Total revenue (I)		326,976,738	244,003,798
Expenses			
Employee benefit expense	14	182,503,736	104,141,018
Finance costs	15	6,935,362	6,392,757
Other expenses	16	53,609,527	55,679,300
Depreciation and amortisation expenses	6	4,554,940	1,702,128
Total expenses (II)		247,603,565	167,915,203
Profit / (Loss) Before prior period adjustments & tax		79,373,173	76,088,595
Prior period adjustments			-
Profit before tax (III) = (I)-(II)		79,373,173	76,088,595
Tax expense			
Current tax		22,200,673	21,176,973
Income tax relating to earlier years		-	-
Deferred tax		459,202	154,110
Total tax expense (IV)		21,741,472	21,022,863
Profit/(loss) after tax (III)-(IV)		57,631,701	55,065,731
APPROPRIATION			
Profit brought forward from the previous years			
Available for appropriation		57,631,701	55,065,731
Transfer to:			
Statutory reserve		-	-
General reserve		-	-
Balance carried to balance sheet		57,631,701	55,065,731
Earnings per equity share			
[Nominal value of share Rs.10 (March 31, 2020: Rs.10)]			
Basic (Computed on the basis of total profit for the year)		10.08	9.63
Diluted (Computed on the basis of total profit for the year)		10.08	9.63

Summary of significant accounting Policies 11
The accompanying notes are an integral part of the financial statement
As per our report of even date

For N S B & ASSOCIATES
Chartered Accountants
FRN : 023043N

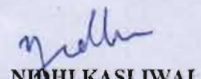

Nandan S. Bisht
Partner
Membership No. 099805

Place: New Delhi
Date: 16.10.2020



For and on behalf of the Board of Directors of
Kamal Fincap Private Limited


ANSHUL KASLIWAL
Director
DIN : 02906110


NIDHI KASLIWAL
Director
DIN : 02227201


SIMRANJEET KAUR
Company Secretary
M. No. A36242



(Amount in Rupees unless otherwise stated)

Cash Flow Statement for the Year Ended	31-Mar-20	31-Mar-19
A) Cash Flow from Operating Activities		
Net Profit before Tax	79,373,173	76,088,595
Adjustments For :		
Depreciation	4,554,940	1,702,128
interest and financing charges	7,045,773	6,392,757
interest income	(13,532,401)	(5,881,133)
Profit on Sale of Mutual fund	(3,646,090)	(1,194,598)
Proposed Dividend	703,070	720,355
	(4,874,708)	1,739,509
Operating profit before working capital changes	74,498,465	77,828,104
Adjustment for changes in working capital		
(Increase)/decrease in Trade Receivables	873,803	6,845,131
(Increase)/decrease in Short Term Loans and Advances	3,598,289	(11,795,769)
Increase/(decrease) in Other Current Assets,	2,128,774	7,890,339
Increase/(decrease) other current and Non current Liabilities	13,468,695	(11,908,190)
	20,069,561	(8,968,488)
Cash generated form Operations	94,568,026	68,859,616
Tax paid(including TDS) (net)	20,653,351	7,993,375
Net Cash from/(used in) Operating Activities (A)	73,914,675	60,866,241
B) Cash Flow from investing Activities		
Purchase of fixed Assets & intangible Assets	(10,294,558)	(4,702,976)
Investment in Mutual Funds	21,032,175	3,037,082
Investment in Fixed Deposits	(80,355,362)	(86,714,998)
Interest Income	13,532,401	5,881,133
Profit on Sale of Mutual fund	3,646,090	1,194,598
Net Cash from/(used in) investing Activities (B)	(52,439,254)	(81,305,161)
C) Cash Flow from financing Activities		
proceeds from Security Premium	-	10,714,325
Proposed Dividend	(703,070)	(720,355)
proceeds from long term borrowings	12,005,548	19,181,669
proceeds from short Term Borrowings	-	4,285,730
proceeds of Share Capital	-	4,285,730
Payment of interest and financing charges	(7,045,773)	(6,392,757)
Net Cash from/(used in) Financing Activities (C)	4,256,705	27,068,612
Net increase/(Decrease) in cash and cash equivalents (A+B+C)	25,732,125	6,629,692
Cash and cash equivalents at the beginning	24,578,258	17,948,566
Cash and cash equivalents at the end	50,310,383	24,578,258

Notes to cash flow statements for the year ended march 31,2020:

1. Cash and cash Equivalents include the following balance Sheet amounts

Cash on hand	1,940,231	801,376
Balances with banks		
in Current Account	48,370,152	23,776,882
in Fixed Deposits		
	50,310,383	24,578,258

NOTES

1. The above cash flow statements has been prepared under the indirect method as set out in Accounting Standard 3 on Cash Flow Statement.

For N S B & ASSOCIATES
Chartered Accountants

FCN : 023043N

Nandan S. Bhatt
Partner
Membership No. 099805



For and on behalf of the Board of Directors of Kamal Fincap Private Limited

ANSHUL KASLIWAL
Director
DIN : 02906110

ANSHUL KASLIWAL
Director
DIN : 02227201

SIMRANJEET KAUR
Company Secretary
M. No. A36242

Place: New Delhi
Date: 16.10.2020



Notes to financial statements for the year ended
31-Mar-20 31-Mar-19
Note 1: Share capital
Authorised:

 144,30,000 Equity Shares of Rs.10/- Each 144,300,000 144,300,000
 (Previous Year : 1443,000 Equity Shares of Rs.10/- Each)

 NIL, Preference Shares of Rs.10/- Each - -
 (Previous Year : 1,00,000 Preference Shares of Rs.10/- Each)

 57,000 Preference Shares Of Rs.100/- Each 5,700,000 5,700,000
 (Previous Year : 57,000 Preference Shares Of Rs.100/- Each)

150,000,000 150,000,000
Issued and subscribed:

 -Issued, Subscribed and Paid up 57,185,730 57,185,730
 57,18,573 Equity Shares of Rs. 10/- each fully paid-up.
 (Previous Year : 57,18,573 Equity Shares of Rs. 10/- each)

 57,000, 10.50 % Non Cumulative Non Convertible 5,700,000 5,700,000
 Redeemable preference shares of Rs. 100/- each fully-up.
 (Previous Year : 57,000 preference shares of Rs. 100/- each)

Total issued, subscribed, fully paid-up equity and preference share capital **62,885,730 62,885,730**
a.) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year
Equity Shares

Equity shares of Rs.10 each fully paid	31-Mar-20		31-Mar-19	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
EQUITY SHARE CAPITAL				
Opening Share Capital - Equity	5,718,573	57,185,730	5,290,000	52,900,000
Add: Equity Shares issued During the year	-	-	428,573	4,285,730
Add: Preference Shares Converted into Equity Shares during the year	-	-	-	-
Total	5,718,573	57,185,730	5,718,573	57,185,730
Less: Buy back of Shares	-	-	-	-
Closing Share Capital	5,718,573	57,185,730	5,718,573	57,185,730
PREFERENCE SHARE CAPITAL				
Opening Share Capital - Preference	57,000	5,700,000	57,000	5,700,000
Add: Preference Shares issued During the year	-	-	-	-
Total	57,000	5,700,000	57,000	5,700,000
Less: Converted to Equity Shares during the year	-	-	-	-
Closing Share Capital	57,000	5,700,000	57,000	5,700,000

b.) Details of shareholders holding more than 5% shares in the company

Equity shares of Rs.10 each fully paid	31-Mar-20		31-Mar-19	
	No. of Shares	% holding	No. of Shares	% holding
Manju Kasliwal	1,890,000	33.05%	1,890,000	33.05%
Deshnidhi Kasliwal	1,051,230	18.38%	1,051,230	18.38%
Ansul Kasliwal	1,533,700	26.82%	1,533,700	26.82%
Nidhi Kasliwal	660,028	11.54%	660,029	11.54%



Audited Financial Statement for the year ended March 31, 2020

Notes to financial statements for the year ended			31-Mar-20	31-Mar-19
Other Holding less than 5%	583,615	10.21%	583,614	10.21%
Total Shareholdings	5,718,573	100.00%	5,718,573	100.00%

c.) Terms/rights attached to ordinary shares

The Company has issued only one class of ordinary shares having a par value of Rs.10/- per share. Each holder of ordinary shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of ordinary shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of ordinary shares held by the shareholders.

(d) Shares reserved for issue under option

The Company has not reserved shares for issue under option and contracts/commitments for the sale of shares/ disinvestments.

(e) During the period of five years immediately preceding the date of Balance sheet -

- (i) The Company has not allotted shares as fully paid pursuant to contract(s) without payment being received in cash.
- (ii) The Company has not allotted shares as fully paid by way of bonus shares.
- (iii) The Company has not bought back any share.
- (iv) The Company has not issued any security which is convertible into equity/preference shares.
- (v) There is no unpaid calls and forfeited shares.

Note 2 : Reserve and surplus

Security Premium

Opening Balance	15,014,325	4,300,000
Add:-Security Premium received during the year	-	10,714,325
Closing balance (A)	15,014,325	15,014,325

General reserve

As per last balance sheet	-	-
Add: Transfer from profit and loss account	-	-
	-	-

Profit & loss account

Balance as per the last financial statements	79,689,247	25,343,871
Add: Profit/ (loss) for the year	57,631,701	55,065,732
Less: Shortage of Provision for FY 18-19 Created during the year	150,397	-
Less: Proposed Dividend on Preference Shares	598,500	598,500
Less: Corporate Dividend Distribution Tax	104,570	121,855
Balance at the end of the year (B)	136,467,481	79,689,247

Total reserves and surplus (A+B)	151,481,806	94,703,572
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Notes to financial statements for the year ended	Non-Current Maturities		Current Maturities	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Note 3: Long-term borrowings				
Secured Loans				
-From UCO Bank	43,187,217	46,131,669	-	-
Unsecured Loans				
From Directors and their relatives	29,950,000	15,000,000	-	-
From Others	-	-	-	-
Total	73,137,217	61,131,669	-	-

Terms and conditions:-

Loans from Directors and their relatives

Shweta Rajghia-This is unsecured loan taken at interest @ 15 % p.a with monthly repayment.

Zakir Husaain-This is unsecured loan taken at interest @ 12% p.a with monthly repayment.

Pradeep Kumar Rajgarhia-This is unsecured loan taken at interest @ 15% p.a with quarterly repayment.

Nidhi Kasliwal-This is unsecured loan taken at interest @ 12% p.a with quarterly repayment.

Loans from others

UCO Bank-This is secured loan taken at interest @ 10.80 % p.a with 144 monthly repayments of Rs. 5,96,040/-

Note 4: Other liabilities

Employee benefit payable	-	-	9,983,188	7,636,116
Expenses and other payable	-	-	5,306,891	4,660,788
Upass Due to YBL	-	-	202,846	102,375
DCB	-	-	357,550	-
CSB	-	-	-	-
IDFC	-	-	717,588	-
HDFC Car Loan	-	-	924,415	1,475,120
Statutory dues payable	-	-	4,369,149	2,565,113
CSR Payable	-	-	298,992	-
Reliance Capital Limited	-	-	9,890,205	748,244
Total	-	-	32,050,824	17,187,755

Note 5: Short-term provisions

Provision for income tax	-	-	22,200,673	21,176,973
Proposed Dividend on Preference Shares	-	-	598,500	598,500
Corporate Dividend Distribution Tax	-	-	104,570	121,855
Total	-	-	22,903,743	21,897,328



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Note 6: Property, Plant & Equipments
Depreciation as per Companies Act, 2013

(Amount in Rupees unless otherwise stated)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At April 1, 2019	Additions	Deletions	As At March 31, 2020	As At April 1, 2019	For the Year	Deletions	Total	As At March 31, 2020	As at March 31, 2019
Furniture and Fixtures	2,947,299	3,996,108	-	6,943,407	829,388	1,033,819	-	1,863,207	5,080,200	2,117,911
Computers and Peripherals	2,671,855	3,587,409	-	6,259,264	1,910,375	1,795,800	-	3,706,175	2,553,089	761,480
Office Equipments	1,603,693	2,676,219	-	4,279,912	433,424	1,252,078	-	1,685,502	2,594,410	1,170,269
Activa Scooter	60,440	-	-	60,440	34,006	6,844	-	40,850	19,590	26,434
Mobile	-	34,822	-	34,822	-	7,291	-	7,291	27,531	-
Car ZEEP	1,732,500	-	-	1,732,500	262,414	459,108	-	721,522	1,010,978	1,470,086
TOTAL	9,015,787	10,294,558	-	19,310,345	3,469,607	4,554,940	-	8,024,547	11,285,798	5,546,180

As per our report of even date
For N S B & ASSOCIATES
Chartered Accountants
Firm No. 023043N

Nandan S. Bisht
Partner
Membership No. 099805

Place: New Delhi
Date: 16.10.2020



For and on behalf of the Board of Directors of Kamal Fincap Private Limited

Anshul Kasliwal
ANSHUL KASLIWAL
Director
DIN : 02906110

Nidhi Kasliwal
NIDHI KASLIWAL
Director
DIN : 02227201

Simranjeet Kaur
SIMRANJEET KAUR
Company Secretary
M. No. A36242



Audited Financial Statement for the year ended March 31, 2020

Notes to financial statements for the year ended	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Note 7: Loans and Advances				
A. Security deposits				
Security Deposit With DFHL	40,000	40,000	-	-
Total (A)	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>-</u>
B. Advances recoverable in cash or kind				
Unsecured, considered good	-	-	-	-
Total (B)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
C. Other loans and advances				
Advance against members' death claims	-	-	-	-
Advance income tax and TDS	-	-	18,658,332	22,256,621
Total (C)	<u>-</u>	<u>-</u>	<u>18,658,332</u>	<u>22,256,621</u>
Total (A+B+C=D)	<u>40,000</u>	<u>40,000</u>	<u>18,658,332</u>	<u>22,256,621</u>
Note 8: Investment				
Investment in Mutual Funds	25,930,743	46,962,918	-	-
(NAV INR 2,51,28,415.07/- (Previous Year Rs.5,16,78,730.44/-) as on 31 March 2020 based on NAV statement)				
2500 Shares of Kamal Auto Finance Ltd (Previous Year 2500 Shares @10 each)	105,000	105,000	-	-
Total (A+B+C+D)	<u>26,035,743</u>	<u>47,067,918</u>	<u>-</u>	<u>-</u>
Note 9: Other Assets				
Prepaid Insurance	-	-	260,239	95,780
Interest accrued on Fixed Deposits	-	-	7,309,392	1,015,449
Commission Receivable	-	-	2,849,060	12,696,579
Staff Advance	-	-	38,355	93,047
Other Receivable	-	-	1,741,104	426,069
Fixed deposits	-	-	223,139,053	142,783,691
	<u>-</u>	<u>-</u>	<u>235,337,203</u>	<u>157,110,615</u>
Note 10: Cash and bank balances				
Cash and cash equivalents				
Cash in hand	-	-	1,940,231	801,376
Balance with bank - in current account	-	-	48,370,152	23,776,882
Total (A)	<u>-</u>	<u>-</u>	<u>50,310,383</u>	<u>24,578,258</u>
Other bank balances				
Fixed deposits	-	-	-	-
Total (B)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amount disclosed under non-current assets (note 10)				
Total (A+B+C)	<u>-</u>	<u>-</u>	<u>50,310,383</u>	<u>24,578,258</u>





(Amount in Rupees unless otherwise stated)

Notes to Financial statements for the year ended	31-Mar-20	31-Mar-19
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Note 12: Revenue from operations

Commission income

Commission income	309,078,820	236,928,067
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Other operating revenue

Processing fee on portfolio loans	-	-
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Total	309,078,820	236,928,067
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Note 13: Other income

Interest on fixed deposits	13,532,401	5,881,133
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Profit from Mutual Fund	3,355,693	746,917
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Profit on Liquid Fund (Short Term)	290,396	447,680
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Other Income	719,427	-
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Total	17,897,918	7,075,731
--------------	-------------------	------------------

Note 14: Employee benefit expenses

Salaries and bonus / incentives	169,933,799	96,321,371
---------------------------------	-------------	------------

Contribution to Provident Fund	12,069,937	6,048,562
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Staff welfare expenses	500,000	1,771,085
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Total	182,503,736	104,141,018
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Note 15: Finance costs

Interest		
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On unsecured loans	2,130,514	4,684,488
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On Secured Loans	4,804,848	1,708,269
------------------	-----------	-----------

Total	6,935,362	6,392,757
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Note 16: Other expenses

Travelling expenses	12,213,321	11,539,144
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Business Procurement Expenses	-	2,646,176
-------------------------------	---	-----------

Rent	15,125,630	9,133,413
------	------------	-----------

Communication expenses	3,179,528	2,534,573
------------------------	-----------	-----------

Printing and stationery	2,775,570	1,670,393
-------------------------	-----------	-----------

ROC expenses	3,800	34,302
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Software installation and data maintenance charges	1,529,157	1,842,935
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Professional Charges	464,418	869,354
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Consultancy Charges	197,500	31,000
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Other Expenses	4,534,797	3,303,703
----------------	-----------	-----------

Bad Debts written off	1,648,825	13,025,462
-----------------------	-----------	------------

Electricity charges	1,550,897	1,141,104
---------------------	-----------	-----------

General office Repair & Maintenance	6,949,357	5,003,187
-------------------------------------	-----------	-----------



Bank charges	1,218,202	1,986,339
Auditor's remuneration/Certification fees*	300,000	300,000
Insurance Expenses	1,032,323	414,503
Membership Fee	138,630	100,000
Advertisements & Publications A/c	26,528	29,656
Interest Paid on Government dues	633	878
Interest on car Loan	110,411	73,178
CSR Expenses	610,000	-
Total	53,609,527	55,679,300

***Auditors' remuneration/Certification fees**

As auditor:		
Audit fees	300,000	300,000
In other capacity:		
Certification fees	-	-
Reimbursement of expenses	-	-
Total	300,000	300,000



Notes to financial statements for the year ended	31-Mar-20	31-Mar-19
Note 4: Other Current Liabilities		
Employee Benefit Payable		
Salaries & Allowances Payable A/C	9,545,190	5,579,949
Leave Encashment	-	476,385
Incentive Payable	437,998	1,285,082
Bonus Payable	-	294,700
	<u>9,983,188</u>	<u>7,636,116</u>
Expenses and Other Payable		
YBL	166,617	87,578
IDFC	276,638	29,193
Outstanding Expenses	81,022	111,347
Rent Payable	160,938	61,600
Audit Fees Payable	270,000	270,000
Insurance premium collected but not paid	-	2,329,567
Insurance premium RCL	-	183,392
Insurance premium DCB	220,742	-
Insurance premium IDFC	2,343,266	10,839
Settlement received but not paid	87,308	287,673
Sundry Creditors	1,667,310	744,828
Others Payable	33,050	544,770
	<u>5,306,891</u>	<u>4,660,788</u>
Statutory Dues Payable		
Tds Payable	441,222	657,294
GST Payable	1,586,502	521,694
Provident Fund Payable A/c	1,910,152	972,674
ESI Payable A/c	431,273	413,451
	<u>4,369,149</u>	<u>2,565,113</u>
Note 5: Short-Term Provisions		
Provision for Income Tax FY 2019-20	22,200,673	21,176,973
	<u>22,200,673</u>	<u>21,176,973</u>
Sundry Debtors		
Unsecured, Considered Good		
Sundry Debtors - Over Six Months	-	-
Sundry Debtors - Below Six Months	66,623	940,426
	<u>66,623</u>	<u>940,426</u>
Note 7: Advance Income Tax and TDS		
Refund Income Tax (A.Y. 2017-2018)	-	3,447,380
Advance Tax	1,200,000	6,000,000
Tax Deducted At Source	17,458,332	12,809,241
	<u>18,658,332</u>	<u>22,256,621</u>
Note 9: Other Current Assets		
Commission Receivable	2,849,060	12,696,579
Interest Receivable on Fixed Deposit	7,309,392	1,015,449
Prepaid Insurance	260,239	95,780
Office Rent Advance	765,000	-
Other Receivables	426,219	-
Staff Advances	38,355	93,047
Bank Charges Reversal by Bank	-	-
Death Claim Settlement Receivable	-	426,069
Loss by theft	549,885	-
	<u>12,198,150</u>	<u>14,326,924</u>
Note 10: Cash And Cash Equivalents		
Cash-in-Hand	1,940,231	801,376
Balance With Bank - In Current Account	48,370,152	23,776,882
Fixed Deposits A/C	223,139,053	142,783,691
	<u>273,449,436</u>	<u>167,361,949</u>



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Notes to financial statements for the year ended
31-Mar-20
31-Mar-19
Note 12: Income
Income From Operations
Commission Income

Commission Income

309,078,820

236,928,067

309,078,820
236,928,067
Other Operating Revenue

Misc. Income

369,373

-

369,373
-
Note 13: Other Income

Interest on Fixed Deposits

13,532,401

5,881,133

Interest on Income Tax Refund

350,054

-

Profit from Mutual Fund

3,355,693

746,917

Profit on Liquid Fund (Short Term)

290,396

447,680

17,528,545
7,075,731
Note 14: Financial Expenses
Interest on Unsecured Loans

Interest

2,130,514

4,684,488

Interest on Secured Loans

Interest

4,804,848

1,708,269

Other Finance Costs

110,411

-

7,045,773
6,392,757
Note 15: Employee Benefit Expenses
Salaries and Bonus / Incentives

Staff Salaries & Incentives

168,946,663

94,977,134

Mobile Allowance

723,313

525,495

Staff welfare expenses

165,206

579,934

Medical Reimbursement

89,986

2,618

Training Program Expenses A/c

8,631

236,190

Leave Encashment

-

476,385

Contribution to Provident fund

7,767,839

2,899,064

Provident fund Admn. Charges

699,675

418,888

Bonus

-

294,700

Employee Gratuity Fund

500,000

1,000,000

Staff - ESI

3,602,423

2,730,610

182,503,736
104,141,018
Note 16: Other Expenses
Computer Maintenance and Software Maintenance Charges

Soft Ware Installation And Data Maintenance Charges

1,344,236

1,363,250

Computer Maintenance

184,921

479,685

1,529,157
1,842,935
Travelling Expenses

Fuel Reimbursement

1,533

1,779,817

Travel Allowance A/C

11,506,834

9,383,900

Transportation Expenses

- Staff's

235,720

69,975

- Director's

469,234

305,452

12,213,321
11,539,144
Rent

Office Rent

15,125,630

9,133,413

15,125,630
9,133,413


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General Office Maintenance		
General Office Repairs & Maintenance	6,949,357	5,003,187
	<u>6,949,357</u>	<u>5,003,187</u>
Printing and Stationery		
Printing and Stationery	2,775,570	1,670,393
	<u>2,775,570</u>	<u>1,670,393</u>
Professional and Consultancy Charges		
Consultancy Charges	197,500	31,000
Professional Charges	464,418	869,354
	<u>661,918</u>	<u>900,354</u>
Auditor's Remuneration		
Audit Fees	300,000	300,000
	<u>300,000</u>	<u>300,000</u>
Telephone and Communications		
Internet Expenses	615,707	1,228,230
Postage and Telegram	950,964	
	<u>1,612,857</u>	<u>1,306,343</u>
	<u>3,179,528</u>	<u>2,534,573</u>
Electrical Charges		
Electricity Expenses	1,550,897	1,141,104
	<u>1,550,897</u>	<u>1,141,104</u>
Miscellaneous Expenses		
Business Procurement Expenses	-	2,646,176
Share Issue Expenses/Roc fees	3,800	34,302
Insurance Expenses	1,032,323	414,503
Membership Fee	138,630	100,000
Advertisements & Publications A/c	26,528	29,656
Administration Expenses	620,833	222,928
Forclosure Expenses (Settlement)	40,308	3,763
Interest Paid Statutory dues	633	878
Diwali Expenses	278,553	268,770
Water Expenses	1,689,285	1,349,407
Staff Meeting Expenses A/c	212,344	225,905
Rates, Taxes & Fees A/c	3,500	-
Bad debts	1,648,825	13,025,462
Interest on Income Tax	453,978	49,808
Director's Reimbursement	-	150,000
YBL Last Installment Difference	-	17,686
GST Input not available	1,219,556	526,656
GST Expenses	16,440	-
Interest on GST	-	2,310
Service tax Demond	-	74,958
Celebration Expenses	-	411,512
Bank Charges	1,218,202	1,986,339
	<u>8,603,738</u>	<u>21,541,019</u>



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KAMAL FINCAP PRIVATE LIMITED

11. Notes to financial statements for the year ended March 31, 2020

(Amount in

Rupees)

1. Corporate information:

Kamal Fincap Private Limited ('the Company'), incorporated in India on January 15, 1996, having a registration no: U67120RJ1996PTC011402 under Companies Act 1956.

The Company is engaged in the business of providing Banking Services under Inclusion by RBI/2005-06/288/DBOD. NO.BL.BC.58/22.01.001/2005-2006. The Company currently provides business correspondent services to Banks in the State of Rajasthan, Madhya Pradesh, Uttar Pradesh, Maharashtra, Chhattisgarh, Haryana and Punjab.

2. Significant accounting policies:

a. Basis of preparation of financial statements:

The financial statements have been prepared under historical cost conventions and on accrual system unless stated otherwise elsewhere, assuming the principle of going concern and applying all the accounting standards notified under Companies Act, 2013 and also complying with mandatory accounting standards issued by Institute of Chartered Accountants of India. Various accounting standards and accounting policies are consistently followed by the Company unless stated otherwise.

COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact on their loan portfolio. In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the loan portfolio, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date. The management expects no impairment to the loan portfolio and very positively to recover their entire loan portfolio from their members. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations. The management has approved preparation of basis of company's financial statement shall be on going concern basis.

b. Use of Estimates:

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 and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.



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KAMAL FINCAP PRIVATE LIMITED

11. Notes to financial statements for the year ended March 31, 2020

(Amount in

Rupees)

c. 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. Revenue recognized on accrual basis.

d. Cash Flow Statement:

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard -3.

e. Property, Plant & Equipment:

Property, Plant & Equipment are stated at cost of acquisition less accumulated depreciation. Cost is inclusive of freight, duties, taxes and other directly attributable costs of bringing the assets to their working condition for intended use, incurred till the date of installation of asset

Depreciation on **Property, Plant & Equipment** has been provided on written down value method using the rates prescribed as per useful life of assets prescribed under Schedule II of the Companies Act, 2013. Assets individually costing less than ₹5,000 are depreciated fully in the year of purchase.

The Details of useful life are as under:

Asset Type	Estimated Useful life
Office Equipment	5 Years
Computers and accessories	3 Years
Furniture & fittings	10 Years

f. Employee benefits:

The information required under section 134 of the Companies Act 2013 read with rules framed there under is Nil.

g. Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

h. Taxation:

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge. The current charge for income tax is based on estimated tax liability as computed after taking credit for allowances and exemptions in accordance with the Income-tax Act, 1961 applicable for the year ended. In accordance with the Accounting Standard-22, Accounting for Taxes on Income, the Company provided for deferred tax liability for all temporary differences that arise in one accounting year and are capable of reversal in subsequent accounting year.



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KAMAL FINCAP PRIVATE LIMITED**11. Notes to financial statements for the year ended March 31, 2020***(Amount in**Rupees)***i. Earnings per share**

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

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

j. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

k. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

l. Cash and cash equivalents:

Cash and cash equivalents comprise cash at bank and in hand and short-term fixed deposits/ investments.

m. Investments:

The Company has made the Investment in Mutual Funds and Fixed Deposits during the year ended March 31, 2020.

n. Related Party Disclosure

Name of Related Party	Relationships	Transaction Value of Interest paid (Amount in Rs.)	Transaction Value of Remuneration paid (Amount in Rs.)	Outstanding amount carried in Balance Sheet
Mrs. Manju Kasliwal	Wife of Director Deshnidhi	NIL	24,80,000	NIL



KAMAL FINCAP PRIVATE LIMITED

11. Notes to financial statements for the year ended March 31, 2020

(Amount in

Rupees)

	Kasliwal			
Mr. Anshul Kasliwal	Director	NIL	23,50,000	NIL
Ms. Nidhi Kasliwal	Managing Director	1,14,247/-	42,00,000	NIL
Mr. Deshnidhi Kasliwal	Director	NIL	29,20,000	NIL
Mr. U S Singh	Non-executive Director	NIL	37,500	NIL
Mr. Ashish Gupta	Non-executive Director	NIL	1,60,000	NIL
Mr. Pradeep Kumar Rajgarhia	Father of Nidhi Kasliwal	2,34,247/-	NIL	NIL
Ms. Shweta Rajgarhia	Sister of Nidhi Kasliwal	15,00,000/-	NIL	NIL
Ms. Sanjana Rajgarhia	Relative of Nidhi Kasliwal	2,32,705/-	NIL	NIL

o. Segment information

Since the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard – 17 Segment Reporting.

p. Directors Remuneration for the year ended – Rs. 96,67,500/- (Previous Year Rs. 77,50,000)

q. Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account not provided for: Rs. Nil (Previous year: Nil)

r. **Contingent Liability for the year ended** – The Company had entered a service provider agreement with Reliance Capital Limited dated November 16, 2016 with the objective of ensuring greater financial inclusion and increasing the outreach of financial sector.

Particulars	Amount (In Rs.)
Portfolio Outstanding as on 31st March, 2020	50,221,616
Add:- Payable to Reliance as on 31st March, 2020	9,890,205
Total Liability	60,111,821
FLDG Required @5% of POS (As per Agreement)	3,005,591
Actual FLDG held by Reliance	15,930,743
Excess Amount of FLDG	12,925,152



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KAMAL FINCAP PRIVATE LIMITED**11. Notes to financial statements for the year ended March 31, 2020***(Amount in**Rupees)***s. Earnings per share**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Total equity shares (in numbers)	5,718,573	5,718,573
Basic weighted average number of equity shares during the year (A)	5,718,573	5,718,573
Profit / (loss) available for equity shareholders (B)	57,631,701	55,065,731
Basic and diluted earnings / (loss) per equity share (Rs.) (C) = (B)/(A)	10.08	9.63

t. Depreciation for the year ended Rs. 45,54,940/- (Previous Year Rs.17,02,128).

3. Deferred Tax :

In accordance with Accounting Standard- 22 "Accounting for Taxes on Income" the Company has recognized Rs.7,25,238/- (Previous Year Rs.2,66,037/-) as deferred tax Asset as detailed below:

Particulars	Deferred tax (Assets)/Liabilities as on April 01, 2019	Current Period (credit)/ change	Deferred tax (Assets)/Liabilities as on March 31, 2020
Difference between book and tax depreciation	(2,66,037)	(4,59,202)	(7,25,238)
Provision	-	-	-
Previous year adjustment	-	-	-
Net Deferred tax (Assets)/Liabilities	(2,66,037)	(4,59,202)	(7,25,238)

4. Additional disclosures**a. Derivatives:**

The Company has not entered into any forward rate agreements, interest rate swaps, and exchange traded interest rate derivatives. Hence, no disclosure has been made for the same.

The Company has no unhedged foreign currency exposure as on March 31, 2020 (March 31, 2019: Nil).



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KAMAL FINCAP PRIVATE LIMITED**11. Notes to financial statements for the year ended March 31, 2020***(Amount in**Rupees)***b. Disclosures relating to Securitisation:**

The Company has not entered into any securitisation transactions during the current and previous year and had no outstanding securitisation transaction for earlier years. Hence, no disclosure has been made for the same.

c. Details of financial assets sold to securitisation / reconstruction company for asset reconstruction:

The Company has not sold financial assets to Securitisation / Reconstruction companies for asset reconstruction in the current and previous year.

d. Details of assignment transactions undertaken:

The Company has not undertaken assignment transactions in the current and previous year.

e. Details of non-performing financial assets purchased / sold:

The Company has not purchased / sold non-performing financial assets in the current and previous year.

f. Exposures:

The Company has no exposure to the real estate sector and capital market directly or indirectly in the current and previous year.

g. Disclosure of penalties imposed by RBI and other regulators:

No Penalties were imposed by RBI and other regulators during current and previous year.

h. Draw down from Reserves:

There is no draw down from reserves.

i. Information on instances of fraud

Instances of fraud for the year ended March 31, 2020:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off
Cash embezzlement	5	5,49,885	Nil	Nil

Instances of fraud for the year ended March 31, 2019:

Nature of fraud	No. of cases	Amount of fraud	Recovery	Amount written-off
Cash embezzlement	Nil	Nil	Nil	Nil

- j. There are no micro and small enterprises to whom the Company owes dues, which are outstanding for more than 45 days on the date of Balance Sheet. The above information



KAMAL FINCAP PRIVATE LIMITED

11. Notes to financial statements for the year ended March 31, 2020

(Amount in

Rupees)

has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

k. Expenditure on CSR Activities:-

(a) Gross amount required to be spent by the company during the year- Rs.6,10,000/-

(b) Amount spent during the year on:

S. No.	Particulars	In cash/ By Cheque	Yet to be paid in cash/ By Cheque	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	Rs.3,11,008/-	Rs.2,98,992/-	Rs.6,10,000/-

CSR Expenditures For Financial Year 2019-20		Amount Spent
Approved Budget	6,10,000	--
Budget sanctioned for Govt. School, at Ghatol, Banswara*	1,99,750	1,11,008
Budget sanctioned for Masti ki Pathshala**, working for education in villages	2,00,000	2,00,000
Total Expenditure done		3,11,008
Remaining in CSR Fund yet to be Spent		2,98,992
*CSR Expenditures spent in government school at Ghatol, Banswara in respect of renovations & furniture;		
**Masti ki Pathshala is NGO working for education and learning in villages, making the children to self dependent and self sufficient. The CSR spend in Masti ki Pathshala used for salary expenses.		

l. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

As per our report of even date

For N S B & ASSOCIATES

Chartered Accountants

FRN : 023043N

Nandan Singh Bisht

Partner

Membership No. 099805

ANSHUL KASLIWAL

Director

DIN : 02906110

For and on behalf of the Board of Directors of

Kamal Fincap Private Limited

NIDHI KASLIWAL

Director

DIN : 02227201

SMRANJEET KAUR

Company Secretary

M. No. A36242

Place: New Delhi

Date: 16/01/2020

