Banas Finance Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR PERIOD 31.03.2019

Note:- 1

A) Basis of preparation of financial statements

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1st April, 2016. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 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. ii) The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors(including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

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

F) Cash Flow Statement

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

G) Earnings per share

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

H) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

Tangible Assets

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

Intangible Assets

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

a) Depreciation

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

b) Impairment of assets

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

J) Investments

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

K) Taxation

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

L) Financial instruments

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

(i) Financial assets

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

Initial measurement

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

Subsequent measurement

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

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

Impairment of financial assets

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

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

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

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

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

(c) Without significant increase in credit risk since initial recognition (stage 1)
ECL resulting from default events that are possible in the next 12 months are recognised for financial instruments in stage 1. The Company has ascertained default possibilities on past behavioural trends witnessed for each homogenous portfolio using application/behaviourial score cards and other performance indicators, determined statistically.

(d) Measurement of ECL

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

M) Revenue recognition

Interest and related income

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

Dividend income

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

Sale of Securities held for trading

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

N) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

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Finance Limited

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STATEMENT 0F CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019

A Equity Share Capital

	Amount in Rs	Number of shares
As at 1st April, 2017	1137,60,000	1137,60,000
Changes in equity share capital during 2017-18	-	(1023,84,000)
As at 31st March, 2018	1137,60,000	113,76,000
Changes in equity share capital during 2018-19	-	-
As at 31st March, 2019	**1137,60,000**	**113,76,000**

B Other Equity

Particulars	Other Equity			Total
	Reserves & Surplus			
	Securities premium account	Statutory Reserve	Retained Earnings	
Balance as at 1st April, 2017	**2871,60,000**	**2,34,810**	**(1040,03,550)**	**1833,91,260**
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	**2871,60,000**	**2,34,810**	**(1028,15,656)**	**1845,79,154**
Profit/(loss) for the Year	-	-	248,79,576	248,79,576
Add : 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	**2871,60,000**	**22,56,886**	**(799,58,156)**	**2094,58,730**

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

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

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

Sd/-
Amit Gulecha
[Managing Director]
DIN: 06964404

Sd/-
Nishant Sampat
Partner
Membership Number: 134410

Place: Mumbai
Date: 23/05/2019

Sd/-
Prajna Naik
[Company Secretary]

Sd/-
Vibhuti Vadia
[Chief Financial Officer]

NOTE:- 2

PROPERTY, PLANT & EQUIPMENTS

PARTICULARS	GROSS CARRING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	1st April 2018	Addition	Deletion	As at 31st March 2019	1st April 2018	Expenses for the year	Disposal	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
TANGIBLE ASSETS										
Computers	12,39,088	38,104	-	12,77,192	10,48,928	10,512	-	10,59,440	2,17,752	1,90,160
Total	**12,39,088**	**38,104**	**-**	**12,77,192**	**10,48,928**	**10,512**	**-**	**10,59,440**	**2,17,752**	**1,90,160**

As Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant & equipment and intagible 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 & EQUIPMENTS

PARTICULARS	As at 1st April 2017			As at 31st March 2018			As at 31st March 2019		
	Original Cost	Accumulated Deprecation	Net Book Value	Original Cost	Accumulated Deprecation	Net Book Value	Original Cost	Accumulated Deprecation	Net Book Value
TANGIBLE ASSETS									
Air Conditions and Cooling Tower	1,86,607	1,82,885	3,722	1,86,607	1,86,607	-	1,86,607	1,86,607	-
Office Equipments	1,92,724	1,78,743	13,981	1,92,724	1,92,724	-	1,92,724	1,92,724	-
Mobile	12,575	11,926	649	12,575	12,575	-	12,575	12,575	-
Furniture & Fixtures	3,66,568	3,44,160	22,408	3,66,568	3,66,568	-	3,66,568	3,66,568	-
Computers	12,39,088	10,48,928	1,90,160	12,39,088	10,48,928	1,90,160	12,77,192	10,59,440	2,17,752
Total	**19,97,562**	**17,66,642**	**2,30,920**	**19,97,562**	**18,07,402**	**1,90,160**	**20,35,666**	**18,17,914**	**2,17,752**

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	**Cash and cash equivalents**			
	Cash on hand	4,63,093	2,75,904	1,33,249
	Balances with Banks in current accounts	51,43,775	102,43,100	93,67,172
	Bank deposit with maturity of less than 3 months	5,078	15,10,000	5,05,467
		56,11,946	**120,29,004**	**100,05,888**
4	**Bank balance other than cash and cash equivalents**			
	Bank Deposits (More than 3 months & upto 12 months)	10,00,000	-	-
		10,00,000	**-**	**-**
5	**Loans (At Amortised Cost)**			
	Loans (Unsecured, Repayable on demand)	3262,27,926	3141,75,157	3469,94,285
		3262,27,926	**3141,75,157**	**3469,94,285**
6	**Investments**			
	Investments in India (a)			
	Alternate Investment Fund	249,41,334	120,00,000	-
	Gold	35,45,465	35,45,465	-
	Total	284,86,799	155,45,465	-
	Investments outside India (b)	-	-	-
	Total (a+b)	**284,86,799**	**155,45,465**	**-**
7	**Other financial assets**			
	Securities held for trading	298,74,806	356,09,086	365,93,409
	Other receivable	1,500	-	-
		298,76,306	**356,09,086**	**365,93,409**
8	**Deferred tax assets (net)**			
	The balance comprises temporary differences attributable to			
	Tax Losses	-	1,39,251	1,36,580
		-	**1,39,251**	**1,36,580**
9	**Other non-financial assets**			
	Balance with statutory/government authorities	73,47,278	85,74,346	107,08,699
		73,47,278	**85,74,346**	**107,08,699**
10	**Borrowings**			
	Secured Loan Repayable on Demand	-	-	5,69,876
	Unsecured Loan Repayable on Demand	485,48,987	485,48,987	682,71,545
		485,48,987	**485,48,987**	**688,41,421**

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	**Other Financial Liabilities**			
	Expected credit loss	268,46,763	392,35,462	385,05,045
		268,46,763	**392,35,462**	**385,05,045**
12	**Provisions**			
	Provision of taxation	-	-	3,876
		-	**-**	**3,876**
13	**Other Non Financial Liabilities**			
	Duties and Taxes payable	17,800	21,052	26,629
		17,800	**21,052**	**26,629**
14	**Equity Share capital**			
	Authorised Share Capital			
	1,23,00,000 Equity Shares of Rs. 10 each	1230,00,000	1230,00,000	1230,00,000
		1230,00,000	**1230,00,000**	**1230,00,000**
	Issued,Subscribed and Paid up			
	1,13,76,000 Equity Shares of Rs. 10 each	1137,60,000	1137,60,000	1137,60,000
	(As at April 01, 2017, 11,37,60,000 Equity Shares of Rs. 1 Each)			
	Total Issued, Subscribed And Fully Paid Up Share Capital	**1137,60,000**	**1137,60,000**	**1137,60,000**

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	113,76,000	1137,60,000	1137,60,000	1137,60,000	1137,60,000	1137,60,000
Issued during the year	-	-	-	-	-	-
Bought back during the period	-	-	-	-	-	-
*Converted From Re. 1 to Rs. 10 Face Value each	-	-	1023,84,000	-	-	-
Outstanding at the end of the period	**113,76,000**	**1137,60,000**	**113,76,000**	**1137,60,000**	**1137,60,000**	**1137,60,000**

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

b) Terms and rights attached to equity shares

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

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

Name of the Shareholders	As at 31st March 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
Chandrakant Babu Mohite	-	-	8,48,509	7.46%	84,85,096	7.46%
Handful Investrade Private Limited	14,50,000	12.75%	14,50,000	12.75%	145,00,000	12.75%
TOTAL	**14,50,000**	**12.75%**	**22,98,509**	**20.20%**	**229,85,096**	**20.20%**

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
15	**Other Equity**				
	Securities Premium reserve				
	Balance as per last financial statements		2871,60,000	2871,60,000	2871,60,000
	Add: New Equity shares issued during the year at premium		-	-	-
	Closing balance	(i)	**2871,60,000**	**2871,60,000**	**2871,60,000**
	Statutory Reserves				
	Balance as per last financial statements		2,34,810	2,34,810	2,34,810
	Add: Transferred from statement of Profit and Loss		20,22,076	-	-
	Closing balance	(ii)	**22,56,886**	**2,34,810**	**2,34,810**
	Surplus/(Deficit) in the Statement of Profit and Loss				
	Balance as per last financial statements		(1028,15,656)	(1040,03,550)	(526,24,004)
	Profit/ (loss) for the year		248,79,576	11,87,894	(513,79,546)
	Less: Transfer to statutory reserve		(20,22,076)	-	-
	Closing balance	(iii)	**(799,58,156)**	**(1028,15,656)**	**(1040,03,550)**
		Total [(i)+(ii)+(iii)]	**2094,58,730**	**1845,79,154**	**1833,91,260**

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	**Revenue from operations**		
	Sale of Securities	341,49,004	243,13,700
	Interest on loan	158,67,045	176,93,117
		500,16,049	**420,06,817**
17	**Other Income**		
	Dividend	-	18,900
	Interest Income on fixed deposit	1,43,840	59,114
	Sundry Balance Written Back	-	54,518
	Interest on Income Tax Refund	31,62,167	6,27,971
	Interest From Alternate Investment Fund	4,82,285	-
	Miscellaneous Income	741	-
		37,89,033	**7,60,503**
18	**Purchases**		
	Purchase of Securities	285,26,657	172,23,277
		285,26,657	**172,23,277**
19	**Employees benefits expense**		
	Director remuneration	1,75,316	4,59,438
	Director sitting fees	78,000	-
	Salary	21,16,344	5,83,220
	Staff Welfare	3,350	12,600
		23,73,010	**10,55,258**
20	**Finance costs**		
	Interest Expense	1,80,922	50,624
		1,80,922	**50,624**
21	**Impairment on financial instruments**		
	Expected Credit Loss	(123,88,699)	7,30,418
	Bad Debts	178,73,964	189,90,764
		54,85,265	**197,21,182**
22	**Other Expenses**		
	Advertising Expenses	26,791	31,401
	Auditor's Remuneration		
	Audit Fees	1,00,000	1,00,000
	Conveyance Expenses	8,675	13,610
	Custodial Fees	-	1,34,787
	Depository charges	1,31,524	85,219
	Electricity Expenses	11,480	10,940
	SEBI fees	10,25,948	
	Listing Fees	4,86,220	2,60,000
	Printing & Stationery Expenses	39,773	6,942
	Professional Fees	5,34,860	3,44,500
	Transaction charges	1,12,414	52,343
	Office Rent	1,20,000	30,000
	Membership Charges	15,450	20,900
	Travelling	-	5,08,546
	Conference	-	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	31,638	-
	Mutual Fund Expenses	29,803	-
	Bank Charges	40,932	6,099
	Miscellaneous Expenses	32,101	34,052
		102,89,559	**13,25,602**

NOTE 23:- FIRST TIME ADOPTION OF IND AS

23.1 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, 2019 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 notified 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 Reserves as at 1st April 2017 in accordance with the Ind AS 101 and the figures of the previous year ended 1st April 2017 and 31st March 2018 have been presented/restated after incorporating the applicable Ind AS adjustments.

An 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 tables and notes.

23.2 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.

23.3 Reconciliation of Balance Sheet as per previous GAAP and Ind AS *

	As at March 31, 2018			As at April 01, 2017		
PARTICULARS	**Previous GAAP**	**Adjustment**	**Ind AS**	**Regrouped IGAAP**	**Adjustment**	**Ind AS**
ASSETS						
Financial Assets						
Cash and cash equivalents	120,29,004	-	120,29,004	100,05,888	-	100,05,888
Bank balance other than cash and cash equivalents	-	-	-	-	0.00	-
Loans	3141,75,157	-	3141,75,157	3469,94,285	-	3469,94,285
Investments	155,45,465	-	155,45,465	-	-	-
Other financial assets	345,93,586	10,15,500	356,09,086	365,93,409	-	365,93,409
Total Financial Assets	**3763,43,212**	**10,15,500**	**3773,58,712**	**3935,93,582**	**-**	**3935,93,582**
Non-financial Assets						
Deffered tax assets (net)	1,39,251	-	1,39,251	1,36,580	-	1,36,580
Property, plant and equipment	1,90,160	-	1,90,160	2,30,920	-	2,30,920
Other non-financial assets	85,74,346	-	85,74,346	107,08,699	-	107,08,699
Total Non-financial Assets	**89,03,757**	**-**	**89,03,757**	**110,76,199**	**-**	**110,76,199**
Total	**3852,46,969**	**10,15,500**	**3862,62,469**	**4046,69,781**	**-**	**4046,69,781**
LIABILITIES AND EQUITY						
Liabilities						
Financial liabilities						
Trade payables						
Total outstanding dues of micro enterprises and small 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
Borrowings	485,48,987	-	485,48,987	688,41,421	-	688,41,421
Other Financial Liabilities	392,56,514	-	392,56,514	385,05,045	-	385,05,045
Total Financial Liabilities	**879,23,315**	**-**	**879,23,315**	**1074,88,016**	**-**	**1074,88,016**
Non-financial liabilities						
Provisions	-	-	-	3,876	-	3,876
Other Non Financial Liabilities	-	-	-	26,629	-	26,629
Deferred Tax Liabilities (net)	-	-	-	-	-	-
Total Non-Financial Liabilities	-	-	-	**30,505**	**-**	**30,505**
Equity						
Equity Share capital	1137,60,000	-	1137,60,000	1137,60,000	-	1137,60,000
Other equity	1835,63,654	10,15,500	1845,79,154	1833,91,260	-	1833,91,260
Total equity	**2973,23,654**	**10,15,500**	**2983,39,154**	**2971,51,260**	**-**	**2971,51,260**
Total	**3852,46,969**	**10,15,500**	**3862,62,469**	**4046,69,782**	**-**	**4046,69,782**

* for the purpose of the above disclosure, figures for the previous GAAP have been reclassified to conform presentation requirements under Ind AS and the requirements laid down in Division II to the Schedule III of the Companies Act 2013

23.4 Reconciliation of total comprehensive income for the year ended March 31, 2018

PARTICUALRS	Regrouped IGAAP	Adjustment	Ind AS
Revenue from operations			
Revenue from operations	420,06,817	-	420,06,817
Other Income	7,60,503	-	7,60,503
Total Revenue	**427,67,320**	**-**	**427,67,320**
Expenses			
Purchases	172,23,277	-	172,23,277
Changes in inventories	19,99,823	-	19,99,823
Employees benefits expense	10,55,258	-	10,55,258
Finance costs	50,624	-	50,624
Depreciation & Amortisation expenses	-	-	-
Impairment on financial instruments	197,21,182	-	197,21,182
Other Expenses	23,41,102	(10,15,500)	13,25,602
Total expenses	**423,91,266**	**(10,15,500)**	**413,75,766**
PROFIT BEFORE TAX	**3,76,054**	**10,15,500**	**13,91,554**
Tax expenses			
Current Tax	76,020	-	76,020
Deferred Tax	(2,670)	-	(2,670)
Tax of earlier years	1,30,310	-	1,30,310
Total Tax expenses	**2,03,660**	**-**	**2,03,660**
PROFIT FOR THE YEAR	**1,72,394**	**10,15,500**	**11,87,894**
OTHER COMPREHENSIVE INCOME	-	-	-
Total Comprehensive income for the year [VII+VIII]	**1,72,394**	**10,15,500**	**11,87,894**
Earning per equity share:			
Basic & Diluted	0.015	0.089	0.104

* The IGAAP figures have been reclassified to confirm 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.

Now 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 disclosed 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 operation in the statement of profit and loss

(b) Tax Implications

Tax 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. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

(b) Credit Risk

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

Classification of financial assets under various stages

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

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

As at 31 March 2019

Particulars	Stage 1	Stage 2	Stage 3
		Unsecured	
Gross Carrying Value	2689,84,733	382,30,731	190,12,462
Allowance for Expected credit loss	-	78,73,301	189,73,462
Expected credit loss Coverage ratio	0.00%	20.59%	99.79%

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

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

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

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

NOTE 26:- 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
Financial Assets									
Investments	249,41,334	-	35,45,465	120,00,000	-	35,45,465	-	-	-
loans	-	-	3262,27,926	-	-	3141,75,157	-	-	3469,94,285
Cash and cash equivalents	-	-	56,11,946	-	-	120,29,004	-	-	100,05,888
Bank balance other than cash	-	-	10,00,000	-	-	-	-	-	-
Other Financial Assets	298,74,806	-	1,500	356,09,086	-	-	365,93,409	-	-
Total	**548,16,140**	**-**	**3363,86,837**	**476,09,086**	**-**	**3297,49,626**	**365,93,409**	**-**	**3570,00,173**
Financial Liabilities									
Borrowings	-	-	1,35,727	-	-	485,48,987	-	-	688,41,421
Trade Payables	-	-	485,48,987	-	-	1,17,814	-	-	1,41,550
Other financial liabilities	-	-	268,46,763	-	-	392,35,462	-	-	385,05,045
Total	**-**	**-**	**755,31,477**	**-**	**-**	**879,02,263**	**-**	**-**	**1074,88,016**

NOTE 27:- FAIR VALUE HIERARCHY
(a) This section explain the judgments and estimates made in deterring the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determing fair value. The Company has classified its finacial instruments into the three levels prescribed under the accounting standard

Financial assets and liabilities measured at fair value

PARTICULARS	March,31, 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
Financial Assets									
Investments	249,41,334	-	35,45,465	120,00,000	-	35,45,465	-	-	-
loans	-	-	3262,27,926	-	-	3141,75,157	-	-	3469,94,285
Cash and cash equivalents	-	-	56,11,946	-	-	120,29,004	-	-	100,05,888
Bank balance other than cash			10,00,000	-	-	-	-	-	-
Other Financial Assets	298,74,806	-	1,500	356,09,086	-	-	365,93,409	-	-
Total	**548,16,140**	**-**	**3363,86,837**	**476,09,086**	**-**	**3297,49,626**	**365,93,409**	**-**	**3570,00,173**
Financial Liabilities									
Borrowings	-	-	1,35,727	-	-	485,48,987	-	-	688,41,421
Trade Payables	-	-	485,48,987	-	-	1,17,814	-	-	1,41,550
Other financial liabilities	-	-	268,46,763	-	-	392,35,462	-	-	385,05,045
Total	**-**	**-**	**755,31,477**	**-**	**-**	**879,02,263**	**-**	**-**	**1074,88,016**

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

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

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

(c) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments includes:
- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of forward foreign exchange contracts is determinated using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

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

(d) Fair value Estimations

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

Dividend/Interest-bearing investments

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

Trade & other receivable / Payables

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

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

NOTE 28:- RELATED PARTY TRANSACTIONS

a) List of Related Parties & Relationship:-

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

NOTE: RESIGNATION* APPOINMENT**

b) Transaction with Related Parties:-

Sr. No.	Name of the Related Party	Nature of Transaction	Transaction during the year 2018-2019	Transaction during the year 2017-2018
1	Proaim Enterprises Ltd	Shares Purchase	126,55,000	-
		Loan Given	5,60,000	-
		Loan Given Repaid	5,60,000	-
		Interest Received	1,111	-
2	Amit Gulecha	Remuneration	1,45,316	4,40,438
		Advance Given	-	58,700
3	Anubhav Maurya	Remuneration	30,000	-
4	Nikita Joshi	Salary	3,000	1,33,220
5	Rockon Enterprises Ltd	Loan Taken	38,00,000	2,00,000
		Loan Repaid	38,00,000	2,00,000
		Interest Paid	6,213	-
6	Rockon Capital Market Pvt Ltd	Loan Taken	31,00,000	-
		Loan Repaid	31,00,000	-
		Interest paid	13,147	-
		Shares Sales	-	4,61,120
7	Tilak Finance Ltd	Loan Given	38,00,000	158,00,000
		Loan Given Repaid	38,00,000	158,00,000
		Loan Taken	93,00,000	-
		Loan Repaid	93,00,000	-
		Interest Received	5,548	
8	Handful Investrade Pvt Ltd	Loan Given	50,00,000	53,50,000
		Loan Given Repaid	39,25,000	53,50,000
		Interest Received	81,494	15,50,000
		Loan Taken	-	15,50,000
		Loan Repaid	-	-
9	Kajol Tak	Salary	5,81,568	-
		Salary payable	-	-
10	Girraj Kishor Agarwal	Other expenses paid on behalf of the company	-	17,874
		Rent paid	1,20,000	-
11	Kayaguru Capital Market Pvt. Ltd	Shares Sales	-	43,00,000
12	Jyotsna Bhatt	Sitting Fees	-	9,000

NOTE 29:- EARNING PER SHARES (EPS)

Particulars	As at 31.03.19 Amount in (Rs.)	As at 31.03.18 Amount in (Rs.)
Profit for the year attributable to Equity Shareholders	248,79,576	11,87,894
Weighted Average Number of Equity Shares Outstanding During The Year (Nos.)	113,76,000	113,76,000
Basic /Diluted Earnings Per Share (Rs.)	2.19	0.10
Nominal Value of Equity Share (Rs.)	10.00	10.00

NOTE 30:- EMPLOYEE BENEFITS

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

NOTE 31:- LOANS AND ADVANCES

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

In 23 cases 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 /-. In 52 cases no interest has been charged. Amount of such loans as on 31st March, 2019 is Rs. 12,73,20,984/-.

NOTE 32:- SEGMENT REPORTING

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

NOTE 33:- MICRO, SMALL AND MEDIUM ENTERPRISES

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

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

Sd/-
Nishant Sampat
Partner
Membership Number: 134410

Place: Mumbai
Date: 23/05/2019

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

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

Sd/-
Amit Gulecha
[Managing Director]
DIN: 06964404

Sd/-
Prajna Naik
[Company Secretary]

Sd/-
Vibhuti Vadia
[Chief Financial Officer]