



JIWAN SINGH MEHTA & ASSOCIATES

CHARTERED ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

To the Members of
SAMPARK FIN SERVICES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **SAMPARK FIN SERVICES PRIVATE LIMITED** ("*the Company*") which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

Opinion

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, 2018, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is applicable to the company and is attached as an annexure 1 to the report.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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 2".
- 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:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Jiwan Singh Mehta & Associates**
Chartered Accountants
Firm Registration 022762C



Jiwan Singh Mehta
Proprietor
Membership No 530567

Place: Ghaziabad
Dated: 20.06.2018

“Annexure 2” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Sampark Fin Services Private Limited

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 Sampark Fin Services Private Limited (“the Company”) as of March 31, 2018 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Trust’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that



transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jiwan Singh Mehta & Associates

Chartered Accountants

Firm Registration 022762C



Jiwan Singh Mehta
Proprietor
Membership No 530567

Place: Ghaziabad

Dated: 20.06.2018.



JIWAN SINGH MEHTA & ASSOCIATES

CHARTERED ACCOUNTANT

Annexure to the Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of Sampark Fin Services Private Limited on the accounts of the company for the year ended March 31, 2018]

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

- (i) In respect of its fixed assets:
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - b) The company is maintaining Fixed Assets Register but following improvements are required regard to fixed assets:
 - I. Identification numbers to be placed on fixed Assets.
 - II. Physical Verification report to be submitted by board
 - III. Asset Recognition policy to be adopted by the board for recognition of Assets.
- (ii) In respect of its inventory:
- a) The company does not have any inventories, therefore sub-clauses (a), (b), & (c) of the order are not applicable to the company.
- (iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act, 2013:
According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods (and/services). During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in internal control.



- (v) The company has not accepted any deposits from the public and so the directions issued by the Reserve Bank of India and the provisions of the Act and rules framed there under are not applicable. As informed to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- (vii) In respect of statutory dues:
- a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including, Employees State Insurance (ESI), Investor Education and Protection Fund, Income-tax, Tax Collected at Source, Professional Tax, Sales Tax, Value Added Tax (VAT), Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, with the appropriate authorities.
- b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Sales Tax, VAT, Cess and other material statutory dues in arrears /were outstanding as at 31 March, 2018 for a period of more than six months from the date they became payable.
- c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise as at 31st March, 2018, the Company has been registered for less than 5 years; hence, clause 3(vii) (c) of the Order is not applicable to it.
- (viii) The company does not have the accumulated losses at the end of financial year. The company has not incurred any Cash losses during the financial covered by our Audit and the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) In our opinion, and according to the information and the explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year;



- (xi) The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For **Jiwan Singh Mehta & Associates**
Chartered Accountants
ICAI Firm's Registration Number : 022762C



Jiwan Singh Mehta
Proprietor
Membership No.530567

Place: Ghaziabad
Date: 20.06.2018

SAMPARK FIN SERVICES PRIVATE LIMITED

Balance Sheet as at	Notes	March 31,2018	31-March-17
EQUITY & LIABILITIES			
Shareholder's Funds			
Share Capital	1	30,000,000	20,000,000
Share Premium		2,999,850	499,850
Share Application Money		-	1,200,000
Reserves and Surplus	2	1,319,901	(36,357)
Long term Borrowing	3	20,473,211	-
Current Liabilities			
Short -term Borrowings	3	2,606,383	-
Other Current Liabilities	4	165,329	331,474
Short-Term Provisions	5	1,364,656	434,597
TOTAL		58,929,331	22,429,564
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	6	268,588	-
Long-term Loans and Advances	7	26,932,941	-
Deferred Tax Assets		-	-
Investment	8	14,209,000	500,000
Current assets			
Cash and Cash Equivalents	9	9,673,363	6,913,185
Short-term Loans and Advances	7	7,200,000	14,850,373
Other Current Assets		645,438	166,006
TOTAL		58,929,331	22,429,564

Summary of significant accounting Policies 15

As per our report of even date
for Jiwan Singh Mehta & Associates.,
Chartered Accountants

FRN: 022762C

Place : New Delhi
Date : 20.06.2018



Jiwan Singh Mehta
Proprietor
M.No.530567

For and on behalf of the Board of
Directors

Jugalakishora Pattanayak
JUGALAKISHORA
PATTANAYAK

Director
02843125

Mohan Kumar Baliyarsingh
MOHAN KUMAR
BALIYARSINGH

Director
06883324



SAMPARK FIN SERVICES PRIVATE LIMITED

Statement of Profit and Loss for the Year Ended	Notes	March 31,2018	31-March-17
INCOME			
Revenue from Operations	10	4,941,974	1,424,278
Other Income	11	124,714	3,506
Total revenue (I)		5,066,688	1,427,784
EXPENSES			
Employee Benefit Expense	12	379,003	426,000
Finance Costs	13	1,594,807	40,051
Other Expenses	14	789,199	786,908
Depreciation and Amortisation Expenses	6	17,362	-
Provision on Loan Portfolio		341,329	148,504
Total Expenses (II)		3,121,700	1,401,463
Profit / (Loss) Before Prior Period Adjustments & Tax		1,944,988	26,321
Prior period Adjustments			
Profit Before Tax (III) = (I)-(II)		1,944,988	26,321
Tax Expense			
Current Tax		588,730	175,000
Deferred Tax		-	-
Total Tax Expense (IV)		588,730	175,000
Profit/(loss) After Tax (III)-(IV)		1,356,258	(148,679)
APPROPRIATION			
Profit brought forward from the previous years		-	-
Available for Appropriation		1,356,258	(148,679)
Transfer to:			
Statutory Reserve		271,252	-
General Reserve		1,085,006	(148,679)
Balance carried to Balance Sheet		-	-
Earnings per Equity Share			
<i>Basic (Computed on the Basis of Total Profit for the Year)</i>		4.52	(0.50)
<i>Diluted (Computed on the Basis of Total Profit for the Year)</i>		6.78	(0.74)

As per our report of even date For and on behalf of the Board of Directors
for Jiwan Singh Mehta & Associates.,
Chartered Accountants

Place : New Delhi
Date : June 20, 2018



JUGALAKSHORA PATTANAYAK
Director
02843125

MOHAN KUMAR BALIYARSINGH
Director
06883324

SAMPARK FIN SERVICES PRIVATE LIMITED

Notes To Financial Statements For The Year Ended

31-Mar-18

31-March-17

Note 1: Share Capital

Authorised:

500,000 Equity Shares of Rs.100/- each	50,000,000	50,000,000
	50,000,000	50,000,000

Issued and Subscribed:

300,000 Equity Shares of Rs.100/- each, fully paid up	30,000,000	20,000,000
Total issued, subscribed, fully paid-up equity and preference share capital	30,000,000	20,000,000

Reconciliation of the Shares Outstanding at the Beginning and at the End of the Reporting Year

Equity Shares

	31-Mar-18		31-Mar-17	
	No. of Shares	(Rupees)	No. of Shares	(Rupees)
At The Beginning of the Year	200,000	20,000,000	100,000	10,000,000
Issued During the Year	100,000	10,000,000	100,000	10,000,000
Outstanding at the End of the Year	300,000	30,000,000	200,000	20,000,000

Details of Shareholders Holding more than 5% Shares in the Company

Equity Shares of Rs.10 each fully paid	31-Mar-18		31-Mar-17	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity Shares with voting rights				
Jyoti Ranjan Mohopatra	10,000	3.3%	10,000	5%
Jugalkishore Pattanayak	35,006	11.7%	35,006	18%
Nandan Singh Bisht	10,000	3.3%	10,000	5%
Narendra Nayak	11,000	3.7%	11,000	6%
Niraj Kumar	18,000	6.0%	10,000	5%
India Social Investment Venture Private Limited	127,994	42.7%	119,994	60%
Sindra Trust	64,000	21.3%	-	0%
Kuldeep Singh	20,000	6.7%	-	0%

Note 2 : Reserve And Surplus

Statutory Reserve

	31-Mar-18	31-March-17
Balance as per the last financial statements	34,918	34,918
Add: Transferred From The Profit And Loss Account	271,252	-
Closing Balance (A)	306,170	34,918

General Reserve

	31-Mar-18	31-March-17
As per Last Balance Sheet		
Add: Transfer from Profit and Loss Account		
	-	-

Profit & Loss Account

	31-Mar-18	31-March-17
Balance as Per the Last Financial Statements	(71,275)	77,404
Add: Profit/ (Loss) for the Year	1,085,006	(148,679)
Adjustment of Previous year		
Balance at the End of the Year (B)	1,013,731	(71,275)
Total Reserves and Surplus (A+B)	1,319,901	(36,357)



Financial Statement for the year Ended March 31,2018

SAMPARK FIN SERVICES PRIVATE LIMITED

Non-Current Portion

Notes to Financial Statements for the Year Ended	March 31,2018	31-March-17	March 31,2018
Note 3: Short/Long Term Borrowing			
Term Loans			
Reliance commercial Finance		-	885,933
Habitata for Humanity India	12,546,584	-	
MILAP Social Venture Pvt Ltd	7,926,627		
Unogrowth Technologies			1,720,450
Total	20,473,211	-	2,606,383
The above Amount Includes			
Secured Borrowings- Short term			2,606,383
Secured Borrowings- Long term	20,473,211		
Total	20,473,211	-	2,606,383
Note 4: Other Liabilities			
Employee Benefit Payable			-
Expenses and Other Payable			83,585
Interest Accrued but Not Due on Borrowings			
Statutory Dues Payable			81,744
Total		-	165,329
Note 5: Short-Term Provisions			
Provision for Income Tax			612,366
Provision on Standard Loan Portfolio			752,290
Total		-	1,364,656



SAMPARK FIN SERVICES PRIVATE LIMITED

Notes to Financial Statements for the Year Ended	Non-Current		Current	
	31-Mar-2018	17	31-Mar-2018	31-March-17
Note 7: Loans and Advances				
A. Portfolio Loans				
Micro Finance Loans Under Joint Liability Group				
Unsecured, Considered Good	26,932,941	-	7,200,000	14,850,373
Total (A)	26,932,941	-	7,200,000	14,850,373
B. Security Deposits				
Unsecured, Considered Good	-	-	-	-
Total (B)	-	-	-	-
C. Advances Recoverable in Cash or Kind				
Unsecured, Considered Good	-	-	-	-
Total (C)	-	-	-	-
D. Other Loans and Advances				
Total (C)	-	-	-	-
Total (A+B+C+D)	26,932,941.00	-	14,850,373	-
Note 8: Investment				
Artha Tatwa Multi purpose Co-op Society Ltd.	-	500,000	-	-
Share in Shikhar Microfinance Private Limited	14,209,000	-	-	-
	14,209,000	500,000	-	-
Note 9: Cash and Bank Balances				
Cash and Cash Equivalents				
Cash in Hand	-	-	325,461	214,102
Balance with Bank - In Current Account	-	-	8,597,902	6,699,083
Total (A)	-	-	8,923,363	6,913,185
Other Bank Balances				
Margin Money Deposit*	-	-	750,000	-
Total (B)	-	-	750,000	-
Amount Disclosed under Non-Current Assets (C)	-	-	-	-
Total (A+B+C)	-	-	9,673,363	6,913,185



SAMPARK FIN SERVICES PRIVATE LIMITED

31-Mar-2018

31-March-17

Notes to Financial Statements for the Year Ended

Note 10: Revenue from Operations

Interest Income	3,412,958	1,063,285
Interest Income on Portfolio Loans	1,204,513	262,503
Interest - on SME Loans		
Other Operating Revenue	324,503	98,490
Processing Fee on Portfolio Loans		
Total	4,941,974	1,424,278

Note 11: Other Income

Interest on Fixed Deposits	124,714	3,356
Interest on Income tax refund	-	150
Total	124,714	3,506

Note 12: Employee Benefit Expenses

Salaries and Bonus / Incentives	379,003	176,000
Director Remuneration	-	250,000
Total	379,003	426,000

Note 13: Finance Costs

Bank Charges	7,193	40,051
Interest Paid Banks/ FI	1,379,669	-
Loan processing fees Banks/ FI	207,945	-
Total	1,594,807	40,051

Note 14: Other Expenses

Website Charges	41,068	191,946
Travelling Expenses	31,706	-
Rent	96,000	156,000
General Office Maintenance	10,472	-
Printing and Stationery	11,970	14,118
ROC Fees (Increase Authorised Capital)	6,000	371,189
Insurance	25,000	-
Membership Fees	17,471	16,100
Electricity Expenses	12,415	780
Training and meeting	-	775
Auditors' Remuneration (Refer Note Below)	28,000	33,000
Postage and communication	9,097	3,000
Written off	500,000	-
Total	789,199.0	786,908

Auditors' Remuneration

As Auditor:		
Audit Fees (inclusive of service tax)	28,000	28,000
In Other Capacity:		
Certification Fees	-	5,000
Reimbursement Of Expenses	28,000	33,000
Total	28,000	33,000



1. Corporate information:

Sampark Fin Services Private Limited ('the Company') (*Formerly known as Hans Properties Private Limited*), incorporated on April 04, 1987, having a registration no: U65191DL1987PTC027790 under Companies Act 1956.

The Company is engaged in the business of providing financial support and carries on the business of Micro credit. Sampark holds a valid certificate of registration No. **Certificate No B-14-02090** dated **October 23, 2015** issued by the Reserve Bank of India.

The Company is engaged in providing financial services to women in the rural areas of India who are organized as Joint Liability Groups ('JLG')/ Self Help Group (SHG). The Company provides small value collateral free loans and other loans to women in groups. In the initial stages of group formation and mobilization, the operations also involve efforts on development training, efforts on financial discipline, advice on the micro enterprises carried out by the individual members, and later, constant monitoring through weekly/ monthly meetings.

2. Significant accounting policies:**a. Basis of preparation of financial statements:**

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

b. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i. Interest income on loans given is recognised under the Reducing Balance method. Income or any other charges on non-performing asset is recognised only when realised and any such income recognised before the asset became non-performing and remaining unrealised is reversed.

ii. Interest income on deposits with banks is recognised on a time proportion accrual basis taking into account the amount outstanding and the rate applicable.

iii. Loan processing fees is recognized on accrual basis.

v. All other income is recognised on an accrual basis.



d. Cash Flow Statement:

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

e. Fixed assets, intangible and related depreciation / amortization:

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

Depreciation on fixed assets has been provided on Straight Line Method using the rates prescribed as per useful life of assets prescribed under Schedule II of the Companies Act, 2013. Assets individually costing less than ₹5,000 are depreciated fully in the year of purchase.

f. Employee benefits:

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

g. Borrowing costs

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

h. Taxation:

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

i. Earnings per share

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

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

j. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle



the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

k. Contingent liabilities

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

l. Cash and cash equivalents

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

m. Classification of loan portfolio:

i) Loans to JLG are classified as standard assets, sub-standard assets, doubtful assets and loss assets in terms of Master Circular- 'Non-Banking Financial Company-Micro Finance Institutions' (NBFC-MFIs) – Directions (NBFC-MFI Directions) dated July 1, 2015.

ii) Loans and advances other than loans to JLG are classified as standard, sub-standard, doubtful and loss assets in accordance with the Systemically Important Non – Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions.

n. Provisioning policy for loan portfolio

i) Unsecured loan portfolio is provided for in accordance with the NBFC-MFI Directions. These Directions require the total provision to be higher of:

(a) 1% of the outstanding loan portfolio or

(b) 50% of the aggregate loan installments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan installments which are overdue for 180 days or more.

ii. All other loans and advances are provided as higher of management estimates and provision in accordance with the NBFC Prudential Norms in accordance with Non – Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions.

o. Investments:

Investments has been made by the Company during the year ended March 31, 2018 Rs.1,42,09,000/- Previous year NIL.

3. Segment information

The Company operates in a single reportable segment i.e. lending to loan members, which have similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Company operates in a single geographical segment i.e. domestic.



4. Directors Remuneration for the year ended nil /- Previous year 2, 50,000.

5. Capital and other commitments

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

6. Contingent Liability for the year ended Nil.

7. Depreciation for the year ended Rs.17,362 (Previous Year Rs.NIL).

8. Additional disclosures

a. Derivatives:

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

The Company has no unhedged foreign currency exposure as on March 31, 2018 (March 31, 2017: Nil).

b. Disclosures relating to Securitisation:

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

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

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

d. Details of assignment transactions undertaken:

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

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

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

f. Exposures:

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

g. Registration obtained from other financial sector regulators:

The Company is registered with following other financial sector regulators (Financial regulators as described by Ministry of Finance):

Reserve Bank of India vide Certificate No B-I4-02090 dated October 23, 2015

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

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

i. Ratings assigned by credit rating agencies and migration of ratings during the year: None



j. Information on instances of fraud

Instances of fraud for the year ended March 31, 2018:

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

k. Outstanding of loans against security of gold as a percentage to total assets is Nil (March 31, 2017: Nil).

9. There are no micro and small enterprises to whom the Company owes dues, which are outstanding for more than 45 days on the date of Balance Sheet. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

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

As per our report of even date
For **Jiwan Singh Mehta & Associates.**
Chartered Accountants
FRN: 0227620

Jiwan Singh Mehta
M.No.530567
Proprietor



For and on behalf of the Board of Directors

JUGALAKISHORA
PATTANAYAK
Director
02843125

MOHAN KUMAR
BALIYARSINGH
Director
'06883324

Place : New Delhi
Date :





JIWAN SINGH MEHTA & ASSOCIATES

CHARTERED ACCOUNTANT

**AUDITORS' REPORT OF EVEN DATE TO THE BOARD OF DIRECTORS OF
SAMPARK FIN SERVICES PRIVATE LIMITED**

[Pursuant to Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008]

We have audited the attached Balance Sheet of **SAMPARK FIN SERVICES PRIVATE LIMITED** as at March 31, 2018 and the Statement of Profit and Loss for the year ended on that date annexed thereto and report that:

Further to our audit report of even date issued under Sec 143 (2) of the Companies Act, 2013, as required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 based on the information and explanations given to us and based on the records produced, we state below a statement of matters specified in paragraph 3 of the said Directions.

1. IN THE CASE OF ALL NON-BANKING FINANCIAL COMPANIES (PARAGRAPH 3 (A) OF THE ORDER):

- The Company has obtained a certificate of registration as a Non-Banking Financial Company vide **Certificate No B-14-02090 dated October 23, 2015** pursuant to Sec 45IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- The Company is continuously undertaking the business of NBFC during the financial year 2017-18, and the Company is entitled to continue to hold such Certificate of Registration issued by Reserve Bank of India, in terms of its asset/income pattern as on March 31, 2018.
- Assets / Income pattern of the Company based on audited financial statement as on March 31, 2018 is as follows;

S.No.	Particulars	Amount In lakhs	% age to Total Assets for the as on March 31, 2018
1	Net Fixed Assets	2.69	0.46%
2	Net Leased Assets	-	0.00%
3	Net Stock on hire/ hypothecation	-	0.00%
4	Loan and Advances	341.33	57.93%
5	Investment in Govt. Sec.	-	0.00%
6	Interest on Govt. Sec. if any	-	0.00%
7	Fixed Deposits	-	0.00%
8	Interest on FDRs	-	0.00%
9	Cash and Bank Balances	96.73	16.42%
10	Investments in Group Companies	-	0.00%
11	Other Investments	142.09	24.11%
12	Sundry Debtors	-	0.00%
13	Security Deposit (Telephone)	-	0.00%
14	Advance Tax / Interest Tax	-	0.00%
15	Other Assets	6.45	1.10%
	TOTAL ASSETS	589.29	100%



S.No.	Particulars	Amount In lakhs	% age to Total Income for the Year Ended on March 31, 2018
1	Income from Hire Purchase/Hyp		
2	Interest Earned on FDRs	1.25	2.46%
3	Interest on Govt. Securities if any	-	0.00%
4	Investment Income	-	0.00%
5	Interest Income on loans and Advances	49.42	97.54%
6	Interest Earned others (ICDs) /Int. on I. Tax Refund	-	0.00%
7	Excess amt. of prov. Written Back	-	0.00%
8	Bad Debts recovered or rent received	-	0.00%
9	Other	-	0.00%
	Total Income	50.67	100%

d) The Company's predominant assets are Loans and Advances and income of the Company is derived from these Loans and Advances and hence making the Company eligible to be classified as a Loan Company.

2. IN THE CASE OF NON-BANKING FINANCIAL COMPANIES NOT ACCEPTING PUBLIC DEPOSITS (PARAGRAPH 3 (C) OF THE ORDER)

- a) The Board of Directors has passed a resolution in the meeting held on June 27, 2017 for the non-acceptance of public deposits during financial year 2017-18.
- b) The Company has not accepted any public deposits during the year under review.
- c) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, during the FY 2017-18.

For **Jiwan Singh Mehta & Associates**
Chartered Accountants
ICAI Firm Registration Number : 022762C



Jiwan Singh Mehta
Proprietor
Membership No.530567

Place: Ghaziabad
Dated: 20-06-2018



JIWAN SINGH MEHTA & ASSOCIATES

CHARTERED ACCOUNTANT

CERTIFIED THAT M/S SAMPARK FIN SERVICES PRIVATE LIMITED having its Registered Office at Flat No- 31c, SFS, S/F Pkt. 2, Cat – 2, Sector – 6, Dwarka, New Delhi – 110 075 as on the date of this certificate is not holding any public deposits as defined in Para 2(1) (xii) of Non banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions, 1998 issued vide notification No.DFC 118/DG/ (SPT)-98 dated January 31, 1998 as amended. Further, to certify that the company did not mobilize any public deposit during the financial year ended on March 31, 2018.

For **Jiwan Singh Mehta & Associates**
Chartered Accountants
Firm Registration 022762C

Place: Ghaziabad
Dated: 20.06.2018



Jiwan Singh Mehta
M. No 530567
Proprietor



JIWAN SINGH MEHTA & ASSOCIATES

CHARTERED ACCOUNTANT

We have examined the books of accounts and other records of M/s. **SAMPARK FIN SERVICES PRIVATE LIMITED** for the financial year ending March 31, 2018 On the basis of the information submitted to us, we certify the following:

S.No.	Particulars	Details
1	Name of the company	Sampark Fin Services Private Limited
2	Certificate of Registration No	B-14.02090
3	Registered office Address	Flat No 31-C SFS 5/F Pkt -2 Cat -2 Sec-6, Dwarka New Delhi 110075
4	Corporate office Address	No-180, Dharma Bihar Bhubaneswar- 751030
5	The company has been classified by RBI as: (Investment Company / Loan Company/ AFC/NBFC-MFI/NBFC-Factor/IFC/IDF-NBFC)	Loan Company
6	Net Owned Fund (in ` lacs) <i>(Calculation of the same is given in the Annex)</i>	The Net owned Fund of the Company as on March 31, 2018 is Rs. 201 Attached annexure 1
7	Total Assets (in ` lacs)	The total Assets of the Company is Rs.447.64
8	Asset Income Pattern: (in terms of RBI Press Release 1998-99/1269 dated April 8, 1999) a) % of Financial Assets to Total Assets b) % of Financial Income to Gross Income <i>(NBFC-Factor/NBFC-MFI/AFC/IFC may also report separately below)</i>	71% 100%
9	Whether the company was holding any Public Deposits, as on March 31, 2018. If Yes, the amount in ` lacs	The Company is not accepting/holding any Public Deposit as on date March 31, 2018.



10	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund?(In terms of Sec 45-IC of the RBI Act, 1934).	The Company has transferred 20% of the Net Profit to the statutory reserve fund as per section 45-IC of RBI Act 1934.
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	No, the company has not received any FDI during the year.
12	If the company is classified as an NBFC-Factor: % of Factoring Assets to Total Assets a) % of Factoring Income to Gross Income	NA
13	If the company is classified as an NBFC-MFI: % of Qualifying Assets to Net Assets (refer to Notification DNBS.PD.No.234 CGM (US) 2011 dated December 02, 2011)	NA
14	If the company is classified as an AFC: a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of Income generated out of these assets to Total Income	NA
15	If the company is classified as an NBFC-IFC % of Infrastructure Loans to Total Assets	NA
16	Has there been any takeover/ acquisition of control/ change in shareholding/ Management during the year which required prior approval from RBI? (Please refer to per DNBS (PD) CC.No.065 /03.10.001/2015-16 dated July 09, 2015 on the subject for details)	No , there is change in shareholding during the year.



In terms of paragraph 2 of Notification No. DNBS.201/DG (VL)-2008 dated September 18, 2008, a separate report to the Board of Directors of the company has been made.

I have read and understood paragraph 5 of Notification No. DNBS.201/DG (VL)-2008 dated September 18, 2008.

Place: Ghaziabad
Dated: 20.06.2018

For **Jiwan Singh Mehta & Associates**
Chartered Accountants
Firm Registration 022762C



Jiwan Singh Mehta
Proprietor
M. No 530567

Statement of Net Owned Funds at the end of March 31, 2017

			Rs. Lacs
Item No.	Item Name	Item Code	Amount
1	Capital Funds – Tier I		
	(i) Paid-up Equity Capital	311	300.00
	(ii) Preference shares to be compulsorily convertible into equity	312	-
	(iii) Share premium	313	29.99
2	Total (311+312+313)	310	329.99
3	(i) Balance of Profit and Loss	321	13.19
	(ii) Deferred Revenue Expenditure	322	
	(iii) Other Intangible Assets	323	
4	Total (321 +322+ 323)	320	-
5	Owned Fund (310 - 320)	330	343.19
6	Book Value of Investments in shares of :		
	(i) Subsidiaries	341	
	(ii) Companies in the same Group	342	
	(iii) Other non-banking financial companies (Details in Annexure no. I)	343	142.09
7	Book value of investment in debentures and bonds of :		
	(i) Subsidiaries	344	
	(ii) Companies in the same Group	345	
8	Outstanding loans and advances including bills purchased/ discounted, inter-corporate deposits, hire-purchase and lease finance, CPs with		
	(i) Subsidiaries	346	
	(ii) Companies in the same Group (Details in Annexure no II)	347	
9	Total (341 to 347)	340	
10	Amount of Item 340 in excess of 10% of item 330 above	351	
11	Net owned fund (330 -351)	350	201.11

