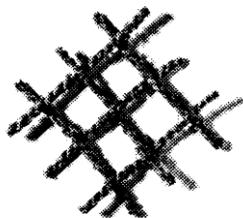


UNITED CREDIT LIMITED



ANNUAL REPORT 2019-2020



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**BOARD OF DIRECTORS**

Mr. Ashok Kumar Dabriwala,
Chairman & Managing Director

Mr. Nandanandan Mishra

Mr. Raj Mohan Choubey

Mr. Devashish Dabriwal

Mr. Suresh Chandra Saha

Mrs. Rashmi Dabriwal

**VICE PRESIDENT AND
COMPANY SECRETARY**

Mr. Arunabha Biswas

CHIEF FINANCIAL OFFICER

Mr. Samarjit Jain

SOLICITORS AND ADVOCATES

M/s. Khaitan & Co. LLP
Argus Partners

AUDITORS

M/s. L. B. Jha & Co.

BANKERS

United Bank of India
State Bank of India

**REGISTRARS & SHARE
TRANSFER AGENT**

C B Management Services (P) Limited
P-22, Bondel Road
Kolkata - 700019
Phone : (033) 2280-6692/2282-3643 2287-
0263/4011-6700
Fax : (033) 4011-6739
E-mail : rta@cbmsl.com
Website : www.cbmsl.com

AUDIT COMMITTEE

Mr. Suresh Chandra Saha
Mr. Nandanandan Mishra
Mr. Raj Mohan Choubey

**NOMINATION AND
REMUNERATION COMMITTEE**

Mr. Raj Mohan Choubey
Mr. Nandanandan Mishra
Mr. Suresh Chandra Saha

**STAKEHOLDERS RELATIONSHIP
COMMITTEE**

Mr. Raj Mohan Choubey
Mr. Ashok Kumar Dabriwala
Mr. Devashish Dabriwal

REGISTERED OFFICE

27B, Camac Street (8th Floor), Kolkata-700 016
Phone : (033) 2287-9359/9360, Fax : (033) 2287-2047
E-mail : unitedcreditltd@gmail.com
Website : www.unitedcreditltd.com

UNITED CREDIT LIMITED

CIN : L65993WB1970PLC027781

REGISTERED OFFICE

27B, Camac Street (8th Floor), Kolkata-700016
Phone : (033) 2287-9359/9360, Fax : (033) 2287-2047
E-mail : unitedcreditltd@gmail.com
Website : www.unitedcreditltd.com

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Forty-ninth Annual General Meeting of the members of UNITED CREDIT LIMITED will be held on Tuesday, the 29th September, 2020 at 11.00 A.M. through video conferencing (VC) or other audio visual means (OAVM). The Company will conduct the meeting from 7C, Middleton Street, Kolkata - 700071, which shall be deemed to be the venue of the meeting to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Rashmi Dabriwal (DIN: 00393162), who retires by rotation and being eligible, offers herself for re-appointment.

By Order of the Board of Directors

Arunabha Biswas
Vice President & Company Secretary
Membership No. F 4380

July 23, 2020
Kolkata - 700016

NOTES

- I) Mrs. Rashmi Dabriwal is retiring by rotation in the ensuing Annual General Meeting (AGM). Her profile is given in Annexure I to the Notice as per requirement of Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2.
- II) Members are requested to notify immediately any change in their address to the Company and/or to the Depository Participants, wherever applicable.
- III) Pursuant to the provisions of Section 72 of the Companies Act, 2013 (the Act), shareholders holding shares in physical form may file nomination in the prescribed form SH-13 with the Registrars & Share Transfer Agent of the Company, C B Management Services (P) Limited, P-22, Bondel Road, Kolkata – 700 019 (CBM). In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant. The nomination form can be downloaded from the Company's website www.unitedcreditltd.com.

Members may note that as per SEBI Press Release No. 12/2019 dated 27th March, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository. This measure has come into effect from 1st April, 2019. Accordingly, members are requested to dematerialise their shares as early as possible, if not already done.

- IV) The Company has transferred the unpaid or unclaimed dividends declared up to the financial years 2011-2012 from time to time on due dates, to the Investor Education and Protection Fund (IEPF) established by the Central Government.
- V) The Company has complied with the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 by furnishing and uploading information regarding unpaid and unclaimed amount of dividends lying with the Company in Form No.IEPF-2 on the website of the Authority, www.iepf.gov.in and website of the Company, www.unitedcreditltd.com.

Unclaimed dividend on preference shares in respect of the financial year 2012-13 and for the broken period 1st April 2013 to 3rd September, 2013, i.e. the date of redemption of preference shares and also the unclaimed redemption proceeds will be transferred to the Investor Education and Protection Fund (Fund) within the stipulated time in the month of October 2020.

- VI) Members are requested to note that pursuant to the provisions of Section 124(6) of the Act read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended vide Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 ('IEPF Rules') all such shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are also required to be transferred to IEPF Authority. The Company has transferred the shares in respect of unclaimed dividend up to the financial year 2010-2011 in favour of the IEPF Authority, on 30th November, 2017. As per record maintained by CBM, after this transfer, presently there are no shares of the Company which are required to be transferred to IEPF.

The voting rights on shares transferred to the Fund shall remain frozen until the rightful owner claims the shares.

- VII) Members are informed that once the unpaid / unclaimed dividend or the shares are transferred to IEPF, the same may be claimed by the Members from the IEPF Authority by making an application in prescribed Form IEPF-5 online and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents to the Registered Office of the Company for verification of the claim. The Form IEPF-5 is available on the website of IEPF at www.iepf.gov.in.
- VIII) Members are informed that the scrips of the Company have been activated both in Central Depository Services (India) Limited and National Securities Depository Limited and may be dematerialised under the ISIN INE858C01027.

- IX) Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or CBM. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandate to their depository participant with whom they are maintaining their demat accounts.
- X) The members are also informed that the Company has to maintain the Register of Members in the prescribed Form MGT-1, which requires detail information of the members. The shareholders are requested to furnish the required information in the enclosed form marked Annexure 'A' and send back the same duly signed to C B M soonest possible.
- XI) The shareholders who have not yet surrendered their share certificates of erstwhile United Credit Financial Services Limited are requested to contact CBM for necessary action immediately.
- XII) Members who hold shares in physical form under multiple folios in identical names or joint holding in the same order of names, are requested to send the share certificates to the Company / Registrars & Share Transfer Agent for consolidation into a single folio.
- XIII) The shareholders are requested to register their e-mail address with the Company /CBM and / or with the concerned Depository Participant where applicable and changes therein from time to time, to enable the Company to serve documents and notice of meeting through e-mail.

The persons, who have not registered their email addresses with the Company, can get the same registered with the Company by filing the attached e-communication form Marked Annexure 'B'.

- XIV) In view of the prevailing situation, owing to the difficulties involved in despatching physical copies of the Annual Report containing Notice, financial statements including Board's report, Auditor's report and other documents required to be attached therewith are being sent only by email to the members whose email addresses are registered with the Company/ Registrars & Share Transfer Agent / Depository Participant (s), and to all other persons so entitled.
- XV) Members may note that the Notice of the 49th AGM, along with its enclosures, will also be available on the Company's website www.unitedcreditltd.com and the website of CDSL www.evotingindia.com for their download. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 ("the Act"), Register of Contracts or Arrangements in which directors are interested under Section 189 of the Act will be available for inspection during the AGM in electronic mode.
- XVI) In compliance with the requirement of General Circular No. 20/2020 dated 5th May, 2020 read with General Circulars No. 14/2020 dated 8th April, 2020 and No. 17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (MCA), the Company is pleased to provide members facility to attend the 49th AGM through Video Conferencing / Other Audio Visual means.

Pre-Requisites for Members / Attendees:

- i) Any internet enabled device – Laptop/Desktop/Smartphone/Tablet
- ii) Latest internet browser
- iii) Laptop/desktop with at least Core2duo processor, 1GB RAM, good quality multimedia kit, Internet connectivity good quality without proxy & firewall – ideally broadband connectivity – 512 kbps or 2 mbps and above dedicated bandwidth
- iv) Ports 1935, 443 and 80 should be opened to allow streaming content

- v) Shareholders / Attendee to download the software app of respective platform provider i.e Cisco WebEx in advance and ready to connect fast for meeting.

XVII) Instructions for Members for participating in the 49th AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM) are as under:

- i) **Shareholders will be provided with a facility to attend the AGM through VC/OAVM through CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVSN of Company will be displayed.**
- ii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- iii) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is, therefore, recommended to use Stable Wi-Fi or LAN Connecting to mitigate any kind of aforesaid glitches.
- v) Members, who would like to express their views or ask questions during the 49th AGM with regard to the financial statements or any other matter to be placed at the 49th AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their names, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address unitedcreditltd@gmail.com at least 7 days in advance before the date of the meeting. Those Members who have registered themselves as a speaker shall be allowed to ask questions during the 49th AGM, depending upon the availability of time. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the rights to restrict the member speaker and number of questions depending on the availability of time for smooth conduct of the meeting.
- vi) Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 49th AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address unitedcreditltd@gmail.com at least 7 days in advance before the date of the meeting. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
- vii) The facility for joining the meeting shall be kept open 30 minutes before the scheduled time to start the meeting. The facility will remain open for 30 minutes after the scheduled time of 11.00 A.M. Members will be allowed to attend the meeting through VC / OAVM on first come first served basis.
- viii) Attendance of members through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In case of joint holders attending the meeting, only such joint holders, who is higher in the order of names, will be entitled to vote at the AGM.
- ix) Only those members, who are present in the meeting through VC or OAVM and have not cast their vote on resolutions through remote e-voting and are otherwise not barred from doing so, shall be allowed to vote through e-voting system available during the AGM.

- x) In terms of General Circular No. 14/2020 dated 8th April, 2020 issued by MCA, since the physical attendance of Members have been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for this meeting. However in pursuance of Section 112 and Section 113 of the Act, representatives of the shareholders may be appointed for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC/OAVM.
- xi) Since the AGM will be held through VC/OAVM, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
- xii) Central Depository Services India Limited (“CDSL”) will be providing facility for voting through remote e-voting, for participation in the 49th AGM through VC/OAVM and e-voting during the 49th AGM.
- xiii) A copy of the notice of the meeting is prominently displayed on the website of the Company at www.unitedcreditltd.com and BSE Limited at www.bseindia.com, The Calcutta Stock Exchange Limited at www.cse-india.com and CDSL at www.evotingindia.com.
- xiv) 1000 members are allowed to participate on a first-come-first-served basis. The large share holders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc may be allowed to attend the meeting without restriction on account of first-come-first served principle.

XVIII) VOTING THROUGH ELECTRONIC MEANS:

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the revised Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members, facility to exercise their right to vote at the 49th AGM by electronic means and the business may be transacted through remote e-voting services provided by CDSL.

Provided that once a member cast his / her vote on a resolution he / she shall not be allowed to change it subsequently or cast vote again.

In addition to this, facility for e-voting shall also be available at the meeting and members attending the meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.

It is stated that a member may participate in AGM even after exercising his/her right to vote through remote e-voting but shall not be allowed to vote again in the meeting.

Voting rights shall be on the basis of proportion of shares in the paid-up share capital of the Company (i.e. one share one vote) registered in the name of a member or beneficial owner in case of shares held in dematerialised form as on the cut-off date i.e. 22nd September, 2020.

A person whose name is recorded in the register of members or in the register of beneficial owner maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting as well as voting at the meeting. Any person who becomes a member of the Company after despatch of notice of the meeting and holding shares as on the cut-off date i.e. 22nd September, 2020 may obtain the User ID and Password from CBM to cast their vote.

Members may contact Mr. Arunabha Biswas, Vice President and Company Secretary at the Company's address, telephone number and e-mail Id for any grievance connected with the facility for voting by electronic means.

The instruction for shareholders for remote e-voting are as under:

- (i) The remote e-voting period begins at 9.00 a.m. on Friday, the 25th September, 2020 and ends at 5.00 p.m. on Monday, the 28th September, 2020. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote through e-voting system available during the AGM.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on "Shareholders" TAB.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
 - c. Members holding shares in physical form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login – Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below :

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on the attached letter indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN 200803001 of 'UNITED CREDIT LIMITED'.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE COMPANY AND / OR DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company / RTA email id**.
2. For Demat shareholders who have not updated their email id with the depositories – please provide Demat account details (CDSL - 16 digit beneficiary ID or NSDL -16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company / RTA email id**.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

XIX) Note for Non-Individual Shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and / or Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the e-mail address unitedcreditltd@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

XX) In case you have any queries or issues regarding attending AGM and e-voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022 – 23058738) or Mr. Mehboob Lakhani (022 – 23058543) or Mr. Rakesh Dalvi (022 – 23058542).

XXI) General :

- (i) Mrs. Indrani Chaudhuri, Practising Company Secretary, Kolkata, (Membership No. ACS 8739), failing her, Mr. Rajarshi Ghosh, Practising Company Secretary, Kolkata (Membership No. ACS 17717), has been appointed as Scrutinizer to scrutinize the remote e-voting process and voting at the meeting in a fair and transparent manner
- (ii) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than forty-eight hours of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, and submit the same to the Chairman or a person authorised by him in writing who shall countersign the same.

Provided that the Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.

XXII) The results of the e-voting along with the Scrutinizer's report shall be placed in the Company's website www.unitedcreditltd.com and on the website of CDSL www.evotingindia.com immediately after the result is declared by the Chairman. The results will also be simultaneously communicated to the BSE Limited and The Calcutta Stock Exchange Ltd. where the shares of the Company are listed.

XXIII) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the meeting, i.e. 29th September, 2020.

By Order of the Board of Directors

Arunabha Biswas
Vice President & Company Secretary
Membership No. F 4380

July 23, 2020
Kolkata - 700016

**PROFILE OF MRS. RASHMI DABRIWAL, DIRECTOR RETIRING
BY ROTATION AND SEEKING RE-APPOINTMENT AT THE AGM**

- a) Mrs. Rashmi Dabriwal (DIN: 00393162) aged about 43 years is a Chartered Accountant and LL.B. She is a Gold Medalist in Indirect Taxation. Mrs. Dabriwal was first appointed as Director of the Company on 7th February, 2014. She is liable to retire by rotation pursuant to Section 152 of the Companies Act, 2013.
- b) Mrs. Dabriwal has vast experience in corporate banking, portfolio management, wealth management and real estate for a decade. She has also experience in running a hotel for more than a decade.
- c) Mrs. Dabriwal is related to Mr. Ashok Kumar Dabriwala, Chairman & Managing Director and Mr. Devashish Dabriwal, Director of the Company.
- d) She is not on the Board of any other listed Company. Details of her Directorship, Membership/ Chairmanship of Committees of the Board of Directors of other unlisted companies are given hereunder.

Name of the Company	Director/Chairman	Chairman of the Board Committees	Member of the Board Committees
Instinct13 Financial Solutions Private Limited	Director	–	–
Jaybhikshu Cotspin Private Limited	Director	–	–

- e) Mrs. Dabriwal is not holding any shares in the Company.
- f) She is not entitled to any remuneration other than sitting fees for attending meetings of the Board and its Committees.
- g) During the financial year ended 31st March, 2020 there were six meetings of the Board of Directors and Mrs. Dabriwal was present in all the meetings.

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors are pleased to present the Forty-ninth Annual Report and the audited financial statements of the Company for the financial year ended 31st March, 2020.

FINANCIAL HIGHLIGHTS

Financial Highlights of the Company for the financial year under review as compared to the previous financial year are given hereunder:

Particulars	(Rs. in Lacs)	
	2019-2020	2018-2019
Revenue from operations	289.29	262.72
Other Income	6.70	528.52
Total	295.99	791.24
Profit / (Loss) before Taxation	118.37	359.37
Provision for Taxation	28.87	150.08
Net Profit	89.50	209.29
Other Comprehensive Income/(Loss) (net of tax)	0.66	(1.44)
Total comprehensive Income	90.16	207.85

STATE OF THE COMPANY'S AFFAIRS

During the year under review the Company has been able to achieve profit before tax of Rs.118.37 lakhs as against Rs. 359.37 lakhs in the previous year.

There is no change in the nature of business carried on by the Company. The Company is principally engaged in Non-Banking Financial activities. The Company earns its revenue from interest on loan and rent.

The financial statements for the financial year ended 31st March, 2020 have been prepared in accordance with the provisions of Sections 129, 133 and Schedule III of the Companies Act, 2013 as amended and Ind AS as applicable for Non-Banking Financial Companies.

During the year under review the Company has achieved a total revenue of Rs. 295.99 lakhs as compared to Rs.791.24 lakhs in the previous year.

Company's earnings from rent during the lockdown period have been affected adversely.

Substantial income is generated from the commercial spaces given on rent. These let out spaces are used mostly for restaurants. In view of restrictions imposed by the Government, the operation of restaurants can start only by maintaining social distance. It has become difficult for the owners to continue their business in the manner prescribed by the Government. In absence of regular income generation by the tenants the Company is not receiving rent.

FUTURE OUTLOOK

In view of extensive lockdown owing to outbreak of COVID-19 economy has suffered a rough ride during the end of the financial year 2019-20. Business has come to a halt from the third week of March 2020 when the lockdown was clamped. Recovery process has started with the gradual lifting of the lockdown from 1st June, 2020 and the business houses are trying their utmost to make good the losses suffered during the period of lockdown. As an aftermath of lockdown, the economy is facing cash crunch and business houses are frantically looking for raising funds to tide over the situation and making good the losses suffered. As there is decline in earnings the management has given a higher dose of efforts to recover from the set back and also started exploring opportunities in other areas.

TRANSFER TO RESERVES

During the year under review, your Company has transferred a sum of Rs.17,90,015/- to Reserve Fund as per norms prescribed by the Reserve Bank of India.

DIVIDEND

Considering the requirement of fund for day to day business operation and proposed diversification the Directors did not recommend any dividend for the year under review.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loan given and investments made are furnished in Notes. 6 and 7 of the notes to the financial statements. The Company did not give any guarantee or provide any security in connection with a loan to any other body corporate or person during the financial year under review. The Company being an NBFC nothing contained in Section 186 of the Companies Act, 2013 except Sub-section (1) shall apply.

DEPOSITS

The Company has not accepted any public deposit during the year under review. There is also no unclaimed or unpaid deposit as on 31st March, 2020.

RELATED PARTY TRANSACTIONS

The details of related party transactions are given in the financial statements. All these transactions were on arm's length basis and in the ordinary course of business. Accordingly, Section 188(1) of the Companies Act, 2013 is not applicable and Form No. AOC-2 is not required to be attached.

The Company has voluntarily formulated the policy in dealing with related party transactions although compliance with the provisions of corporate governance is not applicable to the Company at present. The policy can be accessed in the web link https://www.unitedcreditltd.com/unitedadmin/upload/cmspage_678_data.pdf

Disclosures of transactions of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company.

The disclosures of transactions of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company is given in Note No. 29 of the Notes to the Financial Statements.

MATERIAL CHANGES OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR UNDER REVIEW AND THE DATE OF THE REPORT

In view of extensive lockdown imposed to combat the pandemic caused by COVID-19 inflow of income from interest and rent has suffered a great deal and the Company is facing substantial problem in absence of proper flow of fund. Other than this there is no material changes and commitments affecting the financial position of the Company between the end of the financial year under review and the date of the report.

GENERAL INFORMATION

During the financial year under review NBFCs have faced liquidity challenges and asset liability mismatches.

External business environment as a whole is not encouraging and the business houses are striving for survival.

No strategic and financial partner was inducted in the Company during the period under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors comprises of six Directors out of which Mr. Ashok Kumar Dabriwala (DIN: 00024498) is functioning in executive capacity.

Pursuant to Section 149 of the Companies Act, 2013, Mr. Nandanandan Mishra (DIN: 00031342), Mr. Raj Mohan Choubey (DIN: 00031305) and Mr. Suresh Chandra Saha (DIN: 00484308) are acting as Independent Directors. One meeting of the Independent Directors was held during the year as per statutory requirement.

During the financial year under review there was no appointment or cessation of office of Directors and Key Managerial Personnel.

Mrs. Rashmi Dabriwal (DIN:00393162) retires by rotation in the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

Independent Directors had given declaration in accordance with the provisions of Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as per Section 149(6) of the said Act.

The Board of Directors confirms that the Independent Directors also meet the criteria of expertise, experience and integrity as per statutory requirements.

Mr. Ashok Kumar Dabriwala, Chairman & Managing Director, Mr. Arunabha Biswas, Vice President & Company Secretary and Mr. Samarjit Jain, Chief Financial Officer are the Key Managerial Personnel of the Company.

In compliance with the provisions of Schedule IV of the Companies Act, 2013 and other applicable statutory provisions, Familiarisation programme for Independent Directors was held on 12th February, 2020. The details of familiarisation programme could be accessed in the web link https://www.unitedcreditltd.com/unitedadmin/upload/cmepage_858_data.pdf.

MEETINGS OF THE BOARD AND ITS COMMITTEES

Details of meetings of the Board and its Committees held during the financial year ended 31st March, 2020 are given in the enclosed statement marked Annexure 'I'.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134(3)(c) OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors confirm that :

- i) in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departure therefrom;
- ii) they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for that period;
- iii) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they had prepared the annual accounts on a going concern basis;
- v) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT POLICY

The Company has in place a comprehensive risk management policy, which is reviewed periodically by the Board of Directors. As of now the Directors do not envisage any element of risk which may threaten the existence of the Company. The Policy can be accessed on the Company's website at http://www.unitedcreditltd.com/unitedadmin /upload/cmepage_736_data.pdf

CORPORATE GOVERNANCE

In terms of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with corporate governance provisions is not mandatory for the time being in respect of the Company as its paid-up equity share capital and net worth do not exceed Rs.10.00 Crores and Rs. 25.00 Crores respectively as on the last day of the previous financial year.

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee consists of three Non-Executive Independent Directors, namely Mr. Suresh Chandra Saha, Mr. Nandanandan Mishra and Mr. Raj Mohan Choubey. Mr. Suresh Chandra.Saha is acting as the Chairman of the Committee. All the recommendations made by the Audit Committee were accepted by the Board.

COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of three Non-Executive Independent Directors, namely Mr. Raj Mohan Choubey, Mr. Nandanandan Mishra and Mr. Suresh Chandra Saha. Mr. Raj Mohan Choubey is acting as the Chairman of the Committee.

COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee consists of three Directors, namely Mr. Raj Mohan Choubey, Mr. Ashok Kumar Dabriwala and Mr. Devashish Dabriwal. Mr. Raj Mohan Choubey is acting as the Chairman of the Committee.

PROHIBITION OF INSIDER TRADING

The Company has formulated and published on its official website, Codes of Fair Disclosure and Conduct for prohibition of insider trading pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended.

The Company has formulated various Policies and Procedures as per requirement of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which, amongst others, include

- (i) Policies and Procedures for enquiry in case of leak of unpublished price sensitive information.
- (ii) Process for how and when people are brought inside on sensitive transactions.
- (iii) Internal Controls Systems

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established for directors and employees of the Company, a vigil mechanism as per requirement of Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, to enable them to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The policy of vigil mechanism / whistle blower may be accessed on the Company's website at the link http://www.unitedcreditltd.com/unitedadmin/upload/cmspage_679_data.pdf.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013, in respect of Corporate Social Responsibility are not applicable to the Company as the net worth, turnover and net profit during the financial year under review are less than the stipulated amount. Accordingly, no policy has been framed by the Company on Corporate Social Responsibility.

BUSINESS RESPONSIBILITY REPORT

As stipulated in Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, business responsibility report is not applicable in case of the Company.

TRANSFER OF EQUITY SHARES AND UNPAID DIVIDEND TO THE INVESTOR EDUCATION AND PROTECTION FUND

As per statutory requirement, dividends declared up to the financial year 2011-2012 which remained unpaid or unclaimed for a period of seven years have been duly transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government under Section 125 of the Companies Act, 2013 within the stipulated time.

In terms of Section 124(6) of the Companies Act, 2013 and Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, all equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more, up to the financial year 2009-2010, has been transferred by the Company on 30th November, 2017 in the name of Investor Education and Protection Fund along with a statement containing the required details. Consequent upon such transfer there is no equity share left, which need to be transferred in the name of IEPF.

STATUTORY AUDITORS AND AUDITORS' REPORT

M/s. L. B. Jha & Co., Chartered Accountants (Firm's Registration No. 301088E) were appointed as Statutory Auditors of the Company for a term of five consecutive years to hold office from the conclusion of the Forty-sixth Annual General Meeting (AGM) till the conclusion of the Fifty-first AGM of the Company subject to ratification of the appointment by the members at every AGM held after the Forty-sixth AGM.

Provisions regarding ratification of appointment of Statutory Auditors by the members has been omitted by the Ministry of Corporate Affairs vide Notification dated 7th May, 2018. Hence the resolution seeking ratification by the members of their appointment is not being placed at the ensuing Annual General Meeting of the Company.

The report made by the Statutory Auditors on the financial statements of the Company for the financial year ended 31st March, 2020 is free of any qualification, reservation or adverse remark or disclaimer.

SECRETARIAL AUDITOR AND AUDIT REPORT

In accordance with the requirement of Section 204 of the Companies Act, 2013, Mr. Ranjit Kumar Ghosh, Practising Company Secretary has been appointed to conduct Secretarial Audit for the financial year ended 31st March, 2020.

A report made by him, pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached marked Annexure 'II'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

COMPLIANCE WITH SECRETARIAL STANDARDS

In terms of Para 9 of Secretarial Standard on meetings of the Board of Directors (SS-1), it is confirmed that all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India have been duly complied with.

NON-APPLICABILITY OF MAINTENANCE OF COST RECORDS

The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and Rules framed thereunder with respect to the Company's nature of business

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company being engaged in non-banking financial activities, the question of conservation of energy and technology absorption does not arise.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There has been no foreign exchange earnings in any manner. However, expenditure in foreign currency amounted to Rs. 6,55,039/- during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS / COURTS / TRIBUNALS

There is no significant and material order passed by any regulator or court or tribunal impacting the going concern status of the Company and Company's operations in future.

LISTING WITH THE STOCK EXCHANGES

The Company's Equity Shares are listed with The Calcutta Stock Exchange Limited and BSE Limited.

INTERNAL FINANCIAL CONTROLS

The Company has taken appropriate measures to ensure adequate internal financial control commensurate with the activities of the Company. Internal financial control is the responsibility of the Board of Directors. In line with the requirement of the relative provisions of the Companies Act, 2013, the Company has taken necessary steps for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

In compliance with the requirement of Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014, the management has taken necessary steps for design, implementation and maintenance of internal control 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.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form No. MGT-9 is annexed to this report and marked as Annexure III.

A copy of the Annual Return has also been placed on the Company's website at <https://www.unitedcreditltd.com> and may be accessed at the link https://www.unitedcreditltd.com/unitedadmin/upload/cmspage_866_data.pdf

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION ETC.

The Board of Directors of the Company in compliance with Section 178(3) of the Companies Act, 2013 and based on the recommendation of the Nomination and Remuneration Committee, has adopted a policy relating to appointment of Directors and remuneration for Directors, Key Managerial Personnel and other employees.

The details of the above policy has been placed on the website of the Company and may be accessed at the link http://unitedcreditltd.com/unitedadmin/upload/cmspage_486_data.pdf.

The salient features of the policy are given hereunder:

As a matter of policy, the Company appoints directors from various fields. The present composition of the Board comprises of personnel with experience in finance, statutory matters and various economic activities.

The Policy stipulates the criteria

- (i) to determine qualifications, positive attributes and independence of directors as well as to ensure a fair and reasonable remuneration on the basis of appropriate appraisal by the Nomination and Remuneration Committee in line with the requirement of Companies Act, 2013;
- (ii) to tap out untapped creativity of the employees and to motivate the employees to give their best for the growth and prosperity of the Company;
- (iii) to ensure consistency in compensation on the basis of qualification, experience and ability to perform.

It also prescribes composition of remuneration payable to non-executive directors, managing directors, whole-time directors, managers and key managerial personnel.

PERFORMANCE EVALUATION

The process of evaluation of performance is elaborate stretching across pre-evaluation, evaluation and post-evaluation process and involves multiple levels, i.e. Board as a whole, its committees, individual directors and Chairperson. The Nomination and Remuneration Committee has formulated the criteria for evaluation of the performance of non-executive Directors and executive Directors.

Competency, experience and qualification are the principal criteria of evaluation and accordingly the performance evaluation of the Board, its committees and individual directors has been made on the basis of knowledge, expertise and experience in their respective fields and attendance of the directors in the meetings. The independent directors also reviewed the performance of the entire Board including the Chairman in their meeting held on 28th August, 2019.

The Board conducted the annual evaluation of the performance of the directors and the Chairman obtained the views of the members of the Board and its committees and feedback was provided to the members.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY

Disclosure pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in Annexure 'IV'.

The Company has got no employee who is in receipt of remuneration mentioned in Rule 5(2) (i), (ii) and (iii) of the said Rules. However, a statement showing the names of top ten employees in terms of remuneration drawn and other details in accordance with the requirement of Rule 5(2) of the said Rules is annexed marked Annexure 'V'.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has in place an Anti Sexual Harassment Policy as per requirement of the said Act. During the year under review, no complaint has been received.

During the calendar year ended 31st December, 2019, the Company held workshops and awareness programmes for sensitising the employees with the provisions of the Act. There was also an orientation programme for the Members of the Internal Complaints Committee

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, in compliance with Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as stipulated in Item No. B of Schedule V of the above Regulations, is appended to this report.

SUBSIDIARIES

The Company has no subsidiary as on 31st March, 2020.

The Company has formulated a policy for determining material subsidiaries. The policy has been disclosed on the website of the Company and may be accessed at the link http://unitedcreditltd.com/unitedadmin/upload/cmspage_706_data.pdf.

FRAUDS

The Auditors of the Company have not reported any fraud to the Audit Committee or to the Board as specified under Section 143(12) of the Companies Act, 2013.

CAPITAL STRUCTURE

During the year under review the Company has not issued any shares including sweat equity shares to the employees of the Company under any scheme and shares with differential rights as to dividend, voting or otherwise.

There has been no change in the capital structure of your Company during the year under review.

ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their deep appreciation for the whole-hearted and sincere co-operation the Company has received from the statutory authorities, stakeholders, customers and bankers.

Your Directors also wish to thank all the employees for their dedicated and committed service to the Company.

For and on behalf of the Board

Ashok Kumar Dabriwala
Chairman & Managing Director
DIN :00024498

Kolkata – 700 016
July 23, 2020.

**DETAILS OF MEETINGS OF THE BOARD AND ITS COMMITTEES HELD
DURING THE FINANCIAL YEAR ENDED 31ST MARCH, 2020**

Sl.No.	No. and Date of the meeting	Type of meeting	Name of the Directors who attended the meeting
1	No. 1/2019-20 dated 27.04.2019	Board Meeting	Mr. Raj Mohan Choubey Mr. Devashish Dabriwal Mr. Suresh Chandra Saha Mrs. Rashmi Dabriwal
2	No. 2/2019-20 dated 30.05.2019	Board Meeting	Mr. Ashok Kumar Dabriwala Mr. Raj Mohan Choubey Mr. Nandanandan Mishra Mr. Devashish Dabriwal Mr. Suresh Chandra Saha Mrs. Rashmi Dabriwal
3	No. 3/2019-20 dated 28.08.2019	Board Meeting	Mr. Ashok Kumar Dabriwala Mr. Raj Mohan Choubey Mr. Nandanandan Mishra Mr. Devashish Dabriwal Mr. Suresh Chandra Saha Mrs. Rashmi Dabriwal
4	No. 4/2019-20 dated 27.09.2019	Board Meeting	Mr. Ashok Kumar Dabriwala Mr. Raj Mohan Choubey Mr. Nandanandan Mishra Mr. Devashish Dabriwal Mr. Suresh Chandra Saha Mrs. Rashmi Dabriwal
5	No. 5/2019-20 dated 06.12.2019	Board Meeting	Mr. Ashok Kumar Dabriwala Mr. Raj Mohan Choubey Mr. Nandanandan Mishra Mr. Devashish Dabriwal Mr. Suresh Chandra Saha Mrs. Rashmi Dabriwal
6	No. 6/2019-20 dated 12.02.2020	Board Meeting	Mr. Ashok Kumar Dabriwala Mr. Raj Mohan Choubey Mr. Nandanandan Mishra Mr. Devashish Dabriwal Mrs. Rashmi Dabriwal

Sl.No.	No. and Date of the meeting	Type of meeting	Name of the Directors who attended the meeting
7	No. 1/2019-20 dated 30.05.2019	Audit Committee Meeting	Mr. Suresh Chandra Saha Mr. Nandanandan Mishra Mr. Raj Mohan Choubey
8	No. 2/2019-20 dated 28.08.2019	Audit Committee Meeting	Mr. Suresh Chandra Saha Mr. Nandanandan Mishra Mr. Raj Mohan Choubey
9	No. 3/2019-20 dated 06.12.2019	Audit Committee Meeting	Mr. Suresh Chandra Saha Mr. Nandanandan Mishra Mr. Raj Mohan Choubey
10	No. 4/2019-20 dated 12.02.2020	Audit Committee Meeting	Mr. Nandanandan Mishra Mr. Raj Mohan Choubey
11	No. 1/2019-20 dated 30.05.2019	Nomination and Remuneration Committee Meeting	Mr. Raj Mohan Choubey Mr. Nandanandan Mishra Mr. Suresh Chandra Saha
12	No. 1/2019-20 dated 12.02.2020	Stakeholders Relationship Committee Meeting	Mr. Ashok Kumar Dabriwala Mr. Devashish Dabriwal Mr. Raj Mohan Choubey

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
United Credit Limited
27B, Camac Street (8th Floor)
Kolkata-700016

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **United Credit Limited** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on **31st March, 2020** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
- (vi) Payment of Gratuity Act, 1972;
- (vii) The EPF & Misc. Provisions Act, 1952;
- (viii) Payment of Bonus Act, 1965;
- (ix) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards 1 & 2 approved by the Ministry of Corporate Affairs and other Secretarial Standards issued by The Institute of Company Secretaries of India.

- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and Calcutta Stock Exchange;
- (iii) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (notified on 2nd September, 2015).

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The Company has system to capture and record dissenting members' views. But there was no such views during the period under review.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Apart from this, the Company has not taken any actions/decisions, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Ranjit Ghosh & Co.

Sd/-
Ranjit Kumar Ghosh
Proprietor
FCS No.:3724
C P No.:11521
UDIN: F003724B000491684

Date : 23rd July, 2020

Place : Kolkata

N.B.-This report is to be read with my letter of even date which is annexed as 'Annexure -A' and forms an integral part of this report.

To,
The Members,
United Credit Limited
27B, Camac Street (8th Floor)
Kolkata-700016

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Ranjit Ghosh & Co.

Sd/-
Ranjit Kumar Ghosh
Proprietor
FCS No.:3724
C P No.:11521

UDIN: F003724B000491684

Date : 23rd July, 2020
Place : Kolkata

FORM NO. MGT-9**EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2020**

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L65993WB1970PLC027781
- ii) Registration Date : 28th July, 1970
- iii) Name of the Company : United Credit Limited
- iv) Category/Sub-Category of the Company : Public Company limited by shares/NBFC
- v) Address of the Registered office and contact details : 27B, Camac Street (8th Floor)
Kolkata – 700016
Ph. No. (033) 2287-9359/9360
Fax No. (033) 2287-2047
E-mail : unitedcredittld@gmail.com
Website: www.unitedcredittld.com
- vi) Whether listed company Yes / No : Yes
- vii) Name, Address and Contact details of Registrars and Transfer Agent, if any : C B Management Services (P) Ltd.
P-22, Bondel Road, Kolkata – 700019
Ph.No. (033) 2280-6692/2282-3643
2287-0263/4011-6700
Fax No. (033) 4011-6739
E-mail: rta@cbmsl.com
Website: www.cbmsl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Credit granting	64920	64.96
2	Renting Property	68100	35.04

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
		NOT APPLICABLE			

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	782849	-	782849	14.69	782849	-	782849	14.69	0.00
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	2299264	-	2299264	43.16	2299264	-	2299264	43.16	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	3082113	-	3082113	57.85	3082113	-	3082113	57.85	0.00
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	3082113	-	3082113	57.85	3082113	-	3082113	57.85	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	350	350	0.01	-	350	350	0.01	0.00
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	28137	28137	0.53	-	28137	28137	0.53	0.00
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	28487	28487	0.54	-	28487	28487	0.54	0.00
2. Non-Institutions									
a) Bodies Corp.									
(i) Indian	923183	48760	971943	18.24	925720	33960	959680	18.01	-0.23
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	527356	174408	701764	13.17	541423	171830	713253	13.39	0.22
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	310642	32459	343101	6.44	310642	32459	343101	6.44	0.00

c) Others (Specify)	-	-	-	-	-	-	-	-	-
(i) NRI	25335	3120	28455	0.53	26385	3120	29505	0.55	0.02
(ii) Foreign National / The Custodian of Enemy Property	7923	-	7923	0.15	7647	-	7647	0.14	-0.01
(iii) Clearing Member	-	-	-	-	-	-	-	-	0.00
(iv) IEPF	164037	-	164037	3.08	164037	-	164037	3.08	0.00
Sub-total (B)(2)	1958476	258747	2217223	41.62	1975854	241369	2217223	41.62	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	1958476	287234	2245710	42.15	1975854	269856	2245710	42.15	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	5040589	287234	5327823	100.00	5057967	269856	5327823	100.00	0.00

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. A. K. Dabriwala	738540	13.86	0.00	738540	13.86	0.00	0.00
2	Mrs. Sunanda Dabriwala	15460	0.29	0.00	15460	0.29	0.00	0.00
3	Dabriwala Banijya Udyog Limited	2299264	43.16	0.00	2299264	43.16	0.00	0.00
4	Mr. Sidhartha Sarawgi	13539	0.25	0.00	28849	0.54	0.00	0.29
5	Mrs. Indu Sarawgi	7360	0.14	0.00	0	0.00	0.00	(0.14)
6	Mrs. Moti Devi Sarawgi	-	-	-	-	-	-	0.00
7	Ms. Sujata Sarawgi	7950	0.15	0.00	0	0.00	0.00	(0.15)
	TOTAL :	3082113	57.85	0.00	3082113	57.85	0.00	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (01.04.2019 - 31.03.2020)	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	MR. A. K. DABRIWALA				
	At the beginning of the year	738540	13.86		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No	Change	during	the year
	At the end of the year			738540	13.86
2	MRS. SUNANDA DABRIWALA				
	At the beginning of the year	15460	0.29		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No	Change	during	the year
	At the end of the year			15460	0.29

3	DABRIWALA BANIJYA UDYOG LIMITED					
	At the beginning of the year	2299264	43.16			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	No	Change	during		the year
	At the end of the year			2299264		43.16
4	MR. SIDHARTHA SARAWGI					
	At the beginning of the year	13539	0.25			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)					
	<u>Date</u>	<u>Reason</u>				
	06.12.2019	Buy	7360	0.14	20899	0.39
	20.12.2019	Buy	7950	0.15	28849	0.54
	At the end of the year			28849		0.54
5	MRS. INDU SARAWGI					
	At the beginning of the year	7360	0.14			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)					
	<u>Date</u>	<u>Reason</u>				
	06.12.2019	Sale	7360	0.14	0	0.00
	At the end of the year			0		0.00
6	MRS. MOTI DEVI SARAWGI					
	At the beginning of the year	0	0.00			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)					
	At the end of the year			0		0.00
7	MS. SUJATA SARAWGI					
	At the beginning of the year	7950	0.15			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)					
	<u>Date</u>	<u>Reason</u>				
	20.12.2019	Sale	7950	0.15		
	At the end of the year			0		0.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (01.04.2019 - 31.03.2020)	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of the Top 10 Shareholders				
1	MYSORE UDYOG PRIVATE LIMITED				
	At the beginning of the year	121819	2.29		
	Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	No	change	during	the year
	At the end of the year (or on the date of separation, if separated, during the year)			121819	2.29
2	FAROOQ ARBI HALAI				
	At the beginning of the year	60813	1.14		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)				
	<u>Date</u> <u>Reason</u> 30.08.2019 Buy	5000	0.10	65813	1.24
	At the end of the year (or on the date of separation, if separated, during the year)			65813	1.24
3	G KANTILAL JAIN				
	At the beginning of the year	42201	0.79		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus /sweat equity etc.)	No	change	during	the year
	At the end of the year (or on the date of separation, if separated, during the year)			42201	0.79
4	KAILASH KUMAR JAIN				
	At the beginning of the year	32982	0.62		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	No	change	during	the year
	At the end of the year (or on the date of separation, if separated, during the year)			32982	0.62
5	KALPANA JALAN				
	At the beginning of the year	32459	0.61		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)	No	change	during	the year
	At the end of the year (or on the date of separation, if separated, during the year)			32459	0.61

6	THE GOVERNOR OF WEST BENGAL				
	At the beginning of the year	28137	0.53		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus /sweat equity etc.)	No	change	during	the year
	At the end of the year (or on the date of separation, if separated, during the year)			28137	0.53
7	SANGEETHA DEVI				
	At the beginning of the year	26523	0.50		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.)	No	change	during	the year
	At the end of the year (or on the date of separation, if separated, during the year)			26523	0.50
8	LAXMIPAT DUDHERIA				
	At the beginning of the year	59957	1.13		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.)	No	change	during	the year
	At the end of the year (or on the date of separation, if separated, during the year)			59957	1.13
9	UNITED NANOTECH PRODUCTS LIMITED				
	At the beginning of the year	742374	13.93		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.)	No	change	during	the year
	At the end of the year (or on the date of separation, if separated, during the year)			742374	13.93
10	RAJESH V DHANKI				
	At the beginning of the year	28800	0.54		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.)	No	change	during	the year
	At the end of the year (or on the date of separation, if separated, during the year)			28800	0.54

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (01.04.2019 - 31.03.2020)	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of the Directors and KMP				
	DIRECTORS				
1	MR. ASHOK KUMAR DABRIWALA				
	At the beginning of the Year	738540	13.86		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	No	change	during	the year
	At the end of the year			738540	13.86
2	Mr. N. Mishra				
	At the beginning of the Year	0	0.00		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	No	change	during	the year
	At the end of the year			0	0.00
3	Mr. R. M. Choubey				
	At the beginning of the Year	0	0.00		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	No	change	during	the year
	At the end of the year			0	0.00
4	Mr. Devashish Dabriwal				
	At the beginning of the Year	0	0.00		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	No	change	during	the year
	At the end of the year			0	0.00
5	Mr. S. C. Saha				
	At the beginning of the Year	0	0.00		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	No	change	during	the year
	At the end of the year			0	0.00
6	Mrs. Rashmi Dabriwal				
	At the beginning of the Year	0	0.00		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	No	change	during	the year
	At the end of the year			0	0.00
	KEY MANAGERIAL PERSONNEL				

1	Mr. Arunabha Biswas, Vice President & Company Secretary				
	At the beginning of the Year	0	0.00		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	No	change	during	the year
	At the end of the year			0	0.00
2	Mr. Samarjit Jain, Chief Financial Officer				
	At the beginning of the Year	0	0.00		
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc.)	No	change	during	the year
	At the end of the year			0	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	52,02,475	52,02,475
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	52,02,475	52,02,475
Change in Indebtedness during the financial year				
* Addition			3,40,000	3,40,000
* Reduction (Ind AS Adjustment)			48,848	48,848
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount			54,93,627	54,93,627
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)			54,93,627	54,93,627

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager MR. A. K. DABRIWALA Rs.	Total Amount Rs.
1.	Gross Salary		20,90,573
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	20,76,000	
	(b) Value of perquisites u/s. 17(2) Income-tax Act, 1961	14,573	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	
2	Stock Option	-	-
3	Sweat Equity	-	-

4	Commission		
	- as % of profit	-	-
	- others, specify -----	-	-
5	Others, please specify	-	-
	Total (A)	20,90,573	
	Ceiling as per the Act *		84,00,000

* In view of inadequacy of profits, remuneration has been paid to the Managing Director as per Section II of Part II of Schedule V of the Companies Act, 2013 and the ceiling mentioned is as per limit prescribed therein.

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. N. Mishra Rs.	Mr. R. M. Choubey Rs.	Mr. S. C. Saha Rs.	Rs.
1.	Independent Directors				
	• Fee for attending Board, Committee meetings	1,10,000	1,30,000	1,00,000	3,40,000
	• Commission	Nil	Nil	Nil	Nil
	• Others	Nil	Nil	Nil	Nil
	Total (1)	1,10,000	1,30,000	1,00,000	3,40,000
2.	Other Non-Executive Directors	Mr. Devashish Dabriwal Rs.	Mrs. Rashmi Dabriwal Rs.		
	• Fee for attending Board, Committee meetings	70,000	2,80,000		3,50,000
	• Commission	Nil	Nil		Nil
	• Others	Nil	Nil		Nil
	Total (2)	70,000	2,80,000		3,50,000
	Total (B) = (1+2)	1,80,000	4,10,000	1,00,000	6,90,000
	Total Managerial Remuneration	-	-	-	
	Overall Ceiling as per the Act *				

* Non-Executive Directors do not receive any remuneration other than sitting fees.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
			Mr. Arunabha Biswas Rs.	Mr. Samarjit Jain Rs.	Rs.
1	Gross salary		7,49,056	6,61,256	14,10,312
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	42,486	37,700	80,186
	(b) Value of perquisites u/s.17(2) Income-tax Act, 1961	-	-	-	-

	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify -----	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	7,91,542	6,98,956	14,90,498

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees Imposed	Authority [RD/NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

	Requirement of Rule 5(1)	Details	
i)	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year		<u>Ratio</u> 10.64 0.46 0.55 0.29 0.42 1.18
ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year	<u>Director</u> Mr. Ashok Kumar. Dabriwala Mr. Nandanandan Mishra Mr. Raj Mohan Choubey Mr. Devashish Dabriwal Mr. Suresh Chandra. Saha Mrs. Rashmi Dabriwal <u>K.M.P. other than MD</u> Mr. Arunabha Biswas Mr. Samarjit Jain	<u>Percent</u> 23.84 0.00 (7.14) (12.50) (23.08) (3.45) 0.80 0.94
iii)	The percentage increase in the median remuneration of employees in the financial year	1.65%	
iv)	The number of permanent employees on the rolls of the Company	11	
v)	Average percentile increase already made in the last financial year		
(a)	in the salaries of employees other than the managerial personnel	(4.34%)	
(b)	in the managerial remuneration	13.39%	
(c)	justification for such increase in remuneration	Annual increase in remuneration is as per the pay scale of the concerned employee excepting very few cases where increase is made depending on the performance of the respective employees.	
(d)	exceptional circumstances for increase in the managerial remuneration	N.A.	
vi)	Affirmation	It is hereby affirmed that the remuneration paid to the directors, key managerial personnel and other employees is as per the remuneration policy of the Company.	

**DETAILS OF TOP TEN EMPLOYEES PURSUANT TO RULE 5(2) OF COMPANIES
(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Sl. No.	Name of the employee	Designation of the employee	Remuneration received (Gross)	Qualification	Experience – No. of years including previous employment	Date of commencement of employment	Age of such employee (in years)	Last employment held by such employee before joining the company	Percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
			(Rs.)							
1	Mr. A. K. Dabriwala	Chairman & Managing Director	23,82,173	B.Com (Hons.)	41	27.07.1989	65	Director-in-charge of Dabriwala Properties Pvt. Ltd.	13.86%	Relative of Mr. Devashish Dabriwal and Mrs. Rashmi Dabriwal
2	Mr. Arunabha Biswas	Vice President & Company Secretary	8,78,440	LL.B, FCS	45	01.03.2009	67	DGM (Legal) & Company Secretary of Mangalam Timber Products Ltd.	N.A.	NO
3	Mr. Samarjit Jain	Chief Financial Officer	7,75,654	M.Com	37	01.10.1996	58	Sreeleathers as Accountant	N.A.	NO
4	Mr. Padam Kishore Harialka	Manager – Administration	3,86,314	B.Com	42	01.01.2007	62	Director-in-charge of Anurag Properties Private Ltd.	N.A.	NO
5	Ms. R. Mallika	Senior Secretarial Executive	3,85,306	B.Com	45	15.06.2010	65	Balmer Lawrie & Co. Ltd. as Manager (Secretarial)	N.A.	NO
6	Mr. Avijit Roy Chowdhury	Officer	2,37,541	B.Sc.	28	01.09.1992	53	Lakhotia Computer Centre as a Faculty	N.A.	NO
7	Mr. Tapas Chaudhuri	Officer	2,03,428	M.Sc.	40	12.08.1996	62	B. M. Chattrath & Co., Audit Firm, as Bank Audit Specialist	N.A.	NO
8	Mr. Biswarup Ganguly	Junior Executive	1,88,793	B.Com	5	17.09.2018	30	T. Chatterjee & Associates as Junior Executive	N.A.	NO
9	Mr. Kedareswer Datta Choudhury	Assistant	1,84,235	Higher Secondary	35	01.04.1984	62	First Employment	N.A.	NO
10	Mr. Saujit Matia	Officer	71,095	B.SC	1	15.04.2019	26	Vodafone Idea Limited as Credit & Collection	N.A.	No

- Notes :**
- (i) Contractual and in accordance with the terms and conditions of appointment and applicable rules of the Company.
 - (ii) Remuneration received includes salary, allowances, contribution to retirement fund and monetary value of perquisites computed as per the provisions of Income Tax Act and Rules.
 - (iii) No employee, other than Mr. A. K. Dabriwala, is related to any of the Directors or Key Managerial Personnel of the Company.
 - (iv) None of the employees has drawn in excess of remuneration drawn by the Managing Director and holds 2% or more of the Equity Shares of the Company as on 31st March, 2020.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(a) INDUSTRY STRUCTURE AND DEVELOPMENTS

As an aftermath of lockdown, the economy is facing cash crunch and business houses are frantically looking for raising funds to tide over the situation and making good the losses suffered. Indian GDP growth dips to 3.1% in January-March; and 4.2% in 2019-20.

(b) OPPORTUNITIES AND THREATS

In every business there are opportunities as well as threats. NBFCs play significant role in the development of infrastructure, transport and the support system for economically weaker section. NBFCs are facing severe problem in raising fund. The domestic liquidity conditions are fairly volatile. However big NBFCs have various options to raise funds to tide over the situation which is not available to small NBFCs like ours. The situation has taken a worse turn in view of extensive lockdown owing to outbreak of COVID-19 and there is a rough road ahead for Indian companies in general.

(c) PERFORMANCE OF THE COMPANY

The company is principally engaged in Non-banking financial activity. Although the Company has booked Profit before Tax of Rs. 118.37 lakhs the performance of the Company is not as good as it was expected. During the year under review the company earned interest of Rs.187.93 lakhs on loans given as compared to the previous year Rs.147.44 lakhs. The Company also earned Rs. 101.36 lakhs on property let out as against Rs.115.29 lakhs in the previous year.

(d) OUTLOOK

The management is confident that the present crisis being a passing phase only will be over shortly and the Company will turn around once the revival process starts.

(e) RISKS AND CONCERNS

Risk is inherent in every business; but NBFCs are exposed to certain additional risks. In fact there is high risk perception on NBFC sector.

(f) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal control systems of the Company commensurate with its scale of operation and complexity involved in the nature of business carried on by the Company.

(g) OPERATIONAL AND FINANCIAL PERFORMANCE

During the year under review, the gross revenue from operations was Rs. 289.29 lakhs as compared to that of Rs.262.72 lakhs for the previous financial year. Profit before tax in the current financial year was Rs.118.37 lakhs as compared to that of the previous financial year of Rs.359.37 lakhs.

(h) HUMAN RESOURCES / INDUSTRIAL RELATIONS

During the financial year ended 31st March, 2020, there was no material development in human resources and industrial relations.

There were eleven permanent employees in the Company as on 31st March, 2020. The Company maintains good relations with its workers.

(i) DETAILS OF SIGNIFICANT CHANGES

Details of Significant change (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor:

Sl. No.	Particulars	Financial Year 2019-20	Financial Year 2018-19	Change in Financial ratio	Percentage
(i)	Debtors Turnover	0.10	0.05	0.05	100%
(ii)	Inventory Turnover	N.A.	N.A	0.00	-
(iii)	Interest Coverage Ratio	0.00	4969.49	(4969.49)	(100%)
(iv)	Current Ratio	14.12	13.84	0.28	2.02%
(v)	Debt Equity Ratio	0.07	0.07	0.00	-
(vi)	Operating Profit Margin (%)	40.92	136.81	(95.89)	(70.09)
(vii)	Net Profit Margin (%)	30.94	79.66	(48.72)	(61.16)

Explanations (Serial Number-wise) :

- (i) Increase in debtors compared to last year by Rs.16,73,534/-
- (ii) N.A.
- (iii) Decrease in EBIT compared to last year by Rs.2,41,07,694/-
- (iv) Increase in Current Assets compared to last year by Rs.64,37,816/-
- (v) N.A.
- (vi) Decrease in EBIT compared to last year by Rs.2,41,07,694/-
- (vii) Decrease in PAT compared to last year by Rs.1,19,78,728/-

- (j)** Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

Financial Year 2019-2020	Financial Year 2018-2019	Change in Net Worth
3.87%	9.17%	(5.30%)

Explanations :

This is due to decrease in Net Income as compared to last year by Rs 1,19,78,728/-.

(k) CAUTIONARY STATEMENT

This report is a forward looking statement subject to variation in real life situation. Actual results could differ substantially from those expressed or implied.

For and on behalf of the Board

Ashok Kumar Dabriwala
Chairman & Managing Director
DIN: 00024498

Kolkata – 700 016
July 23, 2020

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
UNITED CREDIT LIMITED**

Report on the Audit of the Ind AS Financial Statements

Opinion

1. We have audited the accompanying Ind AS financial statements of United Credit Limited (“the Company”), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows, the Statement of Changes in Equity for the year then ended on that date and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (herein after referred to as “Ind AS Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit (including Other Comprehensive Income), Changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

3. Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No	Key Audit Matter	Auditor's Response
1	<p>Change in financial reporting framework – First time adoption of Indian Accounting Standards ('Ind AS')</p> <p>In accordance with the roadmap for implementation of Ind AS for non-banking financial companies, as announced by the Ministry of Corporate Affairs, the Company has adopted Ind AS from April 1, 2019 with an effective date of April 1, 2018 for such transition. For periods up to and including the year ended March 31, 2019, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Previous GAAP). In order to give effect of the transition to Ind AS these financial statements for the year ended March 31, 2020, together with the comparative financial information for the previous year ended March 31, 2019 and the transition date balance sheet as at April 1, 2018 have been prepared under Ind AS. The transition to Ind AS has involved changes in the Company's policies and processes relating to financial reporting. Further, the management has also exercised judgement (wherever applicable) in giving effect to various principles of Ind AS in its first-time adoption. In view of the complexity and the resultant risk of a material misstatement arising from an error or omission in correctly implementing the principles of Ind AS at the transition date, which could result in a misstatement of one or more periods presented in these Ind AS financial statements; this has been an area of significance in our audit.</p>	<p><u>Principal Audit Procedures</u></p> <p>Our audit procedures with regard to the 1st time adoption of Ind AS included assessing the judgements applied by the Management in this regard:</p> <ul style="list-style-type: none"> • Reading the Ind AS impact assessment performed by the management to identify areas which were impacted on account of Ind AS transition; • Understanding the financial statement closure process and the controls established by the Company for transition to Ind AS; • Reading and assessing the changes made to the accounting policies due to the requirements of the new financial reporting framework; • Assessing the judgements exercised by the management in applying the first-time adoption principles of Ind AS 101 as at transition date; • Testing accounting adjustments posted as at the transition date, and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS; • Assessing the disclosures included in the Ind AS Financial Statements in accordance with the requirements of Ind AS (including with respect to the previous periods presented). • Assessing the related IT system and manual controls implemented for effective accounting.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis; Board's Report including Annexures to Board Report, Business Responsibility Report and Shareholders' Information but does not include the Ind AS financial statements and our auditor's report thereon. These aforesaid documents are expected to be made available to us after the date of this auditor's report.
5. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
6. In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

7. When we read the aforesaid documents, if we conclude that there is a material misstatement therein, we are required to communicate the matters to those charged with governance.

Management's Responsibility for the Ind AS Financial Statements

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

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
 14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
 15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matters or when we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.
 16. Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

17. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub –section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income) and the Cash Flow Statement, Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

- (d) In our opinion, the aforesaid Ind AS 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 the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31st March, 2020 on its Ind AS financial statements - Refer Note 27 to the Ind AS financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For L. B. Jha & Co.
Chartered Accountants
Firm Registration No.: 301088E

Sd/-

(D. N. Roy)
Partner
(Membership No.: 300389)
UDIN: 20300389AAAADK8607

Place: Kolkata
Date: 23rd July, 2020

ANNEXURE- A: TO THE INDEPENDENT AUDITOR'S REPORT

To the Members of UNITED CREDIT LIMITED

[Referred to in paragraph 17 of the Auditors' Report of even date]

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of property, plant and equipment.
- (b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) According to the information and explanations given to us by the Management, the company does not have any immovable properties.
2. The Company does not have any inventory.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Act.
4. According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any investment, advanced any loan, given any guarantee or provided any securities covered by provisions of section 185 and 186 of the Act.
5. The Company has not accepted any deposits from public during the year, within the meaning of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Moreover, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other court or tribunal.
6. The Central Government of India has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, income-tax, goods and service tax, duty of customs, cess and any other statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there has been no dues of goods and services tax, cess, provident fund and other statutory dues other than income –tax which have not been deposited on account of any dispute as at 31st March 2020 – Refer Note 27 of the Ind AS financial statement.

8. According to the information and explanation given to us and the records of the Company examined by us, the Company has not defaulted in repayment of dues of any of loans or borrowings to any banks.

The Company has neither taken any loan from financial institutions or Government nor issued any debentures.

9. According to the information and explanation given to us, the company has neither raised any money by public issues of shares or debentures nor obtained any term loans during the year.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. The related statutes are not applicable as the Company is not a Nidhi company.
13. According to the information and explanations given to us and the records of the Company examined by us, the company has complied with the requirements of sections 177 and 188 of the Act with respect to its transactions with the related parties. Pursuant to the requirement of the applicable Accounting Standard, details of the related party transactions have been disclosed in Note 29 of the Ind AS financial statements for the year under audit.
14. The Company has not made any preferential allotment of shares or fully or partly convertible debentures during the year under audit.

15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions, with any director of the Company or persons connected with them, involving acquisition of assets by or from them for consideration other than cash.
16. The Company is a Non-Banking Finance Company (NBFC) and is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. The Certificate of registration no. 05.03110 has been issued by the Reserve Bank of India to the Company.

For L. B. Jha & Co.
Chartered Accountants
Firm Registration No.: 301088E

Sd/-

(D. N. Roy)
Partner
(Membership No.: 300389)
UDIN: 20300389AAAADK8607

Place: Kolkata
Date: 23rd July, 2020

ANNEXURE- B TO THE INDEPENDENT AUDITOR'S REPORT

To the Members of United Credit Limited

[Referred to in paragraph 18 (f) of the Independent Auditor's Report of even date]

Report on the Internal Financial Control under Clause (i) of Sub –sections 3 of Section 143 of the Companies Act, 2013("the Act")

1. We have audited the internal financial controls over financial reporting of **United Credit Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Control

2. The Company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the "Guidance Note" and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material Weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the Ind AS financial statement, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Control over Financial Reporting

6. 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) Pertains to the maintenance of the records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- 2) Provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorization of management and directors of 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 Control over Financial Reporting

7. Because of inherent limitation of internal financial control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to errors or fraud may occur and not be detected. Also, projections of any evaluations of the internal financial control 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

8. In our opinion, the Company has, in all material respect, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the company considering, the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting, issued by ICAI.

For L. B. Jha & Co.
Chartered Accountants
Firm Registration No.: 301088E

Sd/-

(D. N. Roy)
Partner
(Membership No.: 300389)
UDIN: 20300389AAAADK8607

Place: Kolkata
Date: 23rd July, 2020

UNITED CREDIT LIMITED
Balance sheet as at March 31st, 2020

Amount(in Rs.)

Particulars		Note No.	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
ASSETS					
(1)	Financial assets				
(a)	Cash and cash equivalents	3	743,723	2,392,160	1,221,111
(b)	Bank Balance other than (a) above	4	1,171,959	1,807,396	2,751,331
(c)	Receivables				
	i) Trade receivables	5	2,984,616	1,311,082	461,312
(d)	Loans	6	151,293,783	142,965,894	109,831,909
(e)	Investments	7	31	31	32
(f)	Other financial assets	8	11,017,021	10,134,198	9,692,755
(2)	Non-financial assets				
(a)	Current tax assets (Net)	9	6,622,952	8,315,551	7,773,809
(b)	Deferred Tax Assets (Net)	10	3,305,436	2,668,888	15,556,383
(c)	Property, Plant and Equipment	11	857,586	1,015,739	1,443,886
(d)	Other non-financial assets	12	90,331,575	92,650,674	94,678,397
Total Assets			268,328,682	263,261,613	243,410,925
LIABILITIES AND EQUITY					
LIABILITIES					
(1)	Financial Liabilities				
(a)	Payables				
	(I) Other Payables				
	(i) total outstanding dues of micro enterprises and small enterprises	13	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,872,178	1,020,140	1,126,198
(b)	Borrowings (Other than Debt Securities)	14	-	-	187,767
(c)	Other financial liabilities	15	15,315,021	15,552,750	16,132,506
2	Non-Financial Liabilities				
(a)	Provisions	16	1,229,591	1,201,380	988,395
(b)	Other non-financial liabilities	15	62,250	157,406	430,722
3	EQUITY				
(a)	Equity Share capital	17	54,930,230	54,930,230	54,930,230
(b)	Other Equity	18	194,919,412	190,399,707	169,615,107
Total Liabilities and Equity			268,328,682	263,261,613	243,410,925

Summary of Significant Accounting Policies **1&2**
The accompanying notes are an integral part of the financial statements. **3 to 36**

In terms of our report attached
For **L.B. JHA & CO.**
Chartered Accountants
Firm Registration No.301088E

Arunabha Biswas
Vice President and
Company Secretary

On behalf of the Board of Directors
A. K. Dabriwala
Chairman & Managing Director

Sd/-

D.N. Roy
Partner
Membership Number 300389

Samarjit Jain
Chief Financial Officer

DIN: 00024498
Suresh Chandra Saha
Director
DIN:00484308

Place : Kolkata
Date: 23rd July, 2020

UNITED CREDIT LIMITED
Statement of Profit and Loss for the year ended March 31st, 2020

Amount(in Rs.)

	Particulars	Note	Year ended March 31st, 2020	Year ended March 31st, 2019
(I)	Revenue from operations			
	Interest Income	19	18,792,969	14,743,593
	Rental Income		9,716,137	11,137,976
	Net gain on fair value changes		420,300	390,656
	Total Revenue from operations (I)		28,929,406	26,272,225
(II)	Other Income	20	669,541	52,852,223
(III)	Total Income (I+II)		29,598,947	79,124,448
(IV)	Expenses			
	Finance Costs	21	-	7,233
	Net loss on fair value changes		104,098	274,859
	Impairment on financial instruments	22	22,111	134,660
	Employee Benefits Expenses	23	7,274,803	6,583,749
	Depreciation, amortisation and impairment	11	338,542	434,394
	Other expenses	24	10,022,776	35,752,475
	Total Expenses (IV)		17,762,330	43,187,370
(V)	Profit before tax (III- IV)		11,836,617	35,937,078
(VI)	Tax Expense:			
	(1) Current Tax	25	3,548,428	2,070,125
	(2) Deferred Tax		(661,878)	12,938,158
(VII)	Profit for the year (V-VI)		8,950,067	20,928,795
(VIII)	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans		91,049	(194,858)
	(b) Income tax relating to items that will not be reclassified to profit or loss		(25,330)	50,663
	Other Comprehensive Income		65,719	(144,195)
(IX)	Total Comprehensive Income for the year (VII+VIII)		9,015,786	20,784,600
(X)	Earnings per equity share (Face value of ₹ 10/- each)	26		
	Basic (₹)		1.68	3.93
	Diluted (₹)		1.68	3.93

Summary of Significant Accounting Policies

1&2

The accompanying notes are an integral part of the financial statements.

3 to 36

In terms of our report attached
For **L.B. JHA & CO.**
Chartered Accountants
Firm Registration No.301088E
Sd/-

D.N. Roy
Partner
Membership Number 300389

Arunabha Biswas
Vice President and
Company Secretary

Samarjit Jain
Chief Financial Officer

On behalf of the Board of Directors
A. K. Dabriwala
Chairman & Managing Director
DIN: 00024498

Suresh Chandra Saha
Director
DIN: 00484308

Place : Kolkata
Date: 23rd July, 2020

UNITED CREDIT LIMITED
Statement of Cash Flows for the year ended March 31st, 2020

	Year ended March 31st, 2020	Year ended March 31st, 2019
Amount(in Rs.)		
A. Cash Flows from Operating Activities		
Profit Before Tax	11,836,617	35,937,078
Adjustment for :		
Depreciation, amortization and Impairment expenses	338,542	434,394
Loss/(Profit) on sale of property, plant and equipment	-	(60,981)
Loss/(Profit) on sale of Investment	-	26,050,000
Provision for Impairment	22,111	134,660
Provision for diminution in the value of Investment W/back	-	(52,099,999)
Interest received (Gross)	(18,792,969)	(14,743,593)
Notional reduction in Employee benefit reduction	91,049	(194,858)
Notional (Gain)/Loss on Fair Value change	-	(115,797)
Notional (Gain)/Loss on Security Deposit	(316,202)	1,934,805
Interest Paid	2,062,525	7,233
Operating profit before working capital changes	(4,758,327)	(2,717,058)
Changes in working capital :		
Increase in Trade Receivables and Others assets	(10,382,429)	(34,356,950)
Trade Payables	1,220,249	191,927
Cash generated from Operations	(13,920,507)	(36,882,081)
Interest Paid	-	(7,233)
Direct Taxes (Paid)/Refund [Net]	23,467	(1,137,771)
Interest Received (Net)	16,913,673	13,269,497
Cash Flow from Operating Activities	3,016,633	(24,757,588)
Extraordinary Items		
Net Cash used in Operating Activities	3,016,633	(24,757,588)
B. Cash flows from Investing Activities		
Purchase of property, plant and equipment	(180,389)	(55,436)
Sale / (Purchase) of investments (net)	-	26,050,000
Proceeds from Sale of property, plant and equipment	-	110,170
Net Cash used in Investing Activities	(180,389)	26,104,734
C. Cash Flows from Financing Activities		
Repayment of Borrowings (Term Loan)	-	(187,767)
Payment to Pref.Shareholders on Redemption	11,400	11,670
Dividend Paid	(3,729,476)	-
Dividend Tax Paid	(766,605)	-
Net Cash generated from Financing Activities	(4,484,681)	(176,097)
Net Increase / (Decrease) in Cash and Cash Equivalents	(1,648,437)	1,171,049
Cash & Cash Equivalents at the beginning of the year	2,392,160	1,221,111
Cash and Cash Equivalents at the end of the year (refer note 3)	743,723	2,392,160
Note :		
Components of Cash and Cash Equivalents:		
Cash on hand	1,847	16,394
In Current Account	217,726	1,875,766
Cheques in hand	524,150	500,000
	743,723	2,392,160

Summary of Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.

1&2

3 to 36

In terms of our report attached
For **L.B. JHA & CO.**
Chartered Accountants
Firm Registration No.301088E
Sd/-

D.N. Roy
Partner
Membership Number 300389

Place : Kolkata
Date: 23rd July, 2020

Arunabha Biswas
Vice President and
Company Secretary

Samarjit Jain
Chief Financial Officer

On behalf of the Board of Directors
A. K. Dabriwala
Chairman & Managing Director
DIN: 00024498

Suresh Chandra Saha
Director
DIN: 00484308

UNITED CREDIT LIMITED
Statement of Changes in Equity for the year ended as at March 31st, 2020

a. Equity Share Capital

Amount(in Rs.)						
Balance as at April 1st, 2018	Issued during the year	Reductions during the year	Balance as at March 31st, 2019	Issued during the year	Reductions during the year	Balance as at March 31st, 2020
54,930,230	-	-	54,930,230	-	-	54,930,230

b. Other Equity

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Special reserve (created pursuant to Section 45IC of the Reserve Bank of India Act, 1934)	Capital Reserve	Securities Premium	Capital redemption reserve	General Reserve	Retained Earnings		
Balance as at the April 1st, 2018	22,213,385	311,487	39,351,892	25,438,750	68,739,099	13,560,494	-	169,615,107
Profit after tax for the year	-	-	-	-	-	20,928,795	(144,195)	20,784,600
Reclassified to Statement of Profit and Loss	-	-	-	-	-	-	-	-
Dividend including Tax	-	-	-	-	-	-	-	-
Transfer from retained earnings	4,432,834	-	-	-	-	(4,432,834)	-	-
Balance as at March 31st, 2019	26,646,219	311,487	39,351,892	25,438,750	68,739,099	30,056,455	-144,195	190,399,707
Profit after tax for the year	-	-	-	-	-	8,950,067	65,719	9,015,786
Reclassified to Statement of Profit and Loss	-	-	-	-	-	-	-	-
Dividend including Tax	-	-	-	-	-	-4,496,081	-	(4,496,081)
Transfer from retained earnings	1,790,015	-	-	-	-	(1,790,015)	-	-
Balance as at March 31st, 2020	28,436,234	311,487	39,351,892	25,438,750	68,739,099	32,720,425	-78,476	194,919,412

Summary of Significant Accounting Policies

The accompanying notes are an integral part of the financial statements.

1&2

3 to 36

In terms of our report attached
For **L.B. JHA & CO.**
Chartered Accountants
Firm Registration No.301088E

Sd/-

D.N. Roy
Partner
Membership Number 300389

Arunabha Biswas
Vice President and
Company Secretary

Samarjit Jain
Chief Financial Officer

On behalf of the Board of Directors
A. K. Dabriwala
Chairman & Managing Director

DIN: 00024498

Suresh Chandra Saha
Director
DIN: 00484308

Place : Kolkata
Date: 23rd July, 2020

UNITED CREDIT LIMITED

Notes to the financial statements for the year ended 31st March 2020

1. General/Corporate Information

United Credit Limited (UCL) is the successor to the erstwhile United Bank of India Limited (UBIL). The name of the Company was originally United India Credit and Development Company Limited (UCDCL), which has been changed to United Credit Limited on 1st January, 1981 upon compliance of applicable statutory provisions. Consequent upon nationalization of the banking sector, the undertaking of UBIL became vested in the corresponding new bank, United Bank of India and pursuant to the scheme of amalgamation approved by the Hon'ble High Court at Calcutta by an Order dated 23rd August, 1974 UBIL was merged with UCDCL, and the assets and liabilities of UBIL were transferred to and became vested in UCDCL.

The Company is mainly divided operationally into the lease, hire purchase, consumer financing, investment and capital market operation. The overall management of the Company is vested in the Board of Directors of the Company.

2. Significant accounting policies

2.1 Basis of preparation and Presentation

In accordance with the notification issued by the MCA, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, from 1st April, 2019 and the effective date of such transition is 1st April, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder (collectively referred to as "Previous GAAP")

Prior to adoption of Ind AS, the Company prepared its financial statements for all periods up to and including the year ended 31 March 2019, in accordance with generally accepted accounting principles in India, including accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP"). These financial statements for year ended 31st March 2020 are the Company's first financial statements prepared in accordance with Ind ASs.

Previous period numbers in the financial statements have been restated to Ind AS. In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Company has presented a reconciliation from the presentation of financial statements under Previous GAAP to Ind AS of shareholders' equity as at 31st March, 2019 and 1st April, 2018 and of the comprehensive income for the year ended 31st March 2019. Refer Note 30 for the details of first-time adoption exemptions availed by the Company and Note 37 for Reconciliation of Equity and Total Comprehensive Income for numbers reported under Previous GAAP to Ind AS.

The financial statements have been prepared on historical cost convention on the accrual basis, except for financial instruments that are measured at fair values at the end of reporting period, as explained in the accounting policies below:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosures in these financial statements is determined on such a basis.

In view of the Company being an NBFC, the Financial Statements has a bearing of the directions and guidelines issued by the RBI to the extent applicable to the Company.

2.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.2.1. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items and any attributable cost of bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are expensed during the reporting period in which they are incurred.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

On transition to IND AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1st April 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment commences when the assets are ready for their intended use It is recognized so as to amortise the cost of assets less their residual values over their useful lives, based on the useful lives and in the manner as prescribed by Schedule II of the Companies Act, 2013.

Capital work-in-progress

Items of Property, Plant & Equipment under construction/installation/fabrication and not put to use are included under capital-work-in-progress.

2.4 Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

2.5 Foreign currency translation

The financial statements are presented in Indian Rupee (INR) , being the functional currency of the Company. Functional currency is the currency of the primary economic environment in which the Company operates.

Initial recognition of all transactions:

Recorded at the rates of exchange prevailing at the dates of the respective transactions.

Conversion :

Foreign currency monetary items are restated using the exchange rate prevailing at the reporting date.

Non-monetary items (carried at fair value) as on reporting date are restated using the exchange rate prevailing at the date when the fair value was determined. Translation differences on such items are reported as part of the fair value gain or loss on such items.

For non-monetary items (carried at historical cost) as on reporting date restatement is not required

Foreign Exchange Gains and Losses:

Financial Assets:

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date.

- For monetary financial assets measured at amortised cost, FVTOCI or FVTPL and non-monetary financial assets measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Foreign currency changes for non-monetary financial assets measured at FVTOCI are recognised in other comprehensive income.

Financial Liabilities:

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated using the exchange rate prevailing at the reporting date

For monetary financial liabilities measured at amortised cost, FVTOCI or FVTPL and non-monetary financial liabilities measured at amortised cost or FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit and loss.

Foreign currency changes for non-monetary financial liabilities measured at FVTOCI are recognised in other comprehensive income.

2.6 Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Present obligation arising under onerous contracts are recognised and measured as provisions.

Contingent liabilities

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or is a present obligation that arises from past events but is not recognized because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognized. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent Assets

Contingent Assets are neither recognized nor disclosed except when realization of income is virtually certain.

2.7 Leases

As a lessee

The company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate.

Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

As a lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit & Loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Statement of Profit & Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit & Loss.

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease. Initial direct costs relating to assets given on finance leases are charged to Statement of Profit and Loss.

2.8 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.9 Financial instruments

Recognition of Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments. Loans & advances and all other regular way purchases or sales of financial assets are recognised and derecognised on the trade date.

Initial Measurement of Financial Instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from their respective fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in statement of profit and loss.

Subsequent Measurement

(A) Financial Assets

Financial Assets carried at Amortised Cost (AC):

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI):

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Financial Assets at Fair Value through Profit or Loss (FVTPL):

A financial asset which is not classified in any of the above categories are measured at FVTPL. A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit and loss.

Effective Interest Rate (EIR) Method:

The Effective Interest Rate Method is a method of calculating the amortized cost of a debt instrument and of allocating interest income or expense over the relevant period. The Effective Interest Rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability on initial recognition.

Impairment of Financial Assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease/trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

In case of debt instruments at FVTOCI, the loss allowance measured in accordance with the above requirements is recognised in other comprehensive income with a corresponding effect to the statement of profit and loss but is not reduced from the carrying amount of the financial asset in the balance sheet; so the financial asset continues to be presented in the balance sheet at its fair value.

No Expected credit losses is recognised on equity investments but these are impaired if there is a permanent diminution in the value of such investments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. The expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience.

Derecognition of Financial Assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset accounted under Ind AS 109 in its entirety,

a) for financial assets measured at amortised cost, the gain or loss is recognized in the statement of profit and loss.

b) for financial assets measured at FVTOCI, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

If the transferred asset is part of a larger financial asset and the part transferred qualifies for derecognition in its entirety, the previous carrying amount of the larger financial asset shall be allocated between the part that continues to be recognised and the part that is derecognised, on the basis of the relative fair values of those parts on the date of the transfer.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, it recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a liability for the proceeds received.

(B) Financial Liabilities and Equity Instruments:

Equity Instruments:

An Equity Instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial Liabilities:

Financial Liabilities are subsequently measured at amortised cost using the effective interest rate method.

Financial Guarantee Contracts:

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit and loss.

Fair Value:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Unobservable inputs for the asset or liability.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand and balances with banks, cheques on hand, remittances in transit and short-term investments with an original maturity of three months or less that are readily convertible to know amount of cash and which are subject to an insignificant change in value.

2.11 Borrowings

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

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance costs.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

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

2.12 Employee benefits

(i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet

(ii) Other long-term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations:

The company operates the following post-employment schemes:

Defined benefit plans such as gratuity and Leave

Encashment Gratuity and Leave obligations

Gratuity Liability and Long Term compensated absences are defined benefit plans. The cost of providing benefits is determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.13 Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.14 Revenue recognition

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

Revenue from Operations is recognized in the Statement of Profit and Loss on an accrual basis as stated herein below:

(a) Income for financial assets other than those financial assets classified as at Fair value through profit and loss ("FVTPL") is recognized based on the effective interest rate method. Income from Credit Impaired Financial Assets is recognized on net basis i.e. after considering Impairment Loss Allowance.

(b) Interest income on fixed deposits/margin money/pass through certificates is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(c) Rent Income/Lease rentals are recognized on accrual basis in accordance with the terms of agreements.

(d) Income from dividend is recognized when the Company's right to receive such dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(e) Interest on Loan is accounted for on accrual basis and interest income on Non-performing Assets are accounted for on receipt basis.

2.15 Prudential Norms

The Company has followed the prudential norms for income recognition and provisioning against non-performing assets and standard assets as prescribed by the Reserve Bank of India for Non-Banking Financial Companies.

2.16 Segment Reporting

a) Based on the organizational structures and its Financial Reporting System, the Company has classified its operation into two e business segments namely Financing Activity and Renting Activity.

b) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which are related to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under un-allocable expenses.

2.17 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.18 Basic earning per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

2.19 Cash Flow Statement

Cash Flow is reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company are segregated.

2.20 Exceptional Item

When items of income and expenses within statement of profit and loss from ordinary activities are of as such size, nature and or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

2.21 Critical estimates and judgements

The following are the critical judgements, apart from those involving estimations, that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements

· Expected credit loss on loans and advances

The Company has used its judgement in determining various parameters of expected credit loss. These parameters includes staging, default, discount rates, expected life, significant increase in credit risk, amount and timing of future cash flows. In estimating these cash flows, the Company makes judgement about the realisable value of the securities hypothecated/mortgaged to it, based on the historical data and/or independent valuation reports.

These assumptions are based on the assumptions about a number of factors and actual results may differ, resulting in future changes to the impairment allowance.

A collective assessment of impairment takes into account data from the loan portfolio (such as credit quality, nature of assets underlying assets financed, levels of arrears, credit utilization, loan to collateral ratios etc.), and the economic data (including levels of unemployment, country risk and performance of different individual groups). These critical assumptions have been applied consistently to all period presented.

· Business Model Assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

2.22 Standards issued but not yet effective

The amendments are proposed to be effective for reporting periods beginning on or after 1 April 2020.

A. Issue of Ind AS 117 – Insurance Contracts Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk. Application of this standard is not expected to have any significant impact on the Company's financial statements.

B. Amendments to existing Standards Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

1. Ind AS 103 – Business Combination
2. Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
3. Ind AS 40 – Investment Property

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

UNITED CREDIT LIMITED**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020****3. Cash and cash equivalents:**

Particulars	Amount(in Rs.)		
	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Cash in hand	1,847	16,394	6,763
Balances with Banks - in Current Account	217,726	1,875,766	1,214,348
Cheques in hand	524,150	500,000	-
Total	743,723	2,392,160	1,221,111

4. Other Bank Balances

Particulars	Amount(in Rs.)		
	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Earmarked Balances- Unpaid Dividend	1,171,959	1,807,396	2,751,331
Total	1,171,959	1,807,396	2,751,331

5. Receivables:**(i) Trade Receivables**

Particulars	Amount(in Rs.)		
	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
(a) Unsecured considered good	2,984,616	1,311,082	461,312
Less: Allowance for impairment loss allowance	-	-	-
Total	2,984,616	1,311,082	461,312

UNITED CREDIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

Amount(in Rs.)

6. Loans

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Loans at Amortised Cost (A)			
(i) Loan repayable on demand	153,171,675	144,821,675	111,553,030
Total (A) Gross	153,171,675	144,821,675	111,553,030
Less: Impairment loss allowance	1,877,892	1,855,781	1,721,121
Total (A) Net	151,293,783	142,965,894	109,831,909
(B)			
(i) Secured by tangible assets	2,856,000	2,856,000	2,856,000
(ii) Unsecured	150,315,675	141,965,675	108,697,030
Total (B) Gross	153,171,675	144,821,675	111,553,030
Less: Impairment loss allowance	1,877,892	1,855,781	1,721,121
Total (B) Net	151,293,783	142,965,894	109,831,909
(C)			
In India			
(i) Public Sector	-	-	-
(ii) Others	153,171,675	144,821,675	111,553,030
Total (C) Gross	153,171,675	144,821,675	111,553,030
Less: Impairment loss allowance	1,877,892	1,855,781	1,721,121
Total (C) Net	151,293,783	142,965,894	109,831,909

UNITED CREDIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

7. Investments

Amount(in Rs.)

Particulars	Amount(in Rs.)		
	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Investment at fair value through Profit & Loss			
Debt Securities			
United Nanotech Products Ltd	-	-	52,100,000
Equity Instruments			
(QUOTED)			
Birla Power Solutions Ltd	125,982	125,982	125,982
(UNQUOTED)			
Calcutta Metropolitan Group Ltd	30	30	30
Sky B (Bangla) Pvt Ltd	100,000	100,000	100,000
Business India Publications Ltd	2,750,000	2,750,000	2,750,000
Total Gross (A)	2,976,012	2,976,012	55,076,012
(i) Overseas Investments	-	-	-
(ii) Investments in India	2,976,012	2,976,012	55,076,012
Total (B)	2,976,012	2,976,012	55,076,012
Less: Impairment loss allowance (C)	2,975,981	2,975,981	55,075,980
Total - Net D= (A)-(C)	31	31	32

7.1- Details of Impairments

Amount(in Rs.)

Particulars	Amount(in Rs.)		
	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
United Nanotech Products Ltd	-	-	52,099,999
Birla Power Solutions Ltd	125,982	125,982	125,982
Calcutta Metropolitan Group Ltd	0	0	0
Sky B (Bangla) Pvt Ltd	100,000	100,000	100,000
Business India Publications Ltd	2,749,999	2,749,999	2,749,999
Total Impairments	2,975,981	2,975,981	55,075,980

UNITED CREDIT LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020
8. Other Financial assets
Amount(in Rs.)

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Security deposits			
To Related Parties	6,407,618	5,987,318	5,596,662
To others	773,881	805,741	1,156,201
Interest accrued on Loan	3,835,522	3,341,139	2,939,892
Total	11,017,021	10,134,198	9,692,755

9. Current tax assets (Net)
Amount(in Rs.)

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Advance income tax [net of Income tax provision of ₹ 57.75lakhs (March 31st, 2019 : ₹ 44.25 lakhs, April 1st, 2018: ₹ 36.25 lakhs)]	6,622,952	8,315,551	7,773,809
Total	6,622,952	8,315,551	7,773,809

10. Deferred Tax Assets (Net)
Amount(in Rs.)

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Deferred Tax Assets on			
Provision for Employee Benefits	342,072	312,359	254,512
Provision for Impairment on Loan Assets	522,430	482,503	443,189
Provision for Diminution in the Value of Investments	827,918	773,755	14,182,065
Property , Plant & Equipment	621,141	627,329	676,617
Fair Value of Security Deposit Given	1,007,080	474,452	
Total Deferred Tax Assets (A)	3,320,641	2,670,398	15,556,383
Deferred Tax Liability on Fair Value of Security Deposit received	15,205	1,510	-
Total Deferred Tax Liability (B)	15,205	1,510	-
Net Deferred Tax Assets/(Liability) (A-B)	3,305,436	2,668,888	15,556,383

10.1 Movement of Deferred Tax - 31.03.20

Amount(in Rs.)

Particulars	As at March 31st, 2019	Movement	As at March 31st, 2020
Deferred Tax Assets on			
Provision for Employee Benefits	312,359	29,713	342,072
Provision for Impairment on Loan Assets	482,503	39,927	522,430
Provision for Diminution in the Value of Investments	773,755	54,163	827,918
Property , Plant & Equipment	627,329	(6,188)	621,141
Fair Value of Security Deposit Given	474,452	532,628	1,007,080
Total Deferred Tax Assets (A)	2,670,398	650,243	3,320,641
Deferred Tax Liability on			
Fair Value of Security Deposit received	1,510	13,695	15,205
Total Deferred Tax Liability (B)	1,510	13,695	15,205
	-	-	-
Net Deferred Tax Assets/(Liability) (A-B)	2,668,888	636,548	3,305,436

10.2 Movement of Deferred Tax - 31.03.19

Amount(in Rs.)

Particulars	As at April 1st, 2018	Movement	As at March 31st, 2019
Deferred Tax Assets on			
Provision for Employee Benefits	254,512	57,847	312,359
Provision for Impairment on Loan Assets	443,189	39,314	482,503
Provision for Diminution in the Value of Investments	14,182,065	(13,408,310)	773,755
Property , Plant & Equipment	676,617	(49,288)	627,329
Fair Value of Security Deposit Given	-	474,452	474,452
Total Deferred Tax Assets (A)	15,556,383	(12,885,985)	2,670,398
Deferred Tax Liability on			
Fair Value of Security Deposit received	-	1,510	1,510
Total Deferred Tax Liability (B)	-	1,510	1,510
Net Deferred Tax Assets/(Liability) (A-B)	15,556,383	(12,887,495)	2,668,888

12. Other Non Financial assets

Amount(in Rs.)

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Prepaid Rent - Related Party	89,972,396	92,187,867	94,403,338
Balances with GST authorities	4,500	-	-
Other assets	354,679	462,807	275,059
Total	90,331,575	92,650,674	94,678,397

UNITED CREDIT LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

11. Property, Plant and Equipment

Particulars	Gross block				Depreciation/amortisation/ impairment					Amount(in Rs.) Net book value
	As at April 1st, 2019	Additions	Disposals and other adjustments	As at March 31st, 2020	As at April 1st, 2019	Depreciation/ amortisation Charge	Impairment Charge	Disposals and other adjustments	As at March 31st, 2020	As at March 31st, 2020
Furniture and fixtures	3,104,024	-	-	3,104,024	2,859,537	41,120	-	-	2,900,657	203,367
Office Equipment	652,593	124,638	-	777,231	571,435	57,631	-	-	629,066	148,165
Computers	1,000,323	55,751	-	1,056,074	932,527	45,447	-	-	977,974	78,100
Motor Cars	2,607,500	-	-	2,607,500	1,985,202	194,344	-	-	2,179,546	427,954
Total for Tangible assets	7,364,440	180,389	-	7,544,829	6,348,701	338,542	-	-	6,687,243	857,586

Particulars	Gross block				Depreciation/ amortisation/ impairment					Amount(in Rs.) Net book value
	As at April 1st, 2018	Additions	Disposals and other adjustments	As at March 31st, 2019	As at April 1st, 2018	Depreciation/ amortisation Charge	Impairment Charge	Disposals and other adjustments	As at March 31st, 2019	As at March 31st, 2019
Furniture and fixtures	3,104,024	-	-	3,104,024	2,803,394	56,143	-	-	2,859,537	244,487
Office Equipment	652,593	-	-	652,593	521,795	49,640	-	-	571,435	81,158
Computers	944,887	55,436	-	1,000,323	888,968	43,559	-	-	932,527	67,796
Motor Cars	3,222,890	-	615,390	2,607,500	2,266,351	285,052	-	566,201	1,985,202	622,298
Total for Tangible assets	7,924,394	55,436	615,390	7,364,440	6,480,508	434,394	-	566,201	6,348,701	1,015,739

Note: The Company has elected to continue with the carrying value of all of its property, plant and equipment as of April 1st, 2018 (transition date) measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

13. Payables

(I) Other Payables

(i) Dues of Micro Enterprises and Small Enterprises

Amount(in Rs.)

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
a) The principal amount and interest due thereon remaining unpaid to any supplier	-	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day.	-	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
d) The amount of interest accrued and remaining unpaid	-	-	-
e) The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
Total	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available.

(ii) total outstanding dues of creditors to other than micro enterprises and small enterprises

Amount(in Rs.)

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Due to others	1,872,178	1,020,140	1,126,198
Total	1,872,178	1,020,140	1,126,198

14. Borrowings (Other than Debt Securities)

Amount(in Rs.)

Particulars	As at March 31st,	As at March 31st,	As at April 1st,
	2020	2019	2018
At Amortised Cost			
SECURED			
(a) Term Loans			
(i) From Banks			
Car Loan	-	-	187,767
Total	-	-	187,767
Borrowings in India	-	-	187,767
Borrowings outside India	-	-	-
Total	-	-	187,767

15. Other Financial & Non financial Liabilities

Amount(in Rs.)

A- Other Financial Liabilities

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Unpaid Dividend	1,171,959	1,807,396	2,751,331
Security Deposits received	5,431,377	5,045,069	4,692,560
Due to Preference shareholders- On Redemption	8,711,685	8,700,285	8,688,615
Total	15,315,021	15,552,750	16,132,506
B- Other non-financial liabilities			
Advance Rent	62,250	157,406	430,722
Total	62,250	157,406	430,722

16. Provisions

Amount(in Rs.)

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Provision for Gratuity	263,254	238,047	-
Provision for compensated absence	966,337	963,333	988,395
Total	1,229,591	1,201,380	988,395

UNITED CREDIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

17. Share Capital

(Amount(in Rs.) , except number of shares)

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Authorised			
Equity shares, ₹ 10/- par value 1,50,00,000 (31st March, 2019 : 1,50,00,000, 1st April, 2018: 1,50,00,000) Equity Shares	150,000,000	150,000,000	150,000,000
Preference shares, ₹ 10/- par value 50,00,000 (31st March, 2019 : 50,00,000, 1st April, 2018: 50,00,000) Preference shares	50,000,000	50,000,000	50,000,000
	200,000,000	200,000,000	200,000,000
Issued			
Equity shares, ₹ 10/- par value 57,90,729 (31st March, 2019 : 57,90,729, 1st April, 2018: 57,90,729) Equity Shares	57,907,290	57,907,290	57,907,290
	57,907,290	57,907,290	57,907,290
Subscribed and fully paid-up			
Equity shares, ₹ 10/- par value 53,27,823 (31st March, 2019 : 53,27,823, 1st April, 2018: 53,27,823) Equity Shares	53,278,230	53,278,230	53,278,230
330,400 (Previous year 330,400) Shares Forfeited-Amount originally paid up	1,652,000	1,652,000	1,652,000
Total	54,930,230	54,930,230	54,930,230

17.1 Reconciliation of Equity Shares

The reconciliation of the number of Equity Shares outstanding and the corresponding amount thereof as at the Balance Sheet date is set out below:

Equity Shares	As at March 31st, 2020		As at March 31st, 2019		As at April 1st, 2018	
	No. of shares	Amount(in Rs.)	No. of shares	Amount(in Rs.)	No. of shares	Amount(in Rs.)
At the beginning of the year	5,327,823	53,278,230	5,327,823	53,278,230	5,327,823	53,278,230
Add: Issued as fully paid during the year	-	-	-	-	-	-
At the end of the period/year	5,327,823	53,278,230	5,327,823	53,278,230	5,327,823	53,278,230

17.2 Terms/rights attached to Shares

The Company's authorized capital consists of two classes of shares referred to as Equity Shares and Preference shares having par value of ₹ 10/- each and ₹ 10/- each, respectively. Each holder of Equity Shares is entitled to one vote per share.

These Shares rank pari passu in all respects including voting rights and entitlement of dividend.

17.3 The details of shareholders holding more than 5% shares are set out as below:

Class of shares and names of shareholders	As at March 31st, 2020		As at March 31st, 2019		As at April 1st, 2018	
	No. of shares	% held	No. of shares	% held	No. of shares	% held
Equity shares, ₹ 10/- par value						
Dabriwala Baniya Udyog Ltd.	2,299,264	43.16	2,299,264	43.16	2,299,264	43.16
United Nanotech Products Ltd (Formerly Anurag Properties Pvt Ltd since merged with United Nanotech Products Ltd)	742,374	13.93	742,374	13.93	742,374	13.93
Sri Ashok Kumar Dabriwala	738,540	13.86	738,540	13.86	738,540	13.86

UNITED CREDIT LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020
18 Other Equity

Particulars	Amount(in Rs.)		
	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Capital reserve			
Opening balance	311,487	311,487	311,487
Add / Less: Transferred from / to Surplus	-	-	-
Closing balance	311,487	311,487	311,487
Securities premium			
Opening balance	39,351,892	39,351,892	39,351,892
Add: Received on issue of equity shares for the year	-	-	-
Closing balance	39,351,892	39,351,892	39,351,892
Capital Redemption Reserve			
Opening balance	25,438,750	25,438,750	25,438,750
Add: Transferred from Surplus in the Statement of Profit and Loss for the year	-	-	-
Less: Transfer to Surplus in the Statement of Profit and Loss for the year on Redemption	-	-	-
Closing balance	25,438,750	25,438,750	25,438,750
Special reserve (created pursuant to Section 45IC of the Reserve Bank of India Act, 1934)			
Opening balance	26,646,219	22,213,385	22,213,385
Add: Transferred from Surplus in the Statement of Profit and Loss for the year	1,790,015	4,432,834	-
Closing balance	28,436,234	26,646,219	22,213,385
General Reserve			
Opening balance	68,739,099	68,739,099	68,739,099
Add: Transferred from Surplus in the Statement of Profit and Loss for the year	-	-	-
Closing balance	68,739,099	68,739,099	68,739,099
Other Comprehensive Income			
Opening balance	-144,195	-	-
Add: Transferred from Surplus in the Statement of Profit and Loss for the year	65,719	-144,195	-
Closing balance	-78,476	-144,195	-
Surplus in the Statement of Profit and Loss			
Opening balance	30,056,455	13,560,494	13,560,494
Add: Profit after tax transferred from Statement of Profit and Loss	8,950,067	20,928,795	-
Amount available for appropriation	39,006,521	34,489,289	13,560,494
Appropriations:			
Less: Amount transferred to Special reserve	1,790,015	4,432,834	-
Less: Dividend on Equity Shares	3,729,476	-	-
Less: Tax on Dividend	766,605	-	-
Closing balance	32,720,425	30,056,455	13,560,494
Total	194,919,412	190,399,707	169,615,107

Note 18- Continued

Special reserve (created pursuant to Section 45IC of the Reserve Bank of India Act, 1934)

The amount transferred to statutory reserves has been calculated in accordance with the provision of Section 45-IC of the RBI Act, 1934 which requires transfer of 20% of the profit after tax to the statutory reserves. However, the profit for previous year has not been restated for the impact of Ind AS readjustment items and the amount transferred to statutory reserve has been computed on the profit as per previous GAAP.

Capital Reserve:

This reserve represents the reissue of forfeited shares and capital receipts towards transfer of tenancy right.

Securities Premium:

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve

In accordance with Rule 18(7)(b)(ii) of the Companies (Share Capital and Debentures) Rules, 2014 read with Section 71(4) of the Companies Act, 2013 the Company has created DRR only for redemption of Preference share capital.

General Reserve

General Reserve includes Revenue Reserve of Rs.17,871,849/- (Previous Year Rs.17,871,849/-) being difference between assets and liabilities taken over after adjustment of consideration money in terms of Scheme of Amalgamation with United Credit Financial Services Ltd.

Retained Earnings:

This reserve represents the cumulative profits of the Company.

UNITED CREDIT LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST,2020
19 Interest Income
Amount(in Rs.)

Particulars	For the year ended March 31st, 2020	For the year ended March 31st, 2019
On Financial Assets measured at Amortised Cost		
Interest on Loans	18,792,969	14,743,593
Total	18,792,969	14,743,593

20 Other Income
Amount(in Rs.)

Particulars	For the year ended March 31st, 2020	For the year ended March 31st, 2019
Provision for Diminution in the Value of Investment W/Back	-	52,099,999
Net gain/(loss) on derecognition of property, plant and equipment	-	60,981
Interest on Income Tax Refund	-	88,848
Others	669,541	602,395
Total	669,541	52,852,223

21 Finance Costs
Amount(in Rs.)

Particulars	For the year ended March 31st, 2020	For the year ended March 31st, 2019
On Financial liabilities measured at Amortised Cost		
Interest on borrowings	-	7,233
Total	-	7,233

22 Impairment on financial instruments
Amount(in Rs.)

Particulars	For the year ended March 31st, 2020	For the year ended March 31st, 2019
On Financial instruments measured at Amortised Cost		
Loans	22,111	134,660
Total	22,111	134,660

23 Employee Benefits Expenses
Amount(in Rs.)

Particulars	For the year ended March 31st, 2020	For the year ended March 31st, 2019
Salaries and wages	5,756,339	5,072,240
Contribution to provident and other funds *	526,817	499,693
Staff welfare expenses	673,449	695,241
Company's Contribution to Gratuity Fund	318,198	316,575
Total	7,274,803	6,583,749

UNITED CREDIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

24 Other expenses

Amount(in Rs.)

Particulars	For the year ended March 31st, 2020	For the year ended March 31st, 2019
Rent	733,952	710,040
Insurance	200,944	205,246
Law Charges	260,200	350,070
Printing & Stationery	168,194	205,680
Postage & Telephone	252,574	294,431
Electricity Expenses	330,552	340,462
Travelling & Conveyance	1,876,664	972,089
Advertisement	103,251	131,967
Auditors' Remuneration (Refer Note 24a)	227,500	204,000
Car Expenses	474,874	514,642
Rates & Taxes	159,876	383,582
Maintenance & Repairs – Others	201,056	133,820
Sales Promotion	147,409	211,819
Computer Expenses	100,385	116,919
Computer Software Expenses	8,333	-
Directors' Fees	690,000	750,000
Professional Fees	520,100	591,750
Consultancy Fees	100,313	-
Bank Charges	11,015	11,842
Service Charges	305,784	310,164
Bad Debts	-	214,143
Loss on Sale of Investment	-	26,050,000
Miscellaneous Expenses	934,328	834,338
Amortization of Prepaid Rent	2,215,472	2,215,471
Total	10,022,776	35,752,475

Note: 24a - Auditor Remuneration

Amount(in Rs.)

Particulars	For the year ended March 31st, 2020	For the year ended March 31st, 2019
Auditors' Remuneration		
Statutory Audit	120,000	120,000
Tax Audit	12,000	12,000
Limited Review	30,000	30,000
Certification Work	48,000	42,000
Other Services	17,500	-
Total	227,500	204,000

Note: 25- Current Tax

Amount(in Rs.)

Particulars	For the year ended March 31st, 2020	For the year ended March 31st, 2019
Provision for Taxation	3,475,000	2,300,000
Excess Provision of Income Tax (AY 2017-18) written back	-	-154,097
Income Tax of Earlier Year (AY-18-19)	73,428	-
MAT Credit Entitlement	-	-75,778
Total	3,548,428	2,070,125

UNITED CREDIT LIMITED**NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020****26. EARNINGS PER SHARE**

Particulars	For the year ended	
	March 31st, 2020	March 31st, 2019
Net Profit attributable to Equity Shareholders (Amount in Rs.)	8,950,067	20,928,795
Weighted average number of Equity Shares Basic (Nos.)	5,327,823	5,327,823
Weighted average number of Equity Shares Diluted (Nos.)	5,327,823	5,327,823
Nominal Value of Equity per share (₹)	10	10
Basic Earnings per share (₹)	1.68	3.93
Diluted Earnings per share (₹)	1.68	3.93

27. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

Amount(in Rs.)

Particulars	As at March 31st, 2020	As at March 31st, 2019	As at April 1st, 2018
Contingent liabilities			
Claims against the company not acknowledged as debt Disputed demands *			
- Income tax	6,900,919	6,900,919	6,900,919
Total	6,900,919	6,900,919	6,900,919

* Income tax demand for the Assessment Year 1996-97 amounting to Rs.6,900,919/- (Previous year Rs.6,900,919/-) including Interest of Rs.1,031,539/- calculated upto July 2008 against which the Company has filed an appeal under Section 261 of the Income Tax Act, 1961, before the Hon'ble Supreme Court against High Court Judgement which was passed in favour of Revenue Department. The Case has been admitted for final hearing. The Company had already paid a sum of Rs.6,900,919/- (Previous year Rs.6,900,919/-) under protest which has been shown under Current tax assets (Net) in NOTE 9

The Board has recommended a dividend of Rs.0.00 on each equity share which is subject to the approval of the members of the Company at the ensuing Annual General Meeting.

UNITED CREDIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

28. Employee Benefits

Defined benefit plans

(A) Gratuity Fund :-

The Company makes periodic contributions to the LIC Gratuity Fund, a funded defined benefit-plan for qualifying employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary (last drawn) payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity funds to LIC. The Company accounts for the liability for gratuity benefits payable in the future based on actuarial valuation.

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of interest rate risk, Liquidity Risk, Salary Escalation Risk, Demographic Risk, Regulatory Risk, Asset Liability Mismatching or Market Risk and Investment Risk

- (a) Interest rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in the interest rates will result in an increase in the ultimate cost of Providing the above benefit and will thus result in an increase in the value of the Liability.
- (b) Liquidity Risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
- (c) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- (d) Demographic risk: the company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- (e) Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).
- (f) Asset Liability Mismatching or Market Risk: The duration of the liability is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.
- (g) Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

UNITED CREDIT LIMITED
NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

28.1 Particulars in respect of post retirement defined benefit plans of the Company are as follows :-

Description	Gratuity (Funded)		Compensated absence (Unfunded)	
	Year ended March 31st, 2020	Year ended March 31st, 2019	Year ended March 31st, 2020	Year ended March 31st, 2019
1. Change in the defined benefit obligation (DBO)				
Present value of obligation at the beginning of the year	1,933,907	1,739,334	963,333	988,395
Current Service Cost	98,365	67,267	22,457	11,550
Interest Cost	145,351	130,450	63,232	68,151
Actuarial (gain)/loss - experience variance (i.e. actual experience vs assumptions)	(206,011)	200,602	(35,627)	(54,365)
Actuarial (gain)/loss - demographic assumptions	48	-	21	-
Actuarial (gain)/loss - financial assumptions	107,475	-	19,859	7,482
Benefits paid	(143,558)	(203,746)	(66,938)	(57,880)
Present value of obligation at the end of the year	1,935,577	1,933,907	966,337	963,333
2. Change in plan assets				
Fair value of Plan Assets at the beginning of the year	1,695,860	1,685,310	-	-
Interest income on plan assets	127,460	126,308	-	-
Contributions by the employer	-	82,244	-	-
Return on Plan assets greater/(lesser) than discount rate	(7,439)	5,744	-	-
Benefits paid	(143,558)	(203,746)	-	-
Fair value of Plan Assets at the end of the Year	1,672,323	1,695,860	-	-

Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is determined based on government bond rate

Description	Gratuity (Funded)		Compensated absence (Unfunded)	
	Year ended March 31st, 2020	Year ended March 31st, 2019	Year ended March 31st, 2020	Year ended March 31st, 2019
3. Amount recognised in Balance Sheet consists of:				
Fair value of Plan Assets at the end of the Year	1,672,323	1,695,860	-	-
Present Value of Obligation at the end of the Year	1,935,577	1,933,907	963,337	963,333
Funded status (surplus/[deficit])	(263,254)	(238,047)	(963,337)	(963,333)
Net defined benefit Asset/(Liabilities)	(263,254)	(238,047)	(963,337)	(963,333)

Amount(in Rs.)

Description	Gratuity (Funded)		Compensated absence (Unfunded)	
	Year ended March 31st, 2020	Year ended March 31st, 2019	Year ended March 31st, 2020	Year ended March 31st, 2019
4. Expenses recognised in the statement of profit and loss consists of:				
Employee benefits expenses:				
Current Service cost	98,365	67,267	22,457	11,550
Net Interest cost	17,891	4,142	63,232	68,151
Actuarial (Gain) / Loss due to DBO experience			(35,627)	(54,365)
Actuarial (Gain) / Loss due to DBO assumptions changes			19,880	7,482
Total [A]	116,256	71,409	69,942	32,818
Other Comprehensive Income				
Actuarial (Gain) / Loss due to DBO experience	(206,011)	200,602	-	-
Actuarial (Gain) / Loss due to DBO assumptions changes	107,523	-	-	-
Return on Plan assets (greater)/lesser than discount rate	7,439	(5,744)	-	-
Actuarial (Gains) / Losses recognized in OCI [B]	(91,049)	194,858	-	-
Adjustment for limit on net asset Curtailment Cost/(Credit)				
Expense recognised during the year [A+B]	25,207	266,267	69,942	32,818

UNITED CREDIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

29. Related Party Disclosure

A-List of Related Parties

Key Management Personnel (KMP)	
Name	Designation
Sri Ashok Kumar Dabriwala	Chairman & Managing Director.
Sri Devashish Dabriwal	Director
Smt Rashmi Dabriwal	Director
Sri Arunabha Biswas	Vice President & Company Secretary
Sri Samarjit Jain	Chief Financial Officer

Enterprise over which KMP has significance influence
Dabriwala Banijya Udyog Limited

B- Summary of Transactions

Amount(in Rs.)

Name of the Related Party	Nature of relationship	Nature of transactions	For the year ended March 31st, 2020	For the year ended March 31st, 2019
Dabriwala Banijya Udyog Limited	Enterprise over which KMP has significance influence	Rent paid	12,000	12,000
		Rent Received	12,000	12,000
		Municipal Taxes	81,780	81,780
		Electric Charges	35,701	38,656
		Maintenance charges	34,176	68,343
Sri A. K.Dabriwala	Key Managerial Personnel	Remuneration	2,382,173	1,923,399
Sri A. Biswas	Key Managerial Personnel	Remuneration	878,440	871,444
Sri S. Jain	Key Managerial Personnel	Remuneration	775,654	768,444
Sri D.Dabriwal	Relative of KMP	Sitting Fees	70,000	80,000
Smt. R.Dabriwal	Relative of KMP	Sitting Fees	280,000	290,000

C- Balance Outstanding

Amount(in Rs.)

Name of the Related Party	Nature of relationship	Nature of transactions	Balance as at March 31st, 2020	Balance as at March 31st, 2019	Balance as at 1st April, 2018
Dabriwala Banijya Udyog Limited	Enterprise over which KMP has significance influence	Security Deposit	96,380,014	98,175,185	100,000,000
		Electric Charges Payable	6,477	4,034	-

Note 30: First Time Adoption

Ind AS 101 "First-time Adoption of Indian Accounting Standards" provides a suitable starting point for accounting in accordance with Ind AS and is required to be mandatorily followed by first-time adopters. The Company has prepared the Opening Balance Sheet as per Ind AS as of 1st April, 2018 (the transition date) by:]recognising all assets and liabilities whose recognition is required by Ind AS,

- a. not recognising items of assets or liabilities which are not permitted by Ind AS,
- b. reclassifying items from previous Generally Accepted Accounting Principles (Previous GAAP) to Ind AS as required under Ind AS, and
- c. applying Ind AS in measurement of recognised assets and liabilities.

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied for the following exemptions:

(i) Estimates

The estimates at 1st April 2018 and at 31st March 2019 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2018 and as of 31st March 2019.

(ii) Classification of Financial Assets

The classification of financial assets to be measured at amortized cost or at fair value through Profit and Loss is made on the basis of facts and circumstances that existed on the date of transition to Ind AS.

(iii) Fair value at Deemed Cost for items of Property, Plant and Equipment and Intangible asset

The Company has elected to use the carrying amount of items of Property, Plant and Equipment under previous GAAP on the date of transition to Ind AS as deemed cost for Ind AS.

Reconciliation of Equity as previously reported under Previous GAAP to IND AS:

Particulars	Note	Amount(in Rs.)	
		As at March 31st, 2019	As at April 1st, 2018
Equity as per Previous GAAP		246,709,505	224,545,337
Re-measurements on transition to Ind AS			
a. FV of Security Deposit Assets	(i)	-	94,403,338
b. FV of Security Deposit Assets- Prepaid Rent	(i)	-	(94,403,338)
c. FV of security Deposit Liability	(ii)	-	(430,722)
d. FV of security Deposit Liability- Advance Rent	(ii)	-	430,722
e. Notional Gain on FV of Security Deposit Assets	(i)	390,656	-
f. Notional Amortization of Prepaid Rent	(i)	(2,215,471)	-
g. Notional Loss on FV of Security Deposit Liability	(ii)	(274,859)	-
h. Notional Rental Income on Advance Rent	(ii)	280,666	-
i. Impairment of financial Assers	(iii)	(45,273)	-
j. Actuarial gains/loss on employee benefit plan	(iv)	144,195	-
k. Remeasurements of the defined benefit plans- OCI Impact	(iv)	(144,195)	-
l. Deferred tax on above adjustments	(v)	484,713	-
Equity as reported under Ind AS		245,329,937	224,545,337

Reconciliation of Total Comprehensive Income

Particulars	Note	Amount(in Rs.)
		For the year ended March 31st, 2019
Profit after Tax as per Previous GAAP		22,164,168
Adjustments on account of:		
a. Notional Gain on FV of Security Deposit Assets	(i)	390,656
b. Notional Amortization of Prepaid Rent	(i)	(2,215,471)
c. Notional Loss on FV of Security Deposit Liability	(ii)	(274,859)
d. Notional Rental Income on Advance Rent	(ii)	280,666
e. Impairment of financial Assets	(iii)	(45,273)
f. Actuarial gains/loss on employee benefit plan	(iv)	144,195
g. Deferred tax on above adjustments	(v)	484,713
Net Profit after tax as per Ind AS		20,928,795
Other comprehensive income, net of tax		
a. Remeasurements of the defined benefit plans	(iv)	(144,195)
Total Comprehensive Income as per Ind AS		20,784,600
		(1,379,568)

Reconciliation of Statement of Cash Flows

There are no significant differences between the Cash Flow Statement presented under Ind AS and the Previous GAAP.

Footnotes to the reconciliation of equity as at March 31st, 2019 and April 1st, 2018 and Total Comprehensive Income and Statement of Cash Flows for year ended

(i) Measurement of Security Deposits given at amortised cost

Under Previous GAAP, all assets were carried at historical costs. Under Ind AS, certain financial assets are subsequently measured at amortised cost which involves the application of effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. Accordingly, security deposits have been valued at amortized cost using the effective interest method and difference between the actual amount given and such fair value has been recorded as Prepaid Rent. This prepaid rent is amortised over the lifetime of the security deposit.

(ii) Measurement of Security Deposits received at amortised cost

Under Previous GAAP, all liabilities were carried at historical costs. Under Ind AS, financial liabilities are subsequently measured at amortised cost which involves the application of effective interest method. As stated above, the effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. Accordingly, security deposits received have been valued at amortized cost using the effective interest method and the difference between the actual amount given and such fair value has been recorded as Advance Rent received. The advance rent is recognized as an income over the lifetime of the security deposit.

(iii) Expected Credit Loss

Under Previous GAAP, the impairment provisioning for the company were governed by the principles as prescribed by the RBI through NBFC-SI directions.

Under Ind AS, a loss allowance for expected credit losses is recognised on financial assets carried at amortized cost. Expected credit losses (with the exception of purchased or original credit-impaired financial assets) are required to be measured through a loss allowance at an amount equal to the 12 month expected credit losses; or Lifetime expected credit losses if credit risk has increased significantly since initial recognition of the financial instrument. Accordingly, the Company has provided for expected credit loss in respect of its loan portfolio.

(iv) Re-measurement Gains and Losses on Defined Benefit Plans

Under previous GAAP, actuarial gains and losses related to the defined benefit schemes for gratuity and liabilities towards employee compensated absences were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect of the same has also been recognised in OCI instead of statement of profit and loss.

(v) Tax Impact on above adjustments

Indian GAAP required deferred tax accounting using the income statement approach, which focusses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences, which was not required under Indian GAAP. In addition, the various transitional adjustments lead to different temporary differences. According to the accounting policies, the Group has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

31. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the value of the shareholder.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgment of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitors the capital structure and may take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The Company has no external borrowings in the current year and the previous year.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

UNITED CREDIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

32. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of Financial asset, Financial liability and equity instrument are disclosed in Note 2 to the financial statements.

A) Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	As at March 31st, 2020		As at March 31st, 2019		Amount(in Rs.) As at April 1st, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets						
a) Measured at amortised cost						
i) Cash and cash equivalents	743,723	743,723	2,392,160	2,392,160	1,221,111	1,221,111
ii) Other bank balances	1,171,959	1,171,959	1,807,396	1,807,396	2,751,331	2,751,331
iii) Trade Receivables	2,984,616	2,984,616	1,311,082	1,311,082	461,312	461,312
iv) Loans	144,112,284	144,112,284	136,172,835	136,172,835	103,079,046	103,079,046
v) Other financial assets	11,017,021	11,017,021	10,134,198	10,134,198	9,692,755	9,692,755
Sub-total	160,029,603	160,029,603	151,817,671	151,817,671	117,205,555	117,205,555
b) Measured at Fair value through Profit or Loss						
i) Investment	2,976,012	31	2,976,012	31	55,076,012	32
ii) Other financial assets	7,181,499	7,181,499	6,793,059	6,793,059	6,752,863	6,752,863
Sub-total	10,157,511	7,181,530	9,769,071	6,793,090	61,828,875	6,752,895
Total financial assets	170,187,114	167,211,133	161,586,742	158,610,761	179,034,430	123,958,450
Financial liabilities						
a) Measured at amortised cost						
i) Payables	1,872,178	1,872,178	1,020,140	1,020,140	1,126,198	1,126,198
ii) Borrowings (Other than Debt Securities)	-	-	-	-	187,767	187,767
iii) Other financial liabilities	9,883,644	9,883,644	10,507,681	10,507,681	11,439,946	11,439,946
Sub-total	11,755,822	11,755,822	11,527,821	11,527,821	12,753,911	12,753,911
b) Measured at Fair value through Profit or loss						
i) Other Financial Liability	5,431,377	5,431,377	5,045,069	5,045,069	4,692,560	4,692,560
Sub-total	5,431,377	5,431,377	5,045,069	5,045,069	4,692,560	4,692,560
Total financial liabilities	17,187,199	17,187,199	16,572,890	16,572,890	17,446,471	17,446,471

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

32. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

(continued)

B. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments 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.

Valuation techniques with observable inputs (Level 2): The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) 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.

Valuation techniques with significant unobservable inputs (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 included in level 3.

Amount(in Rs.)				
	As at March 31st, 2020			
	Level 1	Level 2	Level 3	Total
Financial Assets				
i) Investment	-	-	31	31
ii) Other financial assets	-	-	7,181,499	7,181,499
	-	-	7,181,530	7,181,530
Financial liabilities				
i) Other Financial Liability	-	-	5,431,377	5,431,377
	-	-	5,431,377	5,431,377

Amount(in Rs.)				
	As at March 31st, 2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
i) Investment	-	-	31	31
ii) Other financial assets	-	-	6,793,059	6,793,059
	-	-	6,793,090	6,793,090
Financial liabilities				
i) Other Financial Liability	-	-	5,045,069	5,045,069
	-	-	5,045,069	5,045,069

Amount(in Rs.)				
	As at April 1st, 2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
i) Investment	-	-	32	32
ii) Other financial assets	-	-	6,752,863	6,752,863
	-	-	6,752,895	6,752,895
Financial liabilities				
i) Other Financial Liability	-	-	4,692,560	4,692,560
	-	-	4,692,560	4,692,560

UNITED CREDIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31ST, 2020

32. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (continued)

C) Financial risk management objectives

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's senior management is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Board. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

a) Market risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three types of risk: Interest rate risk, currency risk and other price risk, such as its equity price risk, liquidity risk and commodity risk.

The Company's Financial Instruments are exposed to market changes. The Company is exposed to the following significant market risk:

- i. Foreign Currency Risk
- ii. Interest Rate Risk
- iii. Other Price Risk

i. Foreign currency risk

The Company has no exposure to foreign currency instruments and hence not susceptible to Foreign Currency Risks.

ii. Interest rate risk

The Company is not exposed to interest rate risk as the Company currently has no external borrowing.

iii. Price risk

Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted investments held by the Company exposes the Company to equity price risks. In general, these investments are not held for trading purposes. However, as the Company has fully impaired its investments, the Company is no longer exposed to price risks,

b)Liquidity risk

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

The Company's treasury maintains flexibility in funding by borrowing short term funds as and when required. However, the Company does not have any external borrowings in the current year and the preceeding year.

The Company's Board of Directors lays down a broad framework for liquidity risk management to ensure that it is in a position to meet its daily liquidity obligations as well as to withstand a period of liquidity stress from industry, market or a combination of them. The liquidity profile is analyzed on a static as well as on a dynamic basis by using the gap analysis technique supplemented by monitoring of key liquidity ratios and conduct of liquidity stress tests periodically.

c)Credit risk

The principal business of the company is to provide financing in the form of loans to its clients primarily to acquire assets. Credit Risk is the risk of default of the counterparty to repay its obligations in a timely manner resulting in financial loss. The Company also provides renting services to its clients which result in accrual of Trade Receivables. The Company is exposed to credit risk to the extent of such Trade Receivables. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has credit policies approved by the Board which lays down the credit evaluation and approval process in compliance with regulatory guidelines.

The Company uses the Expected Credit Loss (ECL) Methodology to assess the impairment on both loan assets and trade receivables. The Company reviews its large exposures on quarterly basis to identify cases where the expected credit loss is expected to be higher than the amount recorded and recognises such impairments additionally.

33. Reconciliation of tax expenses and the accounting profit multiplied by Indis'a tax rate

Particulars	Amount(in Rs.)	
	Year Ended	
	31-Mar-2020	31-Mar-2019
Profit before tax	11,836,617.00	35,937,078.00
Tax at the Indian tax rate of 27.82% (previous year - 26%)	3,292,946.85	9,343,640.28
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
- Companies Act Depreciation	94,182.38	112,942.44
- Expenses on fair Valuation of Security Deposit	645,304.37	647,485.80
- Disallowance on sec 43 B	6,176.87	55,376.10
- Acturial impact of OCI	25,329.83	-50,663.08
- Others	318,010.98	36,069.54
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income		
- Income On Reversal of dimunition in the value of Investments	-	(13,545,999.74)
- Income On Fair Valuation of Security Deposit	(159,477.32)	(174,543.72)
- Income from fair valuation of mutual funds		
- Income from rented property		
-Income Tax Depreciation	(144,283.14)	(152,944.22)
Tax effect of other adjustment		
- Income Taxable at Different rates	(705,449.27)	5,988,335.86
- Income tax for earlier years	73,428.00	(154,097.00)
- MAT Credit/carry forward losses adjustment & Others	-	(75,778.00)
- Others	102,258.50	(40,300.00)
Tax Expense	3,548,428.06	2,070,124.26

UNITED CREDIT LIMITED

Notes to the financial statements for the year ended 31st March 2020

Note 34: Segment information

Based on the organizational structures and its Financial Reporting System, the Company has classified its operation into two e business segments namely Financing Activity and Renting Activity.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

The measurement principles for segment reporting are based on Ind AS segment's performance and evaluated based on segment revenue and profit or loss from operating activities

Unallocated expenses/results, assets and liabilities include expenses/results, assets and liabilities(including inter-segment assets and liabilities) and other activities not allocated to the operating segments. These also include current taxes, deferred taxes and certain financial assets and liabilities not allocated to the operating segments.

Amount(in Rs.)

S · N	Particulars	Year ended	
		31-Mar-2020	31-Mar-2019
1	SEGMENT REVENUE (Gross)		
	a) Financing Activity	18792969.00	14743593.00
	b) Renting Activity	10136437.00	11528632.00
	Less : Inter Segment Revenue	0.00	0.00
	Net Sales/Income from operation	28929406.00	26272225.00
2	SEGMENT RESULTS		
	Profit before Interest & Tax		
	a) Financing Activity	17990110.00	13803772.00
	b) Renting Activity	5476722.60	6815617.00
	Add/ (Less) : Unallocable Exp.	(11630215.60)	15317689.00
	Total Profit before Tax	11836617.00	35937078.00
3	SEGMENT ASSETS		
	a) Financing Activity	155129305.00	146307033.00
	b) Renting Activity	100035900.00	100189398.00
	c) Unallocable	13163477.00	16765182.00
		268328682.00	263261613.00
4	SEGMENT LIABILITIES		
	a) Financing Activity	0.00	0.00
	b) Renting Activity	5493627.00	5272029.00
	c) Unallocable	12985413.00	12659647.00
		18479040.00	17931676.00

UNITED CREDIT LIMITED

Notes to the financial statements for the year ended 31st March 2020

Note 35: Additional Notes to financial statements A-

Leases-

The company has adopted IND AS 116 "Leases" effective 1st April, 2019, as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standard), Amendment Rules, 2019 using the modified retrospective method. There has been no significant impact as a result of such adoption.

B- Estimation uncertainty relating to the global health pandemic on COVID-19

In assessing the recoverability of receivables, the Company has considered internal and external information up to the date of approval of these financial statements. The Company expects to recover the carrying amount of these assets.

Further, the Company does not foresee any major contraction in demand in financing activity but expects significant downward impact in rental income due to closure/ semi-closure of Mall during lockdown and post lockdown period. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

C- New Tax Regime

An amendment to Taxation Laws (Amendment) Ordinance, 2019 ("Ordinance") issued on 20th September, 2019 has provided the option to a domestic company to opt for a lower tax regime subject to the assessee not availing any incentives and no credits being allowed for the accumulated Minimum Alternate Tax (MAT) credit. There being a substantial accumulated MAT credit available to the Company, the Management after due consideration decided that it is not beneficial to opt for the option of availing concessional rate under the Ordinance for certain period of time.

The tax liability for the current period has been calculated accordingly.

D- RBI Disclosure

As required in terms of paragraph 18 under Chapter IV of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as applicable and amended, the schedule to the Balance Sheet is appended in **Annexure I**.

A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 is appended in **Annexure II**.

36. Figures pertaining to the previous years have been rearranged/ regrouped, wherever considered necessary, to make them comparable with those of the current year,

Signatories to Notes 1 to 36

In terms of our report attached.

For L.B JHA & CO.
Chartered Accountants
Firm Registration No- 301088E
Sd/-
D.N.Roy
Partner
Membership Number- 300389
Place: Kolkata
Date- 23rd July, 2020

Arunabha Biswas
Vice President and
Company Secretary

Samarjit Jain
Chief Financial Officer

On behalf of the Board of Directors
A.K. Dabriwala
Chairman and Managing Director
DIN-00024498
Suresh Chandra Saha
Director
DIN-00484308

	Particulars	As on 31.03.2020		As on 31.03.2019	
	Liabilities side:				
1	Loans and advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	NIL	NIL	NIL	NIL
	: Unsecured (other than (falling within the meaning of public deposit*))	NIL	NIL	NIL	NIL
	(b) Deferred Credits	NIL	NIL	NIL	NIL
	(c) Term Loans	NIL	NIL	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL	NIL	NIL
	(e) Commercial Paper	NIL	NIL	NIL	NIL
	(f) Public Deposits (*)	NIL	NIL	NIL	NIL
	(g) Other Loans (specify nature) Car Loans	NIL	NIL	NIL	NIL
2	Break-up of (1)(f) above (Outstanding public deposits)				
	(a) In the form of Unsecured debentures	NIL	NIL	NIL	NIL
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	NIL	NIL	NIL	NIL
	(c) Other public deposits	NIL	NIL	NIL	NIL
	(*) Please see Note 1 below				
	Assets side:	<i>Amount Outstanding</i>		<i>Amount Outstanding</i>	
3	Break-up of Loans and Advances including bills receivables				
	(a) Secured (Net of NPA Provision of Rs.14.28 lakhs)	14.28		14.28	
	(b) Unsecured (Net of NPA Provision of Rs.4.49 lakhs for 2019-20 & Rs 4.28 for 2018-19)	1498.65		1415.38	
4	Break-up of Leased Assets and stock on hire and other assets				
	(i) Lease assets including lease rentals under sundry debtors:				
	(a) Financial Lease	NIL		NIL	
	(b) Operating Lease	NIL		NIL	
	(ii) Stock on hire including hire charges under sundry debtors:				
	(a) Assets on hire	NIL		NIL	
	(b) Repossessed Assets	NIL		NIL	
	(iii) Other loans counting towards AFC activities				
	(a) Loans where assets have been repossessed	NIL		NIL	
	(b) Loans other than (a) above	NIL		NIL	
5	Break-up of Investments				
	A. Current Investments :				
	1. <i>Quoted :</i>				
	(i) Shares : (a) Equity	NIL		NIL	
	: (b) Preference	NIL		NIL	
	(ii) Debentures and Bonds	NIL		NIL	
	(iii) Units of mutual funds	NIL		NIL	
	(iv) Government Securities	NIL		NIL	
	(v) Others (please specify)	NIL		NIL	
	2. <i>Unquoted :</i>				
	(i) Shares : (a) Equity	NIL		NIL	
	: (b) Preference	NIL		NIL	
	(ii) Debentures and Bonds	NIL		NIL	
	(iii) Units of mutual funds	NIL		NIL	
	(iv) Government Securities	NIL		NIL	
	(v) Others (please specify)	NIL		NIL	

Particulars	As on 31.03.2020	As on 31.03.2019				
B. Long-Term Investments:						
1. <i>Quoted</i> :						
(i) Shares : (a) Equity (Net of Provision of Rs.1.26 lacs)	NIL	NIL				
: (b) Preference	NIL	NIL				
(ii) Debentures and Bonds	NIL	NIL				
(iii) Units of mutual funds	NIL	NIL				
(iv) Government Securities	NIL	NIL				
(v) Others (please specify)	NIL	NIL				
2. <i>Unquoted</i> :						
(i) Shares : (a) Equity (Net of Provision of Rs.28.50 lacs)	NIL	NIL				
: (b) Preference	NIL	NIL				
(ii) Debentures and Bonds	NIL	NIL				
(iii) Units of mutual funds	NIL	NIL				
(iv) Government Securities	NIL	NIL				
(v) Others (please specify)	NIL	NIL				
6 Borrower group-wise classification of assets financed as in (3) and (4) above: Please see Note 2 below						
<i>Category</i>	<i>Amount net of provisions- 31.03.2020</i>			<i>Amount net of provisions- 31.03.2019</i>		
	<i>Secured</i>	<i>Unsecured</i>	<i>Total</i>	<i>Secured</i>	<i>Unsecured</i>	<i>Total</i>
1. Related Parties **						
(a) Subsidiaries	NIL	NIL	NIL	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL	NIL	NIL	NIL
2. Other than related parties (net of NPA provision)	14.28	1498.65	1512.93	14.28	1415.38	1429.66
Total	14.28	1498.65	1512.93	14.28	1415.38	1429.66
7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see Note 3 below						
<i>Category</i>	<i>2019-20</i>		<i>2018-19</i>			
	<i>Market Value/Break up or fair value or NAV</i>	<i>Book Value</i>	<i>Market Value/Break up or fair value or NAV</i>		<i>Book Value (Net of</i>	
1. Related Parties **						
(a) Subsidiaries	NIL	NIL	NIL		NIL	
(b) Companies in the same group	NIL	NIL	NIL		NIL	
(c) Other related parties	NIL	NIL	NIL		NIL	
2. Other than related parties (See Note 3)	NIL	NIL	NIL		NIL	
Total	NIL	NIL	NIL		NIL	
** As per Accounting Standard of ICAI (Please see Note 3)						
8 Other Information			Rs (In Lacs)			
<i>Particulars</i>			<i>2019-20</i>		<i>2018-19</i>	
			<i>Amount</i>		<i>Amount</i>	
(i)	<i>Gross Non-Performing Assets (Includes</i>					
(a) Related parties			NIL		NIL	
(b) Other than related parties			29.21		29.21	
(ii)	<i>Net Non-Performing Assets(net of provision)</i>					
(a) Related parties			NIL		NIL	
(b) Other than related parties			14.28		14.28	
(iii)	<i>Assets acquired in satisfaction of debt</i>					
			NIL		NIL	

Notes :-

1. As defined in point (xix) of paragraph 3 of Chapter 2 of these directions.
2. Provisioning norms shall be applicable as prescribed in these directions.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of Investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current investments as disclosed in (5) above.

UNITED CREDIT LIMITED
Notes to the financial statements for the year ended 31st March 2020
RBI Disclosure

Annexure-II

A- For the year ended 31.03.2020

Amount(in Rs.)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	150,251,000	385,216	149,865,784	385,216	-
	Stage 2	-	-	-	-	-
Subtotal		150,251,000	385,216	149,865,784	385,216	-
Non-Performing Assets (NPA)						
Substandard		-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	64,675	64,675	-	19,403	(45,272)
More than 3 years	Stage 3	2,856,000	1,428,000	1,428,000	1,428,000	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		2,920,675	1,492,675	1,428,000	1,447,403	(45,272)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	150,251,000	385,216	149,865,784	385,216	-
	Stage 2	-	-	-	-	-
	Stage 3	2,920,675	1,492,675	1,428,000	1,447,403	(45,272)
	Total	153,171,675	1,877,891	151,293,784	1,877,891	-

B- For the year ended 31.03.2019

Amount(in Rs.)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	141,901,000	363,106	141,537,894	363,106	-
	Stage 2	-	-	-	-	-
Subtotal		141,901,000	363,106	141,537,894	363,106	-
Non-Performing Assets (NPA)						
Substandard		-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	64,675	64,675	-	19,403	(45,272)
More than 3 years	Stage 3	2,856,000	1,428,000	1,428,000	1,428,000	-
Subtotal for doubtful						
Loss	Stage 3					
Subtotal for NPA		2,920,675	1,492,675	1,428,000	1,447,403	(45,272)
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	141,901,000	363,106	141,537,894	363,106	-
	Stage 2	-	-	-	-	-
	Stage 3	2,920,675	1,492,675	1,428,000	1,447,403	(45,272)
	Total	144,821,675	1,855,781	142,965,894	1,810,509	(45,272)

C B Management Services (P) Ltd.
 Unit: United Credit Limited
 P-22, Bondel Road
Kolkata – 700019

Updation of Shareholder Information

I / We request you to record the following information against my/our Folio No./DP ID/CLIENT ID:

FOLIO NO.	:	
Personal details	:	
Name of the member	:	
Name of joint holders, if any	:	
Address / Registered address (in case of body corporate)	:	
E-mail Id	:	
CIN / Registration No. (in case of body corporate)	:	
Unique Identification No.		
Father's/Mother's/Spouse's name		
Status	:	
Occupation	:	
PAN	:	
Nationality	:	
In case member is a minor		
Name of Guardian	:	
Date of birth of minor	:	
Details of membership		
Date of becoming member	:	
Date of declaration under section 89, if applicable	:	
Name and address of beneficial owner	:	
Date of receipt of nomination, if applicable	:	
Name and address of nominee	:	
No. of shares kept in abeyance, if applicable	:	
Record of lien on shares, if applicable	:	
Date of cessation of membership	:	
Bank Details:		
IFSC (11 digit)	:	
MICR (9 digit)	:	
Bank A/c. Type	:	
Bank A/c. No. *	:	
Name of the Bank	:	
Bank Branch Address	:	

* A blank cancelled cheque is enclosed to enable verification of bank details.

UNITED CREDIT LIMITED

CIN: L65993WB1970PLC027781
Regd Office : 27B, Camac Street (8th Floor), Kolkata – 700016
Phone : (033) 2287-9359 / 9360, Fax : (033) 2287-2047
E-mail : unitedcredittd@gmail.com, Website: www.unitedcredittd.com

E-COMMUNICATION REGISTRATION FORM

(In terms of Circular Nos.17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011 respectively issued by the Ministry of Corporate Affairs)

Name :e-mail Id :

Address :
.....

DP ID. :

Client ID. :

Folio No. :
(in case of physical holding)

No. of Shares held :

I / we shareholder(s) of United Credit Limited agree to receive communication from the Company in electronic mode.

Please register my / our above e-mail id in your records for sending communication through e-mail.

Date:

Signature :.....
(Sole Holder /First Holder)

Note : Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address