

# ROCKON ENTERPRISES LIMITED

(Formerly Rockon Fintech Limited)

CIN: L65923MH1976PLC019072

Regd Off:  
E-109, Crystal Plaza,  
New Link Road, Opp. Infinity Mall,  
Andheri (W), Mumbai - 400053  
Tel.: (022) - 61522222, 61522235  
Fax: (022) - 61522234  
Email: rockonfintech123@gmail.com  
Web-site: www.rockonfintech.com

Date: 06.12.2019

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

## SUB: NOTICE OF EQUITY SHAREHOLDERS MEETING AS PER NCLT ORDER


Respected Sir,

In respect of Scheme of Amalgamation of PROAIM ENTERPRISES LIMITED, the First Transferor Company and AXON VENTURES LIMITED, the Second Transferor Company and ROCKON ENTERPRISES LIMITED, the Third Transferor Company with BANAS FINANCE LIMITED, the Transferee Company, we hereby enclose the notice of Equity Shareholders Meeting as Per NCLT Order Dated 6<sup>th</sup> November, 2019 to be held on 8<sup>th</sup> January, 2020 at 2.00 pm

Kindly acknowledge the same.

Thanking You,

For Rockon Enterprises Limited

  
Girraj Kishor Agrawal  
Director  
DIN: 00290959



Encl: a/a



# SHAREHOLDERS MEETING AS PER NCLT DIRECTIONS

 [rockonfintech123@gmail.com](mailto:rockonfintech123@gmail.com)

 9152096141

 [www.rockonfintech.com](http://www.rockonfintech.com)

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

**NOTICE OF MEETING OF EQUITY SHAREHOLDERS OF ROCKON  
ENTERPRISES LIMITED AS PER DIRECTIONS OF NATIONAL  
COMPANY LAW TRIBUNAL**

Day : Wednesday

Date : 8th January, 2020

Time : 02:00 P.M.

Venue : 412 Solaris Hubtown, Sai wadi, Andheri (East), Mumbai- 400069

**Postal Ballot and E- Voting;**

**EVSN: 112667**

Start Date and Time: 9th December, 2019 at 10.00 A.M.

End Date and Time: 7th January, 2020 at 05.00 P.M.

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**IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH  
COMPANY SCHEME APPLICATION NO. CA(CAA) NO. 1795/MB/2019**

**ROCKON ENTERPRISES LIMITED .....**

**APPLICANT COMPANY NO. 3**

A Company Incorporated under the Companies Act, 1956  
having its Registered office at 105, Crystal Plaza,  
New Link Road, Opp. Infiniti Mall,  
Ansheri (West), Mumbai - 400053

**NOTICE OF MEETING OF EQUITY SHAREHOLDERS**

Notice is hereby given that by an order dated 6th November, 2019 the Mumbai Bench of the National Company Law Tribunal has directed a meeting to be held of equity shareholders of the Applicant Company for the purpose of considering, and if thought fit, approving with or without modification, the arrangement embodied in the Scheme of Merger of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders ('the Scheme'). In pursuance of the said order and as directed therein further notice is hereby given that a meeting of equity shareholders of the said company will be held at 412, Solaris, Hubtown, Sai wadi, Andheri (East), Mumbai- 400069 on Wednesday, 8th day of January, 2020 at 02.00 P.M. at which time and place the said equity shareholders are requested to attend.

To consider and, if thought fit, approve with or without modification(s), the following resolution under Section 230 read with Section 232 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions of Companies Act, 2013, and the provisions of the Memorandum and Articles of Association of the Company for approval of the arrangement embodied in the Scheme of Merger of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders ('the Scheme') with requisite majority:

**"RESOLVED THAT** pursuant to the provisions of Section 230 read with Section 232 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions of the Companies Act, 2013, Circular No. CFD/DIL3/CIR/2017/21 Dated 10th March, 2017 read with Circular No. CFD/DIL3/CIR/2018/22 Dated 3rd January, 2018, issued by the Securities and Exchange Board of India, the observation letter issued by BSE Limited, Dated 8th April, 2019 and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Mumbai Bench of the National Company Law Tribunal, and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Mumbai Bench of the National Company Law Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (herein after referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorized by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Merger of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders ('the Scheme') placed before this meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds,

matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the merger embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Mumbai Bench of the National Company Law Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as maybe required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper.”

**TAKE FURTHER NOTICE** that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the office of the Applicant Company at E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053 not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the office of the Applicant Company or at the office of its Advocates at M/s Rajesh Shah & Co. at Office No-16, Oriental Building, 30, Nagindas Master Road, Opposite Welcome Hotel, Fort, Mumbai, Maharashtra 400001.

**TAKE FURTHER NOTICE** that in compliance with the provisions of (i) Section 230(3) and 230(4) read with Sections 102, 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/ DIL3/CIR/2017/21 dated 10th day of March, 2017 read with Circular No. CFD/DIL3/CIR/2018/2 dated the 3rd day of January 2018, issued by the Securities and Exchange Board of India (referred to as “SEBI Circular”), the Applicant Company has provided the facility of voting by equity shareholders of the Applicant Company to the Scheme through e-voting or postal ballot or polling paper at the venue of the meeting to be held on 8th January, 2020.

Copies of the Scheme and Explanatory Statement along with the enclosures as indicated in the Index, can be obtained free of charge at the office of the Applicant Company E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053 or at the office of its advocates and solicitor M/s Rajesh Shah & Co. at Office No-16, Oriental Building, 30, Nagindas Master Road, Opposite Welcome Hotel, Fort, Mumbai, Maharashtra 400001.

Mr. Girraj Kishor Agrawal, Director failing whom Mrs. Tanu Giriraj Agrawal, Promoter of the Applicant Company No.1 is appointed as the Chairperson for the meeting. The Tribunal has appointed Mr. Manish Kakani, Practicing Chartered Accountant as the Scrutinizer for conducting the E - Voting process apparent and transparent manner. The above mentioned merger, if approved by the meeting, will be subject to the subsequent approval of the Tribunal Accordingly, voting by equity shareholders of the Applicant Company to the Scheme shall be carried out through (a) Postal Ballot; (b) e-voting; and (c) Ballot voting at the venue of the Meeting to be held on 8th January, 2020. The Voting rights of Equity Shareholders shall be in proportion to their share in the paid-up equity share capital of the Applicant Company as on 29th November, 2019 being the cut-off date. The Shareholders may refer to Notes to this Notice for further details on Postal Ballot and Remote E-voting. Accordingly, equity shareholders of the Company can either vote by (i) Postal ballot or (ii) remote e-voting or (iii) ballot paper at the venue of the meeting

Dated this 30th November, 2019

sd/-

Girraj Kishor Agrawal

Chairperson appointed for the meeting

DIN: 00290959

## **Notes for the meeting of the members of the Company:**

1. Only registered Equity Shareholders of the Company may attend and vote (either in person or by proxy or by authorized representative under Sections 112 and 113 of the Companies Act, 2013) at the Equity Shareholders' Meeting or through electronic means or through postal ballot. The authorized representative of a body corporate which is a registered Equity Shareholder of the Company may attend and vote at the Equity Shareholders' Meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Companies Act, 2013 or other governing body of the body corporate authorizing such representative to attend and vote at the Equity Shareholders' Meeting is deposited at the Registered Office of the Company not later than 48 hours before the Meeting.

2. All alterations made in the Form of Proxy should be initialed. The form of proxy can be obtained free of charge from the registered office of the Company or can be downloaded from the website of the applicant company.

3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies in order to be effective must be received by the company not less than 48 hours before the meeting.

4. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.

5. It is further clarified that the Proxies can only vote on Poll at the Meeting and not through any other mode.

6. Foreign Institutional Investors (FIIs) who are registered Equity Shareholder(s) of the Company would be required to deposit certified copies of power of attorney, authorizing the individuals named therein, to attend and vote at the Meeting on its behalf. These documents must be deposited at the Registered Office of the Company not later than 48 hours before the Meeting.

7. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3) (xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated 10th day of March, 2017, issued by the Securities and Exchange Board of India, the Applicant Company has provided the facility of voting by equity shareholders of the Applicant Company to the Scheme through e-voting or postal ballot or polling paper at the venue of the meeting to be held on 8th January, 2020.

8. The quorum of the meeting of the equity shareholders of the Applicant Company shall be 15 (fifteen) equity shareholders of the Applicant Company, present in person.

9. A Member or his/her Proxy is requested to bring the copy of the notice to the Meeting and produce the attendance slip, duly completed and signed, at the entrance of the Meeting venue.

10. Members who hold Shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification of attendance at the Meeting.

11. Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of the Company/list of beneficial owners as received from Purva Sharegistry (India) Pvt. Ltd., Registrar and Transfer Agent and Depositories in respect of such joint holding will be entitled to vote.

12. The Notice is being sent to all Members, whose names appeared in the Register of Members/Beneficial Owner as per the details furnished by the Registrar and Transfer Agent and Depositories as on 29th November, 2019. This Notice of the NCLT Convened Meeting of Members of the Company is also displayed/posted on the website of the Company at <https://rockonfintech.wordpress.com> and on the website of NSDL at <https://www.evoting.nsdl.com/>

13. Member(s) can opt only for one mode of voting. If a Member has opted for e-voting, then he/she should not vote by Postal Ballot and vice-versa. However, in case Members cast their vote both through Postal Ballot and E-voting, then voting through E-voting shall prevail and voting done by Postal Ballot shall be treated as invalid.

14. It is clarified that votes may be cast by Shareholders either by Postal Ballot or e-voting or at the meeting and casting of votes by Postal Ballot or e-voting does not disentitle them from attending the Meeting. Shareholder after exercising his right to vote through Postal Ballot or E-voting shall not be allowed to vote again at the Meeting. The Company shall provide the facility of voting through ballot paper at the venue of the Meeting.

15. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Equity Shareholders (which includes Public Shareholders) as on the cut-off date, i.e. 29th November, 2019.

16. The voting period for Postal Ballot and E-voting shall commence on and from Monday 9th December, 2019 at 9.00 a.m. and end on Tuesday, 7th January, 2020 at 5.00 p.m. During this period, the equity shareholders of the Applicant Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. 29th November, 2019 may cast their vote electronically or by postal ballot. The e-voting module shall be disabled for voting on 7th January, 2020 at 5.00 p.m. Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.

17. The SEBI Circular (as defined above), inter alia, provides that approval of Public Shareholders of the Company to the Scheme shall also be obtained by way of voting through e-voting. Since, the Company is seeking the approval of its Equity Shareholders (which includes Public Shareholders) to the Scheme by way of voting through postal ballot and e-voting, no separate procedure for voting through e-voting would be required to be carried out by the Company for seeking the approval to the Scheme by its Public Shareholders and the same is in sufficient compliance of SEBI Circular.

18. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the Equity Shareholders, of the Company, voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme.

19. A postal ballot form along with self-addressed postage pre-paid Business Reply Envelope is also enclosed. Members who have received the postal ballot notice by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the website of Company at <https://rockonfintech.wordpress.com/>

20. You are requested to carefully read the Postal Ballot Form and return the Form duly completed with assent (for) or dissent (against), in the attached Business Reply Envelope, so as to reach the Scrutinizer on or before 7th January, 2020 at 5:00 p.m.

21. In case a Member is desirous of obtaining a printed duplicate Postal Ballot Form, he or she may send an e-mail to [support@purvashare.com](mailto:support@purvashare.com). The Registrar and Transfer Agent shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the Member.

22. Mr. Girraj Kishor Agrawal, Director failing whom Mrs. Tanu Giriraj Agrawal, Promoter of the Applicant Company No.1 is appointed as the Chairperson for the meeting of Equity Shareholders of the Applicant Company No.1. The Scrutinizer for the meeting shall be Mr. Manish Kankani, Practicing Chartered Accountant (Membership No. 158020) to scrutinize the votes cast either through remote E voting or Postal Ballot and voting process at the venue in the fair and transparent manner.



23. The scrutinizer will submit his combined report to the Chairperson of the Meeting after completion of the scrutiny of the votes cast by the Equity Shareholders, which includes Public Shareholders, of the Company. The scrutinizer will also submit a separate report with regard to the result of the postal ballot and e-voting in respect of Public Shareholders. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final.

24. The result of the voting shall be announced on or before Friday, 10th January, 2019, upon receipt of Scrutinizer's report and same shall be displayed on the website of the Company at <https://rockonfintech.wordpress.com/> and on NSDL website at <https://www.evoting.nsdl.com/> besides being sent to BSE Limited on the said date.

25. The notice convening the Meeting will be published through an advertisement in the "Business Standard" in the English language and "Navshakti" in the Marathi language, both having circulation in Mumbai.

26. As directed by NCLT, the Applicant Company is convening a meeting of its equity shareholders, who are required to pass the resolution approving the Scheme by, inter alia, e-voting. Since equity shareholders include Public Shareholders, this will be in sufficient compliance of the SEBI Circular.

27. Further, in accordance with the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the Public Shareholders in favour of the aforesaid resolution for approval of Scheme are more than the number of votes cast by the Public Shareholders against it.

28. All relevant documents referred to in the above Notice and other documents will be available for inspection at the Applicant Company's Office at E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053 between 11:00 A.M. to 4:00 P.M. on any working days up to the date of the Meeting.

## VOTING THROUGH ELECTRONIC MEANS

### Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.

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

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details will be as per details given below :

a) **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300\*\*\* and Client ID is 12\*\*\*\*\* then your user ID is IN300\*\*\*12\*\*\*\*\*).

b) **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12\*\*\*\*\* then your user ID is 12\*\*\*\*\*).

c) **For Members holding shares in Physical Form:** EVEN Number followed by Folio Number registered with the company (For example if folio number is 001\*\*\* and EVEN is 101456 then user ID is 101456001\*\*\*).

5. Your password details are given below:

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

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

c. How to retrieve your 'initial password'?

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

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

your postal address.

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a. Click on “[Forgot User Details/Password?](#)” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b. “[Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c. If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically on NSDL e-Voting system.**

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

## **General Guidelines for shareholders:**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail [manishkankani@dmkhca.in](mailto:manishkankani@dmkhca.in) to with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

## **Please note the following:**

A member may participate in the meeting after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

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

The Chairman shall, at the meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the meeting but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the meeting, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

**Other information:**

Your login ID and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.

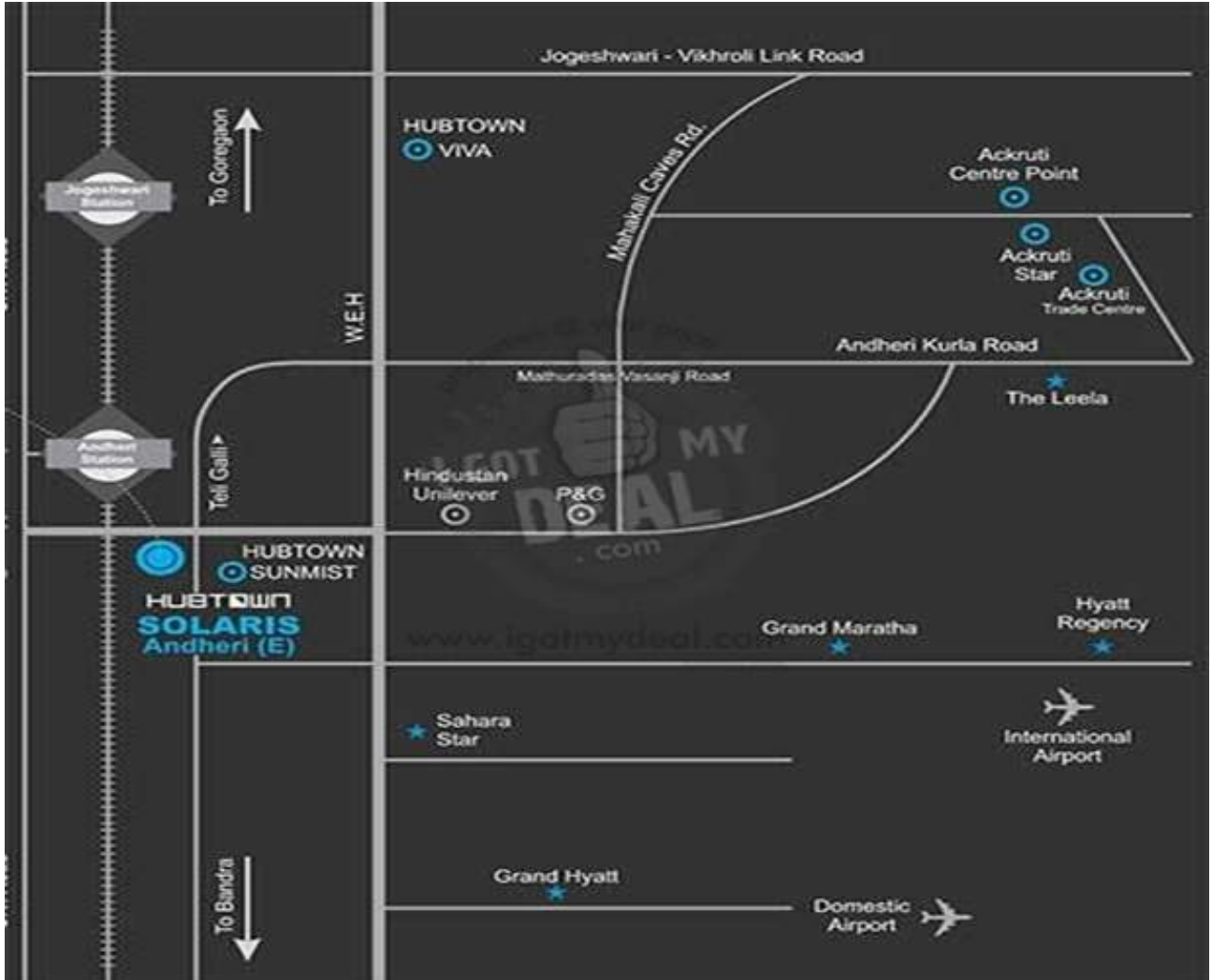
It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

Further, any queries/grievances in relation to the voting by postal ballot or e-voting may be addressed through email to [rockonfintech123@gmail.com](mailto:rockonfintech123@gmail.com) and can also be contacted at 9152096141.

Persons, who are not equity shareholders of the Applicant Company as on the cut-off date i.e. 29th November, 2019 should treat this notice for information purposes only. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting or voting through postal ballot. Any person who has ceased to be the member of the Company before the cut-off date will not be entitled for remote e-voting or voting at the meeting or voting through postal ballot.

### Route Map to the Venue of the Meeting



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL BENCH, AT MUMBAI  
IN THE MATTER OF THE COMPANIES ACT, 2013  
AND**

**In the matter of  
PROAIM ENTERPRISES LIMITED  
(The First Transferor Company)**

**AND**

**AXON VENTURES LIMITED  
(The Second Transferor Company)**

**AND**

**ROCKON ENTERPRISES LIMITED  
(The Third Transferor Company)**

**WITH**

**BANAS FINANCE LIMITED  
(The Transferee Company)**

**In the matter of Section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013**

**ROCKON ENTERPRISES LIMITED**

A Company Incorporated under the Companies Act, 1956  
having its Registered office at 105, Crystal Plaza,  
New Link Road, Opp. Infiniti Mall,  
Ansheri (West), Mumbai – 400053

**...The Third Transferor Company/ The Company**

**EXPLANATORY STATEMENT UNDER SECTION 230(3), 232(1) AND (2) OF THE COMPANIES ACT, 2013 READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISE, ARRANGEMENTS, AMALGAMATIONS) RULES, 2016 FOR THE MEETING OF EQUITY SHAREHOLDERS OF PROAIM ENTERPRISES LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL**

In this statement, Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders and creditors. The other definitions contained in the Scheme will apply to this Explanatory Statement also. The following statement as required under Section 230 (3), 102, 232(1) and (2) of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromise, Arrangements, Amalgamations) Rules, 2016 of the Companies Act, 2013 sets forth the details of the proposed Scheme, its effects and, in particular any material interests of the Directors in their capacity as members.

1. Pursuant to an Order dated 6th November, 2019 passed by the National Company Law Tribunal Bench at Mumbai in the Company Scheme Application C.A.(CAA)/1795/MB/2019 referred to herein above, a meeting of the Equity Shareholders of Rockon Enterprises Limited is being convened and held at 412, Solaris Hubtown, Sai wadi, Andheri (East), Mumbai- 400069 on Wednesday 8th day of January, 2020, at 02:00 P.M., for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders ('the Scheme').

2. The proposed Scheme of Amalgamation, valuation report, Report under Section 232(2)(C) of the Companies Act, 2013 and fairness opinion placed before the Audit Committee on 12th May, 2018 and Board of Directors of the Applicant Company at their meeting held on 15th May, 2018 were approved by the board.

3. Based on the evaluations, the Board of Directors of the Transferee Company has come to the conclusion that the Scheme is in the best interest of the Company and its shareholders.

4. A copy of the Scheme as approved by the Board of Directors of the respective companies is enclosed.

## **BACKGROUND OF THE COMPANIES INVOLVED IN THE SCHEME IS AS UNDER**

**1. PROAIM ENTERPRISES LIMITED** (The First Transferor Company) was incorporated under the Companies Act, 1956 on 21st day of December, 1984 in the state of Maharashtra.

i. The Registered office of the First Transferor Company is situated at 305, 3rd Floor, Krishna Vishal Nagar Housing Society, Marve Road, Mith Chowki, Malad (West), Mumbai – 400064

ii. The email address of the First Transferor Company is shreenathcommercialfin@gmail.com

iii. The Share Capital of the Applicant Company No. 1 as on the 30th day of September, 2019 is as under:

<b>Particulars</b>	<b>Amount (Rs.)</b>
<b>Authorised Capital</b>	
1,30,00,000 Equity Shares of Rs.10/-each.	13,00,00,000
<b>TOTAL</b>	<b>13,00,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
1,26,52,490 Equity Shares of Rs. 10/- each fully paid-up.	12,65,24,900
<b>TOTAL</b>	<b>12,65,24,900</b>

As on date, there has been no change in the authorized, issued, subscribed and paid up share capital of the Company.

iv. The Company is a public limited company and its equity shares are listed on the BSE Limited ('BSE'). The Company is, inter alia, engaged in trading, distributing, Commission agents, Selling agents, brokers, adalias, buyers, sellers, importers, exporters, dealers, in textiles and financing by way of loans or advance or subscribing to capital of any industrial enterprises in India.

v. The main objects for which the First Transferor Company has been established are set out in its Memorandum of Association. The main objects of the First Transferor Company are set out hereunder:

To carry on the Business as merchants, Traders, distributors, Commission agents, Selling agents, brokers, adalias, buyers, sellers, importers, exporters, dealers, in textiles, all types of cotton, jute, hemp, wool, hair, silk, rayon, man – made fabrics, fibers, synthetic, woollen, yarn, threads, garments, made-up hosiery, canvas and fabrics quoted and treated with any chemicals, iron, steel, ferrous and non-ferrous metals and all other metals and its alloys, gold, silver, jewellerys, precious stones and all other stones, machinery, equipment's, dyes chemicals, colour, paints medicines, medical and industrial preparation, all types of oils oil seeds, of cakes and all types of byproducts of oils.

2. To carry on business of financing by way of loans or advance or subscribing to capital of any industrial enterprises in India.

## vi. Details of Directors along with the Address:

<b>DIN</b>	<b>Full Name</b>	<b>Present Residential Address</b>	<b>Designation</b>
00290959	Girraj Kishor Agrawal	3A/ 1601-1602, Green Acres, Lokhandwala Complex, Near Axis Bank, Lokhandwala, Azad Nagar, Andheri, Mumbai 400053	Director
02321339	Zubin Jasi Pardiwala	M-7, Godrej Baug, Off Napeansea Road, Mumbai 400026	Director
07566240	Hardikkumar Bharatbhai Kabariya	177, Shivanjali Society, Amroli Chorasi Surat 394107	Director
07705563	Mayuri Paresh Parmar	A, 201, Sai Srishti Apartment, Opp. Dreamland Complex, Mira Road East, Near Amber Plaza Hall, Thane-401107	Wholetime Director
08515465	Hitendrakumar Kanjibhai Parmar	47/B, Rajvatika Society, Motipura, Himatnagar Sabarkantha 383001	Director

## vii. Details of the promoters' shareholding pattern:

<b>Shareholding of Promoters as on 30.09.2019</b>			
<b>Sr. No.</b>	<b>Shareholder's Name</b>	<b>Shareholding</b>	
		<b>No. of Shares</b>	<b>% of total shares of the Co.</b>
1.	Tanu Giriraj Agrawal	8000	0.063
	<b>Total</b>	<b>8000</b>	<b>0.063</b>

## viii. Details of Shareholding Of Directors And Key Managerial Personnel:

<b>Shareholding of Directors and KMP as on 30.09.2019</b>			
<b>Sr. No.</b>	<b>Shareholder's Name</b>	<b>Shareholding</b>	
		<b>No. of Shares</b>	<b>% of total shares of the Co.</b>
1.	Mr. Girraj Kishor Agrawal(NED)	NIL	NIL

2.	Mr. Zubin Jasi Pardiwala (INED)	NIL	NIL
3.	Mr. Kirti Anilkumar Patel(CFO)	NIL	NIL
4.	Mr. Hardikkumar Kabariya(INED)	NIL	NIL
5.	Mr. Hitendrakumar Parmar (INED)	NIL	NIL
6.	Mrs. Mayuri Rathod (WTD)	NIL	NIL
	<b>Total</b>	NIL	NIL

ix. Details of Present Directors of the First Transferor Company as on 30.09.2019 and their shareholding in Transferor companies and Transferee Company.

Name	Shares held in Transferor Company-1	Shares held in Transferor Company-2	Shares held in Transferor Company-3	Shares held in Transferee
Girraj Kishor Agrawal	NIL	106460	NIL	NIL
Zubin Jasi Pardiwala	NIL	NIL	NIL	NIL
Hardikkumar Bharatbhai Kabariya	NIL	NIL	NIL	NIL
Mayuri Paresh Parmar	NIL	NIL	NIL	NIL
Hitendrakumar Kanjibhai Parmar	NIL	NIL	NIL	NIL
Kirti Anilkumar Patel	NIL	NIL	NIL	NIL

x. The amount due to unsecured creditors of Transferor Company-1 is Rs. 34,780,300 as on 30th September, 2019.

xi. Pre-Merger Shareholding of Proaim Enterprises Limited as on 30.09.2019

Category		No. of Shares held	% of Share holding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	8000	0.06
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-
	<b>Sub - Total</b>	<b>8000</b>	<b>0.06</b>
B	Non-Promoter's Holding		
3	Institutional Investors	-	-
a)	Mutual Funds and UTI	-	-



Category		No. of Shares held	% of Share holding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	8000	0.06
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-
	<b>Sub - Total</b>	<b>8000</b>	<b>0.06</b>
B	Non-Promoter's Holding		
3	Institutional Investors	-	-
a)	Mutual Funds and UTI	-	-
b)	Banks, Financial Institutions, Insurance Companies	100	0.00
	(Central/State Govt. Institutions/Non-Government Institutions)	-	-
C	FII's		
	<b>Sub - Total</b>	<b>100</b>	<b>0.00</b>
4	<b>Others</b>		
a)	Indian Corporate Bodies	3149833	24.89
b)	Indian Public		
	Individual Shareholders holding nominal Share capital upto Rs. 2 Lakh	1303847	10.31
	Individual Shareholders holding nominal Share capital in excess of Rs. 2 Lakh	8082791	63.88
c)	NRI's/OCB's - NRI	30836	0.24
d)	Any Other (Please specify)		
	-Clearing Member	7953	0.06
	-HUF	67988	0.54
	-Trust	1142	0.01
	<b>Sub-Total</b>	<b>12644390</b>	<b>99.94</b>
	<b>Grand Total</b>	<b>12652490</b>	<b>100.00</b>

**AXON VENTURES LIMITED**, ("The Second Transferor Company") means a company incorporated under the Companies Act, 1956, on 7th August, 1982, in the state of Maharashtra.

i. The Registered office of the Second Transferor Company is situated at E-109, Crystal Plaza, New Link Road, Opp. Infiniti Mall, Andheri (West), Mumbai - 400053. The email address of the Second Transferor Company is axoninfotechltd@gmail.com

ii. The details of the Authorized, Issued, Subscribed and Paid-up share capital of The Second Transferor Company as on 30th September, 2019 are as under:

Particulars	Amount (Rs.)
<b>Authorised Capital</b>	
80,00,000 Equity Shares of Rs.10/-each.	8,00,00,000
<b>TOTAL</b>	<b>8,00,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
76,40,000 Equity Shares of Rs. 10/- each fully paid-up.	7,64,00,000
<b>TOTAL</b>	<b>7,64,00,000</b>

As on date there is no change in the capital structure of Second Transferor Company.

i. The Company is a public limited company and its equity shares are listed on the BSE Limited ('BSE'). The Company is, inter alia, engaged in providing loan, Share Trading and Commodity Trading.

ii. The objects for which the Second Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Second Transferor Company are set out hereunder:

To carry on the business as the finance Company and advance money to any person, firm or body corporate and to receive money on deposit or loan to carry on business as financiers factors and to undertake and carry on business as financiers factors and to undertake and carry on execute all kinds of financial operations but the company shall not carry on banking business as defined in the Banking Regulation Act, 1947. To carry on business of Investment Company and to invest in and deal with moneys of the company and acquire, sell, transfer subscribe, hold, dispose of and otherwise deal in shares, stocks, debenture, stocks, bonds, land, building, properties, obligations and securities issued or guaranteed by an company constituted or carrying on business in India or elsewhere an debenture, debenture stocks, bonds, obligations and securities issued or guaranteed by any Government, State, domination, sovereign-ruler, commissioner, public body of authority, municipal, local or otherwise, whether in India or elsewhere or deposits with Banks or in any other Investment or commodities or in any of the manner as may from time to time be determined. To carry on the business of share and stock brokers, underwriters, agents and brokers for taking, acquiring selling, pledging, investing, subscribing, securing, exchanging, holding, dealing in, converting stocks, share and securities of all kinds, to as brokers for units of Unit Trust of India, brokers for debentures, bonds, Government Securities, National Saving Certificates, Small Saving Scheme and generally for Securities of all kinds and to Carry on the above business in India or abroad.

iii. The Second Transferor Company commenced its business in the year 1982 and presently carrying on business of finance company.

**iv. Details of Directors along with address:**

<b>DIN</b>	<b>Full Name</b>	<b>Present Residential Address</b>	<b>Designation</b>
00290959	Girraj Kishor Agrawal	3A/ 1601-1602, Green Acres, Lokhandwala Complex, Near Axis Bank, Lokhandwala, Azad Nagar, Andheri ( Mumbai 400053	Director
00290966	Tanu Giriraj Agarwal	3A/ 1601-1602, Green Acres, Lokhandwala Complex, Near Axis Bank, Lokhandwala, Azad Nagar, Andheri ( Mumbai 400053	Managing Director
02321339	Zubin Jasi Pardiwala	M-7, Godrej Baug, Off Napeansea Road, Mumbai 400026	Director
07566240	Hardikkumar Bharatbhai Kabariya	177, Shivanjali Society, Amroli Chorasi Surat 394107 GJ	Director
08515465	Hitendrakumar Kanjibhai Parmar	47/B, rajvatika society, motipura, Himatnagar Sabarkantha 383001	Director

**v.Details of Shareholding pattern of promoters**

<b>Shareholding of Promoters as on 30.09.2019</b>			
<b>Sr. No.</b>	<b>Shareholder's Name</b>	<b>Shareholding</b>	
		<b>No. of Shares</b>	<b>% of total shares of the Co.</b>
1.	Kayaguru Health Solutions Pvt Ltd	799040	10.459
2.	Handful Investrade Private Limited	163719	2.143
3.	Girraj Kishor Agrawal	106460	1.393
	<b>Total</b>	<b>1069219</b>	<b>13.99</b>

**vi. Shareholding Pattern Of Directors 30.09.2019**

<b>Shareholding Pattern of Directors and KMP as on 30.09.2019</b>			
<b>Sr. No.</b>	<b>Shareholder's Name</b>	<b>Shareholding</b>	
		<b>No. of Shares</b>	<b>% of total shares of the Co.</b>
1.	Girraj Kishor Agrawal	106460	1.39
2.	Tanu Agarwal	-	-
3.	Zubin Pardiwala	-	-
4.	Hardik Kabariya	-	-
5.	Hitendrakumar Kanjibhai Parmar	-	-
	<b>Total</b>	<b>106460</b>	<b>1.39</b>

**vii. Details of Present Directors and KMP of the Second Transferor Company as on 30th September, 2019 and their shareholding in Transferor companies and Transferee Company:**

<b>Name</b>	<b>Shares held in Transferor Company-1</b>	<b>Shares held in Transferor Company-2</b>	<b>Shares held in Transferor Company-3</b>	<b>Shares held in Transferee Company</b>
Girish Kishor Agarwal	NIL	106460	NIL	NIL
Tanu Agarwal	8000	NIL	NIL	NIL

Zubin Jasi Pardiwala	NIL	NIL	NIL	NIL
Hardikkumar Bharatbhai Kabariya	NIL	NIL	NIL	NIL
Hitendrakumar Kanjibhai Parmar	NIL	NIL	NIL	NIL
Geeta Manish Gupta* (CFO)	NIL	NIL	NIL	NIL

**\*Resigned w.e.f. 14.11.2019**

viii. The amount due to unsecured creditors of Transferor Company-2 is Rs. 2,04,676 /- as on 30th September, 2019.

ix. Pre-Merger Shareholding Pattern of Axon Ventures Limited as on 30.09.2019

Category		No. of Shares held	% of Share holding
<b>A</b>	Promoter's Holding		
<b>1</b>	Promoters		
	- Individual	106460	1.39
	- Bodies Corporate	962759	12.60
<b>2</b>	Persons acting in concert	-	-
	<b>Sub - Total</b>	<b>1069219</b>	<b>13.99</b>
<b>B</b>	Non-Promoter's Holding		
<b>3</b>	Institutional Investors	-	-
<b>a)</b>	Mutual Funds and UTI	-	-
<b>b)</b>	Banks, Financial Institutions, Insurance Companies	-	-
	(Central/State Govt. Institutions/Non-Government Institutions)	-	-
<b>C</b>	FII's		
	<b>Sub - Total</b>	<b>0</b>	<b>0.00</b>
<b>4</b>	<b>Others</b>		
<b>a)</b>	Indian Corporate Bodies	1391598	18.21
<b>b)</b>	Indian Public		

	Individual Shareholders holding nominal Share capital upto Rs. 2 Lakh	1322759	17.31
	Individual Shareholders holding nominal Share capital in excess of Rs. 2 Lakh	3779489	49.47
<b>c)</b>	NRI's/OCB's - NRI	3215	0.04
<b>d)</b>	Any Other (Please specify)		
	-HUF	72565	0.95
	-Clearing Member	1155	0.02
	<b>Sub-Total</b>	<b>6570781</b>	<b>86.01</b>
	<b>Grand Total</b>	<b>7640000</b>	<b>100.00</b>

**3. ROCKON ENTERPRISES LIMITED**, (“The Third Transferor Company”) means a company incorporated under the Companies Act, 1956 on 10th June, 1976 in the state of Maharashtra.

i. The Registered office of the Third Transferor Company is situated at E-109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai City MH 400053 IN, Maharashtra, India. The email address of the Third Transferor Company is rockonfintech123@gmail.com

ii. The details of the Authorized, Issued, Subscribed and Paid-up share capital of The Third Transferor Company as on 30th September, 2019 are as under:

<b>Particulars</b>	<b>Amount (Rs.)</b>
<b>Authorised Capital</b>	
1,80,00,000 Equity Shares of Rs.10/-each.	18,00,00,000
<b>TOTAL</b>	<b>18,00,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
1,65,17,690 Equity Shares of Rs. 10/- each fully paid-up.	16,51,76,900
<b>TOTAL</b>	<b>16,51,76,900</b>

As on date there is no change in the capital structure of Third Transferor Company.

iii. Company is a public limited company and its equity shares are listed on the BSE Limited ('BSE'). The Company is, inter alia, engaged in providing loan, Share Trading and Commodity Trading.

iv. The objects for which the Third Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Third Transferor Company are set out hereunder:

1. To carry on the Business as the finance Company and advance money to any person, firm or body Corporate and to receive money on deposit or loan to carry on business as financier factors and to undertake and carry on execute all kinds of financial operations but the company shall not carry on banking business as defined in the Banking Regulation Act, 1947. To carry on business of investment Company and to invest in and deal with moneys of the company and acquire, sell, transfer subscribe, hold, dispose of and otherwise deal in shares, stocks, bonds, land, building, prop

erties, obligations and securities issued or guaranteed by any Company constituted or carrying on business in India or elsewhere a debenture, debenture stocks, bonds, obligations and securities issued or guaranteed by any government, State, domination, sovereign-ruler, commissioner, public body of authority, municipal, local or otherwise, whether in India of the manner as may from time to time determined. To carry on the business of share and sock brokers, underwriters, agents and brokers for taking acquiring selling, pledging, investing, subscribing, securing exchanging, holding, dealing in converting stocks, share and securities of all kinds, to as brokers for units of unit trust of India, broker for debentures, bonds, Government Securities, National Saving Certificates, Small Saving Scheme and generally for Securities of all kinds and to carry on the above business in India or abroad.

2. “ To carry on in India and elsewhere all or any type of business such as Manufacture, buyer, seller, trader, importer, exporter, distributor, broker, stockiest, commission agent and dealing in computers, hardware with all other accessories and parts and development of software of all kinds, to run, sell, purchases any software park, to carry on business of information technology, e- commerce, internet service provider, carry on e-business in all field and to develop & lunch software and technology for all kinds, interactive multimedia to provide computer education, training, consultancy, maintenance, & repairing service, to carryon business of agent, developers, provider of service in the field of electronic, media, print media, cable services, acquire right of television serials & of any events and to sell them to any person and to act as advertisement agency and to take type of computers and computers and computer software contracts in India and Abroad on assignment basis and to do research & experiments to develop and for new inventions and to carry training programs, to give for that purpose.

v.The Third Transferor Company commenced its business in 1976 and at present is carrying on business of providing loan, share trading and commodity trading.

vi. Details of Directors along with their addresses:

DIN	Full Name	Present Residential Address	Designation
00290959	Girraj Kishor Agrawal	3A/ 1601-1602, Green Acres, Lokhandwala Complex, Near Axis Bank, Lokhandwala, Azad Nagar, Andheri Mumbai 400053 MH IN	Director
00290966	Tanu Giriraj Agarwal	3A/ 1601-1602, Green Acres, Lokhandwala Complex, Near Axis Bank, Lokhandwala, Azad Nagar, Andheri Mumbai 400053 MH IN	Managing Director
07566240	Hardikkumar Bharatbhai Kabariya	177, Shivanjali Society, Amroli Chorasi Surat 394107	Director
07934126	Jyotsana Bhatt	A-184,AVADH, Vivekanand Nagar, Bhilwara Bhilwara 311001	Director

vii.Shareholding Pattern of Promoters and Directors:

Shareholding Pattern of Promoters as on 30.09.2019			
Sr. No.	Shareholder's Name	Shareholding	
		No. of Shares	% of total shares of the Co.
1.	Handful Investrade Pvt Ltd	605686	3.67
2.	Proaim Enterprises Ltd	58900	0.36

	<b>Total</b>	<b>664586</b>	<b>4.03</b>
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vii. Shareholding Pattern of Promoters and Directors:

<b>Shareholding Pattern of Directors as on 30.09.2019</b>			
<b>Sr. No.</b>	<b>Shareholder's Name</b>	<b>Shareholding</b>	
		<b>No. of Shares</b>	<b>% of total shares of the Co.</b>
1.	Tanu Giriraj Agarwal	NIL	NIL
2.	Girraj Kishor Agrawal	NIL	NIL
3.	Jyotsana Bhatt	NIL	NIL
4.	Hardikkumar Kabariya	NIL	NIL
	<b>Total</b>	<b>NIL</b>	<b>NIL</b>

viii. Details of Present Directors and KMP of the Third Transferor Company as on 31st March, 2019 and their shareholding in Transferor companies and Transferee Company:

<b>Name</b>	<b>Shares held in Transferor Company-1</b>	<b>Shares held in Transferor Company-2</b>	<b>Shares held in Transferor Company-3</b>	<b>Shares held in Transferee Company</b>
Girraj Kishor Agrawal	NIL	106460	NIL	NIL
Tanu Giriraj Agarwal	8000	NIL	NIL	NIL
Hardikkumar Bharatbhai Kabariya	NIL	NIL	NIL	NIL
Jyotsana Bhatt	NIL	NIL	NIL	NIL
Vinod Laxman Prabhu (CFO)	NIL	NIL	NIL	NIL

ix. the amount due to unsecured creditors of Transferor Company-3 is Rs. 1,16,18,425/- as on 30th September, 2019.

x.Pre-Merger Shareholding of Rockon Enterprises Limited as on 30.09.2019:

Category		No. of Shares held	% of Share holding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	664586	4.02
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-
	<b>Sub - Total</b>	<b>664586</b>	<b>4.02</b>
B	Non-Promoter's Holding		
3	Institutional Investors	-	-
a)	Mutual Funds and UTI	-	-
b)	Banks, Financial Institutions, Insurance Companies	-	-
	(Central/State Govt. Institutions/Non-Government Institutions)	100000	0.61
C	FII's	-	
	<b>Sub - Total</b>	<b>100000</b>	<b>0.61</b>
4	<b>Others</b>		
a)	Indian Corporate Bodies	2546137	15.41
b)	Indian Public		
	Individual Shareholders holding nominal Share capital upto Rs. 2 Lakh	2053329	12.43
	Individual Shareholders holding nominal Share capital in excess of Rs. 2 Lakh	11112921	67.28
c)	NRI's/OCB's - NRI	12649	0.08
d)	Any Other (Please specify) - HUF	27500	0.17
	-Clearing Member	568	0.00
	<b>Sub-Total</b>	<b>15753104</b>	<b>95.37</b>
	<b>Grand Total</b>	<b>16517690</b>	<b>100.00</b>

**BANAS FINANCE LIMITED**, ("The Transferee Company") means a company incorporated under the Companies Act, 1956, on 6th Day of June 1983 in the state of Maharashtra

i. The Registered office of the Transferee Company is situated at E-109, Crystal Plaza, New Link Road, Opp. Infiniti Mall, Andheri (West), Mumbai - 400053, Maharashtra, India. The email address of the Fourth Transferor Company is banasfin@gmail.com

ii. The details of the Authorized, Issued, Subscribed and Paid-up share capital of The Transferee Company as on 30th September, 2019 are as under:

Particulars	Amount (Rs.)
<b>Authorised Capital</b>	
1,23,00,000 Equity Shares of Rs.10/-each.	12,30,00,000
<b>TOTAL</b>	<b>12,30,00,000</b>
<b>Issued, Subscribed and Paid-up</b>	
1,13,76,000 Equity Shares of Rs. 10/- each fully paid-up.	11,37,60,000
<b>TOTAL</b>	<b>11,37,60,000</b>

As on date there is no change in the capital structure of Transferee Company



iii. Company is a public limited company and its equity shares are listed on the BSE Limited ('BSE'). The Company is, inter alia, engaged in business of providing Loan and Share Trading. The company is also registered with RBI as an NBFC.

iv The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main objects of the Transferee Company are set out hereunder:

1. To carry on the business of hire-purchase, leasing, factoring, financing of hire-purchase, lease of all kinds of plants and machineries, motor vehicles, motor boats, trawlers, launches, ships, vessels, helicopters, aircrafts, automobiles, computers or any other equipment that the Company may think fit and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transaction and to subsidies, finance or assist in subsidising or financing the sale and maintenance of any goods, articles or commodities of all and every kind and description upon any terms whatsoever and to carry on business as investors and dealers in shares, stocks and securities, capitalists, financiers, concessionaires and to undertake, carry on and execute all kinds of financial, commercial and trading operations (except banking and insurance business under Banking regulation Act, 1949, and the Insurance Act, 1938) which may seem to be capable of being conveniently carried on and to make loans both short and long term with provision of financial software such as computer programme.

v. The Transferee Company commenced its business in 1983 and at present is carrying on business of providing loan and share trading.

vi. Details of Directors along with address:

<b>DIN</b>	<b>Full Name</b>	<b>Present Residential Address</b>	<b>Designation</b>
06964404	Amit Gulecha	A/104, Pramukh Heights CHS Ltd, 48 Amboli Hill, Veera Desai Road, Andheri (West), Mumbai 400058 MH IN	Managing Director
00290959	Girraj Kishor Agrawal	3A/ 1601-1602, Green Acres, Lokhandwala Complex, Near Axis Bank, Lokhandwala, Azad Nagar, Andheri, Mumbai 400053	Director
00290966	Tanu Giriraj Agarwal	3A/ 1601-1602, Green Acres, Lokhandwala Complex, Near Axis Bank, Lokhandwala, Azad Nagar, Andheri, Mumbai 400053	Director
07566240	Hardikkumar Bharatbhai Kabariya	177, Shivanjali Society, Amroli Chorasi Surat 394107 GJ IN	Director
07934126	Jyotsana Bhatt	A-184,AVADH, Vivekanand Nagar, Bhilwara Bhilwara 311001	Director
08515465	Hitendrakumar Kanjibhai Parmar	47/B, rajvatika society, motipura, Himatnagar Sabarkantha 383001 GJ IN	Director

## vii. Shareholding Pattern of Promoters and Directors/KMP

<b>Shareholding Pattern Of Promoters as on 30.09.2019</b>		
<b>Shareholder's Name</b>	<b>Shareholding</b>	
	<b>No. of Shares</b>	<b>% of total shares of the Co.</b>
Handful Investrade Pvt Ltd	14500000	12.75
<b>Total</b>	<b>14500000</b>	<b>12.75</b>

## viii. Shareholding Pattern Of Directors And Key Managerial Personnel upto 30.09.2019

<b>Shareholding Pattern Of Directors and KMP as on 30.09.2019</b>		
<b>Shareholder's Name</b>	<b>Shareholding</b>	
	<b>No. of Shares</b>	<b>% of total shares of the Co.</b>
Amit Gulecha - Managing Director	6169	0.005
Girraj Kishor Agrawal – Director	NIL	NIL
Tanu Agarwal - Director	NIL	NIL
Hardik kumar Kabariya – Director	NIL	NIL
Jyotsana Bhatt - Independent Director	NIL	NIL
Hitendrakumar Kanjibhai Parmar- Independent Director	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

## ix. Details of Present Directors and KMP of the Transferee Company as on 30th September, 2019 and their shareholding in Transferor companies and Transferee Company:

<b>Name</b>	<b>Shares held in Transferor Company-1</b>	<b>Shares held in Transferor Company-2</b>	<b>Shares held in Transferor Company-3</b>	<b>Shares held in Transferee Company</b>
Girraj Kishor Agrawal	NIL	106460	NIL	NIL
Tanu Giriraj Agarwal	8000	NIL	NIL	NIL
Amit Gulecha	NIL	NIL	NIL	6169
Hardikkumar Bharatbhai Kabariya	NIL	NIL	NIL	NIL

Jyotsana Bhatt	NIL	NIL	NIL	NIL
Anubhav Srinath Maurya	NIL	NIL	NIL	NIL
Vibhuti Sanjay Vadia (CFO)*	NIL	NIL	NIL	NIL
Prajna Prakash Naik (CS)	NIL	NIL	NIL	NIL

\*resigned from the company as on 14.11.2019

x. The amount due to unsecured creditors of Transferee Company is Rs. 8,01,08,978/- as on 30th September, 2019.

xi. Pre-Merger Shareholding of Banas Finance Limited as on 30.09.2019

Category		No. of Shares held	% of Share holding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	1450000	12.75
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-
	<b>Sub - Total</b>	<b>1450000</b>	<b>12.75</b>
B	Non-Promoter's Holding		
3	Institutional Investors	-	-
a)	Mutual Funds and UTI	-	-
b)	Banks, Financial Institutions, Insurance Companies	-	-
	(Central/State Govt. Institutions/Non Government Institutions)	-	-
C	FII's	-	-
	<b>Sub - Total</b>	<b>0</b>	<b>0.00</b>
4	Others		
a)	Indian Corporate Bodies	1048694	9.22
b)	Indian Public		
	Individual Shareholders holding nominal Share capital upto Rs. 2 Lakh	1442351	12.68
	Individual Shareholders holding nominal Share capital in excess of Rs. 2 Lakh	7010812	61.63
c)	NRI's/OCB's - NRI	2487	0.02
d)	Any Other (Please specify) - HUF	141415	1.24
	-Clearing Member	280241	2.46
	<b>Sub-Total</b>	<b>9926000</b>	<b>87.25</b>
	<b>Grand Total</b>	<b>11376000</b>	<b>100</b>

## xii. RATIONALE AND BENEFITS OF THE SCHEME

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

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

- c. Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value;
- d. Improved organizational capability and leadership arising from the pooling of human capital that has diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;
- e. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement;
- f. Synchronizing of efforts to achieve uniform corporate policy, Greater integration and greater financial strength and flexibility for the amalgamated entity;
- g. Reduce regulatory compliance and multi-layer taxation of inter-se transaction;
- h. Better value creation for the shareholders of the company and improved competitive position of the combined entity in the market
- i. The proposed scheme is not prejudicial to the interest of the creditors or the employees of the Transferor Companies and the Transferee Company.

### **xiii. SALIENT FEATURES OF THE SCHEME:**

- i. The Scheme is presented under Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 (to the extent notified and applicable, and as amended from time to time) for amalgamation of the Transferor Companies with the Transferee Company.
- ii. The Transferor Companies and the Transferee Company shall make applications and/or petitions under Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 to the National Company Law Tribunal, Mumbai Bench ("Tribunal") for sanction of this Scheme and all matters ancillary or incidental thereto.
- iii. 'Appointed Date' for the Scheme is 1st April, 2018 or such other date as may be approved by the Tribunal.
- iv. 'Effective Date' means the date on which the certified copy of the order sanctioning this Scheme passed by the Tribunal or such other competent authority, as may be applicable, is filed with the Registrar of Companies, Maharashtra.
- v. The Transferor Companies would be automatically dissolved. On the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as per the applicable accounting principles prescribed Accounting Standards as per the Companies Act, 2013.
- vi. This Scheme is conditional upon and subject to the following:  
The Scheme being approved by the respective requisite majorities of the members and / or creditors of the Transferor Companies and the Transferee Company as may be directed by the Tribunal and/or any other competent authority and it being sanctioned by the Tribunal and/or any other competent authority, as may be applicable;

The certified copy of the order of the Tribunal under Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra;

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the key provisions of the Scheme.

### **xiv. DETAILS OF ANY RELATIONSHIP SUBSISTING BETWEEN COMPANIES WHO ARE PARTIES TO THE SCHEME**

First Transferor Company, Second Transferor Company and Third Transferor Company and Transferee Company are part of the same group to the extent of their shareholding and also the Transferor Companies and Transferee Company have common directors. Save as aforesaid, none of the directors of the Transferor Companies or the Transferee Company has any material interest in the Scheme.

**xv. DATE OF BOARD MEETING AND VOTING DETAILS FOR APPROVAL OF SCHEME OF AMALGAMATION:**

The scheme of Amalgamation was approved by the Board of Directors of Applicant Company in their Meeting held on 15th May, 2018. The details of the directors and their votes for the resolution passed at the meeting are as follows:

Name of the Director of the Applicant Company	Voted in favor/against/abstain
Girraj Kishor Agrawal	Voted in Favour
Tanu Giriraj Agarwal	Voted in Favour
Hardikkumar Bharatbhai Kabariya	Voted in Favour
Kirti Anil Kumar Patel	Voted in Favour
Jyotsana Bhatt	Voted in Favour

**xvi. SUMMARY OF VALUATION REPORT**

The Applicant Companies had obtained a certificate from M/s. Bagaria & Co., LLP, Chartered Accountants, dated 7th May, 2018 inter alia certifying that,

For every one hundred (100) shares of Proaim Enterprises Limited, Fifty (50) Shares of Banas Finance Limited are to be issued.

For every one hundred (100) shares of Axon Limited, Forty Eight (48) shares of Banas Finance Limited are to be issued.

For every one hundred (100) shares of Rockon Enterprises Limited Twenty Six (26) Shares of Banas Finance Limited are to be issued.

**xvii. CAPITAL STRUCTURE POST AMALGAMATION**

Consequent upon the amalgamation, the authorized share capital of the Transferee Company will be as under:

Authorised Capital	Amount in Rs
5,13,00,000 Equity Shares of Rs. 10/- each	51,30,00,000
<b>Total</b>	<b>51,30,00,000</b>
<b>Issued and paid up capital</b>	
2,56,48,730 Equity Shares of Rs. 10/- each	25,64,87,300
	<b>25,64,87,300</b>

**Summary of Pre & Post Merger Shareholding Pattern:**

Promoter Name	Pre & Post Merger Promoters Holding				Total	Post
	Proaim Enterprises Ltd	Axon Ventures Ltd	Rockon Enterprises Ltd	Banas Finance Ltd		
Ratio	100:50	100:48	100:26			
Tanu Giriraj Agarwal	8000				8000	4000
Girraj Kishor Agrawal		106460			106460	51101
Handful Investrade Pvt Ltd		163719	605686	1450000	769405	1686063
Kayaguru Health Solutions Ltd		799040			799040	383539
Proaim Enterprises Ltd			58900		Cancelled	
	<b>8000</b>	<b>1069219</b>	<b>664586</b>	<b>1450000</b>	<b>1682905</b>	<b>2124703</b>
<b>Percentage</b>	<b>0.063</b>	<b>13.99</b>	<b>4.03</b>	<b>12.75</b>		<b>8.28</b>

<b>Pre-Merger Public Holding</b>						
<b>Public</b>	<b>Proaim Enterprises Ltd</b>	<b>Axon Ventures Ltd</b>	<b>Rockon Enterprises Ltd</b>	<b>Banas Finance Ltd</b>		
Ratio	100:50	100:48	100:26			
Pre-Merger	12644490	6570781	15853104	9926000		
<b>Total</b>	<b>12652490</b>	<b>7640000</b>	<b>16517690</b>	<b>11376000</b>		
<b>Percentage</b>	99.937	86.01	95.97	87.25		
<b>Post-Merger Issue of Shares to Public</b>						<b>Total Promoter &amp; Public Holding</b>
<b>Public</b>	<b>Proaim Enterprises Ltd</b>	<b>Axon Ventures Ltd</b>	<b>Rockon Enterprises Ltd</b>	<b>Banas Finance Ltd</b>	<b>Total</b>	
Post-Merger	6322245	3153975	4121807	9926000	<b>23524027</b>	<b>25648730</b>
<b>Percentage</b>					<b>91.72</b>	<b>100</b>

It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

### **xviii. EFFECT OF SCHEME OF AMALGAMATION**

The promoters of the applicant company shall continue to remain as promoters, even after the effectiveness of the scheme.

The Directors of the Applicant Company do not have any material interest, concern or any other interest in the Scheme of Arrangement except to the extent of their shareholding and Directorship in respective companies if any.

Upon the scheme becoming and in consideration of the Amalgamation the applicant company shall allot equity shares to the members of transferor companies whose names appear in the register of members of respective transferor companies on a specific record date.

The Transferor companies and Transferee Company does not have any depositors, debenture holders, deposit trustee and debenture trustee. The Scheme will not have any impact on the employees of the Applicant Companies as they would continue to be in employment of the Transferee Company without any change in their terms of employment on account of the Scheme.

There are no secured creditors in the Applicant Companies and as far as unsecured creditors are concerned they will not be affected by scheme of Amalgamation since, Post Scheme the Assets of all the applicant companies are sufficient to discharge the liabilities.

Further no change in the Board of Directors of the Transferee Company is envisaged on account of the Scheme.

### **xix. DETAILS OF APPROVALS FROM CONCERNED AUTHORITIES**

The equity shares of the applicant company are listed on BSE Limited. The BSE Limited was appointed as designated stock exchange by the applicant company for the purpose of coordinating with the SEBI, pursuant to SEBI scheme circular. The company has received observation letter regarding the scheme from the BSE on 8th April, 2019. In terms of observation letter BSE conveyed their no adverse observation/ no objection to the scheme.

The applicant company is NBFC Company and registered with Reserve Bank of India. The RBI has conveyed their No Objection to the scheme vide letter dated 31st August, 2018.

### **xx. GENERAL**

i. The Transferor Companies and the Transferee Company have made an application before the National Company Law Tribunal – Mumbai Bench for the sanction of the Scheme under Section 230 to 232 read with of the Companies Act, 2013.

ii. In relation to the meeting of the Transferee Company, equity shareholders of the Company whose names are appearing in the records of the Company as on 29th November, 2019 shall be eligible to attend and vote at the meeting of the equity shareholders of the Transferee Company convened at the direction of the Tribunal and cast their votes either in person or by proxies.

iii. The Audited accounts for the period ended March 31, 2019 of the Transferee Company indicates that it is in a solvent position and would be able to meet liabilities as they arise in the course of business. There is no likelihood that any unsecured creditor of the concerned companies would lose or be prejudiced as a result of this Scheme being passed since no sacrifice or waiver is at all called for from them nor are their rights sought to be modified in any manner. Hence, the amalgamation will not cast any additional burden on the shareholders or creditors of either company, nor will it affect the interest of any of the shareholders or creditors.

iv. There are no winding up proceedings pending against the Transferee Company as of date.

v. No investigation proceedings are pending or are likely to be pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Transferee Company.

vi. The Transferor Companies and the Transferee Company are required to seek approvals / sanctions / no- objections from certain regulatory and governmental authorities for the Scheme such as the registrar of companies, regional director, and official liquidator and will obtain the same at the relevant time.

vii. A copy of the Audited Financial Statements of the Transferee Company as on March 31, 2019 is enclosed herewith.

viii. As per SEBI observation letter dated 8th April, 2018:

“The company to bring to the notice of the NCLT that SEBI vide its order dated 27/04/2018 had levied penalty of Rs. 10,00,000/- and the company has filed an appeal against the order in SAT”

The penalty was levied on Banas Finance Limited jointly with Handful Investrade Pvt Ltd, promoter of Banas Finance Limited in the matter of disclosure under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and SEBI (Prohibition of Insider Trading regulations) 1992. The SAT has dismissed the order of SEBI and reversed the Penalty.

#### INSPECTION OF THE DOCUMENTS

Inspection of the following documents specified under Rule 6 (3) (ix) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, may be carried out by the Equity Shareholders of the Applicant companies at office at E-109, Crystal Plaza, New Link Road, Andheri (W), Mumbai-400053 on any working days prior to the date of the meeting between 11.00 a.m. and 4.00 p.m.

a) Copy of the Order dated 6th November, 2019 of the Hon'ble Tribunal passed in Company Scheme Application No. C.A.(-CAA)/1795/MB/2019 directing the convening of the meeting of the Equity Shareholders of the Transferee Company,

b) Pre and Post Merger Capital Structure and Shareholding Pattern of the Transferee Company

c) Audited Financial Statements of the Transferor Companies and the Transferee Company for last three financial years ended March 31, 2016, March 31, 2017 and March 31, 2018, March 31, 2019

d) Copies of the Memorandum of Association and Articles of Association of the Transferor Companies and Transferee Company.

e) Observation Letters issued by Stock Exchanges to the Transferor Companies and Transferee Company.

f) Copy of the respective Board resolutions dated 15th May, 2018 of the Transferor Companies and Transferee Company approving the Scheme;

g) Valuation Report dated 7th May, 2018 issued by M/s Bagaria & Co. LLP, Chartered Accountants for arriving at Share Swap Ratio.

h) Fairness opinion on valuation report by Fastrack Finsec Private Limited dated 11th May, 2018.

i) Contracts or agreements material to the Scheme,

j) Copy of scheme of amalgamation,

k) The certificate issued by Auditor of the company to the effect that the accounting treatment, proposed in the scheme of compromise or arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013;

l) Register of Directors' and KMP's Shareholding.

This statement may be treated as an Explanatory Statement under Section 230 (3) read with Section 102 of the Companies Act, 2013.

Sd/-  
Chairperson appointed for the Meeting  
of Equity Shareholders  
DIN: 00290959

Place: Mumbai

Date: 30th November, 2019



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH**

CA(CAA) NO. 1795/MB/2019

Under Section 230 to 232 of the Companies Act,  
2013

In the matter of Scheme of Merger by  
Absorption of PROAIM ENTERPRISES LIMITED,  
the First Transferor Company and AXON  
VENTURES LIMITED, the Second Transferor  
Company and ROCKON ENTERPRISES  
LIMITED, the Third Transferor Company with  
BANAS FINANCE LIMITED, the Transferee  
Company.

PROAIM ENTERPRISES LIMITED	... Applicant Company No. 1
AXON VENTURES LIMITED	... Applicant Company No. 2
ROCKON ENTERPRISES LIMITED	... Applicant Company No. 3
BANAS FINANCE LIMITED	... Applicant Company No. 4

**Date of hearing:- 13.09.2019**

**Order delivered on :- 06.11.2019**

**Coram:**

**Hon'ble M. K. Shrawat, Member (Judicial)**

**Hon'ble Chandra Bhan Singh, Member (Technical)**

**For the Petitioner(s):** Mr. Rajesh Shah with Mr. Ahmed M  
Chunawala i/b M/s. Rajesh Shah & Co., Advocate  
for the Petitioner.

**Per: M.K. Shrawat Member, (Judicial)**



**ORDER**

1. The Counsel for the Applicant Companies states that the present Scheme of Merger by Absorption of PROAIM ENTERPRISES LIMITED, the First Transferor Company and AXON VENTURES LIMITED, the Second Transferor Company and ROCKON ENTERPRISES LIMITED, the Third Transferor Company with BANAS FINANCE LIMITED, the Transferee Company.
2. The Counsel for the Applicant Companies further submits that the Applicant Company No.1 is in the business of providing loan, share trading and commodity trading.
3. The Counsel for the Applicant Companies further submits that the Applicant Company No.2 is in the business of providing loan, share trading and commodity trading.
4. The Counsel for the Applicant Companies further submits that the Applicant Company No.3 is in the business of providing loan, share trading and commodity trading.
5. The Counsel for the Applicant Companies further submits that the Applicant Company No.4 is in the business of providing loan, share trading and commodity trading.
6. A meeting of the Equity Shareholders of the Applicant Company No.1 be convened and held at 412, Solaris Hubtown, Sai wadi, Andheri (East), Mumbai- 400069 on 8<sup>th</sup> January, 2020 at 10:00 AM, for the purpose of considering and, if thought fit, approving, with or without modification(s), in the proposed Scheme.
7. A meeting of the Equity Shareholders of the Applicant Company No. 2 be convened and held at 412, Solaris Hubtown, Sai wadi, Andheri (East), Mumbai- 400069 on 8<sup>th</sup> January, 2020 at 12:00 noon, for the purpose of considering and, if thought fit, approving, with or without modification(s), in the proposed Scheme.
8. A meeting of the Equity Shareholders of the Applicant Company No. 3 be convened and held at 412, Solaris Hubtown, Sai wadi,



Andheri (East), Mumbai- 400069 on 8<sup>th</sup> January, 2020 at 02:00 PM., for the purpose of considering and, if thought fit, approving, with or without modification(s), in the proposed Scheme.

9. A meeting of the Equity Shareholders of the Applicant Company No. 4 be convened and held at 412, Solaris Hubtown, Sal wadi, Andheri (East), Mumbai- 400069 on 8<sup>th</sup> January, 2020 at 04:00 PM., for the purpose of considering and, if thought fit, approving, with or without modification(s), in the proposed Scheme.
10. At least 30 clear days before the said meeting of the Equity Shareholders of the Applicant Companies to be held as aforesaid, a notice convening the said Meeting at the place, day, date and time aforesaid, together with a copy of the Scheme, a copy of the Explanatory Statement required to be sent under Section 230 of the Companies Act, 2013 and the prescribed Form of Proxy, shall be sent by registered post or by air mail or by courier or by speed post or by hand delivery to each of the Equity Shareholders of the Applicant Companies at their respective registered or last known addresses or by e-mail to the registered e-mail address of the Equity Shareholders as per the records of the Applicant Companies.
11. At least 30 clear days before the Meeting of the Equity Shareholders of the Applicant Companies to be held as aforesaid, a notice convening the said meeting, at the place, date and time aforesaid and stating that copies of the Scheme of Amalgamation and the statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and that the form of Proxy can be obtained free of charge at the registered office of the Applicant Companies as aforesaid and shall also be published once each in 'Business Standard' in English and 'Navshakti' in Marathi.
12. The Applicant Companies undertakes to:
  - i. issue Notice convening meeting of the equity shareholders as per Form No. CAA.2 (Rule 6) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
  - ii. issue Statement containing all the particulars as per Section 230 of the Companies Act, 2013;



- iii. issue Form of Proxy as per Form No. MGT-11 (Rule 19) of the Companies (Management and Administration) Rules, 2014; and
- iv. advertise the Notice convening meeting as per Form No. CAA.2 (Rule 7) the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The undertakings are accepted.

13. Mr. Girraj Kishor Agrawal, Director failing whom Mrs. Tanu Giriraj Agrawal, Promoter of the Applicant Company No.1 is appointed as the Chairperson for the meeting of Equity Shareholders of the Applicant Company No.1. The Scrutinizer for the meeting shall be Mr. Manish Kankani, Practicing Chartered Accountant (Membership No. 158020)
14. Mr. Girraj Kishor Agrawal, Director failing whom Mrs. Tanu Giriraj Agrawal, Director of the Applicant Company No.2 is appointed as the Chairperson for the meeting of Equity Shareholders of the Applicant Company No.2. The Scrutinizer for the meeting shall be Mr. Manish Kankani, Practicing Chartered Accountant (Membership No. 158020).
15. Mr. Girraj Kishor Agrawal, Director failing whom Mrs. Tanu Giriraj Agrawal, Director of the Applicant Company No.3 is appointed as the Chairperson for the meeting of Equity Shareholders of the Applicant Company No.3. The Scrutinizer for the meeting shall be Mr. Manish Kankani, Practicing Chartered Accountant (Membership No. 158020).
16. Mr. Girraj Kishor Agrawal, Director failing whom Mrs. Tanu Giriraj Agrawal, Director of the Applicant Company No.4 is appointed as the Chairperson for the meeting of Equity Shareholders of the Applicant Company No.4. The Scrutinizer for the meeting shall be Mr. Manish Kankani, Practicing Chartered Accountant (Membership No. 158020).
17. The Chairpersons appointed for the aforesaid Meeting to issue the notices of the Meeting referred to above. The said Chairperson shall have all powers under the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the



conduct of the meeting(s), including for deciding procedural questions that may arise or at any adjournment thereof or any other matter including an amendment to the Scheme or resolution, if any, proposed at the meeting by any person(s).

18. The quorum for the aforesaid meeting of the Equity Shareholders shall be as prescribed under Section 103 of the Companies Act, 2013.
19. The voting by proxy or authorised representative in case of body corporate be permitted, provided that a proxy in the prescribed form/ authorisation duly signed by the person entitled to attend and vote at the meeting, is filed with the Applicant Companies at its Registered Office, not later than, 48 hours before the aforesaid meeting as required under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
20. The value and number of the shares of each member shall be in accordance with the books/ register of the Applicant Companies or depository records and where the entries in the books / register / depository records are disputed, the Chairperson of the Meeting shall determine the value for the purpose of the aforesaid meeting and his decision in that behalf would be final.
21. The Chairpersons to file an affidavit not less than seven days before the date fixed for the holding of the meeting and do report this Tribunal that the direction regarding the issue of notices and advertisement have been duly complied with as per Rule 12 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
22. The Chairpersons to report to this Tribunal, the result of the aforesaid meeting within 30 working days of the conclusion of the meeting, and the said report shall be verified by his Affidavit as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
23. That Counsel for the Applicant Company No. 1 submits that there are no Secured Creditors as mentioned in Para 40 of the Application.

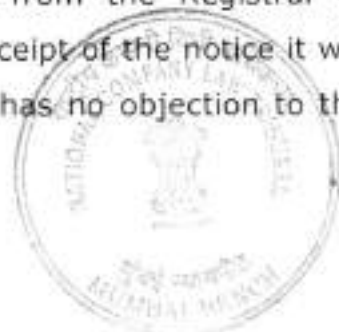


24. That Counsel for the Applicant Company No. 2 submits that there are no Secured Creditors as mentioned in Para 41 of the Application.
25. That Counsel for the Applicant Company No. 3 submits that there are no Secured Creditors as mentioned in Para 42 of the Application.
26. That Counsel for the Applicant Company No. 4 submits that there are no Secured Creditors as mentioned in Para 43 of the Application.
27. That Counsel for the Applicant Company No. 1 submits that since the scheme is Amalgamation between the Applicant Company No.1 and their respective shareholders only a meeting of the Equity Shareholders is proposed to be held in accordance with the provisions of Section 230 (1) (b) of the Companies Act, 2013. This bench hereby directs the Applicant Company No.1 to issue notice to its Unsecured Creditor as required under section 230 (3) of the Companies Act, 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company No.1.
28. That Counsel for the Applicant Company No. 2 submits that since the scheme is Amalgamation between the Applicant Company No.2 and their respective shareholders only a meeting of the Equity Shareholders is proposed to be held in accordance with the provisions of Section 230 (1) (b) of the Companies Act, 2013. This bench hereby directs the Applicant Company No.2 to issue notice to its Unsecured Creditor as required under section 230 (3) of the Companies Act, 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company No.2.
29. That Counsel for the Applicant Company No. 3 submits that since the scheme is Amalgamation between the Applicant Company No.3 and their respective shareholders only a meeting of the Equity Shareholders is proposed to be held in accordance with the



provisions of Section 230 (1) (b) of the Companies Act, 2013. This bench hereby directs the Applicant Company No.3 to issue notice to its Unsecured Creditor as required under section 230 (3) of the Companies Act, 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company No.3.

30. That Counsel for the Applicant Company No. 4 submits that since the scheme is Amalgamation between the Applicant Company No.4 and their respective shareholders only a meeting of the Equity Shareholders is proposed to be held in accordance with the provisions of Section 230 (1) (b) of the Companies Act, 2013. This bench hereby directs the Applicant Company No.3 to issue notice to its Unsecured Creditor as required under section 230 (3) of the Companies Act, 2013 with a direction that they may submit their representations, if any, to the Tribunal and copy of such representations shall simultaneously be served upon the Applicant Company No.4.
31. The Applicant Companies to serve the notice upon the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai Maharashtra, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from Regional Director within 30 days of the date of receipt of the notice it will be presumed that Regional Director and/or Central Government has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
32. The Applicant Companies to serve the notice upon the concerned Registrar of Companies, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Registrar of Companies within 30 days of the date of receipt of the notice it will be presumed that Registrar of Companies has no objection to the



proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

33. At least 30 clear days before the date fixed for hearing, Applicant Company No.1 to 3 to serve the notice of hearing of Application upon the Official Liquidator, High Court, Bombay pursuant to Section 230(5) of the Companies Act, 2013. The Tribunal is appointing Chartered Accountant, M/s. V.C Shah & Co., with remuneration of Rs. 2,00,000/- for the services. If no response is received by the concerned Tribunal from Official Liquidator within 30 days it may be presumed that Official Liquidator, High Court, Bombay has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
34. The Applicant Companies to serve the notice on the concerned Income Tax Authority within whose jurisdiction, The Applicant Company No. 1 PAN:- AADCS8871M having his address at The Income Tax Officer, Circle 10(3)(4), Mumbai. The Applicant Company No. 2 PAN:- AADCA3800G having his address at The Income Tax Officer, Circle 3(1)(1), Mumbai. The Applicant Company No. 3 PAN:- AAACI4123R having his address at The Income Tax Officer, Circle 11(1)(2), Mumbai. The Applicant Company No. 4 PAN:- AAACB2236J having his address at The Income Tax Officer, Central Circle 8(3), Mumbai. The Applicant Company's assessments are made, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the Income Tax Authority within 30 days of the date of receipt of the notice it will be presumed that Income Tax Authority has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
35. The Applicant Companies to serve the notice on the concerned BSE within whose jurisdiction the Applicant Company's assessment are made, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the





Tribunal from the BSE within 30 days of the date of receipt of the notice it will be presumed that BSE has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

36. The Applicant Companies to serve the notice on the concerned SEBI within whose jurisdiction the Applicant Company's assessment are made, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from the SEBI within 30 days of the date of receipt of the notice it will be presumed that SEBI has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
37. The Applicant Companies to serve the notice on the Reserve Bank of India (RBI) within whose jurisdiction the Applicant Company's Registrations are made, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by RBI within 30 days of the date of receipt of the notice it will be presumed that RBI has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
38. The Applicant Companies to file an affidavit of service of the directions given by the Tribunal not less than seven days before the date fixed for the holding of the meetings and do report to this Tribunal that the direction regarding the issue of notices have been duly complied with.
39. Appointed Date is 1<sup>st</sup> day of April, 2018.

Sd/-

**Chandra Bhan Singh**  
Member, (Technical)

**Date :- 06.11.2019**

Sd/-

**M.K. Shrawat**  
Member, (Judicial)

Certified True Copy  
Copy Issued "free of cost"  
On 22/11/2019



Assistant Registrar  
National Company Law Tribunal Mumbai Bench

**SCHEME OF AMALGAMATION  
UNDER SECTION 230 TO 232 OF THE COMPANIES ACT 2013**

**BETWEEN**

**PROAIM ENTERPRISES LIMITED**  
(The "First Transferor Company" or "Transferor Company -1" or  
"Amalgamating Company -1" or "Proaim")

**AND**

**AXON VENTURES LIMITED**  
(The "Second Transferor Company" or "Transferor Company -2" or  
"Amalgamating Company -2" or "Axon")

**AND**

**ROCKON ENTERPRISES LIMITED**  
(The "Third Transferor Company" or "Transferor Company -3" or  
"Amalgamating Company -3" or "Rockon")

**WITH**

**BANAS FINANCE LIMITED**  
(The "Transferee Company" or "Amalgamated Company" or "Banass")

**AND**

**RESPECTIVE SHAREHOLDERS AND CREDITORS**



## 1. Preamble

### **This scheme of Arrangement provides for:**

Amalgamation of the Proaim Enterprises Limited (hereinafter referred to as "The First Transferor Company") and Axon Ventures Limited (hereinafter referred to as "The Second Transferor Company") and Rockon Enterprises Limited (hereinafter referred to as "The Third Transferor Company") collectively referred to as "Transferor Companies" with Banas Finance Limited (hereinafter referred to as "Transferee Company") pursuant to provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules framed there under including any statutory modifications or re-enactments thereof, if any and in accordance with the provisions of section 2(1B), 47 and 72A of the Income Tax Act, 1961.

### **Parts of the Scheme**

The Scheme is divided into following parts:

**Part I** - deals with the definitions and share capital;

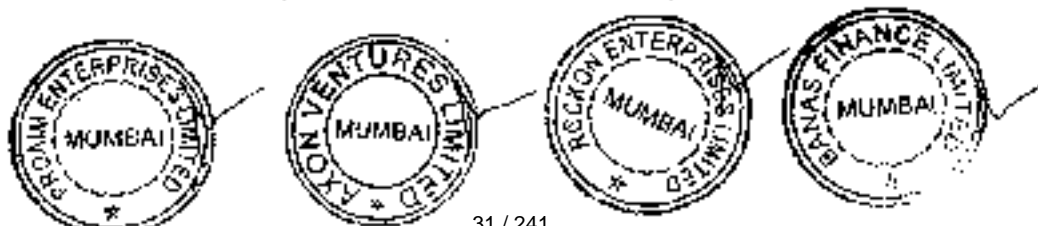
**Part II** - deals with the amalgamation of Proaim Enterprises and Axon Ventures Limited and Rockon Enterprises Limited with Banas Finance Limited;

**Part III** - deals with General, Terms and Conditions applicable to the Scheme.

## 2. Rationale of the Scheme

The Transferor Companies and the Transferee Company are currently part of the same management and are associated companies. The rationale for the proposed Scheme is as under:

- a. The arrangement shall provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the arrangement will enable optimal utilization of existing resources and provide an opportunity to fully leverage assets, capabilities, experience and infrastructure of all the four companies;
- b. Reduce the managerial overlaps involved in operating multiple entities; ease and increase operational and management efficiency; integrate business functions; eliminate duplication and rationalization of administrative expenses;
- c. Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value;
- d. Improved organizational capability and leadership arising from the pooling of human capital that has diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;
- e. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes;



productivity improvements, improved procurement;

- f. Synchronizing of efforts to achieve uniform corporate policy, Greater integration and greater financial strength and flexibility for the amalgamated entity;
- g. Reduce regulatory compliance and multi-layer taxation of inter-se transaction;
- h. Better value creation for the shareholders of the company and improved competitive position of the combined entity in the market
- i. The proposed scheme is not prejudicial to the interest of the creditors or the employees of the Transferor Companies and the Transferee Company

## PART I

### DEFINITIONS AND SHARE CAPITAL

#### 3. DEFINITIONS:

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 3.1 **Proaim Enterprises Limited** (hereinafter referred to as "**First Transferor Company**" or "**Transferor Company -1**" or "**Amalgamating Company -1**" or "**Proaim**") means a company incorporated under the provisions of the Companies Act, 1956 on 21<sup>st</sup> December, 1984 as Shreenath Commercial and Finance Limited in the state of Maharashtra as a public limited company. Subsequently, the name of the company was changed to Proaim Enterprises Limited from 29<sup>th</sup> September 2015;
- 3.2 **Axon Ventures Limited** (hereinafter referred to as "**The Second Transferor Company**" or "**Transferor Company -2**" or "**Amalgamating Company -2**" or "**Axon**") means a company incorporated under the provisions of the Companies Act, 1956 on 7<sup>th</sup> August 1982 as Aesthetic Investment Limited in the state of Maharashtra as a public limited company. Subsequently, the name of the company was changed to Axon Infotech Limited from 05<sup>th</sup> November 1999. Again the name of the company was changed to Axon Finance Limited from 06<sup>th</sup> March 2014. Finally the name of the company was changed to Axon Ventures Limited from 13<sup>th</sup> October 2015;
- 3.3 **Rockon Enterprises Limited** (hereinafter referred to as "**The Third Transferor Company**" or "**Transferor Company -3**" or "**Amalgamating Company -3**" or "**Rockon**") means a company incorporated under the provisions of the Companies Act, 1956 on 10th June, 1976 as Aggarwal Electronics Pvt Ltd in the state of Maharashtra as a private limited company. Subsequently, the name of the company was changed to Aggarwal Electronics Limited and also company became public limited company from 09<sup>th</sup> September 1992. Again the name of the company was changed to Insutech India Limited from 29<sup>th</sup> December 1992. Again the name of the company was changed to Rockon Fintech Limited from 06<sup>th</sup> May



2010. Finally the name of the company was changed to Rockon Enterprises Limited from 23<sup>rd</sup> October 2015;

- 3.4 **Banas Finance Limited** (hereinafter referred to as "**The Transferee Company**" or "**Amalgamated Company**" or "**Banas**") means a company incorporated under the provisions of the Companies Act, 1956 on 6th June, 1983 in the state of Maharashtra as a public limited company registered as Pioneer Leasing Company Limited Non Banking Financial Company (NBFC) with RBI. Subsequently, the name of the company was changed to Banas Finance Limited from 28<sup>th</sup> August 1986.
- 3.5 "**The Act**" or "**the said Act**" means the Companies Act, 1956 and Companies Act, 2013 (to the extent applicable) and rules and regulations made thereunder, and includes any statutory modifications, re-enactment or amendments(s) thereto, from time to time and also includes any other relevant provisions of the Companies Act 1956 for the time being in force. Any references to the provisions of the Companies Act, 1956 shall be construed to be references to the corresponding provisions in the Companies Act, 2013;
- 3.6 "**Appointed Date**" means the 1<sup>st</sup> day of April, 2018 or such other date as the National Company Law Tribunal ("**NCLT**") or any other appropriate authority may direct;
- 3.7 "**Board**" or "**Board of Directors**" means the Board of Directors or any committee thereof, of the Transferor Companies and the Transferee Company as the context may require for the purpose of this scheme;
- 3.8 "**The Effective Date**" means the date on which certified copies of the Order(s) of the NCLT at Mumbai vesting the assets, properties, liabilities, rights, duties, obligations and the like of all the Transferor Companies in the Transferee Company are filed with the Registrar of Companies, Maharashtra, after obtaining the necessary consents, approvals, permissions, resolutions, agreements, sanctions and orders in this regard;
- 3.9 "**NCLT**" or "**Tribunal**" means the National Company Law Tribunal", Mumbai Bench, to which this scheme of amalgamation in its present form is submitted for its sanctioning under sections 230 to 232 of the Companies Act, 2013;
- 3.10 "**New Equity Shares**" shall mean the equity shares to be issued to members of Transferor companies;
- 3.11 "**Record Date**" means the date to be fixed by the Board of the Directors of Banas Finance Limited, for the purposes of issue and allotment of shares of Banas Finance Limited as may be applicable and relevant in accordance with this Scheme of Amalgamation;
- 3.12 "**Scheme**" or "**the Scheme**" or "**this Scheme**" means this Scheme of Amalgamation in its present form or with any modification(s) and amendments as may be made from time to time, and with appropriate approvals and sanctions and with appropriate approvals and sanctions of NCLT and other relevant regulatory



authority, as may be required under the Companies Act, 2013, as applicable and under all the applicable laws;

- 3.13 "SEBI" means Securities and Exchange Board of India;
- 3.14 SEBI Circular means SEBI Circular No CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with CFD/DIL3/CIR/2017/105 dated September 21, 2017 and SEBI Circular CFD/DIL3/CIR/2018/2 dated January 3, 2018, as may be amended from time to time;
- 3.15 SEBI Listing Regulations means SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015;
- 3.16 "Stock Exchange" means BSE Limited where the shares of the Transferor Companies and Transferee Company are listed.
- 3.17 "Record Date" means the date to be fixed by the Board of the Directors of Transferee Company, after the Effective Date, with reference to which the eligibility of the equity share holder of the Transferor Companies, for the purposes of issue and allotment of shares of the Transferee Company, in accordance with this Scheme of Amalgamation, shall be determined.
- 3.18 "The Transferee Company" or "Amalgamated Company" means Banas Finance Limited.
- 3.19 The "Transferor Companies" or "Amalgamating Companies" collectively mean and include Proaim Enterprises Limited, Axon Ventures Limited and Rockon Enterprises Limited.
- 3.20 "Undertakings" shall mean and include:
- i. entire business of the Transferor Companies as on the Appointed Date, on a going concern basis and includes the following:
  - ii. all the assets, whether movable or immovable, leasehold or freehold, tangible or intangible (including Goodwill), real or personal, corporeal or incorporeal, in possession or reversion, present, future or contingent, of whatsoever nature and wherever situated, intellectual property rights and all other claims, estates, interests, goodwill, powers, properties, rights and titles of every description of, or relating to, the Transferor Companies as on the Appointed Date (collectively, "Assets"); and
  - iii. all the debts, duties, liabilities and obligations of any and every description of, or pertaining to, the Transferor Companies as on the Appointed Date, whether provided for or not in the books of account of the Transferor Companies and whether disclosed or undisclosed in their balance sheets (collectively, "Liabilities").

Without prejudice to the generality of above sub-clauses above, the Undertakings of the Transferor Companies shall also include:



- i. all permits, rights, entitlements and other licenses, bids, tenders, letters of intent, expression of interest, certifications, municipal permissions, approvals, consents, no objection certificates, statutory registrations obtained originally including any renewals/modifications/amendments thereafter, from any and all regulatory and statutory authorities, ownership rights, Goodwill, licenses, leases, and tenancies in relation to office and residential properties for the employees, benefit of any deposits, privileges, all other rights and exemptions and other benefits of any application made therefore, right to use and avail of telephones, telexes, facsimile connections and installations, and other communication facilities, power lines, water pipelines, and all other utilities and services of every kind, nature and description whatsoever held by the Transferor Companies or to which the Transferor Companies are entitled to as on the Appointed Date;
- ii. investments, cash and bank balances, all earnest moneys and/or deposits including security deposits paid by the Transferor Companies;
- iii. all records, files, papers, computer programs, drawings, manuals, data catalogues, and advertising materials, lists of present and former customers and vendors, customers' and vendors' credit information, customers and vendors pricing information and other records of every kind, nature and description whatsoever held by the Transferor Companies or to which the Transferor Companies are entitled to as on the Appointed Date;
- iv. all present and future liabilities (including contingent liabilities);
- v. all employees of the Transferor Companies engaged in or in relation to the business of the Transferor Companies at respective sites, branches and other offices and all provisions and benefits made in relation to such employees including but not limited to provident funds, registrations and reserves;
- vi. all taxes including (but not limited to) accumulated business losses, Unabsorbed Depreciation, Capital Losses, Minimum Alternate Tax Credit as defined under Income Tax Act, 1961 paid under sections 272A, 115JAA/115JB or such other sections of the Income Tax Act, duties, cess of whatsoever nature refundable/ receivable to the Transferor Companies from any statutory/ government authority including but not limited to ESIC, employee provident fund, labour taxes, profession tax, service tax, VAT, excise duty, etc, and
- vii. all other interests, provisions, benefits and advantages of agreements, contracts, deeds, leases, allotments, arrangements, authorizations, concessions, easements, engagements, exemptions, liberties, and all other interests where so ever situated, belonging to or in the ownership, power or possession and under the control of or vested in or, granted in favour of or enjoyed by or arising to the Transferor Companies.

3.21 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to



them under the Act (as applicable) and other applicable laws, rules, regulations, bye laws, as the case may be or any statutory modification or re-enactment thereof from time to time;

- 3.22 The headings herein shall not affect the construction of this Scheme;
- 3.23 The singular shall include the plural and vice versa, and references to one gender shall include all genders;
- 3.24 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words proceeding those terms;
- 3.25 References to person includes any individual, firm, body corporate (whether or not incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

**4. DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme, set out herein in its present form or with any modifications(s) as approved by the NCLT, shall be effective from the Appointed Date but shall be operative from the Effective Date.

**5. SHARE CAPITAL.**

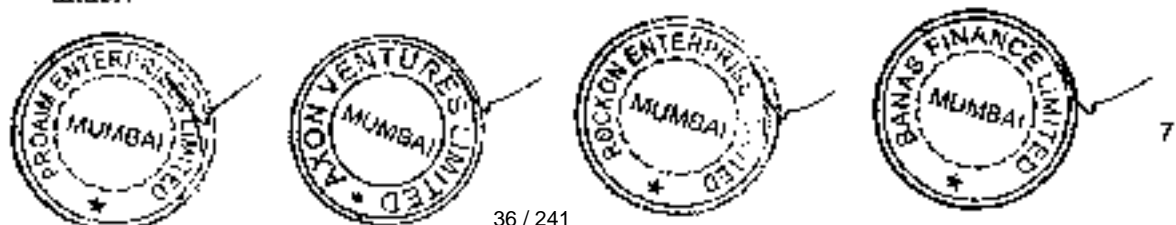
5.1 The Share Capital of the First Transferor Company as at 31st March, 2018 is as under:

<u>Particulars</u>	<u>Rupees</u>
<b><u>Authorized Capital</u></b>	
1,30,00,000 Equity Shares of Rs. 10/- each	13,00,00,000/-
<b><u>Issued, Subscribed and Paid - up</u></b>	
1,26,52,490 Equity Shares of Rs. 10/- each fully paid -up	12,65,24,900/-

5.2 The Share Capital of the Second Transferor Company as at 31st March, 2018 is as under:

<u>Particulars</u>	<u>Rupees</u>
<b><u>Authorized Capital</u></b>	
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000/-
<b><u>Issued, Subscribed and Paid - up</u></b>	
76,40,000 Equity Shares of Rs.10/- each fully paid -up	7,64,00,000/-

5.3 The Share Capital of the Third Transferor Company as at 31st March, 2018 is as under:





<u>Particulars</u>	<u>Rupees</u>
<b><u>Authorized Capital</u></b>	
1,80,00,000 Equity Shares of Rs.10/- each	18,00,00,000/-
<b><u>Issued, Subscribed and Paid -up</u></b>	
1,65,17,690 Equity Shares of Rs.10/- each fully paid -up	16,51,76,900/-

5.4 The Share Capital of the Transferee Company as at 31st March, 2018 is as under:

<u>Particulars</u>	<u>Rupees</u>
<b><u>Authorized Capital</u></b>	
1,23,00,000 Equity Shares of Rs.10/- each	12,30,00,000/-
<b><u>Issued, Subscribed and Paid - up</u></b>	
1,13,76,000 Equity Shares of Rs. 10/- each fully paid-up	11,37,60,000/-

(The face value of equity shares were consolidated from Rs. 1/- each to Rs. 10/- each per share on 29<sup>th</sup> August, 2017)

## PART II

### AMALGAMATION OF TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY

#### 6. TRANSFER AND VESTING OF UNDERTAKINGS

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

PROVIDED ALWAYS that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies and which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become effective or otherwise unless specifically provided hereinafter.

6.2 The entire business of the Transferor Companies as going concerns and all the properties whether movable or immovable, real or personal, corporeal or incorporeal, present or contingent including but without being limited to all assets, authorized capital, fixed assets, capital work-in-progress, current assets and debtors, investments, rights, claims and powers, authorities, allotments, approvals and consents, reserves,

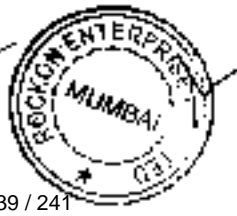


provisions, permits, ownerships rights, lease, tenancy rights, occupancy rights, incentives, claims, rehabilitation schemes, funds, quota rights, import quotas, licenses, registrations, contracts, engagements, arrangements, brands, logos, patents, trade names, trademarks, copy rights, all other intellectual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

- a. With effect from the Appointed Date, all the equity shares, debentures, bonds, notes or other securities held by the Transferor Companies, whether convertible into equity or not and whether quoted or not shall, without any further act or deed, be and stand transferred to the Transferee Company as also all the movable assets including cash in hand, if any, of the Transferor Companies shall be capable of passing by manual delivery or by endorsement and delivery, as the case may be, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or by endorsement and delivery.
- b. In respect of movable properties of the Transferor Companies other than specified in Clause 6.2 (a) above, including sundry debtors, outstanding loans and advances, if any recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi government, local and other authorities and bodies including MAT Credit and Statutory deposits, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, give notice in such form as it may deem fit and proper to each person, debtor or depositor, as the case may be, that pursuant to the Tribunal having sanctioned the Scheme, the said debts, loans, advances or deposits be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Companies to recover or realize all such debts, deposits and advances (including the debts payable by such persons, debtor or deposit to the Transferor Companies) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.



- 6.3 With effect from the Appointed Date, all the debts, unsecured debts, liabilities, duties and obligations of every kind, nature and description of the Transferor Companies shall also under the applicable provisions of the Act, without any further act or deed be transferred to or be deemed to be transferred to the Transferee Company so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to the contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.
- 6.4 It is clarified that all debts, loans and liabilities, duties and obligations of the Transferor Companies as on the Appointed Date and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall be the debts, loans and liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Companies or on any income earned from those assets.
- 6.5 It is further specifically clarified, admitted, assured and declared by the Transferee Company that on this Scheme becoming effective, it will take over, absorb and pay and discharge on due dates all the liabilities including liabilities for income tax, wealth tax, central sales tax, value-added tax, service tax, excise duty, custom duty, goods and service tax, fringe benefit tax, dividend distribution tax, if any, of the Transferor Companies.
- 6.6 With effect from the Appointed Date all debts, liabilities, dues, duties and obligations including all income tax, wealth tax, central sales tax, value added tax, service tax, excise duty, custom duty, goods and service tax, fringe benefit tax, dividend distribution tax, MAT and other Government and Semi-Government and Statutory liabilities of the Transferor Companies shall pursuant to the applicable provisions of the Act and without any further act or deed be also transferred or be deemed to be transferred to and vest in and be assumed by the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of Transferee Company on the same terms and conditions as were applicable to the Transferor Companies.
- 6.7 All taxes of any nature, duties, cess or any other like payments or deductions made by Undertakings of Transferor Companies to any statutory authorities such as Income Tax, Sales tax, Service Tax, Value Added Tax, Goods and Services Tax, Dividend Distribution Tax, PF, ESIC, MAT Credit etc. or any tax deduction/ collection at source, relating to the period before, on or after the Appointed Date and up to the Effective Date shall be deemed to have been on account of and on behalf of Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the order on this Scheme by the NCLT or any other appropriate authority and upon relevant proof and documents being provided to the said authorities.
- 6.8 Each of the Transferor Companies is a going concern. The amalgamation will not affect the interests of any of the employees and creditors of the Transferor Companies and the Transferee Company.



## 7. CONTRACTS, BONDS AND OTHER INSTRUMENTS

Subject to other provisions contained in the Scheme, all contracts, bonds, debentures, indentures and other instruments to which the Transferor Companies are parties subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if, instead of the Transferor Companies, the Transferee Company had been a party thereto

## 8. LEGAL PROCEEDINGS

If any, suit, writ petition, appeal, revision or other proceedings (hereinafter called "the Proceedings") by or against any of the Transferor Companies are pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Companies or of anything contained in the Scheme, but all such Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Companies as if the Scheme had not been made. On and from the Effective Date, the Transferee Company shall and may initiate any legal proceedings including criminal proceedings for and on behalf of any of the Transferor Companies.

## 9. OPERATIVE DATE OF THE SCHEME

The Scheme set out herein in its present form with or without any modifications(s) approved or imposed or directed by the NCLT or made as per Clause 18 of the Scheme, shall be effective from the Appointed Date but shall become operative from the Effective Date.

## 10. TRANSFEROR COMPANIES STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen and other employees in the service of the Transferor Companies immediately before the transfer of the Undertaking under the Scheme shall become the staff, workmen and employees of the Transferee Companies on the basis that:

- 10.1 Their respective services shall have been continuous and shall not have been interrupted by reason of the transfer of the Undertaking of the Transferor Companies;
- 10.2 The terms and conditions of service applicable to the said staff, workmen or employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately before the transfer; and
- 10.3 It is provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or other special fund, if any, created or existing for the benefit of the staff, workmen and other employees of the Transferor Companies are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever related to the administration or operation of such funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions of such Funds as per the terms provided in the respective trust deeds. It is the aim and intent of the Scheme herein that all the rights,



duties, powers and obligations of the Transferor Companies in relation to such funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in different units of the Transferor Companies under such Funds and Trusts shall remain fully protected.

## 11. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANIES TILL EFFECTIVE DATE

With effect from the Appointed Date and up to the Effective Date, the Transferor Companies:

- 11.1 shall carry on and shall be deemed to be carrying on all their respective business activities of undertaking and shall stand possessed of their respective properties and assets for and on account of and in trust for the Transferee Companies and all the profits or income accruing or arising to the Transferor Companies and/or any cost, charges, expenditure or losses arising or incurred by them shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or cost, charges, expenditure or losses of the Transferee Companies;
- 11.2 shall in the ordinary course of their respective business activities of undertaking, assign, transfer or sell or exchange or dispose of or deal with all or any part of the rights vested with or title and interest in the property, assets, immovable or movable properties including assignment, alienation, charge, mortgage, encumbrance or otherwise deal with the rights, title and interest in the actionable claims, debtors and other assets etc., with the consent of the Transferee Company and such acts or actions would be deemed to have been carried on by the Transferor Companies for and behalf of the Transferee Company and such acts or actions would be enforceable against or in favour of the Transferee Company and all the profits or incomes or losses or expenditure accruing or arising or incurred by the Transferor Companies shall, for all purposes, be treated as the profits or incomes or expenditure or losses of the Transferee Company;
- 11.3 hereby undertake to carry on their respective businesses until the Effective Date with reasonable diligence, utmost prudence and shall not, without the written consent of the Transferee Companies, alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of the Transferor Companies business;
- 11.4 shall not, without the written consent of the Transferee Company, undertake any new business.
- 11.5 shall not vary the terms and conditions of the employment of their employees except in the ordinary course of business.
- 11.6 pay all statutory dues relating to their respective Undertakings for and on account of the Transferee Company.

## 12. ISSUE OF SHARES BY THE TRANSFEREE COMPANY

- 12.1 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking of the First Transferor Company in the Transferee



Company in terms of the Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot 50 (Fifty) Equity Shares of Rs. 10/- (Rupees Ten) each, credited as fully paid-up in the capital of the Transferee Company to all Equity Shareholders of the First Transferor Company whose names appear in the Register of Members, on a record date to be fixed by the Board of the Transferee Company, for every 100 Equity Share of the face value of Rs. 10/- (Rupees Ten) each held by the Shareholders of the First Transferor Company.

In the event the equity shares to be issued result in fractional entitlements, the Board of directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 63,26,245 number of fully paid equity shares of Rs. 10/- each to be issued to the shareholders of the First Transferor Company.

- 12.2 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking of the Second Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot 48 (Forty Eight) Equity Shares of Rs. 10/- (Rupees Ten) each, credited as fully paid-up in the capital of the Transferee Company to all Equity Shareholders of the Second Transferor Company whose names appear in the Register of Members, on a record date to be fixed by the Board of the Transferee Company, for every 100 Equity Share of the face value of Rs. 10/- (Rupees Ten) each held by the Shareholders of the Second Transferor Company.

In the event the equity shares to be issued result in fractional entitlements, the Board of directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 36,67,200 number of fully paid equity shares of Rs. 10/- each to be issued to the shareholders of the Second Transferor Company.

- 12.3 Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking of the Third Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall subject to the provisions of the Scheme and without any further application or deed, issue and allot 26 (Twenty Six) Equity Shares of Rs. 10/- (Rupees Ten) each, credited as fully paid-up in the capital of the Transferee Company to all Equity Shareholders of the Third Transferor Company whose names appear in the Register of Members, on a record date to be fixed by the Board of the Transferee Company, for every 100 Equity Share of the face value of Rs. 10/- (Rupees Ten) each held by the Shareholders of the Third Transferor Company.

In the event the equity shares to be issued result in fractional entitlements, the Board of directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 42,79,285 number of fully paid equity shares of Rs. 10/- each to be issued to the shareholders of the Third Transferor Company.



- 12.4 The equity shares of the Transferee Company to be issued and allotted as above shall be subject to the Memorandum and Articles of Association of Transferee Company and shall rank *pari-passu* with the existing equity shares of Transferee Company in all respects.
- 12.5 Subject to the provisions of the Securities Contracts (Regulations) Act, 1956, the Securities and Exchange Board of India (SEBI) Act 1992 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the equity shares to be issued by the Transferee Company pursuant to the Scheme shall be listed at all the Stock exchanges where the existing equity shares of Transferee Company are listed. The Transferee Company shall take necessary steps for listing of these shares on these Stock Exchanges in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 12.6 In respect of the equity shares in the Transferor Companies already held in dematerialized form, the Equity Shares to be issued by the Transferee Company in lieu thereof shall also be issued in dematerialized form with the Equity Shares being credited to the existing depository accounts of the members of the Transferor Companies entitled thereto. Members of the Transferor Companies desirous of receiving the Equity Shares in the Transferee Company in dematerialized form should have their shareholding in the Transferor Companies dematerialized on or before the Record Date.
- 12.7 Pursuant to the Scheme, the shares of the Transferor Companies held by its equity shareholders (both in physical and dematerialized form), shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled. The said equity shares of Transferor Companies held in physical form shall be deemed to have been automatically cancelled without any requirement to surrender the certificates for shares held by the shareholders of the Transferor Companies.
- 12.8 The Equity Shares of the Transferee Company issued in terms of the Scheme shall, subject to applicable regulations, be listed and/or admitted to trading on the relevant stock exchange(s) where the existing Equity Shares of the Transferee Company are listed and/or admitted to trading.
- 12.9 Pursuant to provisions of Regulation 10(1)(d)(iii) of the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 which provides general exemption for acquisitions made pursuant to amalgamation, the requirement of making an open offer as envisaged in Regulations 3 and 4 would not be triggered by any of the shareholders of the Transferor Companies consequent to the aforementioned issue of shares in the Transferee Company.
- 12.10 The approval of this scheme by members of the Transferee Company shall be deemed to be due compliance with the applicable provisions of the Act including Section 62 of the Act, for the issue and allotment of equity shares by the Transferee Company to the members of the Transferor Companies as provided in the Scheme.



### 13. PROFITS, DIVIDENDS, BONUS / RIGHTS SHARES

- 13.1 With effect from the Appointed Date, the Transferor Companies shall not without the prior written consent of the Transferee Company, utilize the profits, if any, for declaring or paying of any dividend to its shareholders and shall also not utilize, adjust or claim adjustment of profits/reserves, as the case may be earned/ incurred or suffered after the Appointed Date.
- 13.2 The Transferor Companies shall not after the Appointed Date, issue or allot any further securities, by way of rights or bonus or otherwise without the prior written consent of the Board of Directors of the Transferee Company.

### 14. ACCOUNTING TREATMENT

- 14.1 The amalgamation shall be accounted for in the books of account of the Transferee Company according to the 'Pooling of Interests Method' of accounting as per the Accounting Standard (AS) 14, 'Accounting for Amalgamations' issued by the Institute of Chartered Accountants of India or as per IND AS 103, 'Business Combinations' notified under section 133 of the Companies Act, 2013.
- 14.2 The Transferee Company shall record all the assets and liabilities, including Reserves of the Transferor Companies vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Transferor Companies on the Appointed Date.
- 14.3 If at the time of amalgamation, the Transferor Companies and the Transferee Company have conflicting accounting policies, a uniform accounting policy shall be adopted by the Transferee Company following the amalgamation. The effect on the financial statements of any change in accounting policies shall be reported in accordance with applicable Accounting Standard 5, 'Prior Period and Extraordinary Items and changes in accounting policies'.
- 14.4 If there is a surplus arising as a result of the difference, if any, of the value of the assets over the value of the liabilities of the Transferor Companies, in accordance with this Scheme, the same shall be credited to the Capital Reserve Account of the Transferee Company and in the event of deficit, if any, the same shall be debited to the Goodwill Account of the Transferee Company.
- 14.5 In case of any differences in the accounting policies between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date of amalgamation will be quantified and adjusted in the Free/General Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflects the financial position on the basis of consistent accounting policies.
- 14.6 To the extent there are Inter Corporate loans or balances between the Transferor Companies inter-se and / or the Transferee Company, the obligation in respect thereof shall come to an end.
- 14.7 Inter-company balances, investments and any other transactions, if any, till the effective date will stand cancelled.





15.1 Upon sanction of this Scheme, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including therein the payment of applicable stamp duty and applicable fees payable to Registrar of Companies, by the authorized share capital of all the Transferor Companies aggregating to Rs. 51,30,00,000/- (Rupees Fifty One Crore Thirty Lakh Only) comprising of 5,13,00,000 (Five Crore Thirteen Lakh) Equity Shares of Rs. 10/- each, and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Sections 13, 14, 61 and 230 to 232 and applicable provisions of the Act, as the case may be and for this purpose the stamp duties and the fees paid on the authorized capital of the Transferor Companies shall be utilized and applied to the above referred increased authorized share capital of the Transferee Company and no payment of any extra stamp duty and/or fee shall be payable by the Transferee Company for increase in its authorized share capital to that extent.

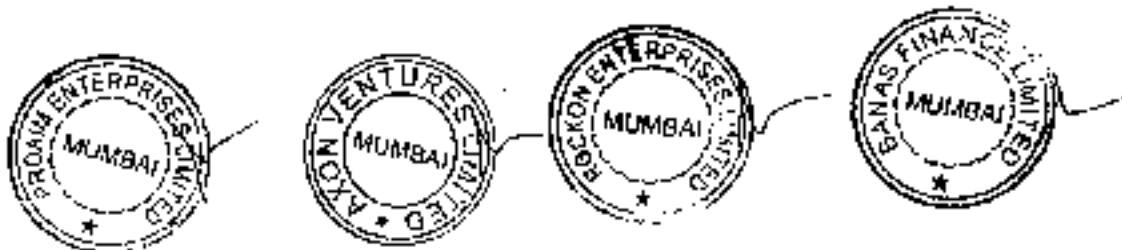
15.2 Consequent upon the amalgamation, the authorized share capital of the Transferee Company will be as under:

Authorized Capital	Amount in Rs
5,13,00,000 Equity Shares of Rs. 10/- each	51,30,00,000
Total	51,30,00,000

It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

15.3 Clause V of the Memorandum of Association of the Transferee Company stands amended as follows:

"The Authorized Share Capital of Company is Rs. 51,30,00,000/- (Rupees Fifty One Crore Thirty Lakh Only) divided into 5,13,00,000 (Five Crore Thirteen Lakh) Equity Shares of Rs. 10/- each with power to increase & reduce or consolidate or sub-divided the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determine by or accordance with the Article of Association of the company for the time being and to verify, modify or abrogate any such rights, privileges or condition in such manner as may for the time being be permitted by the Act or provided by the Articles of Association of the Company for the time being."



## 16. DISSOLUTION OF THE TRANSFEROR COMPANIES

On the Scheme becoming effective, the Transferor Companies shall be dissolved without being wound up.

### PART - III

## GENERAL, TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

### 17. APPLICATIONS TO NATIONAL COMPANY LAW TRIBUNAL

The Transferor Companies and the Transferee Company hereto shall, with all reasonable dispatch, make respective applications to NCLT and or applicable authority under Sections 230 to 232 of the said Act for sanctioning the Scheme of Amalgamation and for dissolution of the Transferor Companies without winding up.

### 18. MODIFICATIONS/AMENDMENTS TO THE SCHEME

18.1 The Transferor Companies (by their respective Directors) and the Transferee Company (by its Directors) may assent to any modifications or amendments to the Scheme or agree to any terms and/or conditions which the Courts/tribonals and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect. All amendments/modifications to the Scheme shall be subject to approval of Tribunal.

18.2 The Transferor Companies (by their respective Directors) and the Transferee Company (by its Directors) may assent to any modifications or amendments to the Scheme or agree to any terms and/or conditions which the Tribunal and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect. All amendments/modification to the Scheme shall be subject to approval of Tribunal.

18.3 For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Transferee Company are hereby authorised to give such directions and/or to be take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

### 19. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is conditional on and subject to:

19.1 The approval to the Scheme by the requisite majorities of the members and creditors of the Transferor Companies and of the members and Secured and Unsecured creditors of the Transferee Company.



passed by the shareholders of the transferee company for any of the matters provided for or relating to the Scheme, as may be necessary or desirable, including approval to the issue and allotment of Equity Shares in the Transferee Company to the members of the Transferor Companies.

- 19.3 The sanction of the NCLT (Tribunal), Mumbai Bench under Sections 230 to 232 of the said Act, in favour of the Transferor Companies and the Transferee Company and to the necessary Order or Orders under the said Act, being obtained.
- 19.4 Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Companies and the Transferee Company being obtained and granted in respect of any of the matters for which such sanction or approval is required.
- 19.5 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

## 20. EFFECT OF NON RECEIPT OF APPROVALS/ SANCTIONS

In the event of any approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors of the Transferee Company and the Transferor Companies shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme not being sanctioned by the NCLT, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

## 21. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, taxes including duties, levies and all other expenses of the Transferor Companies and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/completing the terms and provisions of the Scheme and/or incidental to the completion of Amalgamation of the said Undertakings of the Transferor Companies in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.





# R. SONI & CO.

## CHARTERED ACCOUNTANTS

1509, Ghanshyam Enclave, New Link Road, Near Lalji Pada Police Chowki,  
Kandivali (West), Mumbai - 400 067.

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### INDEPENDENT AUDITOR'S REPORT

To the Members of **Proaim Enterprises Limited**

#### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the standalone financial statements of Proaim Enterprises Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, 2019, and profit/loss, changes in equity 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 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.

**Key Audit Matters**

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

Description of each key audit matter in accordance with SA 701:

The Key Audit Matter	How the matter was addressed in our Audit
<p><b>Inter Corporate Loans</b></p> <p>The value of loans as at 31<sup>st</sup> March 2019 is significant and there is a high degree of complexity and judgement involved for the company in the estimating individual and collective credit impairment provisions and write-offs against these loans.</p> <p>The Company's impairment provision for receivables from financing business is based on the expected credit loss approach laid down under Ind AS 109. Under this approach, the management has been required to exercise judgement in areas such as:</p> <ul style="list-style-type: none"> <li>- calculation of past default rates</li> <li>- applying macro-economics factors to arrive</li> </ul>	<p>Our audit procedure included considering the appropriateness of the company's accounting policies for impairment of financial assets and assessing compliance with Ind AS 109.</p> <p>For loans which are assessed for impairment on a portfolio basis we performed particularly the following procedures:</p> <ul style="list-style-type: none"> <li>- We understood the methodology and policy laid down for loans given by the company.</li> <li>- we have verified the existence of recovery process plant in the event of default.</li> <li>- we have verified the historical trends of repayment of principal amount of loan and</li> </ul>



<p>at forward looking probability of default; and</p> <ul style="list-style-type: none"> <li>- significant assumption regarding the probability of various scenarios and discounting rates for different industries considering individual borrower profile.</li> </ul> <p>In view of the high degree of estimation involved in the process of calculation impairment provision and considering its significance to the overall Ind AS financial statement, whereby any error or omission in estimation may give rise to a material misstatement of Ind AS financial statements, it is considered as a key audit matter.</p> <p>Refer Note 7 to the standalone financial statements.</p>	<p>repayment of interest.</p> <ul style="list-style-type: none"> <li>- we tested the reliability of the key data inputs and related management controls.</li> <li>- we have assessed the assumptions made by the company in making provision considering forward looking information.</li> </ul>
<p><b>Measurement of Investment in accordance with Ind AS 109 "Financial Instruments"</b></p> <p>On initial recognition, investment are recognized at fair value in vase of investment which are recognized at fair value through FVOCI. In that case that transaction costs are attributable to the acquisition value of the investments.</p> <p>The Company's investment are subsequently classified into following categories based on the objective to manage the cash flows and options available in the standard:</p> <ul style="list-style-type: none"> <li>• At amortised cost</li> </ul>	<p><b>Principal Audit procedure:</b></p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the companies objectives for such investments and assessment thereof in terms of Ind AS 109.</li> <li>• Obtaining an understanding of the determination of the measurement of the investments and tested the reasonableness of the significant judgement applied by the management.</li> <li>• Evaluated the design of internal controls relating to measurement and also tested the operating effectiveness of the aforesaid controls.</li> </ul>



<ul style="list-style-type: none"> <li>• At fair value through profit or loss (FVTPL)</li> <li>• At fair value through Other comprehensive Income (FVTOCI)</li> </ul> <p>The company has assessed following two objectives:</p> <ul style="list-style-type: none"> <li>• Held to collect contractual cash flows.</li> <li>• Realising cash flows through sale of investments. The Company makes decision based on assets fair value and manages the assets to realize those fair values.</li> </ul> <p>Since valuation of investment at fair value involves critical assumptions, significant risk in valuation and complexity in assessment of objectives, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the standalone financial statements.</p> <p>Refer Note 3 to the standalone financial statements.</p>	<ul style="list-style-type: none"> <li>• Obtaining understanding of basis of valuation adopted in respect of fair value investment and ensured that valuation techniques used are appropriate in circumstances and for which sufficient data are available to measure fair value.</li> <li>• Assessed the appropriateness of the disclosure in the standalone financial statements in accordance with the applicable financial reporting framework.</li> </ul>
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### **Emphasis of Matters**

We draw attention to -

1. During the year the Company has recognized fair value of its Investments held in Moryo Industries Limited which was valued at nominal value in earlier year. Effect of Fair value measurement was recognized under Other Comprehensive Income to the extent



of Rs. 50,89,340/-. The aforesaid recognition is pursuant to exchange notice no. 20180613 dated June 13, 2018 for moving aforesaid company out of GSM III framework. Similarly, fair value recognition in case of Tilak Finance Limited amount to Rs. 14420000/- charged to Other Comprehensive Income for reduction in Market Valuation.

2. The Company has invested in 9,80,000 12% Preference share of M/s Asthaxmi Re-Rolls Jalna Private Limited at issue price of Rs. 28 each out of which Rs. 20 has been paid. Balance of Rs. 8 per share is payable on demand. The Future obligation has not been accounted for in the Standalone financial statements.
3. During the year the company has provided for Bad Debts to the extent of Rs. 85,71,810/- (Previous year Rs. 1661619/-) against non-recoverability of Principal and/or Interest on Loans. Company is following up with these parties for recovery however we have not provided with documentary evidences of the follow ups.
4. During the year the company has incurred total loss of 7/- on sale of various Investments held by it.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity)<sup>5</sup> and cash flows of the Company in accordance with<sup>6</sup> the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

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.

Paragraph 40(b) of this SA explains that the shaded material below can be located in an Appendix to the auditor's report. Paragraph 40(c) explains that when law, regulation or applicable auditing standards expressly permit, reference can be made to a website of an appropriate authority that contains the description of the auditor's responsibilities, rather than including this material in the auditor's report, provided that the description on the website addresses, and is not inconsistent with, the description of the auditor's responsibilities below.

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

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



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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in



extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

1. In certain cases, the Company has not charged interest on Loans and advances given to various parties. The non-charging interest makes these loans Interest free loans and thereby violates section 186(7) of the Companies Act, 2013. Effect on the aforesaid cannot be quantified.

Our opinion is not modified in respect of this matter.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,



(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

1. There were no pending litigations which would impact the consolidated financial position of the Group, its associates and jointly controlled entities.
2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For R SONI & COMPANY**  
Chartered Accountants  
Firm's Registration No. 130349W

  
**RAJESH SONI**  
Partner  
Membership No. 133240



Place of Signature: Mumbai  
Date: 25/05/2019

## ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31<sup>st</sup>, 2019, we report that:

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

(b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of one years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) There are no immovable properties held by the Company.

(ii) (a) There are no inventories held by the Company.

(iii) (a) The Company has granted loans to one party covered in the register maintained under section 189 of the Companies Act,2013 ('the Act'),

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

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



- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with provision of section 185 and 186 of Act, with respect to the loan and investment made.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act, for any of the services rendered by the Company
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including provident fund, income tax, service tax, cess and other material statutory dues with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, wealth tax, duty of customs, value added tax, employees' state insurance and duty of excise.

(b) According to the information and explanation given to us, there is no dispute pending in respect of dues of provident fund/sales tax/wealth tax/service tax/custom duty/excise duty/cess/value added tax, were in arrears as at 31<sup>st</sup> march, 2019 for a period of more than six month from the date they became payable. According to the records of the Company, income-tax:-

Name of the Statute	Nature of dues	Amount	Period to which it relates	Forum where the Dispute is pending
Income Tax Act, 1961	Income tax dues	1,71,170	A.Y. 2015-16	CIT Appeal



- (viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the record of the Company, managerial remuneration has been paid/provided in accordance with the requisite approval mandated by the provisions of Section 197 read with schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the company is not Nidhi Company. Accordingly, paragraph 3(xii) of Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us and based on our examination of the record of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.



(xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR R SONI & COMPANY**

Chartered Accountants

Firm's registration number: 130349W

**RAJESH SONI**

Partner

Membership No.133240



Place: Mumbai

Date- 25/05/2019



## **ANNEXURE B TO THE AUDITORS' REPORT**

### **Report on the Internal Financial Controls under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Proaim Enterprises Limited** ('the Company') as of 31<sup>st</sup> March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls. 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at march 31,2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial



control over financial reporting issued by the institute of chartered accountant of India.

**FOR R SONI & COMPANY**

Chartered Accountants

Firm's registration number: 130349W



**RAJESH SONI**

Partner

Membership No.133240



Place: Mumbai

Date: 25/05/2019

# Proaim Enterprises Limited

(Formerly Name as Shreenath Commercial and Finance Limited)

## BALANCE SHEET AS AT 31st March, 2019

Particulars	Note No.	(Amount in Rs.)	
		As at 31 March, 2019	As at 31 March, 2018
<b>ASSETS</b>			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	37,077	37,077
(b) Capital work-in-progress		-	-
(c) Other Intangible Assets		-	-
(d) Intangible assets under development		-	-
(e) Financial assets			
(i) Investments	3	6,88,47,480	10,08,99,505
(f) Other tax assets (Net)	4	-	19,98,379
(g) Other non-current assets	5	-	2,19,351
(h) Deferred tax Asset	6	-	32,99,963
<b>Total Non-Current Assets (A)</b>		<b>6,88,84,557</b>	<b>11,53,45,363</b>
(2) Current Assets			
(a) Inventories		-	-
(b) Financial assets			
(i) Trade receivables	7	1,835	10,33,405
(ii) Cash and cash equivalents	8	2,37,73,235	17,77,039
(iii) Bank balances other than (i) above		-	-
(iv) Loans	9	16,66,57,609	17,41,31,034
(v) Other financial assets	10	-	36
(c) Other tax assets (Net)		-	-
(d) Other current assets		37,65,755	-
<b>Total Current Assets (B)</b>		<b>19,41,90,434</b>	<b>17,72,42,314</b>
<b>TOTAL ASSETS (A+B)</b>		<b>26,30,82,991</b>	<b>29,25,87,677</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	11	12,65,24,900	12,65,24,900
(b) Other Equity	12	9,66,24,868	13,15,79,277
<b>Total Equity (A)</b>		<b>22,31,49,768</b>	<b>25,81,04,177</b>
<b>LIABILITIES</b>			
(1) Non Current Liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities		-	-
<b>Total Non Current Liabilities (B)</b>		-	-
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	3,67,80,000	3,43,50,000
(ii) Trade payables	14	1,24,500	1,33,500
(iii) Other financial liabilities		-	-
(b) Other current liabilities		-	-
(c) Provisions	15	2,79,400	-
(d) Deferred tax Asset (Net)	16	27,19,323	-
<b>Total Current Liabilities (c)</b>		<b>3,99,33,223</b>	<b>3,44,83,500</b>
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>26,30,82,991</b>	<b>29,25,87,677</b>

The accompanying Notes 1 to 31 are integral part of these Financial Statements.

As per our report of even date attached.

FOR R SONI & COMPANY  
 CHARTERED ACCOUNTANTS  
 Firm Registration Number: 130349W  
 MUMBAI  
 FRN: 120349W  
 Chartered Accountants  
 Rajesh Soni  
 PARTNER  
 MEMBERSHIP NO. 133240

FOR PROAIM ENTERPRISES LIMITED

M.S. Rathod

Mayuri Rathod  
 Whole Time Director

Jeel Shah

Jeel Shah  
 Company Secretary

Girraj Kishor Agrawal  
 Director

Kirti

Kirti Anil Kumar Patel  
 Chief Financial Officer

PLACE: MUMBAI  
 DATED: 25/05/2019

# Proaim Enterprises Limited

(Formerly Name as Shreenath Commercial and Finance Limited)

## Statement of Profit and loss for the year ended 31st March, 2019

Particulars	Note No.	(Amount in Rupees)	
		2018-2019	2017-2018
Revenue from operations	17	1,76,12,125	5,77,57,400
Other Income	18	82,86,983	2,36,88,161
<b>Total Income</b>		<b>2,58,99,108</b>	<b>8,14,45,561</b>
<b>Expenses</b>			
Operating Expenses	19	1,75,39,400	5,113,00,000
Changes in inventories of Finished goods		-	-
Excise Duty on sales of goods		-	-
Employee benefit expenses	20	7,93,504	12,56,908
Finance Cost	21	30,23,825	30,02,059
Depreciation & amortization expenses	1	-	-
Other Expenses	22	1,14,77,967	1,89,53,716
<b>Total Expenses</b>		<b>3,28,34,696</b>	<b>8,15,42,693</b>
Profit before exceptional items & tax		(69,35,588)	(1,47,122)
Exceptional Items		-	-
Profit before Share of profit/(loss) of Associates and tax		(69,35,587)	(1,47,121)
Share of profit/(loss) of Associates		-	-
Profit/(Loss) before tax		(69,35,587)	(1,47,121)
: Tax expenses			
(1) Current tax			
of Current year			
of Earlier years			
(2) Deferred tax		60,49,266	(45,460)
<b>Profit for the period</b>	A	<b>(1,29,84,873)</b>	<b>(1,01,661)</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will be reclassified to profit or loss		-71,250	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B	(71,250)	-
<b>Total Comprehensive Income for the period (Comprising Profit and Other Comprehensive Income for the period)</b>	(A+B)	<b>(1,30,56,123)</b>	<b>(1,01,661)</b>
Earning per equity share (Face Value of Rs. 10/- each)	23		
Basic		-1.03	-0.01
Diluted		-1.03	-0.01

The accompanying Notes 1 to 31 are integral part of these Financial Statements.

As per our report of even date attached.

**PHILLIPS & COMPANY**  
 CHARTERED ACCOUNTANTS  
 Firm Registration Number: 1303498P

Rajesh Shah  
 PARTNER  
 MEMBERSHIP NO. 133240

PLACE: MUMBAI  
 DATED: 25/05/2019

FOR PROAIM ENTERPRISES LIMITED

Mayuri Rathod  
 Whole Time Director

Jeel Shah  
 Company Secretary

Girraj Kishor Agrawal  
 Director

Kirti Anil Kumar Patel  
 Chief Financial Officer

# Proaim Enterprises Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

	2018-19 RUPEES	2017-18 RUPEES
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extraordinary Items	69,35,588	(1,47,122)
Adjustment for:		
Interest Income	(1,59,31,672)	(1,18,84,879)
Interest Expenses	30,23,058	30,00,000
(Profit)/Loss on Sale of Long Term Investments (Net)	76,39,452	
Fair value gain on Financial Instrument at fair value through OCI	(2,19,24,040)	(5,27,091)
Sundry balance written back (Net)		
Exchange Rate Fluctuations (Net)	(2,71,73,202)	(4,11,940)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	(3,41,08,730)	(45,54,112)
<b>ADJUSTMENTS FOR WORKING CAPITAL CHANGES:</b>		
Trade Receivables	10,31,570	1,360
Short Term Loans & Advances	(7,77,586)	(93,72,966)
Other Tax Assets	21,07,728	-
Other current Assets	(34,98,346)	16,83,366
Trade Payables	(9,500)	1,504
Short term Provisions	(2,79,400)	(77,463)
Other Long Term Liabilities	27,49,323	(1,60,44,520)
Other Tax Assets	31,44,963	
Cash Generated from Operations	48,06,252	(2,35,08,741)
Direct Taxes paid/ Provided	(2,95,07,536)	(3,33,67,953)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	(3,55,51,821)	(3,35,67,853)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Non Current Investments	4,10,51,314	1,42,02,092
Interest Received	1,39,31,872	1,18,84,869
<b>NET CASH USED IN INVESTING ACTIVITY</b>	5,69,83,786	2,60,86,961
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net (Decrease)/ Increase in Short Term Borrowings		
Interest Paid	(30,23,056)	(30,00,000)
Loan Taken	24,30,000	
<b>NET CASH USED IN FINANCING ACTIVITY</b>	(5,40,056)	(30,00,000)
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	(2,08,37,907)	(1,02,80,862)
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	19,77,037	1,20,57,899
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	2,36,97,199	17,77,037
	2,19,20,163	(1,02,80,862)

**Notes**

Closing Balance of Cash & Cash Equivalents

Cash and Cash Equivalents include: (Refer Note No. 14)

**CASH IN HAND:**

**BALANCE WITH SCHEDULED BANKS**

• In Current Accounts

As per our report of even date attached.

**FOR RONI & COMPANY**  
 CHARTERED ACCOUNTANTS  
 Firm No. 1107499  
 MUMBAI  
 FIAN: 1303491W  
 Rajesh Soni  
 PARTNER  
 MEMBERSHIP NO. 133210

**FOR PROAIM ENTERPRISES LIMITED**

*M. S. Rathod*  
 Mayun Rathod  
 Whole Time Director  
*Jeel Shah*  
 Jeel Shah  
 Company Secretary

*Girraj Kishor Agrawal*  
 Girraj Kishor Agrawal  
 Director  
*Kirti Anil Kumar Patel*  
 Kirti Anil Kumar Patel  
 Chief Financial Officer

PLACE MUMBAI  
 DATED: 29/03/2019

**NOTE 2  
PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	AS AT 01.04.2010	GROSS BLOCK		DEDUCTION DURING THE YEAR	AS AT 31.03.2019	DEPRECIATION/AMORTISATION/IMPAIRMENT LOSSES UP TO 01.04.2019	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2010
		ADDITION THROUGH PURCHASE	THROUGH BUSINESS COMBINATION							
Computers	37,077				37,077	37,077				37,077
Total Property, Plant and Equipment	37,077				37,077	37,077				37,077

**NOTE 2  
PROPERTY, PLANT AND EQUIPMENT**

PARTICULARS	AS AT 01.04.2019	GROSS BLOCK		DEDUCTION DURING THE YEAR	AS AT 31.03.2018	DEPRECIATION/AMORTISATION/IMPAIRMENT LOSSES UP TO 01.04.2017	DEP. FOR THE YEAR	IMPAIRMENT LOSSES	DEDUCTION DURING THE YEAR	AS AT 31.03.2018
		ADDITION THROUGH PURCHASE	THROUGH BUSINESS COMBINATION							
Computers	37,077				37,077	37,077				37,077
Total Property, Plant and Equipment	37,077				37,077	37,077				37,077



# Proaim Enterprises Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 ST MARCH, 2019

(In Rupees)

A. Equity Share Capital						
Particulars	Amount					
Balance at 1st April, 2017	12,65,24,900					
Changes in equity share capital during the year	-					
Balance at 31st March, 2018	12,65,24,900					
Changes in equity share capital during the year	-					
Balance at 31st March, 2019	12,65,24,900					
B. Other Equity						
Particulars	Reserves and Surplus				Other items of Other Comprehensive Income	Total
	Securities premium Reserve	General Reserves	Share in reserves of associates	Retained Earnings		
Balance at 31st March, 2017	18,69,72,300	(5,27,95,412)			(19,68,059)	13,22,09,829
Profit for the year				(1,01,661)		(1,01,661)
Dividend						
Transfer to General Reserve		(1,47,157)		1,47,157		
Share in reserves of associates						
Fair Value effect of investments of shares					(5,27,091)	(5,27,091)
Balance at 31st March, 2018	18,69,72,300	(5,29,42,569)		45,496	(24,95,450)	13,15,79,277
Profit for the year		1,29,09,873				1,29,09,873
Dividend		(71,250)				(71,250)
Transfer to General Reserve		(10,82,255)		(45,496)		(11,27,751)
Share in reserves of associates						
Fair Value effect of investments of shares					(2,07,70,535)	(2,07,70,535)
Balance at 31st March, 2019	18,69,72,300	(6,70,80,947)			(2,32,66,485)	9,66,24,868





## Proaim Enterprises Limited

### NOTE 3

#### INVESTMENTS

Particulars	Face Value	QTY	As at	QTY	As at
			March 31, 2019		March 31, 2018
<b>Non Trade Investments (at fair value)</b>					
<b>Preference Share</b>					
12% Non-Cumulative Preference Share in Astaxmi Re Rolls India Pvt. Ltd			1,96,00,000		
<b>Total Value of Preference Share</b>			<b>1,96,00,000</b>		
<b>Quoted</b>					
<b>Equity Instruments</b>					
Ivaar India Limited	10			18,487	54,537
Accentia Technologies Limited	10	4,000	12,440	4,000	1
Confidence Finance & Training Limited	10			86,494	3,39,002
Kisan Moulding Limited	10	24	1,090	24	3,687
Andhara Bank	10	12,000	3,37,200		
Dominant Bank	10	1,000	17,350		
Birla Cable Limited	10	2,000	3,07,300		
Ivarest Industries Limited	10	450	2,09,633		
Sweet Energy Systems Limited	10	200	48,010		
M&T Finance Holding Limited	10	523	79,731		
FC First Bank Ltd	10	1,000	55,200		
Antulite (India) Ltd	10	1,000	30,300		
DFC Limited	10	1,000	46,400		
Majesco Limited	5	13	6,302	13 00	6,381
Rohance Industries Ltd	10	30	40,892		
Zee Entertainment Enterprises Ltd	1	20	3,036		
Intense Technologies Ltd.	2	1,000	37,400		
Russell India Ltd	2	1,000	67,500		
Acton Construction Equipment Ltd	2	1,000	1,15,050		
Toyam Enterprises Limited	1	-	-	17,04,062.00	50,61,064
Mazya Industries Ltd	5	45,400	50,89,340		
Rockon Firetech Limited	10	58,900	76,570	58,900.00	91,295
Surya Rashtra Limited	10	62	15,599	62.00	23,669
Sigurun Holding Limited	1	550	105	550 00	-
Tilak Finance Limited	1	2,06,00,000	1,44,20,000	2,06,00,000	3,46,14,000
Sakozy Realtors Ltd	10				
<b>Total Value of Quoted Investments</b>			<b>2,10,30,296</b>		<b>4,03,07,631</b>
<b>Unquoted</b>					
<b>Equity Shares</b>					
Maguru Capital Markets Private Limited	10	979500	1,51,82,250	21,35,000.00	4,27,00,000
Rorkon Capital Markets Private Limited	10	400000	90,13,600	10,50,000.00	2,10,00,000
Liquid Goldman Sachs		1.43	1,484	1.43	1,430
Machine Plastics Limited	10	64	7,000	64.00	13,750
Aditya Birla Capital Limited	10	5000	4,88,250	4.00	583
Indiabulls Real Estate Limited	2	38000	35,03,600	32,000.00	57,95,200
Handful Investrade Pvt. Ltd	10				
Agrawal Bullion Limited	10				
Vibhore fin services	10				
<b>Total Value of Unquoted Investments</b>			<b>2,82,17,184</b>		<b>6,95,10,964</b>
<b>Total of Long Term Investments</b>			<b>6,88,47,480</b>		<b>10,98,98,595</b>
Less: Provision for Diminution in the value of Investment					
<b>Net Value of Investment</b>			<b>6,88,47,480</b>		<b>10,98,98,595</b>

### NOTE 4

#### OTHER TAX ASSETS (NET)

Particulars	As at	
	March 31, 2019	March 31, 2018
Advance Tax (Net of Provisions)		18,90,378
		<b>18,90,378</b>



**NOTE 5  
OTHER NON CURRENT ASSETS**

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
Service Tax /GST Refund				2,19,351
				<u>2,19,351</u>

**NOTE 6  
DEFERRED TAX ASSETS (NET)**

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
<b>Deferred tax Asset</b>				
Difference between depreciation as per books and as per Income-tax Act, 1961				32,99,963
IND AS EFFECT	(A)			<u>32,99,963</u>
<b>Less: Deferred tax liability</b>				
On account of Provision for warranty				
On account of Provision for Slow Moving and Non Moving items				
Mat Credit Entitlement				
On account of Allowance for Bad & Doubtful Debts				
	(B)			
<b>Net Deferred Tax Asset</b>	(A)-(B)			<u>32,99,963</u>

**NOTE 7  
TRADE RECEIVABLES**

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
<b>Unsecured</b>				
Outstanding for a Period exceeding Six Months from the date they are due for payment				
Considered good	1,835		10,33,405	
Considered Doubtful				
Less: Allowance for Bad Debts		1,835		10,33,405
Less: Provision for Service Discount				
Less: ECI Effect				
Others				
Considered Good				
		<u>1,835</u>		<u>10,33,405</u>

**NOTE 8  
CASH & CASH EQUIVALENTS**

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
Balance With Banks		2,33,85,164		16,06,911
Cash on Hand		3,92,035		1,70,128
Deposits		76,036,00		
		<u>2,37,73,235</u>		<u>17,77,039</u>

**NOTE 9  
LOANS**

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
<b>Unsecured, Considered Good, unless specified otherwise</b>				
<b>Other Loans &amp; Advances</b>				
Loan to Others		16,66,57,609		17,44,31,834
		<u>16,66,57,609</u>		<u>17,44,31,834</u>



**NOTE 10****OTHER FINANCIAL ASSETS**

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
Interest Receivable from Banks	-	-	36	-
Less: Allowance for Doubtful assets	-	-	-	36
Deposits	-	-	-	-
				36

**OTHER CURRENT ASSETS**

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
Capital Advances	-	-	-	-
Service Tax /GST Refund	3,58,776	-	-	2,19,351
Receivable from Govt. Auth.	34,06,979	-	-	-
	37,65,755	-	-	2,19,351

**NOTE 11****EQUITY SHARE CAPITAL**

Particulars	As at		As at	
	March 31, 2019		March 31, 2018	
<b>Authorized Share Capital</b>				
1,30,00,000 Equity shares, Re. 10/- par value (Previous Year 1,30,00,000 equity shares Re. 10/- par value)		13,00,00,000		13,00,00,000
		13,00,00,000		13,00,00,000
<b>Issued, Subscribed and Fully Paid Up Shares</b>				
1,26,52,490 Equity shares, Re. 10/- par value fully paid up (Previous Year 1,26,52,490 equity shares Re. 10/- par value)		12,65,24,900		12,65,24,900
		12,65,24,900		12,65,24,900

Note No 11.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2019:

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	1,26,52,490	12,65,24,900	1,26,52,490	12,65,24,900
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back (if any)	-	-	-	-
Number of shares at the end	1,26,52,490	12,65,24,900	1,26,52,490	12,65,24,900

Note No 11.2: Terms/rights attached to equity shares

(A) The company has only one class of equity shares having a par value of Re. 10 per share. Each holder of equity shares is entitled to one vote per share.

(B) In the event of liquidation of the company, the holders of equity 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 equity shares held by the shareholders.

Note No 11.3: Aggregate number of bonus shares issued and sub-division of shares during the period of five years immediately preceding the reporting date :

No Bonus Shares issued and Sub-Division of shares during the period of five years.

Note No 11.4: The details of shareholders holding more than 5% shares in the company :

Name of the shareholder	As at 31st March, 2019		As at 31st March, 2018	
	No. of shares held	% held as at	No. of shares held	% held as at
Himmat Vinodchandra Bhatt	7,97,460	6.30%	7,97,460	6.30%



## NOTE 12

## OTHER EQUITY

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Capital Reserve</b>		
At the beginning and at the end of the year	-	-
<b>General Reserves</b>		
Opening Balance (As per the last Balance sheet)	5,29,42,569	5,27,95,412
Add: Addition/ Deletion during the year	-10,82,255	-1,47,157
	5,40,24,824	5,29,42,569
<b>Surplus</b>		
Opening Balance (As per the last Balance sheet)	45,496	1,47,157
Add: Net profit after tax transferred from statement of profit & loss	-1,30,56,123	-1,31,661
	-1,30,10,627	45,496
Less: Transferred to General Reserve A/c	-45,496	-
	-1,30,56,123	45,496
Share in reserves of associates	-	-
<b>Security Premium</b>		
Opening Balance	18,69,72,300	18,69,72,300
Add: during the year	-	-
Closing Balance	-	-
Surplus Closing Balance	18,69,72,300	18,69,72,300
<b>OCI</b>		
Opening Balance	-24,95,950	-19,58,859
Add: during the year	-2,18,52,790	-5,27,091
Less: Deductions during the year	10,82,255	-
Closing Balance	-2,32,66,485	-24,95,950
	9,66,24,060	13,15,79,277

## NOTE 13

## BORROWINGS

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Unsecured</b>		
From Companies	3,67,80,000	3,43,50,000
Cash Credit	-	-
	3,67,80,000	3,43,50,000

## NOTE 14

## TRADE PAYABLES

Particulars	As at	
	March 31, 2019	March 31, 2018
Sundry Creditors For Goods	-	-
Sundry Creditors For Expenses	1,24,500	1,33,500
	1,24,500	1,33,500

## NOTE 15

## PROVISIONS

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Other Provisions</b>		
Other Provisions	2,79,400	-
	2,79,400	-

## NOTE 16

## DEFERRED TAX ASSETS (NET)

Particulars	As at	
	March 31, 2019	March 31, 2018
<b>Deferred tax Asset</b>		
Difference between depreciation as per books and as per Income Tax Act, 1961	27,49,323	-
	27,49,323	-



<b>NOTE 17</b>				
<b>REVENUE FROM OPERATIONS</b>				
Particulars	2018-2019		2017-2018	
Sales of Goods	1,76,12,125		5,77,57,400	
	1,76,12,125		5,77,57,400	
<b>NOTE 18</b>				
<b>OTHER INCOME</b>				
Particulars	2018-2019		2017-2018	
Short Term Capital Gain / (Loss)	12,017		42,93,150	
Long Term Capital Gain / (Loss)	-76,79,532		74,10,000	
Income/(Loss) on Currency R&O	-		-3,69,701	
Interest of Fixed Deposit (Sweep A/c)	27,250		16,527	
Interest Income - others	1,55,04,422		1,18,84,879	
Income from trading in Shares etc	-32,047		1,14,216	
Interest on Income Tax Refunds	46,244		3,07,304	
Dividend	-		234	
Other income	0,674		1,527	
	82,86,963		2,36,89,161	
<b>NOTE 19</b>				
<b>OPERATING EXPENSES</b>				
Particulars	2018-2019		2017-2018	
Purchases of Goods	1,75,32,550		5,03,00,000	
Godown Rent	3,000		-	
Transportation Expenses	3,750		-	
	1,75,39,400		5,03,00,000	
<b>NOTE 20</b>				
<b>EMPLOYEE BENEFIT EXPENSES</b>				
Particulars	2018-2019		2017-2018	
Salaries, Wages and Bonus	7,66,470		12,54,150	
Director's Sitting Fee	23,000		-	
Staff Welfare Expenses	4,034		1,550	
	7,93,504		12,56,906	
<b>NOTE 21</b>				
<b>FINANCE COST</b>				
Particulars	2018-2019		2017-2018	
Interest Expense	30,21,058		30,00,000	
Bank Charges	767		2,059	
	30,23,825		30,02,059	
<b>NOTE 22</b>				
<b>OTHER EXPENSES</b>				
Particulars	2018-2019		2017-2018	
Listing Fees	4,50,000		2,50,000	
Depository/Share Transfer Charges	1,34,340		1,30,557	
Power & Fuel	11,420		15,961	
RHC Charges	7,336		7,200	
Insurance Charges	20,00,000		20,00,000	
Rates & Taxes	-		4,927	
Item	-		54,000	
Printing & Stationery	14,740		8,730	
Carriage outwards	-		1,50,155	
Advertisement & Sales Promotion	27,850		29,920	
Telephone, Postage & Telegrams	11,250		6,185	
Payment to Statutory Auditor	75,000		75,000	
Legal & Professional	1,69,500		1,73,500	
Directors' Remuneration	-		94,500	
Conveyance Expenses	-		8,300	
Bad Debts	RS,71,811		16,61,619	
Less: Allowance for Doubtful Debts Written Back	RS,71,811		16,61,619	
Sundry Balance W/nil (Net)	-		1,58,72,752	
Prior Period Items	-		3,45,167	
Office Expenses	3,330		5,205	
Miscellaneous expenses	1,591		53,028	
	1,14,77,967		1,89,53,716	
<b>NOTE 23</b>				
<b>EARNING PER SHARE</b>				
Particulars	2018-2019		2017-2018	
(A) Profit attributable to Equity Shareholders (Rs.)	1,29,84,873		(1,01,185)	
(B) No. of Equity Share Outstanding during the year.	1,26,52,400		1,26,52,400	
(C) Face Value of each Equity Share (Rs.)	10.00		10.00	
(D) Basic & Diluted Earning per Share (Rs.)	(1.03)		(0.01)	



24 Related party disclosure

a) List of Related Parties and description of relationship

S.No	Related Parties	Nature of Relationship
1	Zakum Capital Market Private Limited	Investor/Shareholder Company
2	Zakum Capital Market Private Limited	Investor/Shareholder
3	Zakum Capital Market Private Limited	Investor/Shareholder
4	Zakum Capital Market Private Limited	Investor/Shareholder Company
5	Zakum Capital Market Private Limited	Investor/Shareholder Company
6	Hamas Finance Limited	Investor/Shareholder Company
7	Hamas Finance Limited	Investor/Shareholder Company
8	Hamas Finance Limited	Investor/Shareholder Company
9	Hamas Finance Limited	Investor/Shareholder Company
10	Hamas Finance Limited	Investor/Shareholder Company
11	Hamas Finance Limited	Investor/Shareholder Company
12	Hamas Finance Limited	Investor/Shareholder Company
13	Hamas Finance Limited	Investor/Shareholder Company
14	Hamas Finance Limited	Investor/Shareholder Company
15	Hamas Finance Limited	Investor/Shareholder Company
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96	Hamas Finance Limited	Investor/Shareholder Company
97	Hamas Finance Limited	Investor/Shareholder Company
98	Hamas Finance Limited	Investor/Shareholder Company
99	Hamas Finance Limited	Investor/Shareholder Company
100	Hamas Finance Limited	Investor/Shareholder Company

b) Set of transactions and balances during the year with related parties at the year end

S.No	Related parties	Nature of Transactions during the year	2018-19 (Rs.)	2017-18 (Rs.)
1	Zakum Capital Market Private Limited	Share of Services		6,548,000
2	Zakum Capital Market Private Limited	Share of Services	2,280,000	4,769,000
		Lease of Shop	6,800,000	
		Lease of Shop	6,000,000	
		Lease of Shop	293,785	
		Share of Services	4,375,000	13,900,000
		Lease of Shop	90,000	
		Lease of Shop	90,000	
		Interest on loan	25,000	
		Share of Services	2,304,000	
		Share of Services	12,053,360	
		Lease of Shop	200,000	
		Lease of Shop	550,000	
		Interest on loan	1,122	
		Lease of Shop	600,000	8,000,000
		Lease of Shop	600,000	
		Interest on loan	3,907	50,400
		Share of Services	2,000,000	4,944,000
		Lease of Shop	3,700,000	
		Lease of Shop	1,700,000	
		Interest on loan	45,000	
		Share of Services	4,296,000	
		Interest on loan	247,770	
		Interest on loan	212,000	
				84,000
		Interest on loan		16,000

25. The Company has adopted the policy of Disclosures of Related Parties as per the provisions of the Companies Act, 2013 and the Companies (Disclosure of Information to Investors) Regulations, 2018.



26 Balance of Trade receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustments, if any.

**47 Company Overview**

The Company ("Prestige Enterprises Limited", "Prestige") is an existing public listed company incorporated on 27/12/1984 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013 having its registered office at E-109, Crystal Plaza, New Link Road, Andheri West Mumbai 400053. The Company is trading in India and also covered Financing Act too. The equity shares of the Company are listed in BSE (India) (BSE). The financial statements are presented in Indian Rupee (₹).

**48 Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

**(A) Basis of Preparation Of Financial Statement**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) (Companies Indian Accounting Standard (Ind AS) 101) and other relevant provisions of the Act.

The financial statements are authorized for issue by the Company's Board of Directors on 15/06/2019.

These financial statements are presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lakh unless otherwise indicated.

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention except in case of significant uncertainties and except for the following:

- i. Certain financial assets and liabilities that are measured at fair value;
- ii. Investments are measured at fair value.

**(B) Revenue Recognition**

Revenue is recognized at the fair value of the consideration received or receivable. Amounts due to the customer are included in other receivables and not of revenue, trade discounts and other discounts are taken into account at their net value. The Company recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company.

**(C) Sales**

Revenue is recognized when significant risks and rewards are transferred to the buyer upon the contractual terms or on dispatch where such dispatch complies with transfer of risks and rewards to the buyer.

**(D) Other Income**

**(i) Interest Income**

Interest income on financial asset is recognized using the effective interest rate using some proportional method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. When determining the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

**(ii) Dividend**

Dividend is recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group and the amount of the dividend can be measured reliably.

**(E) Property, plant and equipment**

At inception cost of ₹. The Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and used those carrying value as the deemed cost of the property, plant and equipment.

All items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

**(i) Depreciation**

Depreciation is stated on cost less accumulated depreciation.

The depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

**(F) Cash And Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, other than term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificantly risk of change in value.

**(G) Trade receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Loss provision for impairment.

**(H) Trade and other payables**

These accounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**Borrowing Cost**

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the loan is drawn down. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is expensed as an expense for liquidity services and amortized over the period of the facility to which it relates.

ii) Borrowings are classified as current financial liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. When there is a breach of a contractual provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



**(M) Earnings**

All equity investments are measured at fair value with value changes recognized in Other Comprehensive Income. Dividend income is recorded at their carrying value unless there is permanent impairment in the value.

**(N) Segment Report**

The company identifies primary segments based on the business activity, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are calculated regularly by the Executive Management in deciding how to allocate resources and to assessing performance.

(1) The analysis of geographical segments is based on the areas in which major operating segments of the Company operate.

**(O) Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings is calculated as representing the Company's earnings per share in the net profit for the period. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events, such as bonus shares, other than the redemption of potential equity shares that have changed the number of equity shares outstanding, and those corresponding changes in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effect of all dilutive potential equity shares.

**(P) Taxation**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rates for the jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, to unused tax losses and unexpired depreciation.

Current and deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recorded in Other Comprehensive Income.

(1) Provision for income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961 and relevant Income Taxation and procedure standards of IAS of the Income Tax Act, 1961.

(2) In the event of any uncertainty regarding the liability recorded, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, deferred income tax is determined using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax asset is realized or the deferred income tax liability is settled. The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are recognized when there is a legally enforceable right to set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**(Q) Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset or the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If in the future, the asset shows signs of an increase in value, the previously recognized impairment loss is no longer relevant, the recoverable amount is re-assessed, and the asset is reflected at the recoverable amount subject to a maximum of the original historical cost.

**(R) Provisions and Contingent Liabilities**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the outflow. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote. No provision or disclosure is made, however, when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote. No provision or disclosure is made.

**(S) Operating Cycle**

Based on the nature of products/services of the Company and the normal usage between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**(T) Financial Instruments**

**(i) Financial Assets**

**(1) Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those for which fair value through profit or loss and reported to the fair value on initial recognition. Purchase and sale of financial assets are recognized using trade date accounting.

**Subsequent measurement**

Financial assets carried at amortized cost (AC): A financial asset is classified as amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVOCI): A financial asset is recognized as FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are measured at FVTPL.

**(iv) Impairment of financial assets**

In accordance with Ind AS 109, the Company uses Expected Credit Loss (ECL) model for evaluating impairment of financial assets other than those measured at fair value through profit or loss (FVTPL).

Basic and credit losses are measured through a loss allowance at an amount equal to:

(1) The 12-month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date); or

(2) Lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The trade credit risk Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivable. The Company uses historical data to assess the expected impairment loss on the portfolio of trade receivables. At each reporting date, these historical default rates are reviewed and changes in the default looking estimates are analyzed.

For other assets, the Company uses 12 month ECL to provide the impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime ECL is used.





(ii) Financial Liabilities

(iii) Initial recognition and measurement

All financial liabilities are recognized at fair value. Add in case of loans, net of directly attributable costs. Fees of recurring nature are directly recognized in the Statement of Profit and Loss as finance cost.

(iv) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. Fair value and other payable measuring assets are given from the balance sheet date, the carrying amount approximates fair value due to the short maturity of these instruments.

20 FIRST TIME ADOPTION OF IND AS

The Company has adopted Ind AS with effect from 1st April 2017 with comparative being required. Accordingly the impact of transition has been provided in the Opening Balance sheet as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirements of Ind AS and Schedule III.

21 Fair Value Measurements

Fair Value measurements of financial assets are reported to the Financial Statements under the heading 'Fair Value'.

22 The previous year figures have been regrouped, reclassified, wherever necessary to conform to the current presentation as per the schedule III of Companies Act, 2013.

As per our report attached of page 14  
FOR ROSE & COMPANY  
CHARTERED ACCOUNTANTS  
Firm Registration No. 1200478



RAJESH KUMAR  
TAXER  
MEMBERSHIP No. 1303249

PLACE MUMBAI  
DATED 28/03/2018

FOR FRODO ENTERPRISES LIMITED

*[Handwritten Signature]*

Direct Manager General  
Director

*[Handwritten Signature]*

Rishi Patel  
Chief Financial Officer

*[Handwritten Signature: M.S. Rashed]*

Shyamsunder  
Whole Time Director

*[Handwritten Signature]*

Shahid Akhbar  
Company Secretary

## Financial instruments - Fair values and risk management

### A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31st March 2019								
Particulars	Carrying amount				Fair value			
	FX/FPL	FX/OCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	-	6,88,47,480	-	6,88,47,480	6,88,47,480	-	-	6,88,47,480.40
	-	6,88,47,480	-	6,88,47,480	6,88,47,480	-	-	6,88,47,480
As at 31st March 2018								
Particulars	Carrying amount				Fair value			
	FX/FPL	FX/OCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	-	10,98,98,595	-	10,98,98,595	10,98,98,595	-	-	10,98,98,595.00
	-	10,98,98,595	-	10,98,98,595	10,98,98,595	-	-	10,98,98,595

### B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### C. Financial Risk Management

#### C.i. Risk management framework

A wide range of risks may affect the Company's business and operational or financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the company's operational and financial performance.

#### C.ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

#### (a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an on-going basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- Actual or expected significant adverse changes in business
- Actual or expected significant changes in the operating results of the counterparty
- Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation

iv) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit



Financial assets are written off when there is a no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. When loans or receivables have been written off the Company continues to engage in enforcement activity to attempt to recover the receivable due. When recoverable are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**Ageing of Accounts receivables:**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
0 - 6 months	1,835	
Beyond 6 months		10,33,405
<b>Total</b>	<b>1,835</b>	<b>10,33,405</b>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

**(b) Cash and cash equivalents and Other Bank Balances**

The Company held cash and cash equivalents and other bank balances as stated in Note No. 08. The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

**C.iii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Company through effective fund management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**C.iv. Market risk**

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

**C.iv.a. Currency risk**

The Company is not exposed to any currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in INR's Only. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

**C.iv.b. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.





*Pravin Chandak  
Associates*

Chartered Accountants

## Independent Auditor's Report

To the Members of  
Axon Ventures Limited (Formerly Known as "Axon Finance Limited")

### Report on the Standalone Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **Axon Ventures Limited (Formerly Known as "Axon Finance Limited")** (the Company), which comprise the balance sheet as at 31<sup>st</sup> March 2019, the statement of profit and loss, statement of changes in equity and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March 2019, and profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31<sup>st</sup> March 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



103, 4th Floor & 702-703, 7th Floor,  
New Swapnalok CHS Ltd.,  
Natakwala Lane, Borivali (West),  
Mumbai - 400 092. Tel : 2801 6119  
Email : info@pravinca.com  
Website : www.pravinca.com

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

Key audit matters	How our audit addressed the key audit matter
<p><b>(a) Impairment of financial assets (expected credit losses)</b></p> <p>Ind AS 109 requires the Company to recognise impairment loss allowance towards its financial assets (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:</p> <ul style="list-style-type: none"> <li>• unbiased, probability weighted outcome under various scenarios;</li> <li>• time value of money;</li> <li>• impact arising from forward looking macro-economic factors and;</li> <li>• availability of reasonable and supportable information without undue costs.</li> </ul> <p>Applying these principles involves significant estimation in various aspects, such as:</p> <ul style="list-style-type: none"> <li>• grouping of borrowers based on homogeneity by using appropriate statistical techniques,</li> <li>• staging of loans and estimation of behavioral life;</li> <li>• determining macro-economic factors impacting credit quality of receivables,</li> <li>• estimation of losses for loan products with minimal historical defaults.</li> </ul> <p>Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.</p>	<ul style="list-style-type: none"> <li>• We read and assessed the Company's Accounting policies for impairment of financial assets and their compliance with Ind AS 109</li> <li>• We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation.</li> <li>• Tested the ECL model, including assumptions and underlying computation.</li> <li>• Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults.</li> <li>• Audited disclosures included in the Ind AS financial statements in respect of expected credit losses</li> </ul>

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(S) of



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

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

#### Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(g) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

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

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

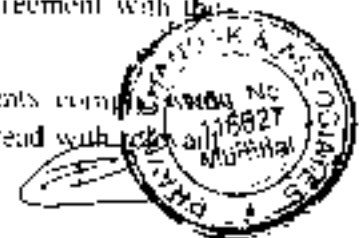
From the matters communicated with those charged with governance, we are required to determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless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

### Report on Other Legal and Regulatory Requirements

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

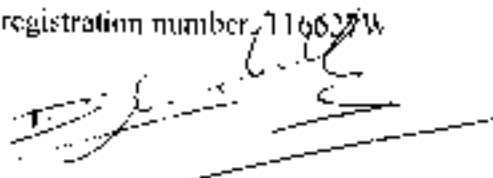
As required by Section 143 (3) of the Act, we report that:

- 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.
- 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.
- the balance sheet, the statement of profit and loss, cash flow statement and statement of change in equity dealt with by this Report are in agreement with the books of account.
- in our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the rule issued thereunder;



- (e) on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) with respect to adequacy of internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
- (g) with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position in the aforesaid standalone Ind AS financial statements
  - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
  - iii. The company is not liable to transfer any amounts to the Investor Education and Protection Fund. Therefore, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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



**Pravin Chandak**  
Partner  
Membership number: 049391  
Mumbai  
22<sup>nd</sup> May 2019

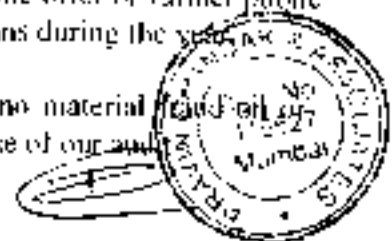




## Annexure A to the Independent Auditors' Report- 31<sup>st</sup> March, 2019

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:

- (ii) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has a regular programme of physical verification of fixed assets. No material discrepancy was noticed during physical verification.
- (c) The company does not have any immovable property hence the clause is not applicable.
- (iii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (iv) (a) The Company has not granted any loans to party covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (b) The company has complied with the provisions of section 185 & 186 of the Act except company has granted loans to 10 parties wherein interest charged is less than prevailing yield government security for relevant tenure. Amount of such loans as on 31st March, 2019 is Rs. 1,03,05,719/- and company has granted loan to 18 party wherein no interest has been charged. Amount of such loans as on 31st March, 2019 is Rs. 49,15,068/-.
- (v) During the year, Company has not accepted any deposits from the public hence the clause is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted, accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, were in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable. However, company is subject to pay dues under Professional Tax but no amount was deposited till the reporting date.
- (viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (ix) The Company has not raised any money by way of initial public offer or further public offer during the year. The company has not taken any term loans during the year.
- (x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.



- (xv) The company has paid managerial remuneration in accordance with provisions of the section 197 read with Schedule V of the Companies Act.
- (xvi) The company is not a Nidhi Company hence the clause is not applicable.
- (xvii) All the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the necessary details have been disclosed in the Financial Statements etc as required by the applicable accounting standards.
- (xviii) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xix) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xx) As per provisions of section 45-1A of RBI Act 1934, a company is classified under various categories of Non-Banking Finance company if the company's Financial assets are more than 50% of the total assets of the company and Gross Income from Financial activities constitute more than 50% of the gross income. Accordingly, the company is required to get registered with provision of RBI as A NBFC company i.e Finance Company. Though the company is engaged in Finance activity and its financial assets are more than 50% of total assets but the income relating to finance activity constitutes less than 50% of gross total income of the company in our opinion it satisfies only one test and as such is not required to get registered under section 45 1A of the RBI Act,1934. Thus, we are of the opinion that NBFC provisions are not applicable to the current financial year.

**For Pravin Chandak & Associates**

Chartered Accountants

Firm's registration number: 146627A



**Pravin Chandak**

Partner

Membership number: 049391

Mumbai

22<sup>nd</sup> May, 2019



**Annexure B to the Auditor's Report-31<sup>st</sup> March, 2019**

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

We have audited the internal financial controls over financial reporting of **M/s Axon Ventures Limited (Formerly Known as "Axon Finance Ltd.")** (the company) as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the financial statements of the company for the year ended on that date.

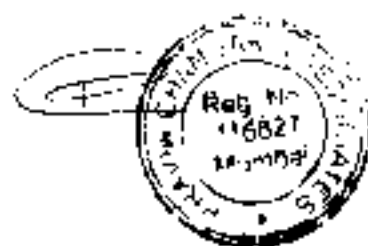
**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control-based



on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

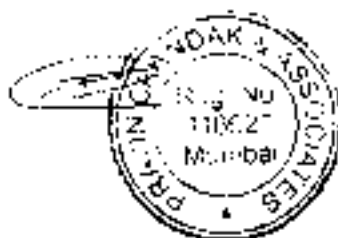
#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2019.

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



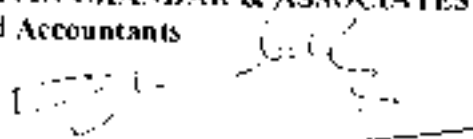
- b) The Company's internal control system is not commensurate to the size and scale of operation over purchase and sale of shares and inventory and for expenses incurred.

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

In our opinion, except for the effects / possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2019 based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 financial statements of the Company, and the material weaknesses does not affect our opinion on the financial statements of the Company.

**FOR PRAVIN CHANDAK & ASSOCIATES**  
Chartered Accountants

  
**Pravin Chandak**  
Partner  
Membership number: 049391  
Firm's registration number: 116627W  
Mumbai  
22<sup>nd</sup> May, 2019



**AXON VENTURES LIMITED**  
(Formerly known as Axon Finance Limited)  
**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2019**

Particulars	Note no.	As at March 31, 2019 Amount (Rs.)	As at March 31, 2018 Amount (Rs.)
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, Plant & Equipments	2	31,739	33,796
<b>Total Non Current Assets</b>		<b>31,739</b>	<b>33,796</b>
<b>Current Assets</b>			
Inventories		18,94,151	-
<b>Financial Assets</b>			
Investment	3	3,10,13,575	5,03,81,606
Trade receivable	4	67,30,459	43,66,683
Cash and Cash Equivalents	5	82,29,298	7,61,938
Other Financial assets	6	6,14,61,512	7,86,01,633
Other current assets	7	19,42,496	20,73,725
Deferred Tax Assets	8	56,32,112	-
<b>Total Current Assets</b>		<b>11,69,03,603</b>	<b>13,61,85,785</b>
<b>Total Assets</b>		<b>11,69,35,342</b>	<b>13,62,19,581</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	9	7,64,00,000	7,64,00,000
Other equity	10	3,10,94,234	5,58,09,071
		<b>10,74,94,234</b>	<b>13,22,09,071</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Short term borrowings	11	-	30,00,000
Trade Payables	12	32,37,945	58,690
Other Financial Liabilities	13	61,03,140	-
Other Current Liabilities	14	1,00,023	12,430
Deferred Tax Liability	15	-	9,36,350
<b>Total Current Liabilities</b>		<b>94,41,108</b>	<b>40,10,510</b>
<b>Total Equity &amp; Liabilities</b>		<b>11,69,35,342</b>	<b>13,62,19,581</b>

Significant Accounting Policies  
Notes forming part of accounts

1-31

As per our report of even date

For PRAVIN CHANDAK & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration No. 116627/02

(Pravin Chandak)

Partner

M.NO. 048391

PLACE : MUMBAI

DATED : 22/05/2019



For AXON VENTURES LIMITED

Girraj Kishor Agrawal  
Director  
DIN : 00290959

Shubhika Modi  
Company Secretary

Tanu Girira Agarwal  
Director  
DIN : 00290959

Geeva Manish Gupta  
Chief Financial Officer

**AXON VENTURES LIMITED**

(Formerly known as Axon Finance Limited)

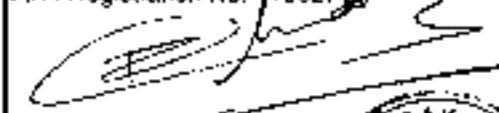
**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2019**

Particulars	Note no.	For the Year ended 31st March 2019	For the Year ended 31st March 2018
<b>REVENUE</b>			
Revenue from operations	16	3 21,82,028	2 00 18 057
Other Income	17	1 92,350	76,378
<b>Total Revenue</b>		<b>3,23,74,378</b>	<b>2,05,94,433</b>
<b>EXPENSES</b>			
Purchase of Stock-in-Trade	18	2 52,72,128	1 48 52,562
Changes in inventories of Stock-in-Trade		(18,94,151)	-
Employees benefits expense	19	9,53,096	13 23,100
Finance Costs		35,774	2,219
Depreciation & Amortisation expenses	2	2,057	5,091
Other Expenses	20	1,39,15,285	50 59,316
<b>Total expenses</b>		<b>3,82,84,179</b>	<b>2,12,42,287</b>
<b>PROFIT BEFORE TAX</b>		<b>(59,09,801)</b>	<b>(8,47,854)</b>
<b>Tax expenses</b>			
Provision for Tax		44 996	-
Income Tax of earlier Years		-	1 26,097
Deferred Tax		(53,109)	(1,42,836)
Total Tax expenses		(8,113)	(16,730)
<b>PROFIT FOR THE YEAR</b>		<b>(59,01,888)</b>	<b>(5,31,116)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
A) Items that will not be reclassified to Profit & Loss			
i) Fair Value changes in Financial Assets		(2,53,10,285)	(77,913)
ii) Income tax relating to these items		65,17,393	2,00,107
		(1,87,92,872)	1,22,194
B) Items that will be reclassified to Profit & Loss			
<b>Other Comprehensive income for the year</b>		<b>(1,87,92,872)</b>	<b>1,22,194</b>
<b>Total Comprehensive income for the year (VII+VIII)</b>		<b>(2,46,94,560)</b>	<b>(5,08,921)</b>
<b>Earning per equity share</b>			
Basic & Diluted	22	<b>(0.77)</b>	<b>(0.08)</b>
Significant Accounting Policies and Notes forming part of accounts			
	I-31		

As per our report of even date

**For PRAVIN CHANDAK & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

Firm Registration No. 116627



(Pravin Chandak)

Partner

M.NO. 049391

PLACE : MUMBAI

DATED : 22/06/2018



  
Girraj Kishor Agrawal

Director

DIN : 00290959

  
Shubhika Modi

Company Secretary

  
Tanu Giriraj Agarwal

Director

DIN : 00290959

  
Geeta Manish Gupta

Chief Financial Officer

**AXON VENTURES LIMITED**  
**(Formerly known as Axon Finance Limited)**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

PARTICULARS	YEAR ENDED MARCH 31, 2019		YEAR ENDED MARCH 31, 2018	
<b>CASH FLOW OPERATING ACTIVITIES</b>				
Net Profit before Tax		(51,09,901)		(6,47,814)
Adjustments:				
Depreciation & amortisation expenses	2,057		5,091	
Interest Paid	35,774		2,219	
Bad Debts	63,69,501			
Provision for Expected Credit loss	61,03,143	1,15,00,472		7,310
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		55,90,871		(6,40,514)
Adjustment for:				
Increase/ decrease Trade receivables	(23,63,775)		(43,65,603)	
Increase/ decrease Other Financial Assets	1,17,82,075		(1,59,52,017)	
Increase/ decrease Other current assets	3,82,750		(47,902)	
Increase/ (decrease) Trade payable	51,78,255		48,984	
Increase/ (decrease) Other current liabilities	42,597		9,506	
Increase/ decrease Inventories	(18,94,161)	1,11,27,740		(2,02,10,112)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		1,87,18,411		(2,08,50,656)
Less: Taxes paid		2,52,777		2,04,010
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		1,64,65,635		(2,10,54,667)
<b>CASH FLOW FROM INVESTMENT ACTIVITIES -</b>				
Purchase of Property, Plant & Equipment			(30,860)	
Purchase of investment	(61,17,775)		1,14,54,128	
Sale of investment	1,55,285			
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		(59,62,510)		1,14,63,266
<b>CASH FLOW FROM FINANCE ACTIVITIES</b>				
Interest Paid	(35,774)		(2,219)	
Increase/ (decrease) short term borrowings	(30,00,000)		30,00,000	
<b>NET CASH FLOW FROM FINANCE ACTIVITIES</b>		(30,35,774)		29,97,781
<b>NET (DECREASE) INCREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		74,67,351		(65,93,619)
Opening Balance of Cash & cash equivalents		7,61,938		73,55,557
Closing Balance of Cash & cash equivalents		82,29,288		7,61,938
<b>Cash &amp; Cash Equivalent Comprise</b>				
Cash & Bank balances as per balance sheet		82,29,288		7,61,938
Bank overdraft shown in other current liabilities				
Cash & cash equivalent at the end of the year		82,29,288		7,61,938

\* Cash and cash equivalents include outstanding bank overdrafts in the balance sheet, bank overdrafts are shown in current liabilities.  
 \* The previous year figures have been regrouped/re-stated where ever necessary to conform to this year's classification.

As per our report of even date  
**For PRAVIN CHANDAK & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

Company Registrator No. 116R27W

(Pravin Chandak)  
 Partner  
 M.NO. 049391  
 PLACE : MUMBAI  
 DATED : 22/05/2019



**For AXON VENTURES LIMITED**

*(Signature)*  
 Girraj Kishor Agrawal  
 Director  
 DIN : 00290959

*(Signature)*  
 Shubhika Modi  
 Company Secretary

*(Signature)*  
 Tanu Girraj Agarwal  
 Director  
 DIN - 00290959

*(Signature)*  
 Geeta Manish Gupta  
 Chief Financial Officer



**AXON VENTURES LIMITED**

(Formerly known as Axon Finance Limited)

**Statement of Changes in Equity for the year ended 31st March, 2019**

Particulars	Reserves & Surplus			Other Equity		Total
	Securities premium account	General Reserve	Retained Earnings	Other Comprehensive Income (Changes in fair value of investments)		
<b>A Equity Share Capital</b>						
As at 1st April, 2017						76,40,000
Changes in equity share capital during the year						
As at 31st March, 2018						76,40,000
Changes in equity share capital during the year						
As at 31st March, 2019						76,40,000
<b>B Other Equity</b>						
Balance as at 1st April, 2017	5,00,00,000	52,40,020	2,09,976			5,54,49,996
Profit/(Loss) in the Year			(6,31,115)			(6,31,115)
Net loss on Sale of investments measured at fair value through Profit & Loss			(21,95,695)			(21,95,695)
Equity Instrument Issued				42,10,097		42,10,097
Dividend Paid				(11,06,212)		(11,06,212)
Balance as at 31st March, 2018	5,00,00,000	52,40,020	(26,17,834)	31,86,875		5,58,09,071
Profit/(Loss) for the Year			(59,21,881)			(59,21,881)
Other comprehensive income for the year			146,271			146,271
Equity Instrument Issued						
Dividend Paid				(2,10,19,177)		(2,10,19,177)
Total Comprehensive Income for the year				24,21,81		24,21,81
Balance as at 31st March, 2019	5,00,00,000	52,40,020	(85,38,780)	(1,86,05,996)		3,10,94,234

As per our report of even date  
 For PRAVIN CHANDAK & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 Firm Registration No: 1196277


Pravin Chandak  
 Partner  
 M.NO. 049881  
 PLACE : MUMBAI  
 DATED : 22.05.2019

For AXON VENTURES LIMITED  
 Girraj Kishor Agrawal  
 Director  
 DIN : 00290959

Shubhika Modi  
 Company Secretary

Tanu Agrawal  
 Tanu Girraj Agrawal  
 Director  
 DIN : 00290959

Geeta Manish Gupta  
 Chief Financial Officer



## **AXON VENTURES LIMITED**

### **NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR PERIOD 31.03.2019**

#### **A) Basis of preparation of financial statements**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2016. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2019, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as 'Financial Statements'). The figures for the previous year ended 31st March, 2018

#### **B) Basis of measurement**

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting except for certain financial assets and liabilities, including derivative

#### **C) Going Concern Assumption:-**

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

#### **D) Inventory valuation**

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

#### **E) Use of Estimates**

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

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

#### **F) Cash Flow Statement**

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



### G) Earnings per share

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

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

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

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

### I) FIXED ASSETS

#### Tangible Assets

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

#### Intangible Assets

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

#### a) Depreciation

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

#### b) Impairment of assets

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

#### J) Investments

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



## K) Taxation

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

## L) Financial instruments

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

### (i) Financial assets

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

### Initial measurement

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

### Subsequent measurement

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

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

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

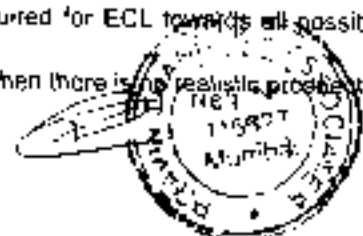
### Impairment of financial assets

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

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

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

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



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

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

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

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

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

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

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

### (d) Measurement of ECL

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



NOTE 2  
PROPERTY PLANT & EQUIPMENTS

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	1st April 2018	Addition	Deletion	As at 31st March 2019	1st April 2018	Addition	Deletions	As at 31st March 2019	As at 1st April 2018	As at 31st March 2019
<b>TANGIBLE ASSETS</b>										
Computer	21,879			21,879	18,943			18,926	2,933	2,953
Air Conditioner	37,911			30,850	17	2,057		2,074	30,843	28,786
Total	59,790			52,729	18,943	2,057		21,000	33,786	31,739



**AXON VENTURES LIMITED**  
Notes forming part of the Accounts for the year ended 31st March 2019

Particulars	As at March 31, 2019 Amount (Rs.)	As at March 31, 2018 Amount (Rs.)
<b>NOTE 3 - CURRENT INVESTMENT</b>		
<b>Investment Measured at Fair Value through Other Comprehensive Income</b>		
<b>(Classified in Equity Shares)</b>		
<b>Quoted Fully paid up Face value Rs. 10 each</b>		
10,000	Confidence Finance & Trading Ltd	
19,400	Hiva X Tradecom Ltd (Formerly known as Hiva X Finance & Investment Ltd)	38,500
44,800	44,800 Stanek Finance Ltd (Formerly known as Nivedita Mecapla & Financing Ltd)	17,000
	65,000 Toyam Industries Limited (Formerly known as Qjas Asset Reconstruction Company Ltd)	9,96,810
37,500	37,500 Sitajay Realtors Ltd	1,03,820
2,30,00,000	2,30,00,000 Tlak Ventures Limited (Formerly known as Tlak Finance Ltd)	25,500
100	4 Aditya Birla Capital Ltd	1,61,00,000
		9,705
		38,800
<b>Unquoted Fully paid up Face value Rs. 10 each</b>		
29,000	2,85,000 Kayagiri Capital Market Pvt. Ltd	81,99,500
1,00,000	1,00,000 Roshni Capital Market Pvt. Ltd	77,00,000
		29,86,000
		<b>3,40,13,575</b>
		<b>6,01,81,406</b>
<b>NOTE 4 - TRADE RECEIVABLE</b>		
<b>(At amortised cost)</b>		
Unsecured and Considered good		
Outstanding for more than six months		
Others		
		20,45,032
		46,85,426
		43,86,663
		<b>67,30,459</b>
		<b>43,68,883</b>
<b>NOTE 5 - CASH &amp; CASH EQUIVALENT</b>		
Balance on hand		
Balances with banks		
in current accounts		
in deposit accounts		
		4,62,080
		3,28,617
		77,89,958
		3,66,625
		37,252
		UG 806
		<b>82,29,289</b>
		<b>7,64,938</b>
<b>NOTE 6 - OTHER FINANCIAL ASSETS</b>		
<b>(At amortised cost)</b>		
<b>(Unsecured considered good, Repayable on Demand)</b>		
Loans and advances unsecured considered Good		
Loans and advances unsecured considered Doubtful		
		4,85,19,507
		7,86,01,933
		1,78,42,005
		<b>6,14,51,512</b>
		<b>7,88,01,833</b>
<b>NOTE 7 - OTHER CURRENT ASSETS</b>		
<b>(At amortised cost)</b>		
Balance with Statutory/Government authorities		
		19,42,490
		20,73,725
		<b>19,42,496</b>
		<b>20,73,725</b>
<b>NOTE 8 - DEFERRED TAX ASSET</b>		
Tax Balances Comprising Temporary difference attributable to		
Tax Losses		
Current Assets at FVOCI		
		7,18,901
		54,12,180
		<b>61,31,081</b>
		<b>55,32,112</b>



Particulars	As at	As at
	March 31, 2019	March 31, 2018
	Amount (Rs.)	Amount (Rs.)

**NOTE 9 - EQUITY SHARE CAPITAL**

<b>Authorised</b>		
10,00,000 (10,00,000) Equity shares of Rs 10 each	10,00,00,000	10,00,00,000
<b>Issued, Subscribed and Paid up</b>		
7,64,000 (7,64,000) Equity shares of Rs 10 each fully paid	7,64,00,000	7,64,00,000
	<b>7,64,00,000</b>	<b>7,64,00,000</b>

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

Name of the Shareholders	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% of holding	No. of Shares	% of holding
SHRISOPHARAS AND HOLDINGS INDUS	8,00,000	10.47%	8,00,000	10.47%
ANAL BULLION LIMITED				
COMPANY KNOWN AS KAYAGURU HEALTH SOLUTION PVT LTD)	7,99,040	10.45%	7,99,040	10.45%
MR. PESH MADHUKAR DHOTRE	7,17,421	9.39%	7,17,421	9.39%

**NOTE 10 - OTHER EQUITY**

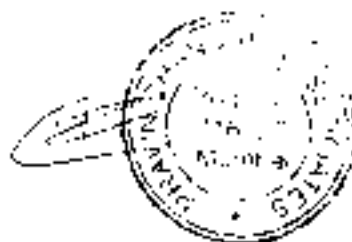
a. Securities premium account		5,00,00,000	5,00,00,000
b. General Reserve			
As per last Balance Sheet		52,40,020	52,40,020
Transfer from General Reserves			
Current year transfer			
Opening Balance		52,40,020	52,40,020
c. Retained Earnings			
As per last Balance Sheet		(26,17,924)	2,04,926
Add/Less: Profit/Loss for the year		(59,01,688)	(8,31,115)
Net loss on Sale of investments measured at Fair Value through Profit & Loss		120,277	(2,96,885)
		(85,09,309)	(26,17,824)
d. Other Comprehensive Income			
Change in fair value of FVOCI		(2,10,19,176)	42,92,087
Other Income		54,12,181	(11,06,212)
Impairment Tax		(1,56,05,997)	31,95,875
<b>TOTAL (a+b+c+d)</b>		<b>3,10,94,234</b>	<b>5,58,08,071</b>

**NOTE 11 - SHORT TERM BORROWINGS**

(At Amortised cost)		
From Bank		
From Others - Repayable in currency		30,00,000
		<b>30,00,000</b>

**NOTE 12 - TRADE PAYABLES**

(As per amortised cost)		
Total outstanding dues of micro and small enterprises		
Total outstanding dues of creditors other than micro and small enterprises		59,690
	52,37,945	<b>59,690</b>





Particulars	As at March 31, 2019 Amount (Rs.)	As at March 31, 2018 Amount (Rs.)
<b>NOTE - 13 - OTHER FINANCIAL LIABILITIES</b>		
Provision on expected credit loss	61,03,140	-
	<u>61,03,140</u>	<u>-</u>
<b>NOTE - 14 - OTHER CURRENT LIABILITIES</b>		
Accounts Payable	55,027	12,430
Provision for Income Tax	44,995	-
	<u>1,00,023</u>	<u>12,430</u>
<b>NOTE - 15 - DEFERRED TAX LIABILITY (NET)</b>		
Income Tax Computed Temporary difference attributable to		
- Assets	-	1,05,212
- Liabilities (HDD)	-	<u>(11,05,212)</u>
	<u>-</u>	<u>(9,38,390)</u>
<b>NOTE - 16 - REVENUE FROM OPERATIONS</b>		
- Sale of Glass	2,57,74,679	61,55,441
- Sale of Granite Products	-	82,20,930
- Other Income	64,07,149	61,41,416
	<u>3,21,82,028</u>	<u>2,05,18,057</u>
<b>NOTE - 17 - OTHER INCOME</b>		
- Provision Fixed Deposit	17,581	28,000
- Gain on Foreign rate difference	-	21,719
- Other Interest	1,74,659	26,264
	<u>1,92,350</u>	<u>76,376</u>
<b>NOTE - 18 - PURCHASE OF STOCK-IN-TRADE</b>		
- Stock Purchase	2,00,97,534	48,19,457
- Other purchase	-	81,63,000
- Direct expenses	61,74,594	10,68,936
	<u>2,62,72,128</u>	<u>1,40,52,582</u>
<b>NOTE - 19 - EMPLOYEES BENEFITS EXPENSES</b>		
- Salaries and wages	9,29,046	13,10,642
- Other Welfare Expenses	23,250	12,250
	<u>9,52,296</u>	<u>13,23,190</u>
<b>NOTE - 20 - OTHER EXPENSES</b>		
- Depreciation	-	20,03,760
- Provision on Expected credit loss	53,58,246	17,80,016
- Professional Fees	61,03,140	-
- Commission	77,000	1,55,114
- Freight	-	3,46,000
- Bank transfer charges	2,50,000	2,87,600
- Fuel	95,987	1,11,876
- Repairs & Taxes	78,000	50,000
- Advertisement Expenses	-	41,327
- Printing & Stationary	15,76,788	30,420
- Telephone Other Charges	29,376	43,299
- Expenses related to import/export	-	13,020
- Other Welfare Expenses	-	2,33,217
	<u>3,48,348</u>	<u>43,606</u>
	<u>1,39,16,286</u>	<u>50,58,316</u>



Particulars	As at 31.03.19 Amount in (Rs.)	As at 31.03.18 Amount in (Rs.)
<b>NOTE 21 - PAYMENT TO AUDITORS</b>		
a) Statutory Audit Fees	78,000	50,000
	<b>78,000</b>	<b>50,000</b>

**NOTE 22 - EARNING PER SHARES (EPS)**

Net profit after tax (as per Profit & Loss Statement)	(55,31,658)	(53,31,110)
Weighted average number of shares used as denominator for calculation of EPS	75,40,000	75,40,000
Basic & Diluted Earning per share	(0.73)	(0.08)
Face value of Equity shares	10.00	10.00

**NOTE 23 - CONTINGENT LIABILITIES AND COMMITMENTS**

In accordance with Ind AS 37 the company has no outstanding contingent liabilities and commitments in pursuance of the mentioned Ind AS

**NOTE 24 - RELATED PARTY TRANSACTIONS :**

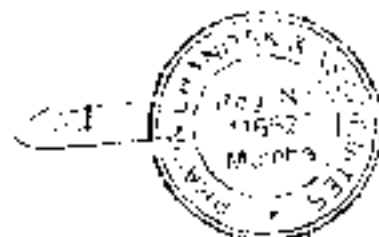
Related Party Disclosure in compliance with Ind AS 24 are given below

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

Sr. No.	Name of the Related Party	Relation
1	Garima Kishor Agarwal	Promoter
2	Capital Market Private Limited	Promoter
3	Kavyanjali Capital Market Pvt Ltd.	Promoter
4	Global Finance Limited	Group Company
5	Global Finance Limited	Group Company
6	Garima Sahar Agarwal	Director
7	Garima Sahar Agarwal (HUF)	Relative of Director
8	Kavyanjali Capital Market Pvt Ltd	Group Company
9	Capital Market Pvt Ltd	Group Company
10	Global Finance Pvt Ltd	Group Company
11	Garima Kishor Agarwal	Managing Director
12	Anubha S. Mehta Khatri	Director
13	Garima Khatri	Director
14	Anubha S. Mehta Khatri	Director
15	Pragna Malik	Company Secretary (upto 05.05.2018)
16	Shubh K Mehta	Company Secretary (wef 10.06.2018)
17	Ashek Kishwakeria	CA (upto 02.02.2018)
18	Geeta Gupta	CA (wef 01.02.2018)
19	Black Ventures Limited	Group Company

**Related Parties with their transactions**

Sr. No.	Name of the Related Party	Nature of Transaction	2018-19	2017-18
1	Garima Kishor Agarwal	Director's remuneration	7,000	-
2	Garima Sahar Agarwal (HUF)	Director's remuneration	800	-
3	Pragna Malik	Salary	29,150	-
4	Shubh K Mehta	Salary	1,65,789	-
5	Agarwal (HUF) of	Interest on Loan	6,00,000	-
		Interest on Demand	6,00,000	-
		Share Interest	177	-
		Share Purchase	-	30,48,000
6	Capital Market of Market Pvt Ltd	Share Purchase	1,50,000	-
		Share Purchase	1,50,000	-
		Interest on Loan	481	-
7	Pragna Enterprises Ltd	Share sold	-	21,80,000
		Share Purchase	2,04,050	-
		Share Purchase	8,00,000	-
8	Black Ventures Ltd	Loan taken	-	8,00,000
		Loan & interest	-	8,10,000
		Interest	-	4,625
10	Kavyanjali Capital Market Pvt Ltd	Share sold	-	63,95,000



**NOTE - 25 - FINANCIAL RISK MANAGEMENT**

**Risk Management Framework**

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

**Credit Risk**

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

- Company classifies its financial assets in three stages having the following characteristics:
  - (a) Not impaired and without a significant increase in credit risk since initial recognition
  - (b) A significant increase in credit risk since initial recognition on which lifetime ECL is recognised
  - (c) Objective evidence of impairment and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is ascertained at an earlier stage in financial years if deemed to have suffered a significant increase in credit risk.
- Company has calculated ECL using three main components: a probability of default (POD) loss given default (LGD) and the exposure at default (EAD) with an adjustment for a being forward dated and other conditions for a detailed note for methodology of computation of ECL please refer to the accounts for period ending 31st March 2019 in the financial statements.

Table below summarises the gross carrying values and the associated allowances for expected credit loss (ECL) stage wise for the portfolio

As at 31 March 2019

Particulars	Stage 1	Unsettled	
		Stage 2	Stage 3
Gross Carrying Value	4,55,19,007	76,20,365	50,21,637
Provision for Expected credit loss		10,61,503	50,21,637
Effective credit loss Coverage ratio	0.00%	13.83%	100.00%

Provision has been made for any future probable losses on periodically basis and necessary provision for valuation adjustments has been made based on the opinion formed by the management to the extent available sources. The management does not expect any investment in company in future to be profitable.

Trade Payable, Trade Payable, Short Term Borrowings and Credit Term Loans and Advances balances are subject to continuation and rollover.

**Liquidity Risk management**

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

**NOTE - 26 - EMPLOYEE BENEFITS**

Provision for retirement benefits to employees was not provided on actual basis, which is not in conformity with Ind AS 19 and the amount has not been quantified because actual valuation report is not available. However, in the opinion of the management the amount involved is negligible and has to remain noted on the Profit & Loss Account.

**NOTE - 27 - LOANS AND ADVANCES**

Majority of the loans given are demand loans. Therefore, in some cases the terms of repayment and loan agreement are not available. Non performing loans are appropriately written off as bad debts. Demand and other loans given are governed by the Board policies. Considering the risk monitoring of Board no Appraisal (new) Policy Procedure Committee or documents have been prescribed and executed. In cases interest charged is less than prevailing yield on investment security for relevant tenure. Amount of such loans as on 31st March 2019 is Rs. 15,519. In 15 cases no interest has been charged. Amount of such loans as on 31st March 2019 is Rs. 49,11,069.

**NOTE - 28 - COMPLIANCE OF SECTION 45-IA OF THE RBI ACT, 1934**

Financial assets of the company constitute more than 50% of the Intangible assets of the company. However, income from financial activities does not constitute more than 50% of the total gross income. Hence, the company does not fulfil one of the NBFC criteria prescribed in terms of section 45-IA of the RBI Act, 1934 in the current financial year and the above NBFC provisions are not applicable in the current financial year.



**NOTE - 29 - FAIR VALUE MEASUREMENTS**

**a) Financial instruments by category**

PARTICULARS	March, 31, 2019			March, 31, 2018		
	FVOCI	Amortised Cost	Cost	FVOCI	Amortised Cost	Cost
<b>Financial Assets</b>						
Investments	3,10,13,575			5,03,81,606		
Trade Receivable		67,30,459				
Cash and cash equivalents		82,29,288			43,66,683	
Other Current Financial Assets		6,14,61,512			7,61,038	
<b>Total</b>	<b>3,10,13,575</b>	<b>7,64,21,259</b>		<b>5,03,81,606</b>	<b>8,37,30,454</b>	
<b>Financial Liabilities</b>						
Borrowings						
Trade Payables		32,37,945			30,00,000	
<b>Total</b>		<b>32,37,945</b>			<b>30,59,680</b>	

**NOTE : 30 - FAIR VALUE HIERARCHY**

In this section explain the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value. The Company has classified its financial instruments into the levels prescribed under the accounting standard.

**Financial assets and liabilities measured at fair value**

PARTICULARS	March, 31, 2019			March, 31, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investments	1,71,32,075					
Trade receivable			1,38,81,500	4,06,81,606		97,00,000
Cash and Cash Equivalents			67,30,459			43,66,683
Others Financial assets			82,29,288			7,61,938
			6,14,61,512			7,86,01,833
<b>Financial Liabilities</b>						
Short term borrowings						
Trade Payable			32,37,945			30,00,000
						59,680

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments traded in an active market.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which use quoted market prices or dealer quotes for similar instruments.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is

**Valuation technique used to determine fair value**

- Valuation techniques used to value financial instruments includes use of quoted market prices or dealer quotes for similar instruments.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Resulting fair value estimates are included in level 2 or level 3 where the fair value have been determined based on present

**Fair Value Estimations**

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



**Dividend/Interest-bearing Investments**

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

**Trade & other receivable / Payables**

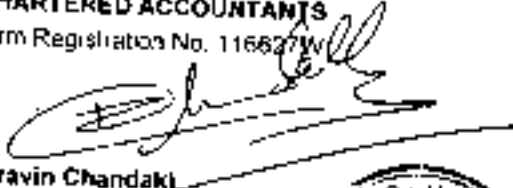
The management assessed that Trade Receivables, Cash and Cash equivalents, Bank Balances, Deposits, other non derivative current financial assets, Short term borrowings, Trade payables, Non derivative Current Financial Liabilities approximate their carrying amount largely due to the short term maturities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

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

As per our report of even date

For **PRAVIN CHANDAK & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

Firm Registration No. 116627W



(Pravin Chandak)

Partner

M.NO. 049391

OFFICE: MUMBAI

DATED: 22/06/2019



For **AXON VENTURES LIMITED**



Girraj Kishor Agrawal

Director

DIN : 00290959



Shubhika Modi

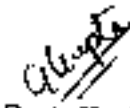
Company Secretary



Tanu Girraj Aggarwal

Director

DIN : 00290959



Geeta Manish Gupta

Chief Financial Officer



**AXON VENTURES LIMITED**  
Notes Forming Part of the Financial Statement As At 31st March, 2019  
Page 31  
In compliance to IND AS 108

Sr No	Particulars	Amount in Rs.		Amount in Rs.		Amount in Rs.	
		Finance and receivables		Trading		Total	
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1	Segment Revenue	64,07,149	61,41,816	2,57,74,879	1,43,78,691	3,21,82,028	3,05,18,057
2	Segment Results	(10,58,311)	6,41,500	20,68,851	(3,75,100)	(28,31,100)	58,65,400
3	Unallocated expense (net)					31,18,997	63,12,200
4	Operating Income						
5	Other Income (Net)					1,87,350	78,378
6	Profit before exceptional item and tax					(59,09,802)	(3,71,425)
7	Exceptional item						
8	Profit before Tax					(59,09,802)	(3,71,425)
9	Tax expense:						
	Less - Provision for income Tax					44,906	
	Less - Provision for income Tax earlier years						1,28,097
	Less - Provision for Deferred Tax					(53,103)	1,42,936
	Net Profit / (Loss) for the year					(59,01,689)	(3,54,682)
11	Segment Assets	11,69,35,342	13,62,19,581			11,69,35,342	13,62,19,581
	(Current assets plus Fixed assets & WUP and Investments)						
12	Segment Liabilities	11,69,35,342	13,62,19,581			11,69,35,342	13,62,19,581
	Other Information						
13	Capital Expenditure (unallocable)						
14	Depreciation & amortisation (unallocable)						
15	Other significant non-cash expense (allocable)						
15	Other significant non-cash expense (net) (unallocable)						

Due to unavailability of suitable bases for apportionment, only direct expenses related to Textile Trading business are considered in segment results of Textile Trading Activity.

As per contract of work done  
For PRAVIN CHANDAK & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 115627W

(Pravin Chandak)  
Partner  
CIN : MUMBAI  
DATED: 22/05/2019



For AXON VENTURES LIMITED

GeraJ Kishor Agrawal  
Director

DIN : 00290959

Shubhika Modi  
Company Secretary

Tanu Dhiraj Agrawal  
Director

DIN : 00280959

Deep Muneish Gupta  
Chief Financial Officer



**INDEPENDENT AUDITOR'S REPORT**

To  
**The Members of  
Rockon Enterprises Limited**

**Opinion**

We have audited the standalone financial statements of **Rockon Enterprises Limited** ("the **Company**"), which comprise the Balance Sheet as at 31st March 2019, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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, 2019, and loss, and total comprehensive income, changes in equity 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 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.

**Key Audit Matters**

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

We have determined the matters described below to be key audit matter to be communicated in our report.

The Key Audit Matter	How the matter was addressed in our Audit
<p><b>Inter Corporate Loans and Advances</b></p> <p>The Company's impairment provision for receivables from financing is not based on the expected credit loss approach laid down under Ind AS 109. Bad debts during the year amounted to Rs.1,68,28,959/-. Under this approach, the management has been required to exercise judgment in areas such as;</p> <ul style="list-style-type: none"> <li>- calculation of past default rates</li> <li>- applying macro-economic factors to arrive at forward looking probability of default; and</li> <li>- Significant assumption regarding the probability of various scenarios and</li> </ul>	<p>For loans which are assessed for impairment on a portfolio basis we performed particularly the following procedures:</p> <ul style="list-style-type: none"> <li>- We understood the methodology and policy laid down for loans given by the company.</li> <li>- We have verified the existence of recovery process plan in the event of default.</li> <li>- We have verified the historical trends of repayment of principal amount of loan and repayment of interest.</li> <li>- We tested the reliability of the key data inputs and related management controls.</li> </ul>





<p>discounting rates for different industries considering individual borrower profile.</p> <p>In view of the high degree of estimation involved in the process of calculation impairment provision and considering its significance to the overall Ind AS financial statement, whereby any error or omission in estimation may give rise to a material misstatement of Ind AS financial statements, it is considered as a key audit matter.</p>	
<p><b>Measurement of Investment in accordance with Ind AS 109 "Financial Instruments"</b></p> <p>On initial recognition, investment is recognized at fair value in case of investment which is recognized at fair value through OCI. In that case that transaction costs are attributable to the acquisition value of the investments.</p> <p>The Company's investment are subsequently classified into following categories based on the objective to manage the cash flows and options available in the standard:</p> <ul style="list-style-type: none"> <li>• At amortised cost</li> <li>• At fair value through profit or loss (FVTPL)</li> </ul>	<p><b>Principal Audit procedure:</b></p> <ul style="list-style-type: none"> <li>• Obtaining an understanding of the companies objectives for such investments and assessment thereof in terms of Ind AS 109.</li> <li>• Obtaining an understanding of the determination of the measurement of the investments and tested the reasonableness of the significant judgement applied by the management.</li> <li>• Evaluated the design of internal controls relating to measurement and also tested the operating effectiveness of the aforesaid controls.</li> </ul>



<ul style="list-style-type: none"> <li>• At fair value through Other comprehensive Income (FVTOCI)</li> </ul> <p>Since valuation of investment at fair value involves critical assumptions, significant risk in valuation and complexity in assessment of objectives, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the standalone financial statements. .</p>	<ul style="list-style-type: none"> <li>• Obtaining understanding of basis of valuation adopted in respect of fair value investment and ensured that valuation techniques used are appropriate in circumstances and for which sufficient data are available to measure fair value.</li> <li>• Assessed the appropriateness of the discloser in the standalone financial statements in accordance with the applicable financial reporting framework.</li> </ul>
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### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether



the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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 Companies Act,



2013, we give in the **Annexure 'A'** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 including other comprehensive income, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

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

1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.



2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For DMKH & Co.**  
**Chartered Accountants**  
**FRN:-116886W**



**Manish Kankani**  
**(Partner)**  
**M.No.:-158020**  
**Place: Mumbai**  
**Date: 20/05/2019**

## ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31<sup>st</sup>, 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of one years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.  
  
(c) There are no immovable properties held by the Company.
- (ii) (a) There are no inventories held by the Company.
- (iii) (a) The Company has granted loans to one party covered in the register maintained under section 189 of the Companies Act,2013 ('the Act'),  
  
(b)In the case of the loans granted to any parties in the register maintained under section 189 of the act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with provision of section 185 and 186 of Act, with respect to the loan and investment made.
- (v) The Company has not accepted any deposits during the year within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.



- (vi) The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act, for any of the services rendered by the Company
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is regular in depositing undisputed statutory dues including provident fund, income tax, service tax, cess and other material statutory dues with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, duty of customs, value added tax, employees' state insurance and duty of excise.
- (b) According to the information and explanation given to us, there is no dispute pending in respect of dues of provident fund/sales tax/wealth tax/service tax/custom duty/excise duty/cess/value added tax, were in arrears as at 31<sup>st</sup> march, 2019 for a period of more than six month from the date they became payable.
- (viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) Based upon the audit procedure performed for purpose of reporting the true and fair view of the Financial Statements and According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the record of the Company, managerial remuneration has been paid/provided in accordance with the requisite approvals.
- (xii) In our opinion and according to the information and explanations given to us, the company is not Nidhi Company. Accordingly paragraph 3(xii) of Order is not applicable.





- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone financial statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to the information and explanations given to us and based on our examination of the record of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of the section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company.

For DMKH & Co.  
Chartered Accountants  
FRN:- 116886W

*Manish Kankani*

Manish Kankani  
(Partner)

M.No.:- 158020

Place: Mumbai

Date: 20/05/2019



## **ANNEXURE B TO THE AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of **Rockon Enterprises Limited** ('the Company') as of 31<sup>st</sup> March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31,2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the guidance note on audit of internal financial control over financial reporting issued by the Institute of Chartered Accountant of India.

For DMKH & Co.  
Chartered Accountants  
FRN:- 116886W



Manish Kankani  
(Partner)

M.No.:- 158020

Place: Mumbai

Date: 20/05/2019

# ROCKON ENTERPRISES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Notes	As at 31.03.2019	As at 31.03.2018
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipments	2	4,238.00	28,903.00
(b) Capital Work in Progress		-	-
(c) Investment Property		-	-
(c) Intangible Assets		-	-
(d) Financial Assets			
(i) Investments	3	2,45,08,167.91	3,11,31,399.79
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Others Financial Assets		-	-
(e) Deferred Tax Assets (Net)		39,44,311.32	24,22,711.00
(f) Other Non Current Assets		-	-
		<b>2,84,56,717.23</b>	<b>3,35,83,013.79</b>
<b>Current Assets</b>			
(a) Inventories		-	-
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	4	3,50,000.00	3,51,023.00
(iii) Cash and Cash Equivalents	5	87,50,694.30	10,04,034.53
(iv) Loans and Advances	6	11,53,26,486.28	13,34,31,339.00
(c) Current Tax Assets (net)		-	-
(d) Other Current Assets	7	44,160	44,160
Current Tax Assets (net)		<b>12,44,71,341</b>	<b>13,48,30,557</b>
<b>TOTAL ASSETS</b>		<b>15,29,28,058</b>	<b>16,84,13,570</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	8	16,51,76,900.00	16,51,76,900
(b) Other Equity	9	(2,41,50,433.11)	(73,57,256)
		<b>14,10,26,466.89</b>	<b>15,78,19,644</b>
<b>LIABILITIES</b>			
<b>Non Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payable		-	-
(iii) Other financial Liabilities		-	-
(b) Provisions		-	-
(c) Other Non-Current Liabilities		-	-
(d) Deferred Tax Liabilities (net)		-	-
		-	-
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		1,12,60,000.00	1,04,50,000
(ii) Trade Payables	10	3,00,697.22	1,43,925
(iii) Other Financial Liabilities		-	-
(b) Provisions	11	3,40,892.00	-
(c) Other Current Liabilities		-	-
		<b>1,19,01,589</b>	<b>1,05,93,925</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,29,28,058</b>	<b>16,84,13,570</b>
Significant Accounting Policies and Notes forming part of accounts		1-28	

As per our Report of Even Date  
For DMGH & Co.  
Chartered Accountants  
FRN- 116886W  
*Mahesh Kankani*  
Mahesh Kankani  
(Partner)  
M.No. -158020

Place : Mumbai  
Date : 20/05/2019

For and on behalf of the Board of Directors  
of ROCKON ENTERPRISES LIMITED

*Tansu Agarwal*  
Tansu Agarwal  
(Whole Time Director)  
DIN: 00290966

*Ranjan Patel*  
Ranjan Patel  
(Company Secretary)

*Girraj Kishor Agrawal*  
Girraj Kishor Agrawal  
(Director)  
DIN: 00290959

*Vinod Prabhu*  
Vinod Prabhu  
(Chief Financial Officer)

# ROCKON ENTERPRISES LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amt in Rs.)

PARTICULARS	NOTES	YEAR ENDED 31ST MARCH, 2019	YEAR ENDED 31ST MARCH, 2018
<b>INCOME</b>			
Revenue from Operations	12	1,88,28,688	1,87,32,165
Other Income	13	26,870	1,46,18,048
<b>Total Income (I)</b>		<b>1,88,55,558</b>	<b>3,33,50,213</b>
<b>EXPENSES</b>			
Purchase of traded goods	14	1,06,71,800	1,05,81,600
(Increase)/decrease in inventories of traded goods		-	-
Employee Benefits Expense	15	8,58,263	7,58,737
Finance Charges	16	9,00,690	11,03,826
Other Expenses	17	2,33,77,971	1,98,65,049
Depreciation	2	24,665	26,923
<b>Total Expenses (II)</b>		<b>3,58,33,389</b>	<b>3,23,36,135</b>
Profit for the year before Tax	(I - II)	<b>(1,69,77,831)</b>	<b>10,14,078</b>
Tax Expenses			
Current Tax		-	-
Taxes of Earlier Years		4,40,892	14,732
Deferred Tax		3,034	-
Profit/(Loss) for the period		<b>(1,74,21,757)</b>	<b>9,99,346</b>
<b>Other Comprehensive Income For The Year</b>			
A) i) Items that will not be reclassified to Profit & Loss		-	-
ii) Fair Value changes in Financial Assets		(52,86,988)	(12,71,482)
iii) Deferred income tax relating to these items		15,24,634	4,72,687
		<b>(37,62,354)</b>	<b>(7,98,795)</b>
B) Items that will be reclassified to Profit & Loss		-	-
<b>Other Comprehensive income for the year</b>		<b>(37,62,354)</b>	<b>(7,98,795)</b>
<b>Total Comprehensive income for the year</b>		<b>(2,11,84,111)</b>	<b>2,00,551</b>
Earning per equity share			
Basic		(1.055)	0.061
Diluted		(1.055)	0.061
<b>Notes Forming Part Of Financial Statement</b>	<b>1-28</b>		

As per our Report of Even Date

For DMKH & Co.

Chartered Accountants

FRN:- 116886W

Manish Kankani

(Partner)

M.No.- 158020

Place : Mumbai

Date : 20/05/2019

For and on behalf of the Board of Directors  
of ROCKON ENTERPRISES LIMITED

*Tanu Agarwal*  
Tanu Agarwal  
(Whole Time Director)

DIN: 00290966

*Ranjan Patel*  
Ranjan Patel  
(Company Secretary)

*Vinod Prabhu*  
Vinod Prabhu  
(Chief Financial Officer)

*Girraj Kishor Agrawal*  
Girraj Kishor Agrawal  
(Director)

DIN: 00290959

*Vinod Prabhu*  
Vinod Prabhu  
(Chief Financial Officer)

# ROCKON ENTERPRISES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Amt in Rs.)

Particulars	Year Ended 31st March, 2019		Year Ended 31st March, 2018	
<b>A. Cash Flow from Operating Activities</b>				
<b>Profit Before Tax and Extraordinary items</b> (As per Profit and Loss Account)		(2,48,10,367)		10,14,078
Adjustments for:				
Depreciation		24,665		(26,923)
Remeasurements of Defined benefits obligation recognised in other comprehensive income				(7,98,795)
Interest		9,00,000		
gain/loss in sale		50,70,033		
<b>Operating Profit before Working Capital Changes</b>		<b>(1,88,15,669)</b>		<b>1,88,360</b>
Adjustments for:				
(Increase)/Decrease in Inventories		-		-
(Increase)/Decrease in Sundry Debtors		1,035		(3,51,023)
(Increase)/Decrease in Short Term Loans and Advances		1,95,30,409		60,35,422
(Increase)/Decrease in Other Current Assets				-
(Increase)/Decrease in Other Receivable				-
Increase/(Decrease) in Trade Payables		1,56,760		5,800
Increase/(Decrease) in Current Liabilities		8,10,000		2,21,684
(Increase)/Decrease in Short Term Provisions		3,40,892		-
Cash Generated From Operations				-
Less: Income Tax Paid of earlier year				14,732
<b>Net Cash from / (Used in) Operating Activities A</b>		<b>20,23,427</b>		<b>61,14,975</b>
<b>Cash Flow from Investing Activities</b>				
Receipt of Security Deposit				(4,72,687)
purchase of Fixed assets				-
Interest Expense		(9,00,000)		-
Sale of Investments		66,23,232		(1,45,44,110)
<b>Net Cash from / (Used in) Investing Activities B</b>		<b>57,23,232</b>		<b>(1,50,16,797)</b>
<b>Net Cash from Financial Activities C</b>		<b>-</b>		<b>-</b>
<b>Net Increase/ Decrease in Cash and Cash Equivalents (A+B+C)</b>		<b>77,46,659</b>		<b>(89,01,822)</b>
Cash and Cash Equivalents - Opening Balance		10,04,035		99,05,857
Cash and Cash Equivalents - Closing Balance		<b>87,50,694</b>		<b>10,04,035</b>

As per our Report of Even Date

For DMKH & Co.  
Chartered Accountants  
FRN:- 116886W

  
Manish Kankani  
(Partner)  
M. No.- 158020

Place : Mumbai  
Date :20/05/2019

For and on behalf of the Board of Directors  
of ROCKON ENTERPRISES LIMITED

  
Tanu Agarwal  
(Whole Time Director)  
DIN: 00290966

  
Ranjan Patel  
(Company Secretary)

  
Girraj Kishor Agrawal  
(Director)  
DIN: 00290959

  
Vinod Prabhu  
(Chief Financial Officer)

**ROCKON ENTERPRISES LIMITED**

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH, 2019

**NOTE : 2 FIXED ASSETS**

PARTICULARS	GROSS CARRING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT			
	1st April 2018	Addition	Deletion	As at 31st March 2018	1st April 2018	Addition	Deletions	As at 31st March 2019	As at 1st April 2018	As at 31st March 2019
<b>TANGIBLE ASSETS</b>										
Mobile	45,000	-	-	45,000	28,730	14,250		42,980	16,270	2,020
Laptop	20,349	-	-	20,349	15,149	4,183		19,332	5,200	1,017
Computer	19,672	-	-	19,672	12,239	6,232		18,471	7,433	1,201
Air Conditioner	-	-	-	-	-	-		-	-	-
<b>Total</b>	<b>85,021</b>	<b>-</b>	<b>-</b>	<b>85,021</b>	<b>56,118</b>	<b>24,665</b>	<b>-</b>	<b>80,783</b>	<b>28,903</b>	<b>4,238</b>



## 3 INVESTMENTS

Particulars	As at March 31, 2019		As at March 31, 2018		
	Face Value	QTY	Value	QTY	Value
<b>Non Trade Investments (at FMV)</b>					
<b>Quoted</b>					
<b>Equity Instruments</b>					
ADITYA BIRLA CAPITAL LTD	10	3,270	3,19,316	1,104	1,61,018
CONFIDENCE FINANCE & TRADING LTD	10			900	3,465
ESAAR (INDIA) LTD	10			21,460	63,307
FIVE X TRADECOM LTD	10			812	7,46,746
INDIABULLS REAL ESTATE LTD	2	45,323	41,78,780	47,000	85,11,700
INTELLECT DESING ARENA LTD	5	1	840	1,100	1,81,335
LIQUID GOLDMAN SACHS				13	12,759
NIVEDITA MERCANTILE & FINANCING LTD	10	44,000	9,83,400	44,000	15,81,800
TOYAM INDUSTRIES LTD	1			4,85,924	14,43,194
JAGRAN PRAKASHAN LTD	2	-	-	-	-
MANALI PETROCHEMICAL LTD	5	-	-	-	-
PARSVNATH DEVELOPERS LTD	5	-	-	-	-
SIKOZY REALTORS LTD	1	-	-	-	-
GOLD BAR		715.55 gms	23,06,932	715.55 gms	22,26,075
<b>Total Value of Quoted Investments</b>			<b>77,89,268</b>		<b>1,49,31,399</b>
<b>Unquoted</b>					
<b>Equity Shares</b>					
KAYAGURU CAPITAL MARKET PVT LTD	10	3,95,000	41,85,000	2,10,000	42,00,000
ROCKON CAPITAL MARKET PVT LTD	10	2,70,000	74,33,900	2,00,000	40,00,000
SEAROCK INTERNATIONAL PVT LTD	10	-	-	6,16,614	80,00,000
HANDFUL INVESTRADE PVT LTD	10	65,220	51,00,000	-	-
<b>Total Value of Unquoted Investments</b>			<b>1,67,18,900</b>		<b>1,62,00,000</b>
<b>Total of Long Term Investments</b>			<b>2,45,08,168</b>		<b>3,11,31,399</b>
Less: Provision for Diminution in the value of Investment			-		-
<b>Net Value of Investment</b>			<b>2,45,08,168</b>		<b>3,11,31,399</b>

# ROCKON ENTERPRISES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT AS AT 31ST MARCH, 2019

<u>PARTICULARS</u>	As at 31st March, 2019	As at 31st March, 2018
<b>4 Trade Receivables</b>		
<b><u>PARTICULARS</u></b>		
(Unsecured and Considered good)		
Outstanding for More than six months	-	-
Others	3,49,988	3,51,023
<b>Total Trade Receivables</b>	<b>3,49,988</b>	<b>3,51,023</b>
<b>5 Cash and Cash Equivalents</b>		
Cash on hand	5,29,821	3,40,841
Balance with bank	81,71,873	5,45,109
Auto sweep Fixed Deposit	49,000	1,18,085
<b>Total Cash And Cash Equivalents</b>	<b>87,50,694</b>	<b>10,04,035</b>
<b>6 Short Term Loans and Advances</b>		
Loan and advances	-	-
Loans and advances to related parties	-	-
Loans and advances to Others	11,08,66,881	12,96,76,575
Balance with statutory/government authorities	44,59,605	37,54,764
<b>Total Short Term Loans And Advances</b>	<b>11,53,26,486</b>	<b>13,34,31,339</b>
<b>7 Other Current Assets</b>		
Other Current Assets	44,160	44,160
<b>Total Other Current Assets</b>	<b>44,160</b>	<b>44,160</b>

PARTICULARS		As at 31st March, 2019	As at 31st March, 2018
8	<b>Share Capital</b>		
	<b>Authorized</b>		
	1,80,00,000 Equity Shares of Rs. 10/- each	18,00,00,000	18,00,00,000
	(Previous year 1,80,00,000 Equity Shares of Rs. 10/- each)		
	<b>Total Authorized Share Capital</b>	<b>18,00,00,000</b>	<b>18,00,00,000</b>
	<b>Issued, Subscribed and Paid up</b>		
1,65,17,690 Equity Shares of Rs. 10 each	16,51,76,900	16,51,76,900	
(Previous year 1,65,17,690 Equity Shares of Rs. 10 each)			
<b>Total Issued, Subscribed And Fully Paid Up Share Capital</b>	<b>16,51,76,900</b>	<b>16,51,76,900</b>	

**a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period**

Equity shares of Rs. 10 each

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the period	1,65,17,690	16,51,76,900	1,65,17,690	16,51,76,900
Issued during the period	-	-	-	-
Bought back during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>1,65,17,690</b>	<b>16,51,76,900</b>	<b>1,65,17,690</b>	<b>16,51,76,900</b>

**b. Terms/rights attached to equity shares**

The Company has only one class of Equity Shares having par value of Rs. 10 Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c. Details of shareholders holding more than 5% shares in the company**

Equity shares of Rs. 10 each fully paid

Name of Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	Numbers	% holding in the class	Numbers	% holding in the class
Chandrikant Babu Mohite	10,00,744	6.06	10,00,744	6.06
<b>Total</b>	<b>10,00,744</b>	<b>6.06</b>	<b>10,00,744</b>	<b>6.06</b>

**9 Other Equity**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Capital Reserve</b>		
Balance as per last financial statements	51,96,530	51,96,530
Less: Utilized for bonus issue/fresh equity shares	-	-
<b>Closing balance</b>	<b>51,96,530</b>	<b>51,96,530</b>
<b>General reserve</b>		
Balance as per last financial statements	3,62,649	3,62,649
Less: Utilized	-	-
<b>Closing balance</b>	<b>3,62,649</b>	<b>3,62,649</b>
<b>Surplus/(deficit) in the Statement of Profit and Loss</b>		
Balance as per last financial statements	(1,29,16,435)	(1,31,16,986)
Profit/ (loss) for the year	(1,67,93,177)	2,00,551
Less: Appropriations	-	-
<b>Total Surplus/(deficit) in the Statement of Profit and Loss</b>	<b>(2,97,09,612)</b>	<b>(1,29,16,435)</b>
<b>Other Comprehensive Income</b>		
<b>Closing balance</b>	<b>(2,41,50,433)</b>	<b>(73,57,256)</b>

**10 Trade Payables**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Sundry Creditors for Expenses	3,00,685	1,43,925
<b>Total Other Current Liabilities</b>	<b>3,00,685</b>	<b>1,43,925</b>

**11 Short Term Provisions**

PARTICULARS	As at 31st March, 2019	As at 31st March, 2018
Duties and Taxes Payable	3,40,892	-
<b>Total Short Term Provisions</b>	<b>3,40,892</b>	<b>-</b>

# ROCKON ENTERPRISES LIMITED

(FORMERLY KNOWN AS ROCKON FINTECH LIMITED)

(Amt in Rs.)

## 12 Revenue From Operations

PARTICULARS	YEAR ENDED 31ST MARCH, 2019	YEAR ENDED 31ST MARCH, 2018
Commodity Sales	1,07,23,550	1,01,04,900
Interest on Loan	81,05,138	86,27,265
<b>Total Revenue from Operations</b>	<b>1,88,28,688</b>	<b>1,87,32,165</b>

## 13 Other Income

PARTICULARS	YEAR ENDED 31ST MARCH, 2019	YEAR ENDED 31ST MARCH, 2018
Interest on Fixed Deposit	26,870	33,228
Long Term Gain /Loss on Share Trading	-	1,26,40,000
Short Term Capital Gain/ Loss	-	19,44,820
<b>Total Other Income</b>	<b>26,870</b>	<b>1,46,18,048</b>

## 14 Purchase of Traded Goods

PARTICULARS	YEAR ENDED 31ST MARCH, 2019	YEAR ENDED 31ST MARCH, 2018
Commodity Purchase	1,06,71,800	1,05,81,600
<b>Total Purchase of Traded Goods</b>	<b>1,06,71,800</b>	<b>1,05,81,600</b>

## 15 Employee benefit expenses

PARTICULARS	YEAR ENDED 31ST MARCH, 2019	YEAR ENDED 31ST MARCH, 2018
Salaries	8,24,383	6,03,333
Director Remuneration including sitting fees	30,000	1,45,000
Staff welfare expenses	3,880	10,404
<b>Total Employee Benefit Expenses</b>	<b>8,58,263</b>	<b>7,58,737</b>

## 16 Finance Charges

PARTICULARS	YEAR ENDED 31ST MARCH, 2019	YEAR ENDED 31ST MARCH, 2018
Bank Charges	690	733
Interest Expense	9,00,000	11,03,093
<b>Total Finance Charges</b>	<b>9,00,690</b>	<b>11,03,826</b>

## 17 Other Expenses

PARTICULARS	YEAR ENDED 31ST MARCH, 2019	YEAR ENDED 31ST MARCH, 2018
Audit Fees and Internal Audit Fees	1,56,000	1,18,000
Transaction Charges	27,922	81,940
Demat & Share Transfer Charges	10,725	54,424
Listing Fees	2,50,000	2,50,000
Share Transfer & Custodial Fees	1,26,566	1,08,057
Advertisement	27,687	31,982
Electricity	48,420	36,770
Printing, Stationery and postage charges	68,433	8,840
Professional Fees	33,500	75,500
Processing Charges	2,00,000	-
Rent, Rates & Taxes	35,989	31,282
RDC Expenses	11,400	10,100
Office Expenses	-	4,550
Telephone Expenses	3,311	4,405
Income/Loss From FNO	4,54,605	-
Short Term Capital Gain/Loss	98,163	-
Long Term Gain /Loss on Share Trading	49,71,870	-
Transportation Charges	2,250	2,090
Warehouse Storage Charges	3,000	8,000
Bad Debt	1,68,28,959	1,70,08,062
Conveyance Exp.	3,300	10,900
Insurance Charges	-	20,00,000
Other Exp	15,872	20,147
<b>Total Other Expenses</b>	<b>2,33,77,971</b>	<b>1,98,65,049</b>

Particulars	As at 31.03.19 Amount in (Rs.)	As at 31.03.18 Amount in (Rs.)
<b>NOTE : 18 - PAYMENT TO AUDITORS</b>		
a) Statutory Audit Fees	1,10,000	1,00,000
b) Internal Audit Fees	18,000	18,000
c) Other Audit Fees	28,000	
	1,56,000	1,18,000
<b>NOTE : 19 - EARNING PER SHARES (EPS)</b>		
Net profit after tax as per Profit & Loss Statement	(1,74,21,757)	9,99,346
Weighted average number of shares used as denominator for calculation of EPS	1,65,17,690	1,65,17,690
Basic & Diluted Earning per shares	(1.055)	0.061
Face value of Equity shares	10.00	10.00
<b>Note 20 : Contingent Liabilities and Commitments</b>		
Contingent Liabilities not provided for	35,17,462	35,17,462
Capital Commitment not provided for	NIL	NIL
Others	NIL	NIL

**Note 27. FAIR VALUE MEASUREMENTS**

a) Financial instruments by category

PARTICULARS	March,31, 2019			March,31, 2018		
	FVOCL	Amortised Cost	Cost	FVOCL	Amortised Cost	Cost
<b>Financial Assets</b>						
Investments	2,45,08,168			3,11,31,400		
Loans		11,53,26,486			13,34,31,339	
Trade Receivable		3,50,000			3,51,023	
Cash and cash equivalents		87,50,694			10,04,035	
Other Current Financial Assets		44,160			44,160	
<b>Total</b>	<b>2,45,08,168</b>	<b>12,44,71,341</b>	<b>-</b>	<b>3,11,31,400</b>	<b>13,48,30,557</b>	
<b>Financial Liabilities</b>						
Borrowings		1,12,60,000			1,04,50,000	
Trade Payables		3,00,697			1,43,925	
Other current financial liabilities		-			-	
<b>Total</b>	<b>-</b>	<b>1,15,60,697</b>	<b>-</b>	<b>-</b>	<b>1,05,93,925</b>	<b>-</b>

**28. FAIR VALUE HIERARCHY**

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

**Financial assets and liabilities measured at fair value**

PARTICULARS	March,31, 2019			March,31, 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Investments	77,89,268		1,67,18,900	1,49,31,400		1,62,00,000
Loans			11,53,26,486			13,34,31,339
Trade receivable			3,50,000			3,51,023
Cash and Cash Equivalents			87,50,694			10,04,035
Others Financial assets			44,160			44,160
<b>Financial Liabilities</b>						
Short term borrowings			1,12,60,000			1,04,50,000
Trade Payable			3,00,697			1,43,925
Other financial liabilities			-			-

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

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

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

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

Specific valuation techniques used to value financial instruments includes:

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

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

**(d) Fair value Estimations**

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

**Dividend/Interest-bearing investments**

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

**Trade & other receivable / Payables**

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

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

As per our Report of Even Date

For DMKH & Co.

Chartered Accountants

FRN:- 116006W

*Kartan*



Manish Kankani

(Partner)

M.No. -158020

Place : Mumbai

Date : 20/05/2019

For and on behalf of the Board of Directors  
of ROCKON ENTERPRISES LIMITED

*Tanu Agarwal*

Tanu Agarwal  
(Whole Time Director)  
DIN: 00290966

*Ranjan Patel*

Ranjan Patel  
(Company Secretary)

*Girraj Kishor Agrawal*

Girraj Kishor Agrawal  
(Director)  
DIN: 00290959

*Vinod Prabh*

Vinod Prabh  
( Chief Financial Officer )



*Pravin Chandak  
Associates*

Chartered Accountants

## Independent Auditor's Report

To the Members of  
**Banas Finance Limited**

### Report on the Standalone Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of **Banas Finance Limited** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2019, the statement of profit and loss, statement of changes in equity and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March 2019, and profit (financial performance including other comprehensive income) its cash flows and changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended 31<sup>st</sup> March 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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



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New Swapnalok CHS Ltd.,  
Natakwala Lane, Borivali (West),  
Mumbai - 4001192. Tel : 2801 6119  
Email : info@pravinca.com  
Website : www.pravinca.com



**Key audit matters****How our audit addressed the key audit matter****(A) Transition to Ind AS from Indian GAAP**

The standalone financial statements of the Company for the year ended March 31, 2019 have been prepared in accordance with Ind AS. For the purposes of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101, 'First-Time Adoption of Indian Accounting Standards', with April 01, 2017 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in material changes in:

- Classification and measurement of financial assets and financial liabilities
- Measurement of loan losses (expected credit losses)

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles.

Our audit procedures included:

- Evaluating the accounting interpretations for compliance with Ind AS and testing the adjustments and disclosures made on transition.
- The accounting policies reflected in the comparative information are consistent with those applied in the current period or, if there have been changes in accounting policies, whether those changes have been properly accounted for and adequately presented and disclosed.
- Assessed that the areas of significant estimates and management judgment are in line with principles under Ind AS.

**(B) Impairment of financial assets (expected credit losses)**

Ind AS 109 requires the Company to recognise impairment loss allowance towards its financial assets (designated at amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Such ECL allowance is required to be measured considering the guiding principles of Ind AS 109 including:

- unbiased, probability weighted outcome under various scenarios;
- time value of money;
- impact arising from forward looking macro-economic factors and;
- availability of reasonable and supportable information without undue costs.

Applying these principles involves significant estimation in various aspects, such as:

- grouping of borrowers based on homogeneity by using appropriate statistical techniques;
- staging of loans and estimation of behavioral life;
- determining macro-economic factors impacting credit quality of receivables;
- estimation of losses for loan products with

• We read and assessed the Company's Accounting policies for impairment of financial assets and their compliance with Ind AS 109.

• We evaluated the reasonableness of the Management estimates by understanding the process of ECL estimation.

• Tested the ECL model, including assumptions and underlying computation.

• Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults.

• Audited disclosures included in the Ind AS financial statements in respect of expected credit losses.



no/minimal historical defaults.

Considering the significance of such allowance to the overall financial statements and the degree of estimation involved in computation of expected credit losses, this area is considered as a key audit matter.

### Management's Responsibility for the Standalone Financial Statements

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

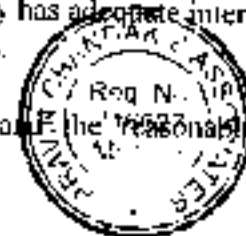
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

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

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

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

#### Other Matter

The Company is engaged in the business of financial services i.e. lending and trading in securities. Securities held for trading is disclosed as other financial assets (refer note no. 7). Revenue from operation of Rs. 3,41,49,004/- (Previous year Rs. 2,43,13,700/-) is of sale of securities. Purchase of Rs. 2,85,26,657/- (Previous year 1,72,23,277/-) in statement of profit and loss account is of securities held for trading. Change in securities held for trading is disclosed in statement of profit and loss.

Our opinion is not modified in respect of these matters.

#### Report on Other Legal and Regulatory Requirements

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

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

- 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.
- 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.
- The balance sheet, the statement of profit and loss, cash flow statement and statement of change in equity dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid standalone Ind AS financial statements comply with the



Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder:

- (c) on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act,
- (f) with respect to adequacy of internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
- (g) with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position in the aforesaid standalone Ind AS financial statements.
  - ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The company is not liable to transfer any amounts to the Investor Education and Protection Fund. Therefore, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Pravin Chandak & Associates**  
**Chartered Accountants**

Firm's registration number: 116627W

*N. Sampat*  
**Nishant Sampat**  
**Partner**

Membership number: 134410

Mumbai

31<sup>st</sup> May, 2019



## Annexure A to the Independent Auditors' Report- 31<sup>st</sup> March, 2019

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The company has a regular programme of physical verification of fixed assets. No material discrepancy was noticed during physical verification
- (c) The company does not have any immovable property hence the clause is not applicable.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on such verification.
- (iii) (a) The Company has granted loans to one party covered in the register maintained under section 189 of the Companies Act, 2013 (the Act) amount involved is Rs. 50,00,000/- and year-end balance is Rs. 10,75,000/-.
- (b) In the case of the loans granted to any parties in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(ii) (b) of the order is not applicable to the Company in respect of repayment of the principal amount.
- (c) There are no overdue amounts for period of more than ninety days in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) The company has complied with the provisions of section 185 & 186 of the Act except company has granted loans to 25 parties wherein interest charged is less than prevailing yield government security for relevant tenure. Amount of such loans as on 31st March, 2019 is Rs 7,91,79,035/- and company has granted loan to 52 party wherein no interest has been charged. Amount of such loans as on 31st March, 2019 is Rs. 12,73,20,984/-.
- (v) During the year, Company has not accepted any deposits from the public hence the clause is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities except professional tax of Rs. 7,800/-. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, were in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable except professional tax of Rs.



1,200/-.

- (vii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (viii) The Company has not raised any money by way of initial public offer or further public offer during the year. The company has not taken any term loans during the year.
- (ix) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (x) The company has paid managerial remuneration in accordance with provisions of the section 197 read with Schedule V of the Companies Act.
- (xi) The company is not a Nidhi Company hence the clause is not applicable.
- (xii) All the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the necessary details have been disclosed in the Financial Statements etc as required by the applicable accounting standards.
- (xiii) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xiv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xv) The company is required to be registered under section 45-IA of Reserve Bank of India Act, 1934 and it has obtained registration.

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

*NKSampat*

**Nishant Sampat**  
**Partner**  
Membership number: 134410  
Mumbai  
23<sup>rd</sup> May, 2019



**Annexure D to the Auditor's Report-31<sup>st</sup> March, 2019**

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

We have audited the internal financial controls over financial reporting of **M/s Banas Finance Limited** (the company) as of 31<sup>st</sup> March, 2019 in conjunction with our audit of the financial statements of the company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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



### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2019.

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

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

In our opinion, except for the effects / possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal





control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 financial statements of the Company, and the material weaknesses does not affect our opinion on the financial statements of the Company.

**FOR PRAVIN CHANDAK & ASSOCIATES**

**Chartered Accountants**

Firm's registration number: 116627W

*Nishant Sumpat*

**Nishant Sumpat**

**Partner**

Membership number: 134110

Mumbai

23<sup>rd</sup> May, 2019



**BANAS FINANCE LIMITED**  
**BALANCE SHEET AS AT 31st MARCH, 2019**

(Amount in Indian Rupees)

Particulars	Note	As at March 31, 2019 Amount (Rs.)	As at March 31, 2018 Amount (Rs.)	As at April 01, 2017 Amount (Rs.)
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash and cash equivalents	3	55,11,945	1,20,29,004	1,00,05,886
Bank balance (other than cash and cash equivalents)	4	10,00,000	-	-
Loans (At Amortised Cost)	5	32,52,27,926	31,41,75,157	34,69,94,285
Investments	6	2,84,86,700	1,55,45,465	-
Other financial assets	7	2,38,70,305	3,56,09,086	3,16,93,409
<b>Total Financial Assets</b>		<b>39,12,02,977</b>	<b>37,73,58,712</b>	<b>39,36,93,582</b>
<b>Non-financial Assets</b>				
Intangible Assets (net)	8	-	1,33,251	1,36,580
Property, plant and equipment	9	2,17,752	1,90,160	2,30,920
Other non-financial assets	10	73,47,278	85,74,340	1,07,08,859
<b>Total Non-financial Assets</b>		<b>75,65,030</b>	<b>87,03,751</b>	<b>1,10,76,359</b>
<b>Total</b>		<b>39,87,68,007</b>	<b>38,62,62,463</b>	<b>40,46,69,941</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
<b>Financial Liabilities</b>				
Trade payables		-	-	-
Short outstanding dues of micro enterprises and small enterprises		-	-	-
Long outstanding dues of creditors other than micro enterprises and small enterprises		1,35,727	1,17,814	1,41,550
Bank borrowings	10	4,55,42,397	4,85,49,987	6,88,41,421
Other financial liabilities	11	2,68,46,763	3,92,35,462	3,85,05,045
<b>Total Financial Liabilities</b>		<b>7,55,31,477</b>	<b>8,79,02,263</b>	<b>10,74,88,016</b>
<b>Non-financial liabilities</b>				
Provision	12	-	-	3,876
Other non-financial liabilities	13	17,600	21,052	26,628
<b>Total Non-Financial Liabilities</b>		<b>17,600</b>	<b>21,052</b>	<b>30,505</b>
<b>Equity</b>				
Equity share capital	14	11,37,60,000	11,37,00,000	11,37,50,000
Other equity	15	20,94,58,730	18,45,79,154	18,33,01,260
<b>Total equity</b>		<b>32,32,18,730</b>	<b>28,83,39,154</b>	<b>28,71,61,260</b>
<b>Total</b>		<b>39,87,68,007</b>	<b>38,62,62,463</b>	<b>40,46,69,941</b>
Significant Accounting Policies	1-33			
The accompanying notes are an integral part of financial statements				

As per our Report of Even Date  
For Pravin Chandak & Associates  
Chartered Accountants  
Firm Registration No 11652794

*NKSampark*  
NKSampark  
Partner  
Membership Number 134410



Mumbai  
Date: 23/05/2019

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

*Girraj*  
Girraj Nishor Agrawal  
[Director]  
DIN: 00290969

*Anil*  
Anil Bhatnagar  
[Managing Director]  
DIN: 05964404

*Prajna*  
Prajna Meik  
[Company Secretary]

*Vibhuti*  
Vibhuti Radia  
[Chief Financial Officer]

## BANAS FINANCE LIMITED

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

(Amount in Indian Rupees)

Particulars	Note	For the Year ended 31st March 2019	For the Year ended 31st March 2018
Revenue from operations			
Revenue from operations	16	5,00,16,049	4,20,06,617
Other Income	17	37,99,033	7,50,503
<b>Total Revenue</b>		<b>5,38,05,082</b>	<b>4,27,57,120</b>
Expenses			
Purchases	18	2,05,26,657	1,72,23,277
Changes in Securities held for trading		(17,79,671)	19,99,823
Employees benefits expense	19	23,73,010	10,55,258
Finance costs	20	1,80,922	50,624
Depreciation & Amortisation expenses	2	10,512	-
Impairment on financial instruments	21	54,85,265	1,97,21,182
Other Expenses	22	1,02,89,559	13,25,602
<b>Total expenses</b>		<b>4,50,86,265</b>	<b>4,13,75,765</b>
<b>PROFIT BEFORE TAX</b>		<b>87,18,817</b>	<b>13,91,354</b>
Tax expenses			
Current Tax		-	76,020
Deferred Tax		1,39,251	(2,670)
Tax of earlier years		(1,63,00,000)	1,31,310
<b>Total Tax expenses</b>		<b>(1,61,60,749)</b>	<b>2,03,660</b>
<b>PROFIT FOR THE YEAR</b>		<b>2,48,79,575</b>	<b>11,87,694</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Total Comprehensive income for the year</b>		<b>2,48,79,575</b>	<b>11,87,694</b>
Earning per equity share			
Basic & Diluted	29	2.19	0.10
Significant Accounting Policies	1-33		
The accompanying notes are an integral part of financial statements			

As per our Report of Even Date

For Pravin Chaudak & Associates  
Chartered Accountants

Firm Registration No. 110627W

*NKSampat*  
Nishant Sampat  
Partner

Membership Number 134410

Place: Mumbai

Date: 23/06/2019

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

*Girraj*  
Girraj Kishor Agrawal  
[Director]  
DIN: 00290959

*Praak*  
Praak Naik  
[Company Secretary]

*Amit*  
Amit Gulcha  
[Managing Director]  
DIN: 06864404

*Vibhuti*  
Vibhuti Vadla  
[Chief Financial Officer]

**BANAS FINANCE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amount in Indian Rupees)

Particulars	Year Ended 31st March, 2019		Year Ended 31st March, 2018	
<b>Cash Flow from Operating Activities</b>				
Profit Before Tax		67,18,827		13,91,554
Adjustment to reconcile profit before tax to net cash flows				
Depreciation	10,512			
Interest Income	(33,06,307)		16,87,085	
Interest From Alternate Investment Fund	(4,02,285)			
Dividend	-		(18,900)	
Interest Expense	1,80,922		50,624	
Expected Credit Loss	(1,23,88,699)		7,30,418	
Sundry Balance Withn Back			54,518	
Bad Debts	1,78,73,964		1,89,90,764	
Net Loss/(Gain) on fair value changes	75,13,950	94,02,357	(10,15,500)	1,81,04,839
<b>Operating Profit before Working Capital Changes</b>		18,12,186		1,94,90,393
<b>Working Capital changes</b>				
(Increase)/Decrease in Loans (At Amortised Cost)	(2,99,26,733)		1,38,28,394	
(Increase)/Decrease in Other Financial assets	(17,79,871)		19,99,823	
(Increase)/Decrease in Other non-financial assets	(1,38,825)		(2,33,025)	
Increase/(Decrease) in Trade payables	17,313		(23,736)	
Increase/(Decrease) in Other Non Financial Liabilities	(3,252)	(3,18,90,388)	(5,577)	1,55,85,853
<b>Cash Generated From Operations</b>		(1,37,09,183)		3,50,62,242
Less: Income Tax Paid		(1,75,86,089)		(21,43,412)
<b>Net Cash from Operating Activities - A</b>		39,16,908		3,72,05,654
<b>Cash Flow from Investing Activities</b>				
Interest Income	33,06,307		6,67,085	
Interest From Alternate Investment Fund	4,82,285			
Dividend	-		18,900	
Bank Deposits (More than 3 months & upto 12 months)	(13,00,000)			
Purchase of investment	(1,29,41,334)	(1,01,53,042)	(1,55,45,465)	(1,48,39,480)
<b>Net Cash from Investing Activities - B</b>		(1,01,53,042)		(1,48,39,480)
<b>Cash Flow from Financing Activities</b>				
Interest Expense	(1,80,922)		(50,624)	
Repayment of borrowings	-	(1,80,922)	12,02,92,434	(2,03,43,058)
<b>Net Cash from Financial Activities - C</b>		(1,80,922)		(2,03,43,058)
<b>Net Increase/Decrease in Cash and Cash Equivalents (A+B+C)</b>		(54,17,056)		20,23,117
<b>Cash and Cash Equivalents-Opening Balance</b>		1,20,29,804		1,00,05,088
<b>Cash and Cash Equivalents-Closing Balance</b>		66,12,748		1,20,28,004

As per our Report of Even Date  
 For Pravin Chandak & Associates  
 Chartered Accountants  
 (Firm Registration No 116827W)

*NKSampet*

Nishant Sampet  
 Partner  
 Membership Number: 13440



Place: Mumbai  
 Date: 23/05/2019

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

*Girraj*  
 Girraj Kishor Agrawal  
 [Director]  
 DIN: 00280959

*P. Naik*  
 Prajna Naik  
 [Company Secretary]

*Amit*  
 Amit Gulecha  
 [Managing Director]  
 DIN: 05964404

*Vishnu*  
 Vishnu Vadla  
 [Chief Financial Officer]

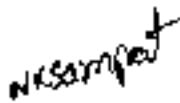
**BANAS FINANCE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019**

	Amount in Rs	Number of shares
<b>A Equity Share Capital</b>		
As at 1st April, 2017	11,37,60,000	11,37,60,000
Changes in equity share capital during 2017-18		(10,23,64,000)
As at 31st March, 2018	11,37,60,000	1,13,76,000
Changes in equity share capital during 2018-19		
As at 31st March, 2019	<b>11,37,60,000</b>	<b>1,13,76,000</b>

**B Other Equity**

Particulars	Other Equity			Total
	Reserves & Surplus			
	Securities premium account	Statutory Reserve	Retained Earnings	
Balance as at 1st April, 2017	28,71,80,000	2,34,810	(10,40,03,550)	18,33,91,260
Profit/loss for the Year			11,87,894	11,87,894
Other comprehensive income for the year				
Prior Period Income				
Tax on Prior Period Income				
Balance as at 31st March, 2018	28,71,60,000	2,34,910	(10,28,16,656)	18,46,79,154
Profit/loss for the Year			2,48,79,576	2,48,79,576
Div. Income Tax of earlier period			(20,22,076)	(20,22,076)
Other comprehensive income for the year				
Transferred from Statement of Profit and Loss		20,22,076		20,22,076
Balance as at 31st March, 2019	28,71,60,000	22,56,896	(7,99,58,156)	20,94,63,730

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

  
 Nishant Sampat  
 Partner  
 Membership Number: 134410

Place: Mumbai  
 Date: 23/05/2019

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

  
 Girraj Kishor Agrawal  
 [Director]  
 DIN: 00290959

  
 Amit Gulecha  
 [Managing Director]  
 DIN: 06964404

  
 Prajwal Mark  
 [Company Secretary]

  
 Vibhuti Vadla  
 [Chief Financial Officer]



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

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

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

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

##### Tangible Assets

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

##### Intangible Assets

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

##### a) Depreciation

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

##### b) Impairment of assets

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

#### J) Investments

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

#### K) Taxation

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







**(d) Measurement of ECL**

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

**M) Revenue recognition**

**Interest and related income**

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

**Dividend income**

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

**Sale of Securities held for trading**

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

**N) Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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



## NOTE - 2

## PROPERTY, PLANT &amp; EQUIPMENTS

PARTICULARS	GROSS CARRYING AMOUNT		Depreciation	ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT	
	1st April 2018	Addition		As at 31st March 2019	1st April 2018	Expenses for the year	As at 31st March 2018	As at 31st March 2019
<b>TANGIBLE ASSETS</b>								
Computers	12,39,088	38,134	-	10,46,328	10,512	10,59,440	2,17,752	1,90,150
<b>Total</b>	<b>12,39,088</b>	<b>38,104</b>	<b>-</b>	<b>10,46,328</b>	<b>10,512</b>	<b>10,68,440</b>	<b>2,17,752</b>	<b>1,90,150</b>

As Ind AS 101 permits a first-time adopter to continue with the carrying value for all its property, plant & equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure all its property, plant and equipment and intangible assets at their previous GAAP carrying value.

## 2.1 Additional Disclosure as per previous GAAP

Summary showing Original Book Value as per previous GAAP, comprising separate Original Cost and Accumulated Depreciation thereon, is as follows:

## PROPERTY, PLANT &amp; EQUIPMENTS

PARTICULARS	As at 1st April 2017		As at 31st March 2018		As at 31st March 2019	
	Original Cost	Accumulated Depreciation	Net Book Value	Accumulated Depreciation	Original Cost	Accumulated Depreciation
<b>TANGIBLE ASSETS</b>						
Air Conditioners and Cooling Tower	1,86,607	1,02,865	3,722	1,86,607	1,86,607	-
Office Equipments	1,92,724	1,78,743	12,981	1,92,724	1,92,724	-
Mobile	12,575	11,926	649	12,575	12,575	-
Furniture & Fixtures	3,66,566	3,44,150	22,416	3,66,566	3,66,566	-
Computers	12,39,086	10,46,328	1,90,160	10,46,928	12,77,152	2,17,752
<b>Total</b>	<b>18,97,562</b>	<b>17,68,642</b>	<b>2,30,920</b>	<b>18,07,402</b>	<b>20,35,666</b>	<b>2,17,752</b>



**BANAS FINANCE LIMITED**  
Notes forming part of the Accounts for the year ended 31st March 2019

(Amount in Indian Rupees)

Note	Particulars	As at March 31st, 2019	As at March 31st, 2018	As at April 01st, 2017
3	<b>Cash and cash equivalents</b>			
	Cash on hand	4,63,093	2,75,904	33,249
	Balances with Banks in current accounts	51,43,775	1,02,43,100	93,67,172
	Bank deposit with maturity of less than 3 months	5,076	15,10,000	5,05,467
		<b>56,11,944</b>	<b>1,20,29,004</b>	<b>1,00,05,888</b>
4	<b>Bank balance other than cash and cash equivalents</b>			
	Bank Deposits (More than 3 months & upto 12 months)	10,30,300	-	-
		<b>10,00,000</b>	-	-
5	<b>Loans (At Amortised Cost)</b>			
	Loans (Unsecured Repayable on demand)	32,82,27,926	31,41,75,157	34,69,94,265
		<b>32,82,27,926</b>	<b>31,41,75,157</b>	<b>34,69,94,265</b>
6	<b>Investments</b>			
	Investments in India (a)			
	Alternate Investment Fund	2,49,41,334	1,23,00,000	-
	Gold	36,45,465	36,45,465	-
	Total	2,84,86,799	1,59,45,465	-
	Investments outside India (b)	-	-	-
	Total (a+b)	<b>2,84,86,799</b>	<b>1,59,45,465</b>	-
7	<b>Other financial assets</b>			
	Securities held for trading	2,98,74,806	3,56,09,086	3,65,93,409
	Other receivable	1,500	-	-
		<b>2,98,75,306</b>	<b>3,56,09,086</b>	<b>3,65,93,409</b>
8	<b>Deferred tax assets (net)</b>			
	The balance comprises temporary differences attributable to			
	Tax Losses	-	1,39,251	1,36,580
		-	<b>1,39,251</b>	<b>1,36,580</b>
9	<b>Other non-financial assets</b>			
	Balance with statutory/government authorities	73,47,278	85,74,346	1,07,08,699
		<b>73,47,278</b>	<b>85,74,346</b>	<b>1,07,08,699</b>
10	<b>Borrowings</b>			
	Secured Loan Repayable on Demand	-	-	5,68,676
	Unsecured Loan Repayable on Demand	4,85,48,987	4,85,48,987	6,82,71,545
		<b>4,85,48,987</b>	<b>4,85,48,987</b>	<b>6,88,41,421</b>



**BANAS FINANCE LIMITED**

Notes forming part of the Accounts for the year ended 31st March 2019

(Amount in Indian Rupees)

Note	Particulars	As at March 31st, 2019	As at March 31st, 2018	As at April 01st, 2017
11	<b>Other Financial Liabilities</b>			
	Expected credit loss	2,68,46,763	3,92,35,482	3,65,05,045
		<b>2,68,46,763</b>	<b>3,92,35,482</b>	<b>3,65,05,045</b>
12	<b>Provisions</b>			
	Provision of taxation	-	-	3,876
		-	-	<b>3,876</b>
13	<b>Other Non Financial Liabilities</b>			
	Duties and Taxes payable	17,300	21,352	26,629
		<b>17,300</b>	<b>21,352</b>	<b>26,629</b>
14	<b>Equity Share Capital</b>			
	<b>Authorized Share Capital</b>			
	1,21,03,000 Equity Shares of Rs. 10 each	12,30,00,000	12,30,00,000	12,30,00,000
		<b>12,30,00,000</b>	<b>12,30,00,000</b>	<b>12,30,00,000</b>
	<b>Issued, Subscribed and Paid up</b>			
	11,37,60,000 Equity Shares of Rs. 10 each	11,37,60,000	11,37,60,000	11,37,60,000
	As at April 01, 2017, 11,37,60,000 Equity Shares of Rs. 1 Each			
	<b>Total Issued, Subscribed And Fully Paid Up Share Capital</b>	<b>11,37,60,000</b>	<b>11,37,60,000</b>	<b>11,37,60,000</b>

**a) Reconciliation of equity share capital**

Particular	As at 31st March 2019		As at 31st March 2018		As at 1st April 2017	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
At the beginning of the period	1,13,76,000	11,37,60,000	11,37,60,000	11,37,60,000	11,37,60,000	11,37,50,000
Issued during the year	-	-	-	-	-	-
Bought back during the period	-	-	-	-	-	-
Converted From Re. 1 to Rs. 10 Face Value of	-	-	10,23,84,000	-	-	-
Outstanding at the end of the period	<b>1,13,76,000</b>	<b>11,37,60,000</b>	<b>1,13,76,000</b>	<b>11,37,60,000</b>	<b>11,37,60,000</b>	<b>11,37,60,000</b>

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

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

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

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

Name of the Shareholders	As at 31st March 2019		As at 31st March 2018		As at 1st April 2017	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Chandrakanth Bajaj Finance	-	-	0,48,508	7.48%	84,88,096	7.48%
Hendful Investments Private Limited	14,50,000	12.75%	14,50,000	12.75%	1,45,00,000	12.75%
<b>TOTAL</b>	<b>14,50,000</b>	<b>12.75%</b>	<b>22,98,609</b>	<b>20.20%</b>	<b>2,29,85,096</b>	<b>20.20%</b>

**BANAS FINANCE LIMITED**

**Notes forming part of the Accounts for the year ended 31st March 2018**

(Amount in Indian Rupees)

Note	Particulars	As at March 31st, 2019	As at March 31st, 2018	As at April 01st, 2017
15	<b>Other Equity</b>			
	<b>Securities Premium reserve</b>			
	(Balance as per last financial statements)	28,71,60,000	28,71,60,000	28,71,60,000
	(Add: New Equity shares issued during the year at premium)	-	-	-
	Closing balance (i)	<b>28,71,60,000</b>	<b>28,71,60,000</b>	<b>28,71,60,000</b>
	<b>Statutory Reserves</b>			
	(Balance as per last financial statements)	2,34,810	2,34,810	2,34,610
	(Add: Transferred from statement of Profit and Loss)	20,22,076	-	-
	Closing balance (ii)	<b>22,66,886</b>	<b>2,34,810</b>	<b>2,34,810</b>
	<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>			
	(Balance as per last financial statements)	(10,28,15,656)	(10,40,03,500)	(5,25,24,004)
	(Profit/loss) for the year	2,48,79,576	11,07,884	(5,13,79,545)
	(Less: Transfer to statutory reserve)	(20,22,076)	-	-
	Closing balance (iii)	<b>(7,99,58,156)</b>	<b>(10,28,15,656)</b>	<b>(10,40,03,550)</b>
	<b>Total [(i)+(ii)+(iii)]</b>	<b>20,84,68,730</b>	<b>18,45,79,154</b>	<b>18,33,91,260</b>



**BANAS FINANCE LIMITED**  
**Notes forming part of the Accounts for the year ended 31st March 2019**

(Amount in Indian Rupees)

Note	Particulars	For the Year ended March 31st, 2019	For the Year ended March 31st, 2018
16	<b>Revenue from operations</b>		
	Sale of Securities	3,41,49,004	2,43,13,700
	Interest on loan	1,59,67,045	1,70,63,117
		<b>5,00,16,049</b>	<b>4,20,06,817</b>
17	<b>Other Income</b>		
	Dividend	-	18,900
	Interest Income on Fixed Deposit	1,43,940	59,114
	Sundry Balance Written Back	-	54,518
	Interest on Income Tax Refund	31,62,167	6,27,971
	Interest From Alternate Investment Fund	4,02,205	-
	Miscellaneous Income	741	-
		<b>37,89,033</b>	<b>7,60,603</b>
18	<b>Purchases</b>		
	Purchase of Securities	2,85,26,657	1,72,23,277
		<b>2,85,26,657</b>	<b>1,72,23,277</b>
19	<b>Employee benefits expense</b>		
	Director remuneration	1,75,316	4,59,438
	Director sitting fees	79,000	-
	Salary	21,16,344	5,83,220
	Staff Welfare	3,350	12,600
		<b>23,73,910</b>	<b>10,55,258</b>
20	<b>Finance costs</b>		
	Interest Expense	1,80,922	50,624
		<b>1,80,922</b>	<b>50,624</b>
21	<b>Impairment on financial instruments</b>		
	Expected Credit Loss	11,23,88,698	7,30,419
	Bad Debts	1,78,73,964	1,89,90,764
		<b>54,85,265</b>	<b>1,97,21,182</b>
22	<b>Other Expenses</b>		
	Advertising Expenses	26,791	31,401
	Auditor's Remuneration		
	Audit Fees	1,00,000	1,00,000
	Conveyance Expenses	8,675	13,610
	Customal Fees	-	1,34,787
	Depository charges	1,31,524	85,219
	Electricity Expenses	11,490	10,840
	SCD: fees	10,25,048	-
	Listing Fees	4,86,220	2,60,000
	Printing & Stationery Expenses	59,773	0,942
	Professional Fees	5,34,080	3,44,500
	Transaction charges	1,12,444	52,343
	Office Rent	1,20,000	30,000
	Membership Charges	15,450	20,900
	Traveling	-	5,08,546
	Conferences	-	7,01,762
	Secretarial Audit Fees	28,000	-
	Net Loss/(Gain) on fair value changes	75,13,950	(10,15,500)
	Stamp Duty on Share Transfer	31,458	-
	Mutual Fund Expenses	29,803	-
	Bank Charges	40,832	6,088
	Miscellaneous Expenses	32,101	34,052
		<b>1,02,89,559</b>	<b>13,25,602</b>



**NOTE 22: FIRST TIME ADOPTION OF IND AS**

**22.1 Transition to Ind AS**

The Company has adopted the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act 2013 from April 1, 2018 and accordingly financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS prescribed under Section 133 of the Companies Act 2013 read with the relevant rules issued thereunder. These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 March 2019. The comparative information presented for the year ended 31 March 2018 and in the preparation of an opening Ind AS balance sheet as at 1 April 2017 (the transition date).

In preparing the opening Ind AS balance sheet as at 1st April 2017, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards applied under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). The impact of transition has been made in the Financials as at 1st April 2017 in accordance with the Ind AS 101 and the figures of the previous year ended 31st April 2017 and 31st March 2018 have been presented/restated and incorporating the applicable Ind AS adjustments.

The explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following note and notes:

**22.2 Reconciliations between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows, from as reported in accordance with previous GAAP. The following tables represent the reconciliations from previous GAAP to Ind AS:

**22.1 Reconciliation of Balance Sheet as per previous GAAP and Ind AS\***

PARTICULARS	As at March 31, 2018			As at April 01, 2017		
	Previous GAAP	Adjustment	Ind AS	Regrouped GAAP	Adjustment	Ind AS
<b>ASSETS</b>						
<b>Financial Assets</b>						
Cash and cash equivalents	1,20,49,004	-	1,20,25,004	1,20,05,005	-	1,20,05,000
Bank balance (financial cash and cash equivalents)	31,41,75,157	-	31,41,75,157	34,55,94,285	-	34,55,94,285
Investments	1,55,45,465	-	1,55,45,465	-	-	-
Other financial assets	3,45,83,056	10,15,500	3,56,02,085	3,55,83,409	-	3,55,93,409
<b>Total Financial Assets</b>	<b>37,63,43,212</b>	<b>10,15,500</b>	<b>37,73,68,712</b>	<b>38,35,92,682</b>	-	<b>38,36,93,682</b>
<b>Non-Financial Assets</b>						
Intangible Assets (net)	1,26,251	-	1,26,251	1,26,250	-	1,26,250
Property, plant and equipment	1,80,166	-	1,80,166	2,20,920	-	2,20,920
Other non-financial assets	55,74,346	-	55,74,346	1,07,08,609	-	1,07,08,609
<b>Total Non-Financial Assets</b>	<b>49,03,757</b>	-	<b>49,03,757</b>	<b>1,10,76,199</b>	-	<b>1,10,76,199</b>
<b>Total</b>	<b>38,82,46,869</b>	<b>10,15,500</b>	<b>38,82,62,469</b>	<b>40,46,69,781</b>	-	<b>40,46,69,781</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Liabilities</b>						
<b>Financial liabilities</b>						
Trade payables						
Total outstanding dues of micro, small and medium enterprises						
Total outstanding dues of creditors (other than micro enterprises and small enterprises)	1,17,814	-	1,17,814	1,41,550	-	1,41,550
Loans	4,85,48,587	-	4,85,48,587	6,85,41,421	-	6,85,41,421
Other Financial liabilities	3,92,96,314	-	3,92,96,314	3,85,05,045	-	3,85,05,045
<b>Total Financial Liabilities</b>	<b>8,79,23,318</b>	-	<b>8,79,23,315</b>	<b>10,74,68,016</b>	-	<b>10,74,68,016</b>
<b>Non-financial liabilities</b>						
Provisions				3,875	-	3,875
Other Non-Financial Liabilities				26,829	-	26,829
<b>Total Non-Financial Liabilities</b>				<b>30,704</b>	-	<b>30,704</b>
<b>Equity</b>						
Reserve	11,27,60,000	-	11,27,60,000	11,27,60,000	-	11,27,60,000
Other equity	18,75,82,854	10,15,500	18,45,79,154	18,73,81,260	-	18,73,81,260
<b>Total equity</b>	<b>29,73,22,854</b>	<b>10,15,500</b>	<b>29,13,39,854</b>	<b>28,79,81,260</b>	-	<b>29,71,81,260</b>
<b>Total</b>	<b>38,82,46,869</b>	<b>10,15,500</b>	<b>38,82,62,469</b>	<b>40,46,69,781</b>	-	<b>40,46,69,781</b>

\* If the impact of the above disclosure figures in the previous GAAP have been restated to comply presentation requirements under Ind AS and the requirements laid down in Section 110 of the Schedule III of the Companies Act 2013.



PARTICULARS	Regrouped IGAAP	Adjustment	Ind AS
Revenue from operations			
Revenue from operations	4,20,06,817	-	4,20,06,817
Other Income	7,60,503	-	7,60,503
<b>Total Revenue</b>	<b>4,27,67,320</b>	<b>-</b>	<b>4,27,67,320</b>
Expenses			
Salaries	1,72,23,277	-	1,72,23,277
Changes in inventories	19,89,823	-	19,89,823
Employee benefit expense	10,65,258	-	10,65,258
Finance costs	50,624	-	50,624
Depreciation & Amortisation expenses	-	-	-
Impairment of financial instruments	1,87,21,182	-	1,87,21,182
Other expenses	23,41,162	(10,15,500)	13,25,662
<b>Total expenses</b>	<b>4,22,91,266</b>	<b>(10,15,500)</b>	<b>4,13,75,766</b>
<b>PROFIT BEFORE TAX</b>	<b>3,76,054</b>	<b>10,15,500</b>	<b>11,91,554</b>
Tax expenses			
Income Tax	75,020	-	75,020
Deferred Tax	12,670	-	12,670
Tax of earlier years	1,30,310	-	1,30,310
<b>Total tax expenses</b>	<b>2,08,000</b>	<b>-</b>	<b>2,08,000</b>
<b>PROFIT FOR THE YEAR</b>	<b>1,72,354</b>	<b>10,15,500</b>	<b>11,83,854</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Total Comprehensive Income for the year (VIH-VIII)</b>	<b>1,72,354</b>	<b>10,15,500</b>	<b>11,83,854</b>
Company's equity share			
Dividend Declared	0.015	0.009	0.104

The IGAAP figures have been reclassified to conform to the Ind AS presentation requirements for the purpose of this note.

**NOTE 24: EXPLANATORY NOTES TO FIRST TIME ADOPTION ARE AS FOLLOWS:**

(a) Fair Valuation of Investments

Under the previous GAAP, investments in equity were classified as long-term investments or current investments or Stock-in-trade based on the intended holding. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments and Stock-in-Trade were carried at lower of cost and fair value.

In accordance with Ind AS 109 (Financial Instruments), investment in equity have been classified as fair value through Profit & Loss Account. Securities held for trading is classified as other financial assets and valued at fair value through profit and loss account. Purchase and Sale of securities are disclosed as expenses and revenue from operations in the statement of profit and loss.

(b) Tax Implications

The impact includes deferred tax impact wherever applicable as per provisions of Ind AS 12 (Income Taxes) on account of difference between previous GAAP and Ind AS.

**NOTE 25: FINANCIAL RISK MANAGEMENT**

(a) Risk Management Framework

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

(b) Credit Risk

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

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

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

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

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

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

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD) along with an adjustment reflecting forward macro-economic conditions (for a detailed note on methodology of computation of ECL, please refer to significant accounting policies note no. 16.) to the financial statements.

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





As at 31 March 2019

Particulars	Unsecured		
	Stage 1	Stage 2	Stage 3
At Cost Carrying Value	26,59,04,733	9,52,30,751	1,91,12,462
Provision for Expected credit loss	-	70,73,301	1,80,73,462
Expected credit loss coverage ratio	0.00%	20.59%	93.79%

Provisions are reviewed for any for-valuation loss on periodically basis and necessary provision for valuation adjustments has been made based on the valuation carried by the independent valuer. In the event available surplus, the management does not expect any investment counterparty to fail to meet its obligations.

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

**Liquidity Risk management**

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

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



**NOTE 20:- FAIR VALUE MEASUREMENTS**

**a) Financial instruments by category**

PARTICULARS	March, 31, 2019			March, 31, 2018			April, 01, 2017		
	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost	Fair value through Profit and Loss Account	Fair value through Other Comprehensive Income	Amortised cost
<b>Financial Assets</b>									
Investments	2,49,41,334	-	35,45,455	1,20,00,000	-	35,45,455	-	-	-
Loans	-	-	32,62,27,920	-	-	31,41,75,157	-	-	34,69,94,285
Cash and cash equivalents	-	-	56,11,946	-	-	1,20,29,004	-	-	1,00,05,888
Bank balance other than cash	-	-	10,60,000	-	-	-	-	-	-
Other Financial Assets	2,96,74,806	-	1,560	3,56,09,086	-	-	3,55,93,409	-	-
<b>Total</b>	<b>5,48,16,140</b>	-	<b>33,63,86,337</b>	<b>4,76,09,086</b>	-	<b>32,97,49,626</b>	<b>3,55,93,409</b>	-	<b>35,70,00,173</b>
<b>Financial Liabilities</b>									
Borrowings	-	-	1,35,727	-	-	4,85,48,987	-	-	6,88,41,421
Trade Payables	-	-	4,85,48,987	-	-	1,17,814	-	-	1,41,550
Other financial liabilities	-	-	2,68,46,763	-	-	3,82,35,462	-	-	3,85,05,045
<b>Total</b>	-	-	<b>7,55,31,477</b>	-	-	<b>8,79,02,263</b>	-	-	<b>10,74,88,016</b>



**NOTE 27:- FAIR VALUE HIERARCHY**

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

**Financial assets and liabilities measured at fair value**

PARTICULARS	March, 31, 2019			March, 31, 2018			April, 01, 2017		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial Assets</b>									
Investments	2,49,41,334	-	35,45,465	1,20,00,000	-	35,45,465	-	-	-
loans	-	-	32,02,27,926	-	-	31,41,75,157	-	-	34,69,94,285
Cash and cash equivalents	-	-	56,11,946	-	-	1,20,28,004	-	-	1,00,05,888
Bank balance other than cash	-	-	10,00,000	-	-	-	-	-	-
Other Financial Assets	2,98,74,606	-	1,500	3,56,09,086	-	-	3,55,93,409	-	-
<b>Total</b>	<b>5,48,16,140</b>	-	<b>33,63,86,837</b>	<b>4,76,09,086</b>	-	<b>32,97,49,626</b>	<b>3,55,93,409</b>	-	<b>35,70,00,173</b>
<b>Financial Liabilities</b>									
Borrowings	-	-	1,35,727	-	-	4,85,48,967	-	-	6,88,41,421
Trade Payables	-	-	4,55,48,987	-	-	1,17,814	-	-	1,41,550
Other financial liabilities	-	-	2,68,46,763	-	-	3,92,35,462	-	-	3,85,05,045
<b>Total</b>	-	-	<b>7,59,31,477</b>	-	-	<b>8,79,02,263</b>	-	-	<b>10,74,88,016</b>

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

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

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

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

Specific valuation techniques used to value financial instruments includes:

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

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



(d) Fair value Estimation's

Estimated fair value disclosures of financial instruments are made in accordance with the requirements of Ind. AS 107 "Financial Instruments-Disclosure". Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in a arm's length transaction other than in forced or liquidation sale. As readily available market exists for a large part of the Company's Financial instruments, judgement is necessary in arriving at fair value based on current economic conditions and specific risk attributable to the instrument. The estimates presented herein are not necessarily indicative of the amount the Company could realize in a market exchange from the sale of its full

**Dividend/Interest-bearing investments**

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

**Trade & other receivable / Payables**

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

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



**NOTE 28 RELATIN PARTY TRANSACTIONS**

**a) List of Related Parties & Relationship .**

Sr.No	Name of the Related Party	Relation
1	Agrowal Bunko Limited	Group Company
2	Amn Ventures Pvt	Group Company
3	Amn Trade Union Ltd	Group Company
4	Amn Ventures Limited	Group Company
5	Arora Kishor Agarwal	Director
6	Arora Kishor Agarwal HUF	Relative of Director
7	Harshil Investments Pvt Ltd	Partners
8	Kayagiri Capital Market Pvt Ltd	Group Company
9	Pragati Enterprises Ltd	Group Company
10	Rachan Capital Market Pvt Ltd	Group Company
11	Trishul Enterprises Ltd	Group Company
12	Trishul Group Kishor Agarwal	Non independent Director
13	Amn Gokarna	Director
14	Harshdeep Kataria	Independent Director
15	Aradhya Bhat	Independent Director
16	Aradhya Bhat	Independent Director
17	Aradhya Bhat	Independent Director
18	Manoj Kulkarni	CFO**
19	Manoj Kulkarni	Company Secretary**
20	Manoj Kulkarni	Company Secretary**

**NOTE RESIGNATION/ APPOINTMENT\*\***

**b) Transaction with Related Parties .**

Sr. No	Name of the Related Party	Nature of Transaction	Transaction during the year 2016-2017	Transaction during the year 2017-2018
1	Pragati Enterprises Ltd	Share Purchase	1,25,50,000	
		Loan Given	5,50,000	
		Loan Given Repaid	7,50,000	
		Interest Received	1,111	
2	Amn Gokarna	Remuneration	1,45,375	4,40,000
		Advance Given		50,700
3	Aradhya Bhat	Remuneration		30,200
		Salary	7,000	1,70,220
4	Rachan Enterprises Ltd	Loan Taken	28,00,000	2,00,000
		Loan Repaid	30,00,000	2,00,000
		Interest Paid	4,212	
		Loan Taken	31,20,000	
5	Kayagiri Capital Market Pvt Ltd	Loan Repaid	91,26,000	
		Interest paid	10,147	
		Share Sales		4,81,120
		Loan Given	16,00,000	1,95,00,000
6	Trishul Finance Ltd	Loan Given Repaid	28,00,000	1,98,00,000
		Loan Taken	23,20,000	
		Loan Repaid	80,50,000	
		Interest Received	5,548	
7	Harshil Investments Pvt Ltd	Loan Given	50,00,000	53,50,000
		Loan Given Repaid	38,25,000	53,50,000
		Interest Received	81,404	11,50,000
		Loan Taken		15,50,000
8	Kapil Jain	Salary	6,81,500	
		Salary advance		
9	Arora Kishor Agarwal	Other expenses paid on behalf of the company		17,874
		Rent paid	1,20,000	
10	Kayagiri Capital Market Pvt Ltd	Share Sales		43,00,000
11	Trishul Bhat	Salary		9,000



**NOTE 20. EARNING PER SHARE (EPS)**

Particulars	As at 31.03.19 Amount in (Rs.)	As at 31.03.18 Amount in (Rs.)
Profit for the year after deducting minority Shareholders		
Weighted Average Number of Equity Shares Outstanding During the Year (Nos.)	248,79,976	11,67,894
Basic Earnings Per Share (Rs.)	110.75.000	112.76.000
Number of Equity Shares (Rs.)	2.74	0.10
	10.00	10.00

**NOTE 20. EMPLOYEE BENEFITS**

Provision for retirement benefits to employees was not provided in 2018-19, which is not in conformity with Ind AS 19 and the amount has not been provided because of the valuation of the plan is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Profit & Loss Account.

**NOTE 21. LOANS AND ADVANCES**

Majority of the loans given are demand loans. Details in some cases the terms of repayment and collateral agreement are not available. For Receivable loans are approved within all its laid down. Demand and other loans given are governed by the Board policies. Considered the direct monitoring of Board on approval, renewal, etc. periodic. Compliance of documents have been inspected and reviewed. In 2018-19, interest charged is less than prevailing yield government security for relevant loans. Amount of such loans as on 31st March, 2019 is Rs. 14,19,000/-, in 2018-19 interest has been charged. Amount of such loans as on 31st March, 2018 is Rs. 12,30,20,844/-.

**NOTE 22. SEGMENT REPORTING**

The Company's Managing Director (MD) is regarded as the Chief Operating Officer (COO) as defined by the Ind AS 100. Operating Segment is the COO's evaluation of the Company's performance and resources requirements based on an analysis of various performance indicators. However, the Company's primary engaged in only one segment of Chemical and Petrochemical Trading and that most of the operations are in India. Hence the Company does not have any reportable Segments as per Indian Accounting Standard 105 "Operating Segments".

**NOTE 23. MICRO, SMALL AND MEDIUM ENTERPRISES**

The Company has not received any information from any of its suppliers regarding their status as Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006. Hence, the Company is not reporting the details impact as at the end of the year along with related disclosures as required under the said Act in its report to the effect of the Company.

As per our Report of Even Date

For Pravin Chandak & Associates

Chartered Accountants

Mem. Registration No. 1192701

*NKSampath*

Nahath Sampath  
Partner

Membership Number: 104610

1st Floor, Myra  
10th Cross, 2nd Stage



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

*Ganesh Kumar Agrawal*

Ganesh Kumar Agrawal  
(Director)  
DIN: 00280539

*Praveen*

Praveen Malik  
(Company Secretary)

*Anil Bhatnagar*

Anil Bhatnagar  
(Managing Director)  
DIN: 00285604

*Vishal Kedia*

Vishal Kedia  
(Chief Financial Officer)

# DASSANI & ASSOCIATES

Chartered Accountants

## LIMITED REVIEW AUDIT

To,  
THE BOARD OF DIRECTORS,  
PROAIM ENTERPRISES LIMITED  
305, 3rd floor, Krishna Vishal Nagar Housing Society ,  
Marve Road, Mith Chowki, Malad West Mumbai Mumbai City MH 400064 IN

We have reviewed the accompanying statement of unaudited financial results of PROAIM ENTERPRISES LIMITED for the quarter ended September 30, 2019, being submitted by the company in pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, as modified by circular No. "CIR/CFD/FAC/62/2016".

This statement is the responsibility of the company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under section 133 of the companies act 2013 read with relevant rules issued there under and accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statement based on our review.

We conducted our review in accordance with the standards on review engagement (SRE) 2410, Engagement to Review Financial Statements issued by the institute of chartered accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited results prepared in accordance with applicable Indian Accounting Standards And accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by circular No. "CIR/CFD/FAC/62/2016" dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatements.

FOR: DASSANI AND ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Registration No. 009096C

CA CHHILL JAIN  
PARTNER  
M.No.: 409458  
Place: Indore

H.O.: 1-B, Sagar Matha Apartment, 18/7 M.G. Road, Indore-452001, Ph. 0731-4078559 E-Mail: dassanica@gmail.com

# PROAIM ENTERPRISES LIMITED

Regd. Off: Unit No. 305, Krishna Vishal Nagar Housing Society Ltd, Marve Road, With Chowki, Malad (W), Mumbai-64  
Email - shreenathcommercialfin@gmail.com | Website: www.shreenathcommercial.com

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2019 BSE CODE : 512105

Sl. No.	PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
						(In Lakhs)	
1	Income from Operations	31,154	41,000	-	72,154	-	335,165
2	Other Income	0,008	0,100	45,801	0,136	75,196	0,942
3	<b>Total Revenue</b>	<b>31,162</b>	<b>41,100</b>	<b>45,801</b>	<b>72,270</b>	<b>75,196</b>	<b>336,107</b>
	<b>Expenditure</b>						
	(a) Cost of materials consumed		-		-		-
	(b) Purchase of Stock in Trade		-		-		175,327
	(c) Changes in inventories of Finished goods, Work-in-progress & Stock in Trade		-		-		-
	(d) Finance cost	0,002	0,002	0,002	0,804	0,004	30,231
	(e) Bad debts	3,206	-		3,206		85,718
	(f) Employee benefit expenses	2,664	1,962	2,159	4,626	1,933	7,935
	(g) Depreciation & amortisation Expenses		-		-		-
	(h) Other Expenditure	1,698	52,62	39,209	54,336	169,074	106,253
4	<b>Total Expenses</b>	<b>7,570</b>	<b>54,581</b>	<b>41,370</b>	<b>62,151</b>	<b>173,016</b>	<b>405,463</b>
5	<b>Profit/(Loss) before Tax and Exceptional Items</b>	<b>23,592</b>	<b>(13,473)</b>	<b>3,712</b>	<b>10,119</b>	<b>(97,820)</b>	<b>(69,356)</b>
6	Exceptional Items						
7	<b>Profit/(Loss) from ordinary activities before tax</b>	<b>23,592</b>	<b>(13,473)</b>	<b>3,712</b>	<b>10,119</b>	<b>(97,820)</b>	<b>(69,356)</b>
8	<b>Tax Expenses</b>						
	(a) Current Tax						
	(b) Deferred Tax		-				
	<b>Total Tax Expenses</b>						60,493
9	<b>Net Profit/(Loss) for the period</b>	<b>23,592</b>	<b>(13,473)</b>	<b>3,712</b>	<b>10,119</b>	<b>(97,820)</b>	<b>(129,849)</b>
10	<b>Other Comprehensive Income/(Loss)</b>						
	Fair value changes of the equity instruments through OCI	(60,48)	19,518	74,684	(40,961)	80,540	(207,705)
	Income tax relating to items that will not be re-classified to profit or loss		-				-
	Items that will be re-classified Profit or loss		-				-
	Income tax relating to items that will be re-classified to profit or loss		-				-
10	<b>Total Comprehensive Income/(Loss)</b>	<b>(36,888)</b>	<b>6,045</b>	<b>78,395</b>	<b>(30,843)</b>	<b>(17,280)</b>	<b>(337,554)</b>
11	Paid-up Equity Share Capital, FV Rs.10/-	1,265,250	1,265,250	1,265,250	1,265,249	1,265,249	1,265,249
12	<b>Earning Per share (EPS) *Not annualised</b>						
	(a) Basic	(0.292)	(1.791)	0.620	(0.244)	(0.137)	(2.668)
	(b) Diluted	(0.292)	(1.791)	0.620	(0.244)	(0.137)	(2.668)

### Notes

- 1 The above Financial Results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2019.
- 2 The Statutory Auditors of the company have carried out a limited review of the result for the quarter and half year ended September 30, 2019. However, the management has exercised necessary due diligence to ensure that the standalone financial results provide true and fair view of its affairs.
- 3 The figures for the previous periods / year are re-classified / re-arranged / re-grouped, wherever necessary, to confirm current period classification.
- 4 This Result and Limited Review Report is available on company Website www.shreenathcommercial.com as well as BSE website www.bseindia.com
- 5 Investor Complaint for the Quarter Ended 30/09/2019: Opening - 0, Received - 0, Resolved - 0, Closing - 0.

MUMBAI  
13.11.2019



FOR PROAIM ENTERPRISES LIMITED

GIRRAJ KISHOR AGRAWAL  
DIRECTOR  
DIN:06290959



# PROAIM ENTERPRISES LIMITED

Regd. Off.: Unit No. 305, Krishna Vishal Nagar Co-op Housing Society Ltd, Marve Road, Mith Chowki, Malad (W), Mumbai-64  
Email - shreenathcommercialfin@gmail.com | Website: www.shreenathcommercial.com

## Statement of Assests and Liabilities as at March 31st, 2019

(Rs. In Lakhs)

Sr. No.	Particulars	As at 30th Sep, 19	As at 31st March, 19
1	<b>ASSETS</b>		
	<b><u>Non-current assets</u></b>		
(a)	Property, plant and equipment	0.37	0.37
(b)	Financial Asset	-	-
	(i) Investments	491.50	688.47
(c)	Deffered Tax Assets (net)	-	-
	<b>Total non-current assets</b>	<b>491.87</b>	<b>688.85</b>
	<b><u>Current assets</u></b>		
(a)	Inventories	-	-
(b)	Financial assets		
	(i) Investments	-	-
	(ii) Trade receivables	0.02	0.02
	(iii) Cash and cash equivalents	4.24	3.92
	(iv) Bank Balances other than above (iii)	12.99	233.81
	(iv) Loans & Advances	2,068.21	1,666.58
	(v) Other Financial Assets	-	-
(c)	Other Current Assets	-	37.66
	<b>Total Current Asset</b>	<b>2,085.46</b>	<b>1,941.98</b>
	<b>TOTAL ASSETS</b>	<b>2,577.33</b>	<b>2,630.83</b>
II.	<b>EQUITY AND LIABILITIES</b>		
1	<b>Equity</b>		
(a)	Share Capital	1,265.25	1,265.25
(b)	Other equity (Reserve & Surplus)	936.76	966.25
	<b>Equity attributable to shareholders of the Company</b>	<b>2,202.01</b>	<b>2,231.50</b>
(a)	Non-controlling interests	-	-
	<b>Total Equity</b>	<b>2,202.01</b>	<b>2,231.50</b>
2	<b>Liabilities</b>		
	<b><u>Non-Current Liabilities</u></b>		
(a)	Financial liabilities		
	(i) Long-term borrowings	-	-
	(ii) Trade Paybles	-	-
	(iii) Other financial liabilities	-	-
(b)	Provisions	-	-
(c)	Deffered Tax Liability (net)	27.49	27.49
(d)	Other Non Current Liability	-	-
	<b>Total Non-current liabilities</b>	<b>27.49</b>	<b>27.49</b>
	<b><u>Current liabilities</u></b>		
(a)	Financial Liabilities		
	(i) Short-term borrowings	346.50	367.80
	(ii) Trade Paybles	1.30	1.25
	(iii) Other financial liabilities	-	-
(b)	Other Current Liabilities (net)	-	-
(c)	Provisions	0.03	2.79
(d)	Current Tax Liability (net)	-	-
	<b>Total current liabilities</b>	<b>375.33</b>	<b>399.33</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,577.33</b>	<b>2,630.83</b>



# PROAIM ENTERPRISES LIMITED

Regd. Off.: Unit No. 305, Krishna Vishal Nagar Housing Society Ltd, Marve Road, Mith Chowki,  
Malad (W), Mumbai-64

Email - shreenathcommercialfin@gmail.com | Website: www.shreenathcommercial.com

## Cash flow for the Quarter Ended 30.09.2019

Particulars	As on 30 Sep 2019	As on 30 Sep 2018
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & Extraordinary Items	10.12	(97.82)
Adjustment for:		
Interest income		
Bad Debts		
(Profit)/Loss on Sale of Long Term Investments (Net)		
Provision for Other Current assets		
Fair value gain on financial instrument at fair value through OCI	(40.96)	80.54
Sundry balance written back (Net)		
Exchange Rate Fluctuation (Net)		
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(30.84)</b>	<b>(17.28)</b>
<b>ADJUSTMENTS FOR WORKING CAPITAL CHANGES :</b>		
Trade Receivables	-	0.03
Short Term Loans & Advances	(401.64)	(272.08)
Other Tax Assets		(74.02)
Other current Assets	37.66	(1.04)
Trade Payables	0.06	(65.85)
Short Term Borrowing	(21.30)	-
Other Long Term Liabilities		
Provision	(2.76)	-
Cash Generated from Operations	(418.83)	(430.24)
Direct Taxes paid/ Provided	-	
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(418.83)</b>	<b>(430.24)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Non Current Investments	163.86	393.92
Interest Received		
<b>NET CASH USED IN INVESTING ACTIVITY</b>	<b>163.86</b>	<b>393.92</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net (Decrease)/ Increase in Short Term Borrowings		
Interest Paid		
Loan Taken		
<b>NET CASH USED IN FINANCING ACTIVITY</b>	<b>-</b>	<b>-</b>
<b>NET CHANGES IN CASH &amp; CASH EQUIVALENTS(A+B+C)</b>	<b>(254.96)</b>	<b>(36.32)</b>
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>237.73</b>	<b>17.77</b>
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>17.23</b>	<b>18.55</b>
	<b>254.96</b>	<b>36.32</b>
	<b>(0.00)</b>	<b>(0.00)</b>



# AXON VENTURES LIMITED

Regd. Off: Shop No.26, Meera Co.-Op. Hsg Soc., New Link Road, Nr. Oshiwara Police Station,  
Andheri (W) Mumbai-53

Email - axoninfotechltd@gmail.com | Website: www.axoninfotech.in

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2019 BSE CODE : 505506

Sr. No.	PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income from Operations						
2	Other Income	7.704	31.781	152.743	39.483	211.067	321.820
3	Total Revenue	0.443	0.252	19.018	0.695	26.796	1.923
	Expenditure	8.147	32.033	171.759	40.180	237.853	323.744
	(a) Cost of materials consumed						
	(b) Purchase of Stock in Trade						
	(c) Changes in inventories of Finished goods, Work-in-progress & Stock in Trade	1.984	0.859	77.746	2.844	150.066	200.975
	(d) Finance cost	(1.904)	11.944	26.490	9.960	(21.483)	(18.942)
	(e) Employee benefit Expenses	0.032	0.008		0.010		0.358
	(f) Depreciation & amortisation Expenses	1.696	2.155	2.126	3.851	4.658	9.531
	(g) Bad Debts	0.042	0.005	0.005	0.048	0.010	0.021
	(h) Provision for bad and doubtful debts						
	(i) Other Expenditure	17.853	(21.857)				53.582
4	Total Expenses	8.090	4.264	51.044	(1.004)		61.031
5	Profit/(Loss) before Tax and Exceptional Items	27.683	(2.623)	157.412	12.354	153.560	76.285
6	Exceptional Items	(19.536)	34.654	14.347	25.061	286.811	392.042
7	Profit/(Loss) from ordinary activities before tax				15.119	(48.958)	(59.098)
	Tax Expenses	(19.536)	34.654	14.347	15.119	(48.958)	(59.098)
	(a) Current Tax						
	(b) Deferred Tax (Assets)/Liabilities						
8	Net Profit/(Loss) for the period						0.450
9	Other Comprehensive Income/(Loss)	(19.536)	34.654	14.347	15.119	(48.958)	(0.531)
	Fair value changes of the equity instruments through OCI	(39.632)	(31.326)	33.567	(70.958)	32.095	(253.103)
	Income tax relating to items that will not be re-classified to profit or loss	18.304	0.145		18.449		65.174
	Items that will be re-classified Profit or loss						
	Income tax relating to items that will be re-classified to profit or loss						
10	Total Comprehensive Income/(Loss)	(48.863)	11.473	47.915	(37.391)	(16.862)	(246.986)
11	Paid-up Equity Share Capital, FV Rs.10/-	764.000	764.000	764.000	764.000	764.000	764.000
12	Earning Per share (EPS) *Not annualised						
	(a) Basic	(0.256)	0.454	0.188	0.198	(0.641)	(0.772)
	(b) Diluted	(0.256)	0.454	0.188	0.190	(0.641)	(0.772)

**Notes**

- 1 The above Financial Results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 14th November 2019
- 2 The Statutory Auditors of the company have carried out a limited review of the result for the quarter and half year ended September 30, 2019. However, the management has exercised necessary due diligence to ensure that the standalone financial results provide true and fair view of its affairs.
- 3 The figures for the previous periods / year are re-classified / re-arranged / re-grouped, wherever necessary, to confirm current period classification.
- 4 The Company operates in Two Business Segment i.e. Commodity Trading Business and Finance Business Activities. Business segment has been identified as separable primary segment taking into Account the organizational and internal reporting structure as well as evaluation of risk and return of this segment.
- 5 This Result and Limited Review Report is available on company Website www.axoninfotech.in as well as BSE website www.bseindia.com
- 6 Investor Complaint for the Quarter Ended 30/09/2019. Opening - 0, Received - 0, Resolved - 0, Closing - 0.

MUMBAI  
16-11-19

FOR AXON VENTURES LIMITED

GIRRAJ KISHOR AGRAWAL  
DIRECTOR  
DIN:00290959



# AXON VENTURES LIMITED

Regd. Off: Shop No.26, Meera Co.-Op. Hsg Soc., New Link Road, Nr. Oshiwara Police Station, Andheri (W) Mumbai-53  
 Email - axoninfotechltd@gmail.com | Website: www.axoninfotech.in

## SEGMENT RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2019

BSE CODE : 505506

Sr. No	PARTICULARS	(In Lakhs)					
		Quarter Ended			Half Year Ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	
1	Segment Revenue						
	(a) Income from Glass Trading						
	(b) Income From Finance Business	0.000	15.551	137.033	15.551	178.357	257.749
	(c) Income from Textile Business	7.704	16.230	15.710	23.934	32.710	64.071
	(d) Other Operating Income						
	<b>Total Income from Operation</b>	<b>0.443</b>	<b>0.252</b>	<b>19.016</b>	<b>0.695</b>	<b>26.786</b>	<b>1.923</b>
	Less: Inter Segment Revenue						
	<b>Net sales/Income From Operations</b>	<b>0.443</b>	<b>0.252</b>	<b>19.016</b>	<b>0.695</b>	<b>26.786</b>	<b>1.923</b>
2	Segment Results						
	Profit/ Loss Before Tax and Interest from Each Segment						
	(a) Segment- Glass Trading						
	(b) Segment- Finance Business	(5.843)	2.633	4.623	(3.210)	0.280	20.989
	(c) Segment- Textile Trading	(10.149)	38.087	15.710	27.938	32.710	(50.900)
	<b>Total</b>	<b>(15.992)</b>	<b>40.720</b>	<b>20.333</b>	<b>24.728</b>	<b>40.990</b>	<b>(29.912)</b>
	Less: (i) Interest						
	(ii) Other unallocable Expenditure net off	3.987	6.317	25.002	10.305	116.734	31.110
	(iii) Un-allocable income	(0.443)	0.252	(19.016)	(0.695)	(26.786)	(1.923)
	<b>Total Profit Before Tax</b>	<b>(19.536)</b>	<b>34.654</b>	<b>14.347</b>	<b>15.119</b>	<b>(40.957)</b>	<b>(59.098)</b>
3	Capital Employed						
	(Segment Assets-Segment Liabilities)						
	(a) Glass Trading Business	50.010	61.740	59.432	50.010	59.432	62.260
	(b) Finance Business	969.093	1,016.530	1,242.722	969.093	1,242.722	956.011
	(c) Textile Trading Business						
	<b>Total Capital Employed</b>	<b>1,019.103</b>	<b>1,078.270</b>	<b>1,302.154</b>	<b>1,019.103</b>	<b>1,302.154</b>	<b>1,019.071</b>



# AXON VENTURES LIMITED

Regd. Off.: E-109, CRYSTAL PLAZA, NEW LINK ROAD, ANDHERI (W), MUMBAI -400 053,

## Statement of Assests and Liabilities as at 30th Sep 2019

(Rs In Lakhs)

Sr. No.	Particulars	As at 30th Sep 2019	As at 31st March 2019
<b>1</b>	<b>ASSETS</b>		
	<b>Non-current assets</b>		
(a)	Property, plant and equipment	0.538	0.317
(b)	Financial Asset	-	-
	(i) Investments	-	-
(c)	Deffered Tax Assets (net)	56.321	56.321
(d)	Other Non Current Assets	-	-
	<b>Total non-current assets</b>	<b>56.859</b>	<b>56.638</b>
	<b>Current assets</b>		
(a)	Inventories	8.982	18.942
(b)	Financial assets		
	(i) Investments	237.758	310.136
	(ii) Trade receivables	41.654	67.305
	(iii) Cash and cash equivalents	2.334	4.021
	(iv) Bank Balances other than above (iii)	3.211	78.272
	(v) Loans	693.855	614.615
	(v) Other financial assets	33.524	19.425
(b)	Current Tax Asset (net)	-	-
(c)	Other current assets	-	-
	<b>Total current assets</b>	<b>1,021.318</b>	<b>1,112.716</b>
	<b>TOTAL ASSETS</b>	<b>1,078.176</b>	<b>1,169.354</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
(a)	Share Capital	764.000	764.000
(b)	Other equity (Reserve & Surplus)	255.103	310.942
	<b>Equity attributable to shareholders of the Company</b>		
(a)	Non-controlling interests		
	<b>Total Equity</b>	<b>1,019.103</b>	<b>1,074.942</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
(a)	Financial liabilities		
	(i) Long-term borrowings	-	-
	(ii) Trade Paybles	-	-
	(iii) Other financial liabilities	-	-
(b)	Provisions	-	-
(c)	Deffered Tax Liability (net)	-	-
(d)	Other Non Current Liability	-	-
	<b>Total Non-current liabilities</b>	<b>-</b>	<b>-</b>
	<b>Current liabilities</b>		
(a)	Financial Liabilities		
	(i) Short-term borrowings	-	-
	(ii) Trade Paybles	1.416	32.379
	(iii) Other financial liabilities	57.027	61.031
(b)	Other Current Liabilities (net)	-	1.000
(c)	Provisions	0.631	-
(d)	Current Tax Liability (net)	-	-
	<b>Total current liabilities</b>	<b>59.074</b>	<b>94.410</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,078.176</b>	<b>1,169.352</b>

# AXON VENTURES LIMITED

Regd. Off: E-109, CRYSTAL PLAZA, NEW LINK ROAD, ANDHERI (W), MUMBAI -400 053,

## CASH FLOW FOR THE HALF YEAR ENDED 30.09.2019

BSE CODE : 505506

Particulars	Half-year ended September 30,	
	2019	2018
<b>A) Cash flow operating activities</b>		
Net profit before tax		
Adjustments :	15.12	(48.96)
Depreciation & amortisation expenses		
Bad debts	0.05	0.01
Provision for expected credit loss	-	36.62
Profit on sale of investments	(4.00)	45.66
Loss on sale of investments	-	(0.55)
(Gain)/Loss on Forex conversion rate	0.83	-
Operating profit before working capital changes	(0.25)	-
Adjustment for :-	<b>11.74</b>	<b>32.79</b>
(Increase)/ decrease inventories		
(Increase)/ decrease trade receivables	9.96	(21.48)
(Increase)/ decrease other financial assets	25.65	(35.78)
(Increase)/ decrease in loans	(14.43)	(14.91)
Increase/ (decrease) trade payable	(79.24)	19.26
Increase/ (decrease) other current liabilities	(30.96)	37.27
Net cash flow from operating activities	(1.00)	34.64
Less : taxes paid	<b>(78.28)</b>	<b>51.80</b>
Net cash flow from operating activities (a)	0.33	0.11
	<b>(77.95)</b>	<b>51.91</b>
<b>B) Cash flow from investment activities:-</b>		
Purchase of property plant & equipment	(0.27)	-
Purchase of investment	-	(23.18)
Sale of investment	1.46	1.40
Net cash used in investing activities (b)	1.19	(21.78)
<b>C) Cash flow from finance activities</b>		
Short term borrowings repaid	-	(30.00)
Net cash flow from finance activities (c)	-	(30.00)
Net (decrease)/increase in cash & cash equivalents (a+b+c)	<b>(76.75)</b>	<b>0.13</b>
Opening balance of cash & cash equivalents	<b>82.29</b>	<b>7.62</b>
Closing balance of cash & cash equivalents	<b>5.54</b>	<b>7.74</b>
Cash & cash equivalent comprise		
Cash & bank balances as per balance sheet	5.54	7.74
Less : bank overdraft shown in other current liabilities	-	-
Cash & cash equivalent at the end of the year	<b>5.54</b>	<b>7.74</b>





**LIMITED REVIEW REPORT**

TO,

**THE BOARD OF DIRECTORS,  
ROCKON ENTERPRISES LIMITED**

We have reviewed the accompanying statement of unaudited financial results of **Rockon Enterprises Limited** for the quarter ended September 30, 2019, being submitted by the Company in pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as modified by Circular No. "CIR/CFD/FAC/62/2016" dated July 05, 2016.

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under section 133 of the Companies Act 2013 read with relevant rules issued there under and accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review Conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards and accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. "CIR/CFD/FAC/62/2016" dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DMKH & Co.  
Chartered Accountants  
FRN 116886W

*Kankar*



CA Manish Kankar  
Partner  
M.No. 158020  
UDIN: 19158020AAAAMA4233  
Mumbai  
Date: 12<sup>th</sup> November, 2019

# ROCKON ENTERPRISES LIMITED

E - 109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai, Maharashtra, 400053  
Email - rockonfintech123@gmail.com | Website: www.rockonfintech.com


## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2019 BSE CODE : 531447

Sr. No.	PARTICULARS	Quarter Ended			Half Year ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		(In Lakhs)					
1	Income from Operations	16,689	24,700	20,185	41,389	45,505	188,207
2	Other income	0.011	0.010	-	0.021	-	0.269
3	<b>Total Revenue</b>	<b>16,700</b>	<b>24,710</b>	<b>20,185</b>	<b>41,410</b>	<b>45,505</b>	<b>188,556</b>
	<b>Expenditure</b>						
	(a) Cost of materials consumed	-	-	-	-	-	-
	(b) Purchase of Stock in Trade	-	-	-	-	-	-
	(c) Changes in inventories of Finished goods, Work-in-progress & Stock in Trade	-	-	-	-	-	106,718
	(d) Finance cost	-	-	-	-	-	-
	(e) Employee benefit Expenses	1,530	2,009	1,810	3,539	4,499	9,007
	(f) Bad Debts	1,607	-	-	1,607	-	8,583
	(g) Depreciation & amortisation Expenses	-	-	0.067	-	0.135	0.247
	(h) Other Expenditure	4,455	66,298	117,033	70,752	175,270	233,780
4	<b>Total Expenses</b>	<b>7,591</b>	<b>68,307</b>	<b>118,911</b>	<b>75,898</b>	<b>179,904</b>	<b>358,334</b>
5	<b>Profit/(Loss) before Tax and Exceptional items</b>	<b>9,109</b>	<b>(43,597)</b>	<b>(98,726)</b>	<b>(34,488)</b>	<b>(134,399)</b>	<b>(169,778)</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit/(Loss) from ordinary activities before tax</b>	<b>9,109</b>	<b>(43,597)</b>	<b>(98,726)</b>	<b>(34,488)</b>	<b>(134,399)</b>	<b>(169,778)</b>
	<b>Tax Expenses</b>						
	(a) Current Tax	-	-	-	-	-	-
	(b) Earlier years	-	-	-	-	-	4,409
	(c) Deferred Tax	-	-	-	-	-	0.030
8	<b>Net Profit/(Loss) for the period</b>	<b>9,109</b>	<b>(43,597)</b>	<b>(98,726)</b>	<b>(34,488)</b>	<b>(134,399)</b>	<b>(174,218)</b>
9	<b>Other Comprehensive Income/(Loss)</b>						
	Fair value changes of the equity instruments through OCI	1,213	63,101	33,694	64,315	47,850	(52,870)
	Income tax relating to items that will not be re-classified to profit or loss	-	-	-	-	-	15,246
	Items that will be re-classified Profit or loss	-	-	-	-	-	-
	Income tax relating to items that will be re-classified to profit or loss	-	-	-	-	-	-
10	<b>Total Comprehensive Income/(Loss)</b>	<b>10,322</b>	<b>10,504</b>	<b>(65,031)</b>	<b>29,827</b>	<b>(86,550)</b>	<b>(211,841)</b>
11	<b>Paid-up Equity Share Capital, FV Rs.10/-</b>	<b>1,651,769</b>	<b>1,651,769</b>	<b>1,651,769</b>	<b>1,651,769</b>	<b>1,651,769</b>	<b>1,651,769</b>
12	<b>Earning Per share (EPS) *Not annualised</b>						
	(a) Basic	0.055	(0.264)	(0.598)	(0.209)	(0.814)	(1.055)
	(b) Diluted	0.055	(0.264)	(0.598)	(0.209)	(0.814)	(1.055)

### Notes

- The above Financial Results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on November 12, 2019.
- The Statutory Auditors of the company have carried out a limited review of the result for the quarter ended September 30, 2019. However, the management has exercised necessary due diligence to ensure that the standalone financial results provide true and fair view of its affairs.
- The figures for the previous periods / year are re-classified / re-arranged / re-grouped, wherever necessary, to confirm current period classification.
- The Company operates in Two Business Segment i.e. Commodity Trading Business and Finance Business Activities. Business segment has been identified as separable primary segment taking into Account the organizational and internal reporting structure as well as evaluation of risk and return of this segment.
- This Result and Limited Review Report is available on company Website www.rockonfintech.com as well as BSE website www.bseindia.com
- Investor Complaint for the Quarter Ended 30/09/2019, Opening - 0, Received - 0, Resolved - 0, Closing - 0.

FOR ROCKON ENTERPRISES LIMITED

  
GIRRAJ KISHOR AGRAWAL  
DIRECTOR  
DIN-00290959

MUMBAI  
12-11-2019



# ROCKON ENTERPRISES LIMITED

Regd. Off.: E-109, CRYSTAL PLAZA, NEW LINK ROAD, ANDHERI (W), MUMBAI -400 053,

(Rs In Lakhs)

## Statement of Assets and Liabilities as at 30th September, 2019

Sr. No.	Particulars	As at 30th September, 2019	As at 31st March, 2019
<b>1</b>	<b>ASSETS</b>		
	<b>Non-current assets</b>		
(a)	Property, plant and equipment	0.042	0.042
(b)	Financial Asset		
	(i) Investments	200.264	245.082
(c)	Deferred Tax Assets (net)	39.443	39.443
(d)	Other Non Current Assets		
	<b>Total non-current assets</b>	<b>239.749</b>	<b>284.567</b>
	<b>Current assets</b>		
(a)	Inventories		
(b)	Financial assets		
	(i) Investments	-	-
	(ii) Trade receivables	3.530	3.500
	(iii) Cash and cash equivalents	7.474	5.298
	(iv) Bank Balances other than above (ii)	8.223	82.209
	(v) Loans	1,299.735	1,153.265
	(v) Other financial assets		
(b)	Current Tax Asset (net)		
(c)	Other current assets		0.442
	<b>Total current assets</b>	<b>1,318.961</b>	<b>1,244.713</b>
	<b>TOTAL ASSETS</b>	<b>1,558.710</b>	<b>1,529.280</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
(a)	Share Capital	1,651.769	1,651.769
(b)	Other equity (Reserve & Surplus)	(211.678)	(241.504)
	<b>Equity attributable to shareholders of the Company</b>	<b>1,440.091</b>	<b>1,410.265</b>
(a)	Non-controlling interests		
	<b>Total Equity</b>	<b>1,440.091</b>	<b>1,410.265</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
(a)	Financial liabilities		
	(i) Long-term borrowings	-	-
	(ii) Trade Paybles	-	-
	(iii) Other financial liabilities	-	-
(b)	Provisions	-	-
(c)	Deferred Tax Liability (net)	-	-
(d)	Other Non Current Liability	-	-
	<b>Total Non-current liabilities</b>		
	<b>Current liabilities</b>		
(a)	Financial Liabilities		
	(i) Short-term borrowings	112.600	112.600
	(ii) Trade Paybles	3.504	3.007
	(iii) Other financial liabilities		
(b)	Other Current Liabilities (net)		
(c)	Provisions	2.434	3.409
(d)	Current Tax Liability (net)		
	<b>Total current liabilities</b>	<b>118.619</b>	<b>119.016</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,558.710</b>	<b>1,529.280</b>

# ROCKON ENTERPRISES LIMITED

## CASH FLOW STATEMENT FOR HALF YEAR ENDED 30 SEP 2019

Particulars	Year Ended 30th September, 2019	Year Ended 30th September, 2018
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit Before Tax and Extraordinary items</b> (As per Profit and Loss Account)	(34,488)	(134,399)
Adjustments for:		
Depreciation	-	0.135
Remeasurements of Defined benefits obligation recognised in other comprehensive income	64,315	47,850
Provision for Investment Diminution	-	(41,270)
<b>Operating Profit before Working Capital Changes</b>	<b>29,827</b>	<b>(127,685)</b>
Adjustments for:		
(Increase)/Decrease in Inventories		
(Increase)/Decrease in Sundry Debtors	(0,030)	(0,073)
(Increase)/Decrease in Loans and Advances	(146,470)	107,891
(Increase)/Decrease in Other Current Assets	0,442	0,000
(Increase)/Decrease in Other Receivable		
Increase/(Decrease) in Trade Payables	0,577	3,552
Increase/(Decrease) in Current Liabilities		
(Increase)/Decrease in Short Term Provisions	(0,975)	-
<b>Cash Generated From Operations</b>	<b>(146,455)</b>	<b>111,371</b>
Less: Income Tax Paid of earlier year	-	
<b>Net Cash from / (Used in) Operating Activities A</b>	<b>(116,628)</b>	<b>(16,314)</b>
<b>Cash Flow from Investing Activities</b>		
Receipt of Security Deposit	-	(3,807)
Gain/Loss on sale of Investment		
Interest		
Sale of Investments	44,818	25,196
<b>Net Cash from / (Used in) Investing Activities B</b>	<b>44,818</b>	<b>21,389</b>
<b>Net Cash from Financial Activities C</b>	<b>-</b>	
<b>Net Increase/ Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>(71,810)</b>	<b>5,075</b>
<b>Cash and Cash Equivalents - Opening Balance</b>	<b>87,507</b>	<b>10,040</b>
<b>Cash and Cash Equivalents - Closing Balance</b>	<b>15,697</b>	<b>15,115</b>



# ROCKON ENTERPRISES LIMITED

E - 109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai, Maharashtra, 400053  
 Email - rockonintech123@gmail.com | Website: www.rockonintech.com

## SEGMENT RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30.09.2019 BSE CODE : 531447

(In Lakhs)

Sr. No.	PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		(Unaudited)	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	<b>Segment Revenue</b>						107,236
	(a) Income from Commodity Business						81,051
	(b) Income from Finance Business	16,689	24,700	20,185	41,369	45,505	0,269
	(c) Other Operating Income				0,021	0,320	
	<b>Total Income from Operations</b>	<b>16,689</b>	<b>24,700</b>	<b>20,185</b>	<b>41,410</b>	<b>45,505</b>	<b>108,556</b>
	Less: Inter-Segment Revenue						
	Less: Sales/Income from discontinued operations	16,689	24,700	20,185	41,410	45,505	108,556
	<b>Segment Results</b>						
	<b>Profit/ Loss Before Tax and Interest from Each Segment</b>						
	(a) Segment - Commodity Business						0,518
	(b) Segment - Finance Business	16,689	24,700	20,185	41,369	45,505	(96,245)
	<b>Total</b>	<b>16,689</b>	<b>24,700</b>	<b>20,185</b>	<b>41,369</b>	<b>45,505</b>	<b>(95,727)</b>
	Less: (i) Interest						
	(ii) Other unallocable Expenditure net off	7,591	60,307	118,911	75,898	179,904	74,319
	(iii) Un-allocable income	(0,011)	0,010	-	0,021		0,269
	<b>Total Profit Before Tax</b>	<b>9,109</b>	<b>(43,597)</b>	<b>(98,726)</b>	<b>(34,488)</b>	<b>(134,399)</b>	<b>(169,779)</b>
	<b>Capital Employed</b>						
	(Segment Assets - Segment Liabilities)						
	(a) Commodity Business						
	(b) Finance Business	1,440,091	1,429,769	1,446,411	1,440,091	1,446,565	1,410,265
	<b>Total Capital Employed</b>	<b>1,440,091</b>	<b>1,429,769</b>	<b>1,446,411</b>	<b>1,440,091</b>	<b>1,446,565</b>	<b>1,410,265</b>





Pravin Chandak  
Associates

Chartered Accountants

**Independent Auditors' Limited Review Report on the  
Unaudited Standalone Quarterly Financial Results**

To the Board of Directors of  
**BANAS FINANCE LIMITED**

We have reviewed the accompanying statement of unaudited financial results of **BANAS FINANCE LIMITED** for the quarter ended on 30<sup>th</sup> September 2019, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This statement which is the responsibility of the company's management and has been approved by the Board of Directors has been prepared in accordance with applicable Indian Accounting Standards (Ind AS) as prescribed under section 133 of Companies Act, 2013 read with relevant rules issued there under and other generally accepted accounting principles in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come out to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Ind AS specified under section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) Rule, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, read with circular number CIR/CDF/FAC/62/2016 dated July 05, 2016 of SEBI including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Pravin Chandak & Associates  
Chartered Accountants  
(Firm Registration No. 116527W)

*NKSampat*  
Nishant Sampat  
Partner

Membership No. 134410  
Place: Mumbai  
Date: 14<sup>th</sup> November, 2019  
UDIN: 19134410AAAAAQ6487



403, 4th Floor & 702/703, 7th Floor,  
New Swapnalok CHS Ltd.,  
Natakwala Lane, Borivali (West),  
Mumbai - 400 092. Tel : 2801 6119  
Email : info@pravinca.com  
Website : www.pravinca.com

# BANAS FINANCE LIMITED

Regd. Off. : E-109, CRYSTAL PLAZA,  
NEW LINK ROAD, ANDHERI (W), MUMBAI -400 053  
Email - banasfin@gmail.com | Website: www.banasfinance.com

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEP. 2019 BSE CODE : 509053

Sr. No	PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.06.2019	31.03.2019
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
							(In Lakhs)
1	<b>Income</b>						
	Revenue from operations						
(i)	Interest Income						
(ii)	Dividend Income	90.80	73.80	0.00	164.10	91.17	158.67
(iii)	Rental Income	0.00	0.00	0.00	0.00	0.00	0.00
(iv)	Fees and commission income	0.00	0.00	0.00	0.00	0.00	0.00
(v)	Net gain on fair value changes	0.00	0.00	0.00	0.00	0.00	0.00
	Net gain on derecognition of financial instruments under amortised cost category	0.00	0.00	0.00	0.00	0.00	0.00
(vi)	Sale of products (including Excise Duty)	0.00	0.00	0.00	0.00	0.00	0.00
(vii)	Sale of services	0.00	0.00	0.00	0.00	0.00	0.00
(viii)	Other revenue from operations	0.00	27.33	0.00	27.33	240.74	341.49
1	Other income						
	<b>Total other revenue from operations</b>	<b>3.65</b>	<b>3.79</b>	<b>30.46</b>	<b>7.44</b>	<b>487.23</b>	<b>37.89</b>
	<b>Total Revenue From Operations</b>	<b>93.99</b>	<b>104.62</b>	<b>30.46</b>	<b>196.88</b>	<b>829.14</b>	<b>536.05</b>
2	<b>Expenses</b>						
	Cost of materials consumed						
	Purchases of stock-in-trade						
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.00	69.69	-174.50	69.68	215.40	285.27
	Employee Benefit expense	5.87	8.58	-15.66	14.45	1.02	-17.80
	Finance costs	5.63	5.50	5.11	11.15	9.7170	23.73
	Depreciation, depletion and amortisation expense	0.00	0.00	0.00	0.0035	0.00	1.81
	Fees and commission expense	0.00	0.03	0.00	0.06	0.04	0.11
	Net loss on fair value changes	0.00	0.00	0.00	0.00	0.00	0.00
	Net loss on derecognition of financial instruments under amortised cost category	0.00	0.00	0.00	0.00	0.00	0.00
	Impairment on financial instruments	0.00	0.00	0.00	0.00	0.00	0.00
(i)	Other expenses						
	Bad Debts	-25.87	25.87	157.89	0.00	272.45	170.74
(ii)	Other Expenditure	35.45	46.96	362.56	82.42	306.34	102.90
	<b>Total other expenses</b>	<b>9.59</b>	<b>72.83</b>	<b>530.21</b>	<b>82.42</b>	<b>638.80</b>	<b>281.64</b>
	<b>Total profit before exceptional items and tax</b>	<b>21.14</b>	<b>166.62</b>	<b>634.59</b>	<b>177.76</b>	<b>864.99</b>	<b>480.86</b>
3	<b>Tax expense</b>						
4	Exceptional items	72.82	-51.70	-654.13	21.12	-35.85	87.19
5	Total profit before tax						
6	Current tax						
7	Deferred tax	11.34	0.94	0.00	52.28	0.00	0.00
8	Tax of earlier years						1.39
	<b>Total tax expenses</b>	<b>0.00</b>	<b>0.94</b>	<b>0.00</b>	<b>0.00</b>	<b>-153.00</b>	<b>-163.00</b>
9	Net movement in regulatory deferral account balances related to profit or loss and the related deferred tax movement	0.00	0.00	0.00	12.28	-93.56	-161.61
10	<b>Net Profit/Loss for the period from continuing operations</b>	<b>72.82</b>	<b>-52.64</b>	<b>-654.13</b>	<b>8.84</b>	<b>127.15</b>	<b>248.89</b>
11	Profit (loss) from discontinued operations before tax						
12	Tax expense of discontinued operations						
13	Net profit (loss) from discontinued operation after tax						
14	Share of profit (loss) of associates and joint ventures accounted for using equity method						
15	<b>Total profit (loss) for period</b>	<b>72.82</b>	<b>-52.64</b>	<b>-654.13</b>	<b>8.84</b>	<b>127.15</b>	<b>248.89</b>
16	Other comprehensive income net of taxes						
17	<b>Total Comprehensive Income for the period</b>	<b>72.82</b>	<b>-52.64</b>	<b>-654.13</b>	<b>8.84</b>	<b>127.15</b>	<b>248.89</b>
18	<b>Total profit or loss, attributable to</b>						
	Profit or loss, attributable to owners of parent						
	Total profit or loss, attributable to non-controlling interests						
19	<b>Total Comprehensive income for the period attributable to</b>						
	Comprehensive income for the period attributable to owners of parent						
	Total comprehensive income for the period attributable to owners of parent non-controlling interests						
20	<b>Details of equity share capital</b>						
	Paid-up equity share capital	1137.60	1137.60	1137.60	1137.60	1137.60	1137.60
	Face value of equity share capital						
21	<b>Details of debt securities</b>						
22	<b>Reserves excluding revaluation reserve</b>						



19 Earnings per share							
<b>Earnings per equity share for continuing operations</b>							
Basic earnings per share from continuing operations	0.64	-0.46	-5.75	0.08	1.12	2.19	
Diluted earnings per share from continuing operations	0.64	-0.46	-5.75	0.08	1.12	2.19	
<b>Earnings per equity share for discontinued operations</b>							
Basic earnings per share from discontinued operations							
Diluted earnings per share from discontinued operations							
<b>Earnings per equity share</b>							
Basic earnings per share	0.60	-0.46	-5.75	0.08	1.12	2.19	
Diluted earnings per share	0.60	-0.46	-5.75	0.08	1.12	2.19	
20 Debt equity ratio	-	-	-	-	-	-	-
21 Debt service coverage ratio	-	-	-	-	-	-	-
22 Interest service coverage ratio	-	-	-	-	-	-	-

**Notes**

- The above Financial Results were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 14/11/2019.
- In respect of Application with BSE regarding Merger of Rodcon Enterprises Limited, Axon Ventures Limited and Provis Enterprises Limited with Banas Finance Limited, the company has received "Observation Letter" dated 08th April 2019 from BSE and subsequently the Company has filed petition for Merger with NCLT on 07th May 2019.
- Results for the quarter and half year ended September 30, 2019 are in compliance with Indian Accounting Standards (Ind AS) in terms of SEBI's circular bearing no CIR/CFD/FAC/2015 dated July 5, 2010. The results for the quarter and half year ended September 30, 2019 have been restated to comply with Ind AS and are comparable on like to like basis.
- The Company is engaged in the business of trading in securities. Securities held for trading purpose are treated as stock-in-trade. Sale of securities of Rs. 27.33 Lakhs for the quarter ended June 30, 2019, Rs. 95.47 Lakhs for the quarter ended March 31, 2019 and purchase of securities of Rs. 69.68 Lakhs for the quarter ended June 30, 2019, Rs. 265.27 lakhs for the year ended March 31, 2019 and Rs. 89.21 Lakhs for the quarter ended March 31, 2019 has been included in purchase of stock-in-trade.
- The Company operate in single reportable segment only in accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2008.
- This Result and Annual Report is available on company Website [www.banasfinance.com](http://www.banasfinance.com) as well as BSE website [www.bseindia.com](http://www.bseindia.com)
- Investor Complaint for the Quarter Ended 30/09/2019: Opening - 0, Received -0, Resolved -0, Closing - 0.

MUMBAI  
14.11.2019

FOR BANAS FINANCE LIMITED

GIRRAJ KISHOR AGRAWAL  
DIRECTOR  
DIN:0280959



**BANAS FINANCE LIMITED**  
 Regd. Off.: E-109, CRYSTAL PLAZA,  
 NEW LINK ROAD, ANDHERI (W), MUMBAI -400 053  
 Email - banasfin@gmail.com | Website: www.banasfinance.com

**Statement of Assests and Liabilities as at Sep 2019**

Rs. In Lakhs

Sr. No.	Particulars	As at 30th Sep, 19	As at 31st March, 19
<b>1</b>	<b>ASSETS</b>		
	<b>Non-current assets</b>		
(a)	Tangible Assets	2.12	2.18
(b)	Financial Asset	-	-
	(i) Investments	386.41	284.87
(c)	Deffered Tax Assets (net)	-	-
(d)	Other Non Current Assets	-	-
	<b>Total non-current assets</b>	<b>388.53</b>	<b>287.05</b>
<b>2</b>	<b>Current assets</b>		
(a)	Inventories	-	-
(b)	Financial assets		
	(i) Investments	-	-
	(ii) Trade receivables	-	-
	(iii) Cash and cash equivalents	35.43	56.12
	(iv) Bank Balances other than above (iii)	10.36	10.00
	(v) Loans & Advances	3,531.51	3,262.28
	(vi) Other financial assets	-	-
	(vii) Inventories	-	-
(b)	Current Tax Asset (net)	318.92	298.76
(c)	Other current assets	-	-
	<b>Total current assets</b>	<b>64.22</b>	<b>73.47</b>
	<b>TOTAL ASSETS</b>	<b>3,960.44</b>	<b>3,700.63</b>
		<b>4,348.97</b>	<b>3,987.68</b>
<b>II.</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
(a)	Share Capital	1,137.60	1,137.60
(b)	Other equity (Reserve & Surplus)	2,103.43	2,094.59
	<b>Equity attributable to shareholders of the Company</b>	<b>3,241.03</b>	<b>3,232.19</b>
(a)	Non-controlling interests	-	-
	<b>Total Equity</b>	<b>3,241.03</b>	<b>3,232.19</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
(a)	Financial liabilities		
	(i) Long-term borrowings	-	-
	(ii) Trade Paybles	-	-
	(iii) Other financial liabilities	-	-
(b)	Provisions	-	-
(c)	Deffered Tax Liability (net)	-	-
(d)	Other Non Current Liability	-	-
	<b>Total Non-current liabilities</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Current liabilities</b>		
(a)	Financial Liabilities		
	(i) Short-term borrowings	797.49	485.49
	(ii) Trade Paybles	3.36	1.36
	(iii) Other financial liabilities	-	-
(b)	Other Current Liabilities (net)	0.24	0.18
(c)	Short Term Provisions	306.85	268.46
(d)	Current Tax Liability (net)	-	-
	<b>Total current liabilities</b>	<b>1,107.94</b>	<b>755.49</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,348.97</b>	<b>3,987.68</b>



**BANAS FINANCE LIMITED**  
**Regd. Off.: E-109, CRYSTAL PLAZA,**  
**NEW LINK ROAD, ANDHERI (W), MUMBAI -400 053**  
**Email - banasfin@gmail.com | Website: www.banasfinance.com**

**Cash Flow Statement**

(Amount in Lakhs)

Particulars	For half year ended 30 09-2019	For the year ended 31 03-2019
<b>Cash Flow from Operating Activities</b>		
Profit Before Tax	21.12	87.19
Adjustment to reconcile profit before tax to net cash flows:		
Depreciation	0.06	0.11
Interest From Alternate Investment Fund	(6.06)	(4.82)
Expected Credit Loss	65.69	(123.89)
Bad Debts	-	178.74
Net Loss/(Gain) on fair value changes	(26.94)	75.14
<b>Operating Profit before Working Capital Changes</b>	<b>53.87</b>	<b>212.46</b>
<b>Working Capital changes</b>		
(Increase)/Decrease in Loans (At Amortised Cost)	(274.19)	(299.27)
(Increase)/Decrease in Other financial assets	-	(17.80)
(Increase)/Decrease in Other non-financial assets	9.25	(1.99)
(Increase)/Decrease in Trade Receivable	(20.16)	-
Increase/(Decrease) in Trade payables	2.01	0.18
Increase/(Decrease) in Other Current Liabilities	0.06	-
Increase/(Decrease) in Other Non Financial Liabilities	-	(0.03)
<b>Cash Generated From Operations</b>	<b>(229.17)</b>	<b>(106.44)</b>
Less: Income Tax Paid Earlier Year	-	(176.86)
<b>Net Cash from Operating Activities A</b>	<b>(229.17)</b>	<b>70.42</b>
<b>Cash Flow from Investing Activities</b>		
Interest From Alternate Investment Fund	6.06	4.82
Bank Deposits (More than 3 months & upto 12 months)	(0.38)	(10.00)
Purchase of Investment	(109.22)	(129.41)
<b>Net Cash from Investing Activities B</b>	<b>(103.52)</b>	<b>(134.59)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from borrowings	312.00	-
<b>Net Cash from Financial Activities C</b>	<b>312.00</b>	<b>-</b>
<b>Net Increase/ Decrease in Cash and Cash Equivalents (A+B+C)</b>	<b>(20.69)</b>	<b>(64.17)</b>
Cash and Cash Equivalents-Opening Balance	56.12	120.29
Cash and Cash Equivalents-Closing Balance	35.43	56.12





DCSiAMAL/SDI1454/2019-20

April 8, 2019

The Company Secretary,  
**Proaim Enterprises Ltd.**  
 Unit No. 305, 3rd floor,  
 Krishna Vishal Nagar Housing Society Ltd  
 Marve Road, Malvi Chowk, Malad (W)  
 Mumbai, Maharashtra- 400064.

Sir

**Sub: Observation letter regarding the Draft Scheme of Amalgamation of Proaim Enterprises Limited, Axon Ventures Limited, Rockon Enterprises Limited with Banas Finance Limited.**

We are in receipt of Draft Scheme of Amalgamation of Proaim Enterprises Limited, Axon Ventures Limited, Rockon Enterprises Limited with Banas Finance Limited and their respective Shareholders and Creditors filed as required under SEBI Circular No. CFD/CIL.3/CIR/2017/21 dated March 10 2017, SEBI vide its letter dated April 5, 2019 has inter alia given the following comment(s) on the draft scheme of amalgamation:

- "The scheme shall be implemented only after seeking approval of the majority of public shareholders through postal ballot and e-voting"
- "Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall duly comply with various provisions of the Circulars."
- "The Company may be advised to bring notice of NCLT that SEBI vide its order dated 27/04/2019 had levied penalty of Rs 10,00,000/- and the Company has filed an appeal against the order in SAT."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website
- To duly comply with various provisions of the circulars

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted

(2)

companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

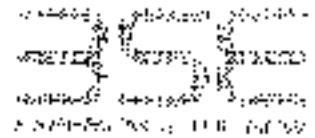
The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



Nilinkumar Patil  
Senior Manager



DCS(AMAL)/SD/1455/2019-20

April 8, 2019

The Company Secretary,  
Axon Ventures Ltd.  
E-109, Crystal Plaza, New Link Road,  
Opp. Infiniti Mall, Andheri (West),  
Mumbai, Maharashtra- 400053

Sir,

**Sub: Observation letter regarding the Draft Scheme of Amalgamation of Proaim Enterprises Limited, Axon Ventures Limited, Rockon Enterprises Limited with Banax Finance Limited.**

We are in receipt of Draft Scheme of Amalgamation of Proaim Enterprises Limited, Axon Ventures Limited, Rockon Enterprises Limited with Banax Finance Limited and their respective Shareholders and Creditors filed as required under SEBI Circular No. CFC/DILJ/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated April 5, 2019 has inter alia given the following comment(s) on the draft scheme of arrangement:

- "The scheme shall be implemented only after seeking approval of the majority of public shareholders through postal ballot and e-voting"
- "Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchange."
- "Company shall duly comply with various provisions of the Circulars."
- "The Company may be advised to bring notice of NCLT that SEBI vide its order dated 27/04/2019 had levied penalty of Rs. 10,00,000/- and the Company has filed an appeal against the order in SAT."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website
- To duly comply with various provisions of the circulars

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement so as to enable the company to file the scheme with Hon'ble NCLT

Further, when application in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017

(2)

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its No adverse observation at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observation does not preclude the Company from complying with any other requirements.

Yours faithfully,


  
 Nitinkumar Pujari
   
 Senior Manager

DCS/AMAL/PB/1456/2019-20

April 08, 2019

The Company Secretary  
 Rockon Enterprises Limited  
 E-102, Crystal Plaza, New Link Road,  
 Andheri (W), Mumbai, Maharashtra, 400053.

Sir

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- The Company may be advised to bring notice of NCLT that SEBI vide its order dated 27/04/2019 had levied penalty of Rs 10,00,000/- and the Company has filed an appeal against the order in SAT.
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
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In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/pre-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about Unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

(2)

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observer Letter shall be six months from the date of this letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements

Yours faithfully



**Nitinkumar Pujari**  
Senior Manager

DCS/AMAL/PB/1453/2019-20

April 03, 2019

The Company Secretary,  
**Danas Finance Limited**  
 E-109 Crystal Plaza, New Link Road  
 Andheri (W) Mumbai Maharashtra 400053.

Sir

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- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

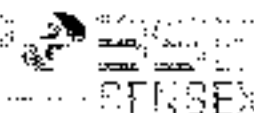
Accordingly, based on aforesaid comment offered by SEBI the company is hereby advised:

- To provide additional information, if any (as stated above) along with various documents to the Exchange for further dissemination on Exchange website
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/ceasing-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Yours faithfully,



SEBI Limited, Formerly Securities and Exchange Board of India  
 Registered Office: Plot No. 34/35/36/37, Con. Street, Market, 400 001, India  
 Tel: 022-22177144-45, Fax: 022-22177144, E-mail: secy@sebi.gov.in, www.sebi.gov.in  
 Corporate Identity Number: L57120M-2005-AG-03180



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(2)

Kindly note that as required under Regulation 37(3) of SECI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



**Nitinkumar Pujari**  
Senior Manager





**By Speed post**

गैडेंपवि.(मुंक्षेका).कनिप्र 1.सं. 316/12.02.74/2017-18 August 31, 2018

The Chairman  
Banas Finance Ltd  
E-109, CRYSTAL PLAZA, NEW LINK ROAD,  
ANDHERI (WEST),  
MUMBAI 400053

महोदय /Dear Sir,

**Scheme of amalgamation – Between Proaim Enterprises Limited, Axon Ventures Limited, Rockon Enterprises Limited and Banas Finance Limited**

<p>कृपया उपर्युक्त विषय पर 10 अगस्त, 2018 के आपके उपर्युक्त पत्र को देखें।</p> <p>2. इस संबंध में, हम सलाह देते हैं कि समामेलन की योजना पर बैंक को कोई आपत्ति नहीं है।</p> <p>3. हम सूचित करते हैं कि आप हमारे पत्र प्राप्त होने के 15 दिनों के भीतर निम्नलिखित दस्तावेज प्रस्तुत करें।</p> <p>ए) इस आशय का बोर्ड संकल्प कि कंपनी ने आज तक सार्वजनिक जमा स्वीकार नहीं किया है और न ही सार्वजनिक जमा राशि रखी है।</p> <p>बी) वैधानिक लेखा परीक्षक का प्रमाण पत्र कि कंपनी ने आज तक सार्वजनिक जमा स्वीकार नहीं किया है और न ही सार्वजनिक जमा राशि रखी है।</p> <p>सी) समेकित इकाई की समामेलन पश्चात बैलेंस शीट और वर्ष 2018-19, 2019-20 और</p>	<p>Please refer to your letter dated August 10, 2018 on the captioned subject.</p> <p>2. In this connection, we advise that Bank has no objection to the Scheme of amalgamation.</p> <p>3. We advise you to submit the following documents within 15 days of receipt of our letter.</p> <p>a) Board Resolution stating therein that the Company has not accepted nor holds public deposits as on date.</p> <p>b) Statutory Auditor's Certificate stating that the Company has not accepted nor holds public deposits as on date.</p>
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गैर बैंकिंग पर्यवेक्षण विभाग, भारतीय रिज़र्व बैंक, मुंबई क्षेत्रीय कार्यालय, मुंबई सेंट्रल रेलवे स्टेशन के सामने, भावछाना, मुंबई-400008. Department of Non-Banking Supervision, Mumbai Regional Office, 3rd Floor, Reserve Bank of India, Opp. Mumbai Central Railway Station, Byculla, Mumbai 400008.  
फोन Tel: (91-22) 23084121; फैक्स Fax: (91-22) 23022011 ई-मेल e-mail : drbmsro@rbi.org.in

हिन्दी आसान है, इसका प्रयोग बढ़ाइए

Caution: RBI never sends mails, SMS or makes calls asking for personal information like bank account details, passwords etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.

<p>2020-21 के लिए लेखापरीक्षित बैलेंस शीट प्रस्तुत करें।  डी) इस मामले में बैंक को एनसीएलटी का अंतिम आदेश जमा करें।  4. कंपनी को समय पर वैधानिक और COSMOS रिटर्न जमा करने की सलाह दी जाती है और यह भी सलाह दी जाती है की वह बैंक को समय-समय पर सम्मेलन के मामले में विकास के बारे में अपडेट करें।</p>	<p>c) Submit post amalgamation balance sheet of the consolidated entity and audited balance sheets for years 2018-19, 2019-20 and 2020-21.  d) Submit final order of NCLT in the matter to Bank.  4. The company is also advised to Submit statutory and COSMOS returns in time and keep Bank updated about developments in the matter of amalgamation periodically.</p>
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भवदीय,

*Asw*  
(अशोक एस कुशवाहा)  
सहायक महाप्रबंधक

**BAGARIA & CO LLP**  
CHARTERED ACCOUNTANTS

701, Stanford,  
Junction of S. V. Road and Burfiwala  
Marg, Andheri (West),  
Mumbai - 400 058  
Tel: 6250 5600

## Valuation Report

For Axon Ventures Limited, the Transferor Company and Banas  
Finance Limited, the Transferee Company.

**By**  
**Bagaria & Co LLP**  
**Chartered Accountants**

701, Stanford, Junction of S. V. Road and Burfiwala Marg,  
Andheri (West), Mumbai - 400058.  
Tel: 6250 5600

**BAGARIA & CO LLP**  
CHARTERED ACCOUNTANTS

701, Stanford,  
Junction of S. V. Road and Burfiwala  
Marg, Andheri (West),  
Mumbai - 400 058  
Tel: 6250 5600

May 7, 2018

**The Board of Directors**  
**Axon Ventures Limited**

Shop no. 26, Meera Co-op Hsg Soc.  
New Link Road,  
Near Oshiwara Police Station,  
Andheri (West), Mumbai - 400053

**The Board of Directors**  
**Banas Finance Limited**

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

**Sub: Valuation of Shares and Share Exchange Ratio for Proposed Scheme of Amalgamation between Axon Ventures Limited (the Transferor Company or "Axon") and Banas Finance Limited (the Transferee Company or "Banas") and their respective shareholders and creditors**

We thank Banas Finance Limited ("Banas") and Axon Ventures Limited ("Axon") for appointing us to carry out valuation of shares of Banas and Axon in pursuance of the scheme of amalgamation.

We have conducted our valuation exercise using various parameters on the basis of information/documents and explanations provided to us by the management of your Company. Based on the same, our report on valuation of Shares of Axon and Banas is submitted herewith for your kind reference. Needless to mention, we have not independently verified the accuracy of the information provided to us.

Should you require any further information/clarifications, please do not hesitate to contact us.

For the proposed amalgamation, we are submitting herein our recommendation of Fair Value of share along with Swap Ratio for allotment of Equity shares of **Banas Finance Limited (the Transferee Company or "Banas") to Equity shareholders of Axon Ventures Limited (the Transferee Company or "Axon")**.

**Swap Ratio Calculation:**

**Exchange Ratio**

Banas Finance Limited (The Transferee Company or "Banas") shall without any further application or deed, issue and allot **48 (Forty Eight) equity shares** of the face value of Rs. 10 each (Rupees Ten only) credited as fully paid-up to all shareholders of Transferor Company and whose name appears in the Register of Members of Transferor Company on the Record Date, **in respect of every 100 (One hundred) equity shares** of the face value of Rs. 10 each fully paid up.

We hereby recommend allotment of above equity shares in the matter of proposed Scheme of Amalgamation between Axon Ventures Limited, (the Transferor Company or "Axon") and Banas Finance Limited (the Transferee Company or "Banas") and their respective shareholders and creditors.

Thanking you and assuring you of best of our professional services at all times.

Yours sincerely

For Bagaria & Co LLP  
Chartered Accountants


Rahu Bagaria  
Partner  
Mem. No. 145377

## Index

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### **I : PURPOSE & ENGAGEMENT**

As mentioned above, Axon Ventures Limited, the Transferor Company and Banas Finance Limited, The Transferee Company, have jointly appointed Bagaria & Co. LLP – Chartered accountants, Mumbai to carry out the valuation of equity shares & share exchange ratio for allotment of equity shares to the shareholders of Axon Ventures Limited.

### **II : SOURCE OF INFORMATION**

During the course of our analysis, we were supplied with various written & verbal information which we have relied upon. The set of information/document which has been furnished to us are as under.

- Audited financials for the period ended March 31, 2017 and March 31, 2018
- Business plan provided by the management for the period FY19 to FY23
- Memorandum and Articles of Association
- Necessary information, explanation and data relevant to the present valuation exercise provided by management from time to time through discussions or emails
- Information available in public domain

It may be mentioned that the management of the Companies has been provided with an opportunity to review factual information in our draft report as part of our standard practice to make sure that factual inaccuracies are avoided in our final report.

### **III : VALUATION METHODS AND CONCLUSION**

Valuation of shares is an art and not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be even prepared to pay goodwill. There are number of methodologies available for the valuation of shares and it is purely valuer's discretion as to which method is to be used and the same differs on the basis of the facts and circumstances of the case. Each of the methods has its aptness, depending upon the objectives of the valuation.

**We have used following approaches and methods for valuation of shares of transferor and transferee company**

1. Asset approach - Book Value Method
2. Income approach - Discounted Cashflow Method
3. Market approach - 26 weeks / 2 weeks weighted average price

#### **Asset Approach**

This valuation approach assumes that the Fair Value is determinant of the Net Assets held up in the business. We have calculated net asset value of the business based on the balance sheet of transferor and transferee company as at 31.03 2018.

#### **Income Approach**

Income Approach determines the value of a business based on its ability to generate desired economic benefit for the capital providers. The Income Approach involves valuation methods that convert future anticipated economic benefits into a single present value. In the present case we have used Discounted Cash Flow ("DCF") Method to arrive at the value of shares. The DCF method discounts projected future cash earnings back to present value at a rate that reflects the risk inherent in the projected earnings.

#### **Market Approach**

The Market Approach technique is based on the value of the company on the basis of shares of the company trading on a recognized stock exchange, or comparing the company's multiple with those of its peers. In the present case, since the transferor and transferee companies are listed on BSE, value per share is determined by following pricing provisions of the ICDR Regulations. As per the provisions, the shares shall not be issued at a lower than the higher of the following:

- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date



It may be herein noted that Stock Exchanges have issued a circular to the Listed Companies (BSE Circular LIST/COMP/02/2017-18 dated May 29, 2017) ("the Circular"), on advice by SEBI, laying down the format in which the valuation report shall display workings, relative fair value per share fair share exchange ratio. The disclosure in the format suggested by the stock exchange is as under:

Particulars	Transferor Company		Transferee Company	
	Value per share	Weight	Value per share	Weight
Asset Approach	17.30	2	26.14	2
Income Approach	22.14	3	52.64	3
Market Approach	2.81	1	5.28	1
<b>Relative value per share</b>	<b>17.27</b>		<b>35.91</b>	
<b>Exchange ratio (rounded off)</b>			<b>0.48</b>	

#### IV : NOTICE

This Report is furnished solely for the working of valuation of Equity shares as on April 1 2018 of Banas Finance Limited, the Transferee Company to Equity shareholders of Axon Ventures Limited, the Transferor Company for proposed Scheme of Amalgamation

#### V : DISCLAIMER / CAVEATS

- a. This confidential report is prepared by Bagaria & Co. LLP solely for the purpose set out in the report. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued and the purpose mentioned herein. We will not accept any responsibility to any other party to whom this report may be shown or who may acquire a copy of the report, without our written permission in each instance. The material is true only as of the date of this letter. We assume no responsibility to update or revise the opinion based upon events or circumstances that occur later on.
- b. We have prepared this report based on the information provided, explanation given and representations made by management of the respective companies involved in

- the proposed scheme. We have neither checked nor independently verified such information and representations. We have solely relied on explanations, information, papers, reports, documents and statements provided by the management and accepted all those information provided to us as consistent and accurate on "as is" basis and have included the information provided in this report in good faith and in the belief that such information is neither false nor misleading.
- c. Our work does not constitute an audit, due diligence or certification of the historical or projected financial statements of the Company. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this Report.
- d. This Report is issued on the understanding that management of Axon Ventures Limited, The Transferor Company and Banas Finance Limited, the Transferee Company has drawn our attention to all matters of which they are aware concerning the financial position of the business of the Company, which may have an impact on our report up to the date of issue. We, however, have no obligation to update this report for events, trends or transactions relating to the company or the market/economy in general & occurring subsequent to the date of this report. We do not hold ourselves responsible or liable, for any losses, damages, costs, expenses or outgoings whatsoever and howsoever caused, incurred, sustained or arising out of errors due to false, misleading, wrong provisioning, assurance or incomplete information or documentation being provided to us or due to any acts, or omissions of any other person.
- e. Provision of valuation recommendations and considerations of the issues described herein are areas of our regular corporate advisory practice.
- f. The scope of our work has been limited in terms of the purpose of valuation mentioned in Para 1 of this report. There may be matters, other than those noted in this report, which might be relevant in the context of any other purpose and which a wider scope might uncover. The valuation exercise is carried out using generally accepted valuation methodologies, the relative emphasis of each often varying, based on several specific factors. The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concern, certain valuation techniques have evolved over time and are commonly in use, which we have

applied in.

- g. Any valuation is based on certain assumptions as to discount rate, weights to various components of value, calculation methodologies etc., and the present exercise is of no exception. Further, we might not have been provided with the exact data, requiring us to make assumptions therefore. Moreover, all the assumptions are discretionary and subjective and we do not assume any responsibility for accuracy, preciseness or appropriateness of any one or more of the assumption(s) made by us for arriving at the valuation as aforesaid.
- h. Bagaria & Co. LLP has taken due care and caution in carrying out valuation solely for the internal use only of the Company on the basis of the information / documents provided by the Company and/or obtained by Bagaria & Co. LLP from sources considered reliable. Bagaria & Co. LLP does not guarantee the accuracy, adequacy or completeness of the information / documents / report and is not responsible for any errors or for the results obtained from the use of the same. Bagaria & Co. LLP especially states that it has no financial liability whatsoever to the Company or any other user of the report. Neither the valuation report nor its contents may be referred to or quoted to/in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties without our prior written consent. We retain the right to deny permission for the same.

**BAGARIA & CO LLP**  
CHARTERED ACCOUNTANTS

701, Stanford,  
Junction of S. V. Road and Burfiwala  
Marg, Andheri (West),  
Mumbai - 400 058  
Tel : 6250 5600

## Valuation Report

For Proaim Enterprises Ltd., the Transferor Company and Banas  
Finance Limited, the Transferee Company.

By  
**Bagaria & Co LLP**  
Chartered Accountants

701, Stanford, Junction of S. V. Road and Burfiwala Marg,  
Andheri (West), Mumbai - 400058.  
Tel: 6250 5600

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**BAGARIA & CO LLP**  
CHARTERED ACCOUNTANTS

701, Stanford,  
Junction of S. V. Road and Burfiwala  
Marg, Andheri (West),  
Mumbai - 400 058  
Tel : 6250 5600

May 7, 2018

**The Board of Directors**  
**Proaim Enterprises Limited**  
E-109, Crystal Plaza,  
New Link Road, Opp. Infinity Mall,  
Andheri (West), Mumbai - 400053

**The Board of Directors**  
**Banas Finance Limited**  
E-109, Crystal Plaza,  
New Link Road,  
Opp. Infinity Mall,  
Andheri (West), Mumbai - 400053

**Sub:** Valuation of Shares and Share Exchange Ratio for Proposed Scheme of Amalgamation between Proaim Enterprises Limited (the Transferor Company or "Proaim") and Banas Finance Limited (the Transferee Company or "Banas") and their respective shareholders and creditors

We thank Banas Finance Limited ("Banas") and Proaim Enterprises Limited ("Proaim") for appointing us to carry out valuation of shares of Banas and Proaim in pursuance of the scheme of amalgamation.

We have conducted our valuation exercise using various parameters on the basis of information/documents and explanations provided to us by the management of your Company. Based on the same, our report on valuation of Shares of Proaim and Banas is submitted herewith for your kind reference. Needless to mention, we have not independently verified the accuracy of the information provided to us.

Should you require any further information/clarifications, please do not hesitate to contact us.

For the proposed amalgamation, we are submitting herein our recommendation of Fair Value of share along with Swap Ratio for allotment of Equity shares of **Banas Finance Limited (the Transferee Company or "Banas")** to Equity shareholders of **Proaim Enterprises Limited (the Transferee Company or "Proaim")**.



**BAGARIA & CO LLP**  
CHARTERED ACCOUNTANTS

701, Stanford,  
Junction of S. V. Road and Burfiwala  
Marg, Andheri (West),  
Mumbai - 400 058  
Tel : 6250 5600

**Swap Ratio Calculation:**

**Exchange Ratio**

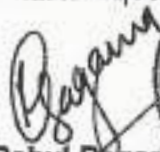

Banas Finance Limited (The Transferee Company or "Banas") shall without any further application or deed, issue and allot **50 (Fifty) equity shares** of the face value of Rs. 10 each (Rupees Ten only) credited as fully paid-up to all shareholders of Transferor Company and whose name appears in the Register of Members of Transferor Company on the Record Date, **in respect of every 100 (One hundred) equity shares** of the face value of Rs. 10 each fully paid up.

We hereby recommend, allotment of above equity shares in the matter of proposed Scheme of Amalgamation between Proaim Enterprises Limited, (the Transferor Company or "Proaim") and Banas Finance Limited (the Transferee Company or "Banas") and their respective shareholders and creditors.

Thanking you and assuring you of best of our professional services at all times.

Yours sincerely

For Bagaria & Co LLP  
Chartered Accountants

  
  
**Rahul Bagaria**  
Partner  
Mem. No. 145377



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### **I: PURPOSE & ENGAGEMENT**

As mentioned above, Proaim Enterprises Limited, the Transferor Company and Banas Finance Limited, The Transferee Company; have jointly appointed Bagaria & Co. LLP – Chartered accountants, Mumbai to carry out **the valuation of equity shares & share exchange ratio** for allotment of equity shares to the shareholders of Proaim Enterprises Limited.

### **II: SOURCE OF INFORMATION**

During the course of our analysis, we were supplied with various written & verbal information which we have relied upon. The set of information/document which has been furnished to us are as under:

- Audited financials for the period ended March 31, 2017 and March 31, 2018
- Business plan provided by the management for the period FY19 to FY23
- Memorandum and Articles of Association
- Necessary information, explanation and data relevant to the present valuation exercise provided by management from time to time through discussions or emails
- Information available in public domain

It may be mentioned that the management of the Companies has been provided with an opportunity to review factual information in our draft report as part of our standard practice to make sure that factual inaccuracies are avoided in our final report.

### **III: VALUATION METHODS AND CONCLUSION**

Valuation of shares is an art and not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be even prepared to pay goodwill. There are number of methodologies available for the valuation of shares and it is purely valuer's discretion as to which method is to be used and the same differs on the basis of the facts and circumstances of the case. Each of these methods has its aptness, depending upon the objectives of the valuation.





**We have used following approaches and methods for valuation of shares of transferor and transferee company**

1. Asset approach - Book Value Method
2. Income approach - Discounted Cashflow Method
3. Market approach - 26 weeks / 2 weeks weighted average price

**Asset Approach**

This valuation approach assumes that the Fair Value is determinant of the Net Assets held up in the business. We have calculated net asset value of the business based on the balance sheet of transferor and transferee company as at 31.03.2018.

**Income Approach**

Income Approach determines the value of a business based on its ability to generate desired economic benefit for the capital providers. The Income Approach involves valuation methods that convert future anticipated economic benefits into a single present value. In the present case we have used Discounted Cash Flow ("DCF") Method to arrive at the value of shares. The DCF method discounts projected future cash earnings back to present value at a rate that reflects the risk inherent in the projected earnings.

**Market Approach**

The Market Approach technique is based on the value of the company on the basis of shares of the company trading on a recognized stock exchange, or comparing the company's multiple with those of its peers. In the present case, since the transferor and transferee companies are listed on BSE, value per share is determined by following pricing provisions of the ICDR Regulations. As per the provisions, the shares shall not be issued at a lower than the higher of the following:

- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.



It may be herein noted that Stock Exchanges have issued a circular to the Listed Companies (BSE Circular LIST/COMP/02/2017-18 dated May 29, 2017) ("the Circular"), on advice by SEBI, laying down the format in which the valuation report shall display workings, relative fair value per share fair share exchange ratio. The disclosure in the format suggested by the stock exchange is as under:

Particulars	Transferor Company		Transferee Company	
	Value per share	Weight	Value per share	Weight
Asset Approach	20.40	2	26.14	2
Income Approach	22.21	3	52.64	3
Market Approach	0.84	1	5.28	1
<b>Relative value per share</b>	<b>18.04</b>		<b>35.91</b>	
<b>Exchange ratio (rounded off)</b>			<b>0.50</b>	

#### IV : NOTICE

This Report is furnished solely for the working of valuation of Equity shares as on April 1, 2018 of Banas Finance Limited, the Transferee Company to Equity shareholders of Proaim Enterprises Limited, the Transferor Company for proposed Scheme of Amalgamation.

#### V : DISCLAIMER / CAVEATS

- a. This confidential report is prepared by Bagaria & Co. LLP solely for the purpose set out in the report. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued and the purpose mentioned herein. We will not accept any responsibility to any other party to whom this report may be shown or who may acquire a copy of the report, without our written permission in each instance. The material is true only as of the date of this letter. We assume no responsibility to update or revise the opinion based upon events or circumstances that occur later on.
- b. We have prepared this report based on the information provided, explanation given and representations made by management of the respective companies involved in the proposed scheme. We have neither checked nor independently verified such



information and representations. We have solely relied on explanations, information, papers, reports, documents and statements provided by the management and accepted all those information provided to us as consistent and accurate on "as is" basis and have included the information provided in this report in good faith and in the belief that such information is neither false nor misleading.

- c. Our work does not constitute an audit, due diligence or certification of the historical or projected financial statements of the Company. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this Report.
- d. This Report is issued on the understanding that management of Proaim Enterprises Limited, The Transferor Company and Banas Finance Limited, the Transferee Company has drawn our attention to all matters of which they are aware concerning the financial position of the business of the Company, which may have an impact on our report up to the date of issue. We, however, have no obligation to update this report for events, trends or transactions relating to the company or the market/economy in general & occurring subsequent to the date of this report. We do not hold ourselves responsible or liable, for any losses, damages, costs, expenses or outgoings whatsoever and howsoever caused, incurred, sustained or arising out of errors due to false, misleading, wrong provisioning, assurance or incomplete information or documentation being provided to us or due to any acts, or omissions of any other person.
- e. Provision of valuation recommendations and considerations of the issues described herein are areas of our regular corporate advisory practice.
- f. The scope of our work has been limited in terms of the purpose of valuation mentioned in Para 1 of this report. There may be matters, other than those noted in this report, which might be relevant in the context of any other purpose and which a wider scope might uncover. The valuation exercise is carried out using generally accepted valuation methodologies, the relative emphasis of each often varying, based on several specific factors. The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concern, certain valuation techniques have evolved over time and are commonly in use, which we have applied in.



- g. Any valuation is based on certain assumptions as to discount rate, weights to various components of value, calculation methodologies etc., and the present exercise is of no exception. Further, we might not have been provided with the exact data, requiring us to make assumptions therefore. Moreover, all the assumptions are discretionary and subjective and we do not assume any responsibility for accuracy, preciseness or appropriateness of any one or more of the assumption(s) made by us for arriving at the valuation as aforesaid.
- h. Bagaria & Co. LLP has taken due care and caution in carrying out valuation solely for the internal use only of the Company on the basis of the information / documents provided by the Company and/or obtained by Bagaria & Co. LLP from sources considered reliable. Bagaria & Co. LLP does not guarantee the accuracy, adequacy or completeness of the information / documents / report and is not responsible for any errors or for the results obtained from the use of the same. Bagaria & Co. LLP especially states that it has no financial liability whatsoever to the Company or any other user of the report. Neither the valuation report nor its contents may be referred to or quoted to/in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties without our prior written consent. We retain the right to deny permission for the same.



(Annexure - III)

**BAGARIA & CO LLP**  
CHARTERED ACCOUNTANTS

701, Stanford,  
Junction of S. V. Road and Burfiwala  
Marg, Andheri (West),  
Mumbai - 400 058  
Tel : 6250 5600

## Valuation Report

For Rockon Enterprises Limited, the Transferor Company and  
Banas Finance Limited, the Transferee Company.

By  
**Bagaria & Co LLP**  
Chartered Accountants

701, Stanford, Junction of S. V. Road and Burfiwala Marg,  
Andheri (West), Mumbai - 400058.  
Tel: 6250 5600



**BAGARIA & CO LLP**  
CHARTERED ACCOUNTANTS

701, Stanford,  
Junction of S. V. Road and Burfiwala  
Marg, Andheri (West),  
Mumbai – 400 058  
Tel : 6250 5600

May 7, 2018

**The Board of Directors**  
**Rockon Enterprises Limited**  
E-109, Crystal Plaza,  
New Link Road, Opp. Infinity Mall,  
Andheri (West), Mumbai - 400053

**The Board of Directors**  
**Banas Finance Limited**  
E-109, Crystal Plaza,  
New Link Road, Opp. Infinity Mall,  
Andheri (West), Mumbai - 400053

**Sub:** Valuation of Shares and Share Exchange Ratio for Proposed Scheme of Amalgamation between Rockon Enterprises Limited (the Transferor Company or "Rockon") and Banas Finance Limited (the Transferee Company or "Banas") and their respective shareholders and creditors

We thank Banas Finance Limited ("Banas") and Rockon Enterprises Limited ("Rockon") for appointing us to carry out valuation of shares of Banas and Rockon in pursuance of the scheme of amalgamation.

We have conducted our valuation exercise using various parameters on the basis of information/documents and explanations provided to us by the management of your Company. Based on the same, our report on valuation of Shares of Rockon and Banas is submitted herewith for your kind reference. Needless to mention, we have not independently verified the accuracy of the information provided to us.

Should you require any further information/clarifications, please do not hesitate to contact us.

For the proposed amalgamation, we are submitting herein our recommendation of Fair Value of share along with Swap Ratio for allotment of Equity shares of **Banas Finance Limited (the Transferee Company or "Banas") to Equity shareholders of Rockon Enterprises Limited (the Transferee Company or "Rockon")**.



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**BAGARIA & CO LLP**  
CHARTERED ACCOUNTANTS

701, Stanford,  
Junction of S. V. Road and Burfiwala  
Marg, Andheri (West),  
Mumbai - 400 058  
Tel : 6250 5600

**Swap Ratio Calculation:**

**Exchange Ratio**

Banas Finance Limited (The Transferee Company or "Banas") shall without any further application or deed, issue and allot **26 (Twenty Six) equity shares** of the face value of Rs. 10 each (Rupees Ten only) credited as fully paid-up to all shareholders of Transferor Company and whose name appears in the Register of Members of Transferor Company on the Record Date, **in respect of every 100 (One hundred) equity shares** of the face value of Rs. 10 each fully paid up.

We hereby recommend, allotment of above equity shares in the matter of proposed Scheme of Amalgamation between Rockon Enterprises Limited, (the Transferor Company or "Rockon") and Banas Finance Limited (the Transferee Company or "Banas") and their respective shareholders and creditors.

Thanking you and assuring you of best of our professional services at all times.

Yours sincerely

For Bagaria & Co LLP  
Chartered Accountants


Rahul Bagaria  
Partner  
Mem. No. 145377



## Index

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### **I: PURPOSE & ENGAGEMENT**

As mentioned above, Rockon Enterprises Limited, the Transferor Company and Banas Finance Limited, The Transferee Company; have jointly appointed Bagaria & Co. LLP – Chartered accountants, Mumbai to carry out the valuation of equity shares & share exchange ratio for allotment of equity shares to the shareholders of Rockon Enterprises Limited.

### **II: SOURCE OF INFORMATION**

During the course of our analysis, we were supplied with various written & verbal information which we have relied upon. The set of information/document which has been furnished to us are as under:

- Audited financials for the period ended March 31, 2017 and March 31, 2018
- Business plan provided by the management for the period FY19 to FY23,
- Memorandum and Articles of Association
- Necessary information, explanation and data relevant to the present valuation exercise provided by management from time to time through discussions or emails
- Information available in public domain

It may be mentioned that the management of the Companies has been provided with an opportunity to review factual information in our draft report as part of our standard practice to make sure that factual inaccuracies are avoided in our final report.

### **III: VALUATION METHODS AND CONCLUSION**

Valuation of shares is an art and not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be even prepared to pay goodwill. There are number of methodologies available for the valuation of shares and it is purely valuer's discretion as to which method is to be used and the same differs on the basis of the facts and circumstances of the case. Each of these methods has its aptness, depending upon the objectives of the valuation.



**We have used following approaches and methods for valuation of shares of transferor and transferee company**

1. Asset approach - Book Value Method
2. Income approach - Discounted Cashflow Method
3. Market approach - 26 weeks / 2 weeks weighted average price

**Asset Approach**

This valuation approach assumes that the Fair Value is determinant of the Net Assets held up in the business. We have calculated net asset value of the business based on the balance sheet of transferor and transferee company as at 31.03.2018.

**Income Approach**

Income Approach determines the value of a business based on its ability to generate desired economic benefit for the capital providers. The Income Approach involves valuation methods that convert future anticipated economic benefits into a single present value. In the present case we have used Discounted Cash Flow ("DCF") Method to arrive at the value of shares. The DCF method discounts projected future cash earnings back to present value at a rate that reflects the risk inherent in the projected earnings.

**Market Approach**

The Market Approach technique is based on the value of the company on the basis of shares of the company trading on a recognized stock exchange, or comparing the company's multiple with those of its peers. In the present case, since the transferor and transferee companies are listed on BSE, value per share is determined by following pricing provisions of the ICDR Regulations. As per the provisions, the shares shall not be issued at a lower than the higher of the following:

- The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or
- The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.



It may be herein noted that Stock Exchanges have issued a circular to the Listed Companies (BSE Circular LIST/COMP/02/2017-18 dated May 29, 2017) ("the Circular"), on advice by SEBI, laying down the format in which the valuation report shall display workings, relative fair value per share fair share exchange ratio. The disclosure in the format suggested by the stock exchange is as under:

Particulars	Transferor Company		Transferee Company	
	Value per share	Weight	Value per share	Weight
Asset Approach	9.55	2	26.14	2
Income Approach	12.11	3	52.64	3
Market Approach	1.54	1	5.28	1
<b>Relative value per share</b>	<b>9.49</b>		<b>35.91</b>	
<b>Exchange ratio (rounded off)</b>			<b>0.26</b>	

#### IV : NOTICE

This Report is furnished solely for the working of valuation of Equity shares as on April 1, 2018 of Banas Finance Limited, the Transferee Company to Equity shareholders of Rockon Enterprises Limited, the Transferor Company for proposed Scheme of Amalgamation.

#### V : DISCLAIMER / CAVEATS

- a. This confidential report is prepared by Bagaria & Co. LLP solely for the purpose set out in the report. It should not be copied, disclosed, circulated, quoted or referred to, either in whole or in part, in correspondence or in discussion with any other person except to whom it is issued and the purpose mentioned herein. We will not accept any responsibility to any other party to whom this report may be shown or who may acquire a copy of the report, without our written permission in each instance. The material is true only as of the date of this letter. We assume no responsibility to update or revise the opinion based upon events or circumstances that occur later on.
- b. We have prepared this report based on the information provided, explanation given and representations made by management of the respective companies involved in the proposed scheme. We have neither checked nor independently verified such



information and representations. We have solely relied on explanations, information, papers, reports, documents and statements provided by the management and accepted all those information provided to us as consistent and accurate on "as is" basis and have included the Information provided in this report in good faith and in the belief that such information is neither false nor misleading.

- c. Our work does not constitute an audit, due diligence or certification of the historical or projected financial statements of the Company. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this Report.
- d. This Report is issued on the understanding that management of Rockon Enterprises Limited, The Transferor Company and Banas Finance Limited, the Transferee Company has drawn our attention to all matters of which they are aware concerning the financial position of the business of the Company, which may have an impact on our report up to the date of issue. We, however, have no obligation to update this report for events, trends or transactions relating to the company or the market/economy in general & occurring subsequent to the date of this report. We do not hold ourselves responsible or liable, for any losses, damages, costs, expenses or outgoings whatsoever and howsoever caused, incurred, sustained or arising out of errors due to false, misleading, wrong provisioning, assurance or incomplete information or documentation being provided to us or due to any acts, or omissions of any other person.
- e. Provision of valuation recommendations and considerations of the issues described herein are areas of our regular corporate advisory practice.
- f. The scope of our work has been limited in terms of the purpose of valuation mentioned in Para 1 of this report. There may be matters, other than those noted in this report, which might be relevant in the context of any other purpose and which a wider scope might uncover. The valuation exercise is carried out using generally accepted valuation methodologies, the relative emphasis of each often varying, based on several specific factors. The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concern, certain valuation techniques have evolved over time and are commonly in use, which we have applied in.



**BAGARIA & CO LLP**  
CHARTERED ACCOUNTANTS

701, Stanford,  
Junction of S. V. Road and Burfiwala  
Marg, Andheri (West),  
Mumbai - 400 058  
Tel : 6250 5600

- g. Any valuation is based on certain assumptions as to discount rate, weights to various components of value, calculation methodologies etc., and the present exercise is of no exception. Further, we might not have been provided with the exact data, requiring us to make assumptions therefore. Moreover, all the assumptions are discretionary and subjective and we do not assume any responsibility for accuracy, preciseness or appropriateness of any one or more of the assumption(s) made by us for arriving at the valuation as aforesaid.
- h. Bagaria & Co. LLP has taken due care and caution in carrying out valuation solely for the internal use only of the Company on the basis of the information / documents provided by the Company and/or obtained by Bagaria & Co. LLP from sources considered reliable. Bagaria & Co. LLP does not guarantee the accuracy, adequacy or completeness of the information / documents / report and is not responsible for any errors or for the results obtained from the use of the same. Bagaria & Co. LLP especially states that it has no financial liability whatsoever to the Company or any other user of the report. Neither the valuation report nor its contents may be referred to or quoted to/in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties without our prior written consent. We retain the right to deny permission for the same.





**Fastrack Finsec**  
Category-I Merchant Banker

May 11, 2018

Ref: FFPL/Banas-Proaim-Axon- Rockon/Fairness Opinion/18-19

Board of Directors  
**BANAS FINANCE LIMITED**  
E-109, Crystal Plaza, New Link Road, Andheri  
(West), Mumbai - 400053

Board of Directors  
**PROAIM ENTERPRISES LIMITED**  
E-109 Crystal Plaza, New Link Road, Andheri  
(West) Mumbai - 400053

Board of Directors  
**AXON VENTURES LIMITED**  
Shop No.26, Meera Co.-Op. Hsg Soc., New Li  
Road Nr. Dshlwara Police Station, Andheri  
(West) Mumbai - 400053

Board of Directors  
**ROCKON ENTERPRISES LIMITED**  
E-109, Crystal Plaza, New Link Road, Opp.  
Infinity Mall, Andheri (West), Mumbai -  
400053

Dear Sirs,

**Subject:- Fairness Opinion on Valuation Report & Share Exchange Ratio for the purpose of proposed amalgamation of Proaim Enterprises Limited, Axon Ventures Limited and Rockon Enterprises Limited with Banas Finance Limited under a proposed Scheme of Amalgamation under section 230 to 232 of the Companies Act, 2013.**

**1. Background:**

We, Fast Track Finsec Private Limited, a category I Merchant Banker registered with SEBI, having registration no. MB/INM000012500 have been jointly appointed by you to provide a fairness opinion on the valuation of shares & share exchange ratio recommended by Bagaria & Co LLP, Chartered Accountants ("hereinafter referred to as "Valuer"), who were the appointed valuer for the purpose of proposed amalgamation of Proaim Enterprises Limited (hereinafter referred to as "Amalgamating Company no. 1" or "Proaim"), Axon Ventures Limited (hereinafter referred to as "Amalgamating Company no. 2" or "Axon") and Rockon Enterprises Limited (hereinafter referred to as "Amalgamating Company no. 3" or "Rockon") with Banas Finance Limited ((hereinafter referred to as "Amalgamated Company" or "Bansa") under a proposed Scheme of Amalgamation under section 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the "Proposed Amalgamation").

**2. Brief Background about the Companies:**

- A. **Bansa Finance Limited** (hereinafter referred to as "Banas" or "Amalgamated Company") is an existing public limited company incorporated on 6<sup>th</sup> June, 1983 under the provisions of the Companies Act, 1956. The registered office of Banas is situated at E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053. Banas is Non-Banking Finance Company engaged in the

Page 1 of 5



Fast Track Finsec Private Limited

Regd. Off. : B-502 | Statesman House | 148 | Barakhamba Road | New Delhi - 110001  
Branch Off. : B-702 | Neelkanth Business Park | Vidyavihar (W) | Mumbai - 400086  
Off. : +91-011-43029809, Web. : www.ftfinsec.com



business of purchase, leasing, factoring, financing of hire-purchase, lease of all kinds of plants and machineries, motor vehicles, motor boats, trawlers, launches, ships, vessels, helicopters, aircrafts, automobiles, computers or any other equipment that the Company may think fit and to assist in financing of all and every kind and description of hire purchase or deferred payment or similar transaction and all and every kind and description upon any terms whatsoever and to carry on business as investors and dealers in shares, stocks and securities, capitalists, financiers, concessionaires and to undertake, carry on and execute all kinds of financial, commercial and trading operations (except banking and insurance business under Banking regulation Act, 1949, and the Insurance Act, 1938) which may seem to be capable of being conveniently carried on and to make loans both short and long term with provision of financial software such as computer program.

The Equity Shares of Banas are listed at BSE Limited ("BSE").

- B. **PROAIM ENTERPRISES LIMITED** (hereinafter referred to as "Proaim" or "Amalgamating Company no. 1") is an existing public limited company incorporated on 21<sup>st</sup> December, 1984 under the provisions of the Companies Act, 1956. The registered office of Banas is situated at E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai – 400053. Proaim is engaged in the business of providing loans and Finance to firm, body corporate etc. and also to carry on business as merchants, traders, Distributors, Commission agents, Selling agents, Brokers, Buyers, Sellers, Importers, Exporters, Dealers in Textiles, Jewelleries, Medicinal work, and related activities.
- C. **Axon Ventures Limited** (hereinafter referred to as "Axon" or "Amalgamating Company no 2") is an existing public limited company incorporated on 7<sup>th</sup> August 1982 under the provisions of the Companies Act, 1956. The registered office of Banas is situated at Shop No.26, Meera Co.-Op. Hsg Soc., New Link Road Nr. Oshiwara Police Station, Andheri (West) Mumbai – 400053. Axon is engaged in business of Finance, making of Loan and Advances, Investment and Share Trading. Company also diversified its business line in to the filed Textiles as manufactures, traders, agents, suppliers, Importers, exporters and deal in all kind of fabrics, yarns, clothes.
- D. **Rockon Enterprises Limited** (hereinafter referred to as "Rockon" or "Amalgamating Company no 3") is an existing public limited company incorporated on 10<sup>th</sup> June, 1976 under the provisions of the Companies Act, 1956. The registered office of Banas is situated at E-109, Crystal Plaza, New Link Road, Andheri (West), Mumbai – 400053. Rockon is engaged in the business of Finance, making of Loan and Advances, Investment, Share Trading and also deal in Computers, hardware with all other accessories and parts and development of software and technology of all kinds to run, sell, purchases any software park. Company also diversified its business line as manufactures, traders, agents, suppliers, importers, exporters and deal in all kinds of fabrics, yarns cloth and all other type of synthetics and cotton yarn.



The term "Companies" wherever used hereinafter in this report shall collectively refer to Banas, Proaim, Axon and Rockon.

**3. About Fast Track Finsec Private Limited:**

Fast Track Finsec Private Limited (hereinafter referred to as "Fast Track Finsec" or "FFPL" or "we" or "us") is a Private Limited company incorporated as on 18<sup>th</sup> March, 2010 under the provisions of the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi and Haryana. FFPL is a category I Merchant Banker registered with the Securities and Exchange Board of India (SEBI) with Registration no. MB/ INM000012500.

**4. Scope and purpose of the opinion:**

This Fairness Opinion is being issued in terms of the requirement of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The purpose of the opinion is to safeguard the interest of the shareholders of Banas, Proaim, Axon and Rockon and this opinion shall be made available to the Boards of Directors and Shareholders of Banas, Proaim, Axon and Rockon at the time of their respective meetings to pass the necessary resolutions for the approving and adopting the proposed scheme of amalgamation and, to the extent mandatorily required under applicable laws of India, may be produced before judicial, regulatory or governmental authorities, in connection with the proposed amalgamation.

This opinion is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

**5. Sources of Information:**

We have received the following information from the management of the Companies for the purpose of our opinion:

- Proposed Scheme of Amalgamation under Sections 230 to 232 of Companies Act, 2013 between Banas, Proaim, Axon and Rockon and their respective Shareholders and Creditors.
- Report on valuation of shares & share exchange ratio by M/s Bagaria & Co LLP, Chartered Accountants, dated May 7, 2018.

**6. Fairness Opinion:**

We have reviewed the methodologies used by the Valuer in arriving at the valuation of Shares of Banas, Proaim, Axon and Rockon and for providing their recommendation on the Share Exchange Ratio for the purpose of proposed amalgamation of Proaim, Axon and Rockon into Banas and also reviewed the underlying assumptions adopted to arrive at such valuation.





As stated in the valuation report, Valuer has recommended the following share exchange ratio for the proposed amalgamation of Proaim, Axon and Rockon into Banas:

- ✓ 50 Equity Shares of face value of Rs. 10 each of Banas credited as fully paid up to the Shareholders of Proaim for every 100 Equity Shares of Face value of Rs. 10/- each held in Proaim
- ✓ 48 Equity Shares of face value of Rs. 10 each of Banas credited as fully paid up to the Shareholders of Axon for every 100 Equity Shares of Face value of Rs. 10/- each held in Axon
- ✓ 26 Equity Shares of face value of Rs. 10 each of Banas credited as fully paid up to the Shareholders of Rockon for every 100 Equity Shares of Face value of Rs. 10/- each held in Rockon

Based on the information and data made available to us including the Valuation Report and the proposed scheme of amalgamation and subject to disclaimers as mentioned in this report, we are of the opinion that, the Share exchange ratio, as suggested by M/s Bagaria & Co LLP, Chartered Accountants, is fair and reasonable.

#### 7. Disclaimer:

Our scope of work did not include the following:-

- An audit of the financial statements of Banas, Proaim, Axon and Rockon.
- Carrying out a market survey / financial feasibility for the Business of Banas, Proaim, Axon and Rockon.
- Financial and Legal due diligence of Banas, Proaim, Axon and Rockon.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of Banas, Proaim, Axon and Rockon.

We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents other than those stated above.

We do not assume any obligation to update, revise or reaffirm this Valuation Report because of events or transactions occurring subsequent to the date of this report.

We understand that the management of Banas, Proaim, Axon and Rockon during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our opinion. In this opinion we have included all such information and matters as was received by us from the management of Banas, Proaim, Axon and Rockon.



The fee for our services is not contingent upon the result of the proposed amalgamation.

The management of Banas, Proaim, Axon and Rockon or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this opinion available to any party other than those required by statute for carrying out the limited purpose of this opinion. This opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified in this opinion, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions. We would not be responsible for any litigation or other actual or threatened claims.

In no event, will FFPL, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Thanking You

For Fast Track Finsec Private Limited

  
Vikas Kumar Verma  
Director  
DIN:- 05176480



# Proaim Enterprises Limited

(Formerly Shree Nath Commercial & Finance Limited)

CIN : L51900MH1984PLC034867

E-mail : shreenathcommercialfin@gmail.com

Regd. Off.: E-109, Crystal Plaza,  
New Link Road, Opp. Infinity Mall,  
Andheri (W), Mumbai - 400 053  
Tel.: (022) 6152 2225, 6152 2235  
Fax : (022)6152 2234  
Web-site : www.shreenathcommercial.com

## Complaints Report

Details of complaints, if any, received from May 30, 2018 to June 20, 2018 for the proposed scheme of Arrangement and Amalgamation between Proaim Enterprises Limited (the Transferor Company-1), Axon Ventures Limited (the Transferor Company-2) and Rockon Enterprises Limited (the Transferor Company-3) collectively referred to as "Transferor Companies" with Banas Finance Limited (Transferee Company)

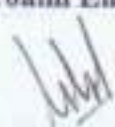
### Part - A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	NA
5.	Number of complaints pending	0

### Part - B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NIL	NA	NA

Yours Faithfully,  
For Proaim Enterprises Limited

  
Girraj Kishor Agrawal  
(Director)  
00290959



Date: 27/06/2018  
Place: Mumbai

## Complaint Report

Details of complaints, if any, received from May 30, 2018 to June 20, 2018 for the proposed scheme of Arrangement and Amalgamation between Proaim Enterprises Limited (the Transferor Company-1), Axon Ventures Limited (the Transferor Company-2) and Rockon Enterprises Limited (the Transferor Company-3) collectively referred to as "Transferor Companies" with Banas Finance Limited (Transferee Company)

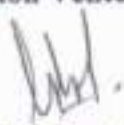
### Part - A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	NA
5.	Number of complaints pending	0

### Part - B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NIL	NA	NA

Yours Faithfully,  
For Axon Ventures Limited

  
Girraj Kishor Agrawal  
(Director)  
00290959



Date: 27/06/2018  
Place: Mumbai

## Complaint Report

Details of complaints, if any, received from May 30, 2018 to June 20, 2018 for the proposed scheme of Arrangement and Amalgamation between Proaim Enterprises Limited (the Transferor Company-1), Axon Ventures Limited (the Transferor Company-2) and Rockon Enterprises Limited (the Transferor Company-3) collectively referred to as "Transferor Companies" with Banas Finance Limited (Transferee Company)

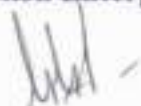
### Part - A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaint/comments received (1+2)	0
4.	Number of complaints resolved	NA
5.	Number of complaints pending	0

### Part - B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NIL	NA	NA

Yours Faithfully,  
For Rockon Enterprises Limited

  
Girraj Kishor Agrawal  
(Director)  
00290959



Date: 27/06/2018  
Place: Mumbai

# BANAS FINANCE LIMITED

CIN: L65910MH1983PLC030142

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

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

## Complaint Report

Details of complaints, if any, received from May 30, 2018 to June 20, 2018 for the proposed scheme of Arrangement and Amalgamation between Proaim Enterprises Limited (the Transferor Company-1), Axon Ventures Limited (the Transferor Company-2) and Rockon Enterprises Limited (the Transferor Company-3) collectively referred to as "Transferor Companies" with Banas Finance Limited (Transferee Company)


### Part - A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	NA
5.	Number of complaints pending	0

### Part - B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NIL	NA	NA

Yours Faithfully,  
For Banas Finance Limited

  
Girraj Kishor Agrawal  
(Director)  
00290959



Date: 27/06/2018  
Place: Mumbai

Report adopted by the Board of Directors of PROAIM ENTERPRISES LIMITED in accordance with the section 232(2)(C) of Companies Act, 2013.

## **Background**

1. The proposed Scheme of Merger of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders and creditors under section 230-232 of the Companies Act, 2013 ('the Act') was approved by the Board of Directors of the Company (" Board") vide its resolution dated 15<sup>th</sup> May, 2018.
2. This report has been adopted by the Board of Directors of the Company in connection with the proposed scheme of amalgamation of the Transferor Company with the Transferee Company and their respective shareholders and creditors.
3. The provisions of section 232(2)(C) of the Act requires the director of the Company to adopt a report to explaining the effect of the amalgamation pursuant to the Scheme, on Shareholders, Key Managerial Personnel, Promoter, Non- Promoter shareholders and to lay out in particular, the share exchange ratio, specifying any valuation difficulties in term of section 232(2) of the Act the said report as adopted by the Director of the Company is require to be circulating along with the notice convening the meeting of the shareholders and creditors.
4. Accordingly, this report of the Board of Director is being made in pursuant to the requirement of section 232(2)(C) of the Act, and in this connection, the following documents were presented/ shared with the Board: a) The Scheme as approved by the Board vide resolution dated 15<sup>th</sup> May, 2018 b) The Valuation Report dated 7<sup>th</sup> May, 2018 issued by Bagaria & Co LLP, Chartered Accountants ("Valuation report") c) The fairness opinion dated 11<sup>th</sup> May, 2018 issued by Fast Track Finsec Private Limited ("Fairness Opinion") d) Certificate dated 4<sup>th</sup> May, 2018 obtained from the Statutory Auditors of the Company i.e. M/s. R. Soni & Co. Chartered Accountants to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013. e) Report of Audit Committee dated 12<sup>th</sup> May, 2018.

## **REPORT**

### **A. Rationale of the Scheme:**

The Transferor Companies and the Transferee Company are currently part of the same management and are associated companies. The rationale for the proposed Scheme is as under:

- a. The arrangement shall provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the arrangement will enable optimal utilization of existing resources and provide an opportunity to fully leverage assets, capabilities, experience and infrastructure of all the four companies;
- b. Reduce the managerial overlaps involved in operating multiple entities; ease and increase operational and management efficiency; integrate business functions; eliminate duplication and rationalization of administrative expenses;

- e. Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value;
- d. Improved organizational capability and leadership arising from the pooling of human capital that has diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;
- e. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement;
- f. Synchronizing of efforts to achieve uniform corporate policy, Greater integration and greater financial strength and flexibility for the amalgamated entity; and
- g. Reduce regulatory compliance and multi-layer taxation of inter-se transaction;
- h. Better value creation for the shareholders of the company and Improved competitive position of the combined entity in the market
- i. The proposed scheme is not prejudiced to the interest of the creditors or the employees of the Transferor Companies and the Transferee Company.

**B. Effect of the Scheme in term of section 232(2)(C) of the Act**

S. No.	Effect of the Scheme	
1	Key Managerial Person of the Company	The Scheme will have no effect on the key managerial person of the Company. None of the Director(s)/ KMP(s) has/have any material interest, concern or any other interest in the Scheme except to the extent of their directorship and shareholding in the Company, if any.
2	Equity Shareholders-Promoter	In consideration for the amalgamation of the Transferor Co. with the Transferee Company in terms of the Scheme and based on Valuation Report and Fairness Opinion, the Transferee Company will issue and allot 50 (Fifty) equity shares of Rs.10/- (Ten) each fully paid up for every 100 (One Hundred) equity share held in the Transferor Co.
3	Equity Shareholders-Non Promoter	In consideration for the amalgamation of the Transferor Co. with the Transferee Company in terms of the Scheme and based on Valuation Report and Fairness Opinion, the Transferee Company will issue and allot 50 (Fifty) equity shares of Rs.10/- (Ten) each fully paid up for every 100 (One Hundred) equity share held in the Transferor Co.

*Note: Any cross holding of shares between the Transferor Companies and the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed.*

*In the event the equity shares to be issued result in fractional entitlements, the Board of*



*directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 63,26,245 number of fully paid equity shares of Rs. 10/- each to be issued to the shareholders of the First Transferor Company.*


**C. Difficulties in Valuation, if any:**

1. The above mentioned Valuation Report recommended the issue of **50 (Fifty) equity shares** of the face value of Rs. 10 each (Rupees Ten only) credited as fully paid-up of the Transferee Company to all shareholders of Transferor Company **for every 100 (One hundred) equity shares** of the face value of Rs. 10 each (Rupees Ten only) held by the shareholder of Transferor Company. Further, the above mentioned Fairness Opinion has also been issued by the in respect of the Valuation Report.
2. The scope of work, valuation, approach and limitation form part of the aforesaid Valuation Report and Fairness Opinion. No special valuation difficulties were reported by the valuer.

**D. Adoption of report by Board**

The board has adopted this report after noting and considering the information set forth in this report.

**For and Behalf of Board of Directors  
Proaim Enterprises Limited**

  
**Girraj Kishor Agrawal  
(Director)  
DIN: 00290959**



**Place: Mumbai  
Date: 15<sup>th</sup> May, 2018**

Report adopted by the Board of Directors of AXON VENTURES LIMITED in accordance with the section 232(2)(C) of Companies Act, 2013.

## Background

1. The proposed Scheme of Merger of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders and creditors under section 230-232 of the Companies Act, 2013 ("the Act") was approved by the Board of Directors of the Company ("Board") vide its resolution dated 15<sup>th</sup> May, 2018.
2. This report has been adopted by the Board of Directors of the Company in connection with the proposed scheme of amalgamation of the Transferor Company with the Transferee Company and their respective shareholders and creditors.
3. The provisions of section 232(2)(C) of the Act requires the director of the Company to adopt a report to explaining the effect of the amalgamation pursuant to the Scheme, on Shareholders, Key Managerial Personnel, Promoter, Non- Promoter shareholders and to lay out in particular, the share exchange ratio, specifying any valuation difficulties in term of section 232(2) of the Act the said report as adopted by the Director of the Company is require to be circulating along with the notice convening the meeting of the shareholders and creditors.
4. Accordingly, this report of the Board of Director is being made in pursuant to the requirement of section 232(2)(C) of the Act, and in this connection, the following documents were presented/ shared with the Board: a) The Scheme as approved by the Board vide resolution dated 15<sup>th</sup> May, 2018 b) The Valuation Report dated 7<sup>th</sup> May, 2018 issued by Bagaria & Co LLP, Chartered Accountants ("**Valuation report**") c) The fairness opinion dated 11<sup>th</sup> May, 2018 issued by Fast Track Finsec Private Limited ("**Fairness Opinion**") d) Certificate dated 11<sup>th</sup> May, 2018 obtained from the Statutory Auditors of the Company i.e. M/s. Pravin Chandak & Associates. Chartered Accountants to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013. e) Report of Audit Committee dated 12<sup>th</sup> May, 2018.

## REPORT

### A. Rationale of the Scheme:

The Transferor Companies and the Transferee Company are currently part of the same management and are associated companies. The rationale for the proposed Scheme is as under:

- a. The arrangement shall provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the arrangement will enable optimal utilization of existing resources and provide an opportunity to fully leverage assets, capabilities, experience and infrastructure of all the four companies;
- b. Reduce the managerial overlaps involved in operating multiple entities; ease and increase operational and management efficiency; integrate business functions; eliminate duplication and rationalization of administrative expenses;
- c. Greater efficiency in cash management of the Transferee Company and unfettered access

to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value;

- d. Improved organizational capability and leadership arising from the pooling of human capital that has diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;
- e. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement;
- f. Synchronizing of efforts to achieve uniform corporate policy, Greater integration and greater financial strength and flexibility for the amalgamated entity; and
- g. Reduce regulatory compliance and multi-layer taxation of inter-se transaction;
- h. Better value creation for the shareholders of the company and Improved competitive position of the combined entity in the market
- i. The proposed scheme is not prejudiced to the interest of the creditors or the employees of the Transferor Companies and the Transferee Company.

**B. Effect of the Scheme in term of section 232(2)(C) of the Act**

S. No.	Effect of the Scheme	
1	Key Managerial Person of the Company	The Scheme will have no effect on the key managerial person of the Company. None of the Director(s)/KMP(s) has/have any material interest, concern or any other interest in the Scheme except to the extent of their directorship and shareholding in the Company, if any.
2	Equity Shareholders- Promoter	In consideration for the amalgamation of the Transferor Co. with the Transferee Company in terms of the Scheme and based on Valuation Report and Fairness Opinion, the Transferee Company will issue and allot 48 (Forty Eight) equity shares of Rs.10/- (Ten) each fully paid up for every 100 (One Hundred) equity share held in the Transferor Co
3	Equity Shareholders- Non Promoter	In consideration for the amalgamation of the Transferor Co. with the Transferee Company in terms of the Scheme and based on Valuation Report and Fairness Opinion, the Transferee Company will issue and allot 48 (Forty Eight) equity shares of Rs.10/- (Ten) each fully paid up for every 100 (One Hundred) equity share held in the Transferor Co.

*Note: Any cross holding of shares between the Transferor Companies and the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed.*

*In the event the equity shares to be issued result in fractional entitlements, the Board of directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 36,67,200 number of fully paid equity shares of Rs. 10/- each to be issued to the shareholders of the Second Transferor Company.*


**C. Difficulties in Valuation, if any:**

1. The above mentioned Valuation Report recommended the issue of **48 (Forty Eight) equity shares** of the face value of Rs. 10 each (Rupees Ten only) credited as fully paid-up of the Transferee Company to all shareholders of Transferor Company **for every 100 (One hundred) equity shares** of the face value of Rs. 10 each (Rupees Ten only) held by the shareholder of Transferor Company. Further, the above mentioned Fairness Opinion has also been issued by the in respect of the Valuation Report.
2. The scope of work, valuation, approach and limitation form part of the aforesaid Valuation Report and Fairness Opinion. No special valuation difficulties were reported by the valuer.

**D. Adoption of report by Board**

The board has adopted this report after noting and considering the information set forth in this report.

**For and Behalf of Board of Directors  
Axon Ventures Limited**

  
**Girraj Kishor Agrawal  
(Director)  
DIN: 00290959**



**Place : Mumbai  
Date : 15<sup>th</sup> May, 2018**

Report adopted by the Board of Directors of ROCKON ENTERPRISES LIMITED in accordance with the section 232(2)(C) of Companies Act, 2013.

## Background

1. The proposed Scheme of Merger of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders and creditors under section 230-232 of the Companies Act, 2013 ("the Act") was approved by the Board of Directors of the Company ("Board") vide its resolution dated 15<sup>th</sup> May, 2018.
2. This report has been adopted by the Board of Directors of the Company in connection with the proposed scheme of amalgamation of the Transferor Company with the Transferee Company and their respective shareholders and creditors.
3. The provisions of section 232(2)(C) of the Act requires the director of the Company to adopt a report to explaining the effect of the amalgamation pursuant to the Scheme, on Shareholders, Key Managerial Personnel, Promoter, Non- Promoter shareholders and to lay out in particular, the share exchange ratio, specifying any valuation difficulties in term of section 232(2) of the Act the said report as adopted by the Director of the Company is require to be circulating along with the notice convening the meeting of the shareholders and creditors.
4. Accordingly, this report of the Board of Director is being made in pursuant to the requirement of section 232(2)(C) of the Act, and in this connection, the following documents were presented/ shared with the Board: a) The Scheme as approved by the Board vide resolution dated 15<sup>th</sup> May, 2018 b) The Valuation Report dated 7<sup>th</sup> May, 2018 issued by Bagaria & Co LLP, Chartered Accountants ("Valuation report") c) The fairness opinion dated 11<sup>th</sup> May, 2018 issued by Fast Track Finsec Private Limited ("Fairness Opinion") d) Certificate dated 5<sup>th</sup> May, 2018 obtained from the Statutory Auditors of the Company i.e. M/s. DMKH & Co. Chartered Accountants to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013. e) Report of Audit Committee dated 12<sup>th</sup> May, 2018.

## REPORT

### A. Rationale of the Scheme:

The Transferor Companies and the Transferee Company are currently part of the same management and are associated companies. The rationale for the proposed Scheme is as under:

- a. The arrangement shall provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the arrangement will enable optimal utilization of existing resources and provide an opportunity to fully leverage assets, capabilities, experience and infrastructure of all the four companies;
- b. Reduce the managerial overlaps involved in operating multiple entities; ease and increase

operational and management efficiency; integrate business functions; eliminate duplication and rationalization of administrative expenses;

- c. Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value;
- d. Improved organizational capability and leadership arising from the pooling of human capital that has diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;
- e. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement;
- f. Synchronizing of efforts to achieve uniform corporate policy, Greater integration and greater financial strength and flexibility for the amalgamated entity; and
- g. Reduce regulatory compliance and multi-layer taxation of inter-se transaction;
- h. Better value creation for the shareholders of the company and Improved competitive position of the combined entity in the market
- i. The proposed scheme is not prejudiced to the interest of the creditors or the employees of the Transferor Companies and the Transferee Company.

**B. Effect of the Scheme in term of section 232(2)(C) of the Act:**

S. No.	Effect of the Scheme	
1	Key Managerial Person of the Company	The Scheme will have no effect on the key managerial person of the Company. None of the Director(s)/ KMP(s) has/have any material interest, concern or any other interest in the Scheme except to the extent of their directorship and shareholding in the Company, if any.
2	Equity Shareholders-Promoter	In consideration for the amalgamation of the Transferor Co. with the Transferee Company in terms of the Scheme and based on Valuation Report and Fairness Opinion, the Transferee Company will issue and allot 26 (Twenty Six) equity shares of Re.10 (Ten) each fully paid up for every 100 (One Hundred) equity share held in the Transferor Co.
3	Equity Shareholders-Non Promoter	In consideration for the amalgamation of the Transferor Co. with the Transferee Company in terms of the Scheme and based on Valuation Report and Fairness Opinion, the Transferee Company will issue and allot 26 (Twenty Six) equity shares of Re.10 (Ten) each fully paid up for every 100 (One Hundred) equity share held in the Transferor Co.

*Note: Any cross holding of shares between the Transferor Companies and the Transferee Company (either directly or through nominees) shall stand cancelled without any further application, act or deed.*

*In the event the equity shares to be issued result in fractional entitlements, the Board of directors of the Transferee Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 42,79,285 number of fully paid equity shares of Rs. 10/- each to be issued to the shareholders of the Third Transferor Company.*

**C. Difficulties in Valuation, if any:**

1. The above mentioned Valuation Report recommended the issue of **26 (Twenty Six) equity shares** of the face value of Rs. 10 each (Rupees Ten only) credited as fully paid-up of the Transferee Company to all shareholders of Transferor Company **for every 100 (One hundred) equity shares** of the face value of Rs. 10 each (Rupees Ten only) held by the shareholder of Transferor Company. Further, the above mentioned Fairness Opinion has also been issued by the in respect of the Valuation Report.
2. The scope of work, valuation, approach and limitation form part of the aforesaid Valuation Report and Fairness Opinion. No special valuation difficulties were reported by the valuer.

**D. Adoption of report by Board**

The board has adopted this report after noting and considering the information set forth in this report.

**For and Behalf of Board of Directors  
Rockon Enterprises Limited**

  
**Girraj Kishor Agrawal  
(Director)  
DIN: 00290959**



**Place : Mumbai  
Date: 15<sup>th</sup> May, 2018**

# BANAS FINANCE LIMITED

CIN: L65910MH1983PLC030142

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

Tel No : 022 9152096147 • Fax: 022 6152 2234 • Email : banasfin@gmail.com • www.banasfinance.com

**Report adopted by the Board of Directors of BANAS FINANCE LIMITED in accordance with the section 232(2)(C) of Companies Act, 2013.**

## Background

1. The proposed Scheme of Merger of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders and creditors under section 230-232 of the Companies Act, 2013 ("the Act") was approved by the Board of Directors of the Company ("Board") vide its resolution dated 15<sup>th</sup> May, 2018.
2. This report has been adopted by the Board of Directors of the Company in connection with the proposed scheme of amalgamation of the Transferor Company with the Transferee Company and their respective shareholders and creditors.
3. The provisions of section 232(2)(C) of the Act requires the director of the Company to adopt a report to explaining the effect of the amalgamation pursuant to the Scheme, on Shareholders, Key Managerial Personnel, Promoter, Non- Promoter shareholders and to lay out in particular, the share exchange ratio, specifying any valuation difficulties in term of section 232(2) of the Act the said report as adopted by the Director of the Company is require to be circulating along with the notice convening the meeting of the shareholders and creditors.
4. Accordingly, this report of the Board of Director is being made in pursuant to the requirement of section 232(2)(C) of the Act, and in this connection, the following documents were presented/ shared with the Board: a) The Scheme as approved by the Board vide resolution dated 15<sup>th</sup> May, 2018 b) The Valuation Report dated 7<sup>th</sup> May, 2018 issued by Bagaria & Co LLP, Chartered Accountants ("Valuation report") c) The fairness opinion dated 11<sup>th</sup> May, 2018 issued by Fast Track Finsec Private Limited ("Fairness Opinion") d) Certificate dated 11<sup>th</sup> May, 2018 obtained from the Statutory Auditors of the Company i.e. M/s. Pravin Chandak & Associates. Chartered Accountants to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013. e) Report of Audit Committee dated 12<sup>th</sup> May, 2018.

## REPORT

### A. Rationale of the Scheme:

The Transferor Companies and the Transferee Company are currently part of the same management and are associated companies. The rationale for the proposed Scheme is as under:

- a. The arrangement shall provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the arrangement will enable optimal utilization of existing resources and provide an opportunity to fully leverage assets, capabilities, experience and infrastructure of all the four companies;
- b. Reduce the managerial overlaps involved in operating multiple entities; ease and increase operational and management efficiency; integrate business functions; eliminate duplication and rationalization of administrative expenses;



- c. Greater efficiency in cash management of the Transferee Company and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value;
- d. Improved organizational capability and leadership arising from the pooling of human capital that has diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;
- e. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement;
- f. Synchronizing of efforts to achieve uniform corporate policy, Greater integration and greater financial strength and flexibility for the amalgamated entity; and
- g. Reduce regulatory compliance and multi-layer taxation of inter-se transaction;
- h. Better value creation for the shareholders of the company and Improved competitive position of the combined entity in the market
- i. The proposed scheme is not prejudiced to the interest of the creditors or the employees of the Transferor Companies and the Transferee Company.

**B. Effect of the Scheme in term of section 232(2)(C) of the Act**

S. No.	Effect of the Scheme	
1	Key Managerial Person of the Company	The Scheme will have no effect on the key managerial person of the Company. None of the Director(s)/KMP(s) has/have any material interest, concern or any other interest in the Scheme except to the extent of their directorship and shareholding in the Company, if any.
2	Equity Shareholders- Promoter	The Promoters of the Transferor Companies who are also shareholders of the respective Companies will receive 6,74,704 (Six Lakhs Seventy Four Thousand Seven Hundred Four) fully paid up equity shares respectively of the Transferee Company having face value of Re.10/-each as recommended under the Valuation Report.
3	Equity Shareholders- Non Promoter	The Equity Shareholders- Non Promoter of the Transferor Companies will receive 1,35,98,027 (One Crore Thirty Five Lakhs Ninety Eight Thousands Twenty Seven) fully paid up equity shares respectively of the Transferee Company having face value of Re.10/-each as recommended under the Valuation Report.

*Note: Any cross holding of shares between the Transferor Companies shall stand cancelled without any further application, act or deed.*

**C. Difficulties in Valuation, if any:**

1. The above mentioned Valuation Report recommended the issue of **1,42,72,730 (One Crore Forty Two Lakhs Seventy Two Thousand Seven Hundred Thirty) equity shares** of the face value of Rs. 10 each (Rupees Ten only) to the shareholders of Transferor Companies. Further, the above mentioned Fairness Opinion has also been issued by the in respect of the Valuation Report.
2. The scope of work, valuation, approach and limitation form part of the aforesaid Valuation Report and Fairness Opinion. No special valuation difficulties were reported by the valuer.

**D. Adoption of report by Board**

The board has adopted this report after noting and considering the information set forth in this report.

**For and Behalf of Board of Directors**

**Banas Finance Limited**



**Girraj Kishor Agrawal**  
**(Director)**  
**DIN: 00290959**



**Place : Mumbai**  
**Date : 15<sup>th</sup> May, 2018**

# ROCKON ENTERPRISES LIMITED

CIN: L65923MH1976PLC019072

Registered Office: E-109, Crystal Plaza, New Link Road, Opp. Infinity Mall,  
Andheri(West), Mumbai MH 400053 Email ID: rockonfintech123@gmail.com Tel No: 9152096141

## PROXY FORM

<b>Name of the member(s):</b>	
<b>Registered address:</b>	
<b>Email Id:</b>	
<b>Folio No./Client Id / DP ID:</b>	

I I/We, being the member(s) holding \_\_\_\_\_ shares of the above named Company, hereby appoint the following as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at 02.00 p.m. at 412, Solaris Hubtown, Sai wadi, Andheri (East), Mumbai- 400069 on Wednesday, 8th day of January, 2020.

1. Mr./Ms..... of ..... in the district of ..... or failing him/her

2. Mr./Ms.....of ..... in the district of ..... or failing him/her

3. Mr./Ms..... of ..... in the district of .....

Signed this ..... day of ....., 2019

As my/our proxy and whose signature(s) are appended below to attend and vote (on Poll) for me/us and on my/our behalf at the Meeting of the Company to be held on and at any adjournment or adjournments thereof in respect of such resolutions and in such manner as are indicated below:

(Signature of shareholder)

(Signature of Proxy)

### NOTES:

- 1.This form in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. Please affix revenue stamp before putting signature.
3. Alterations, if any, made in the Form of Proxy should be initialed.
4. In case of multiple proxies, the proxy later in time shall be accepted.
5. Proxy need not be the shareholder of the Company.

**Affix Rs. 1  
Revenue  
Stamp**

**ROCKON ENTERPRISES LIMITED**

CIN: L65923MH1976PLC019072

Registered Office: E-109, Crystal Plaza, New Link Road, Opp. Infinity Mall,  
Andheri(West), Mumbai MH 400053 Email ID: rockonfintech123@gmail.com Tel No: 9152096141**ATTENDANCE SLIP****Equity Shareholders Meeting as per Directions of  
National Company Law Tribunal, 8th January, 2020 at 02:00 P.M.**

<b>Regd. Folio No.</b>	
<b>No. of Equity Shares held</b>	
<b>DP ID:</b>	
<b>Client ID:</b>	
<b>Name of the Shareholder</b>	
<b>Name of Proxy</b>	

I hereby record my presence at the meeting of the equity shareholders of the Company, convened pursuant to the Orders dated 6th November, 2019 of the National Company Law Tribunal Bench at Mumbai, at 412, Solaris Hubtown, Sai wadi, Andheri (East), Mumbai- 400069 on Wednesday, 8th day of January, 2020 at 02.00 P.M.

As my/our proxy and whose signature(s) are appended below to attend and vote (on Poll) for me/us and on my/our behalf at the Meeting of the Company to be held on and at any adjournment or adjournments thereof in respect of such resolutions and in such manner as are indicated below:

<b>S. No.</b>	<b>Particulars</b>
1	Scheme of Merger of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders.

**SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING**

(If Member, Please Sign here)

(If Proxy Please Sign here)

**Note:**

- Shareholders attending the meeting in Person or by Proxy or through Authorised Representative are requested to complete and bring the Attendance Slip with them and hand it over at the entrance of the meeting hall.
- Shareholder/proxy holder who desires to attend the meeting should bring his/her copy of the Notice for reference at the meeting.
- Members are informed that no duplicate slips will be issued at the venue of the meeting and they are requested to bring this slip for the meeting.

## ROCKON ENTERPRISES LIMITED

CIN: L65923MH1976PLC019072

Registered Office: E-109, Crystal Plaza, New Link Road, Opp. Infinity Mall,  
Andheri(West), Mumbai MH 400053 Email ID: rockonfintech123@gmail.com Tel No: 9152096141

### POSTAL BALLOT FORM

<b>Regd. Folio No.</b>	
<b>No. of Equity Shares held</b>	
<b>DP ID:</b>	
<b>Client ID:</b>	
<b>Name of the Shareholder</b>	

I hereby record my presence at the meeting of the equity shareholders of the Company, convened pursuant to the Orders dated 6th November, 2019 of the National Company Law Tribunal Bench at Mumbai, at 412, Solaris Hubtown, Sai wadi, Andheri (East), Mumbai- 400069 on Wednesday, 8th day of January, 2020 at 02.00 P.M.

S. No.	Particulars	Number of shares for which vote cast	I/We assent to the Resolution	I/We dissent to the Resolution
1	Scheme of Merger of Proaim Enterprises Limited, (First Transferor Company) and Axon Ventures Limited, (Second Transferor Company) and Rockon Enterprises Limited, (Third Transferor Company) with Banas Finance Limited, (Transferee Company) and their respective shareholders.			

**Place:****Date:****Signature**