



28th ANNUAL REPORT 2021

REGENCY FINCORP LIMITED

regencyinvestmentsltd@gmail.com

www.regencyfincorp.com

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Unit No. 49 B, 3rd Floor Sushma Infinium,
Chandigarh Ambala Highway Zirakpur
Mohali, Punjab-140603

Message from the Managing Director

Dear Shareholders,



I, Gaurav Kumar, Managing Director, heartily welcome you all, having joined Regency Fincorp Limited (formally known as Regency Investments Limited) family with your participation. It is my desire and wish that this association of ours, will strengthen our hands in to reach glorious heights.

It gives me great pleasure to state that the Company witnessed steady progress during the financial year 2020-21 with continued execution of its strategic objectives of sustainable growth and improving efficiencies.

The Indian economy continued to face headwinds in the first half of the year due to subdued private consumption and liquidity crisis which got severe in the second half due to continued global slowdown and the unprecedented Covid-2019 outbreak. The Government intervened by implementing nationwide lockdown in various phases. This resulted in complete halt to the economic activities with significant impact on the incomes and livelihood of people. However, constant support from the Government and Central banks in the form of fiscal stimulus packages and policy rate cuts and improved farm sector performance are expected to revive growth in the future.

The industry faced multiple challenges in 2020-21 owing to liquidity crunch, heavy floods in some states, nationwide protests and the pandemic. The resultant lockdown reduced loan disbursement activities.

We have continued to entrench our presence in the existing states and expanded further beyond exploring new territories. The new Branches in Surat, Hyderabad, Amritsar and Ludhiana opened during FY 2019- 20 are also doing well and we are exploring opportunities in other cities.

I am truly grateful to my fellow Board members for their support and guidance that remained consistent on all fronts. I would like to conclude by thanking my industrious team at RFL, our esteemed customers, bankers, channel partners and all the other stakeholders for their unwavering support and we look forward to strengthening our relationship in the future

Yours sincerely,

Gaurav Kumar
Managing Director



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28th ANNUAL GENERAL MEETING

Monday, 27th September, 2021 at 12.00 Noon

Through Video Conferencing/Other Audio Visual Means (OAVM)

1. Corporate Information



Board of Directors and Key Managerial Personnel:

Name	Designation	Date of Appointment
Mr. Gaurav Kumar (DIN: 06717452)	Chairman & Managing Director	13.09.2017
Mrs. Neha Abrol (DIN:06935869)	Whole Time Director	29.05.2018
Mr. Vishal Rai Sarin (DIN: 08758350)(PAN: APJPS0737C)	Director and Chief Financial Officer	05.09.2020 27.07.2020
Mr. Gurinder Singh Sandhu (DIN: 02507381)	Non-Executive Independent Director	02.11.2019
Mr. Jenish Pankajkumar Shah (DIN:07986786)	Non-Executive Independent Director	08.06.2020
Mr. Pratik Jalan (DIN: 08396884)	Non-Executive Independent Director	24.04.2019
Mr. Sunil Jindal (DIN: 02909819)	Non-Executive Independent Director Additional Director	19.03.2021
Mr Rashu Sarin (DIN: 07903239)	Additional Director	09.01.2021
Ms. Ranjna Sharma (DIN: 08781305)	Additional Director	14.08.2021

For details of change in management please refer Director Report attached herewith.



1. AUDIT COMMITTEE

Name of Director	Nature of Directorship	Status in Committee
Pratik Jalan	Non-Executive Independent Director	Chairman
Gurinder Singh Sandhu	Non-Executive Independent Director	Member
Gaurav Kumar	Executive Director	Member

2. NOMINATION AND REMUNERATION COMMITTEE:

Name of Director	Nature of Directorship	Status in Committee
Pratik Jalan	Non-Executive Independent Director	Chairman
Gurinder Singh Sandhu	Non-Executive Independent Director	Member
Jenish Pankajkumar Shah	Non-Executive Independent Director	Member

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Name of Director	Nature of Directorship	Status in Committee
Pratik Jalan	Non-Executive Independent Director	Chairman
Gurinder Singh Sandhu	Non-Executive Independent Director	Member
Gaurav Kumar	Executive Director	Member

STATUTORY AUDITORS:

M/s. Sunil K Sharma & Associates.
Chartered Accountants
SCO 28 Top Floor, Sector 41 D
Chandigarh
Email:casunilsharma3@gmail.com

SECRETARIAL AUDITOR:

Mr. Suresh Kumar Pillay
Practicing Company Secretary
#51, Adarsh Enclave,
Dhakoli, Zirakpur, Punjab
Email:sksuresh78@gmail.com

INTERNAL AUDITOR:

Mr. Aditya Aggarwal, Chartered Accountant
6A/1, 2nd Floor, W.E.A, Karol Bagh,
New Delhi

BANKER TO THE COMPANY:

HDFC BANK LIMITED
Plot No 28 Industrial Area Phase 1
Chandigarh - 160002

REGISTERED OFFICE:

Unit No. 49 B, 3rd Floor Sushma Infinium,
Chandigarh Ambala Highway Zirakpur Mohali,
Punjab 140603
Phone: +91 1762-424697, +91 7717593645
Email: regencyinvestmentsltd@gmail.com
Website: www.regencyfincorp.com

REGISTRAR & SHARE TRANSFER AGENT:

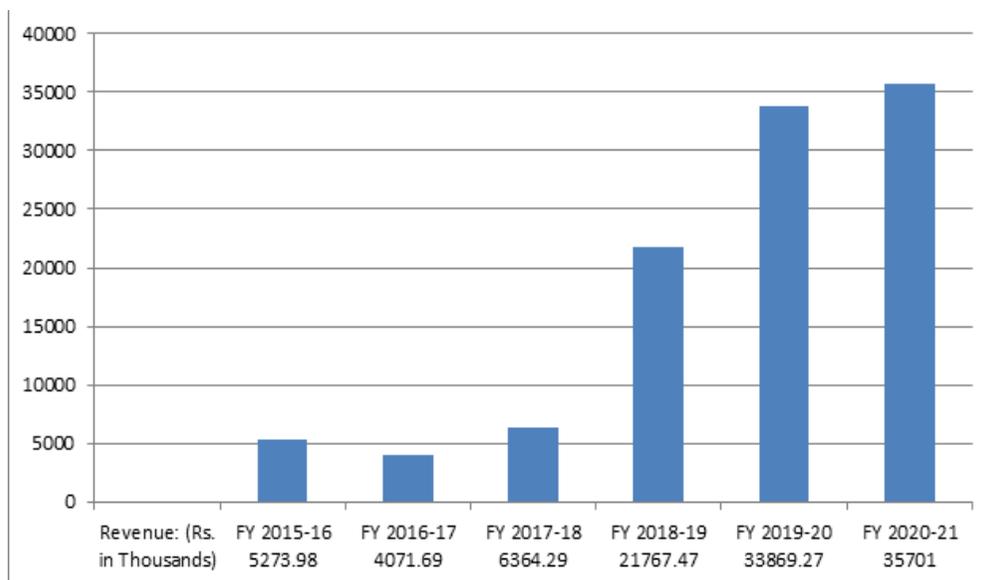
MAS Services Ltd.
T/34, 2nd Floor, Okhla Phase II, New Delhi, 110020
Tel.: 011 - 26387281 / 82 / 83
Email: info@masserv.com

CORPORATE IDENTITY NUMBER: L67120PB1993PLC013169

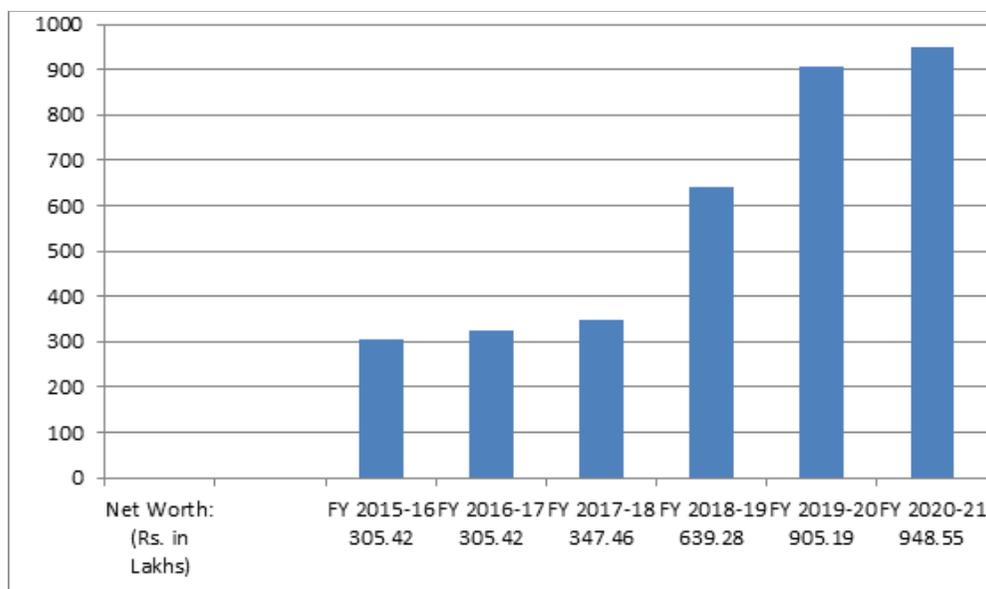
2. PERFORMANCE HIGHLIGHTS



Revenue:(Rs. in Thousands)

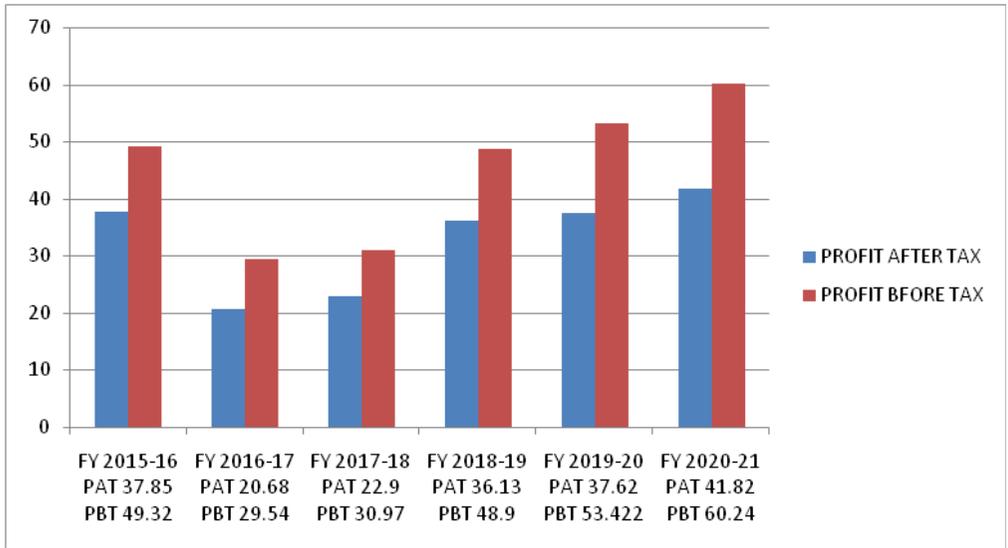


NET WORTH(Rs. in Lakhs)





PROFIT BEFORE TAX AND PROFIT AFTER TAX (Rs. in Lakhs)





NOTICE

NOTICE IS HEREBY GIVEN THAT 28TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF REGENCY FINCORP LIMITED (FORMALY KNOWN AS REGENCY INVESTMENTS LIMITED) WILL BE HELD ON MONDAY THE 27TH DAY OF SEPTEMBER 2021, AT 12.00 NOON THROUGH VIDEO CONFERENCING ('VC')/OTHER AUDIO VISUAL MEANS ('OAVM') FACILITY TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the Reports of the Board of Directors and Auditors thereon.**

“RESOLVED THAT the Audited Standalone Financial Statements of the Company including the Balance Sheet as at March 31, 2021, the Statement of Profit & Loss, the Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and Auditors, thereon be and are hereby received, considered and adopted.”

- 2. To appoint a Director in place of Mrs. Neha Abrol (DIN: 06935869), who retires by rotation and being eligible, offers herself for re-appointment:-**

“RESOLVED THAT pursuant to the provisions of section 152(6) of the Companies Act, 2013 and the rules made there under, Mrs. Neha Abrol (DIN: 06935869), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as the Director of the Company.”

SPECIAL BUSINESS:

- 3. Appointment of Mr. Sunil Jindal (DIN: 02909819) as an Independent Director:-**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution-**

“**RESOLVED THAT** pursuant to the provisions of Section 149,150,152,160 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time



being in force) read with Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification or re-enactment thereof for the time being in force), Mr. Sunil Jindal (DIN: 02909819), who was appointed as an Additional Director (Independent Director) of the Company by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 and whose term expires at the ensuing Annual General Meeting of the Company, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company for a term of 5 (Five) consecutive years and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filling of requisite forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

4. Appointment of Mrs. Rashu Sarin (DIN: 07903239) as Director:-

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary resolution**:

“**RESOLVED THAT** Mrs. Rashu Sarin (DIN: 07903239), who is appointed as an Additional Director by the Board of Directors with effect from January 9th 2021, in terms of Section 161 of the Companies Act, 2013, who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of a Director , under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”



5. Appointment of Ms. Ranjana Sharma (DIN- 08781305) as Director:-

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary resolution**:

“RESOLVED THAT Ms. Ranjana Sharma (DIN- 08781305), who is appointed as an Additional Director by the Board of Directors with effect from August 14th 2021, in terms of Section 161 of the Companies Act, 2013, who holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of a Director , under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. Remuneration to Mr. Gaurav Kumar (DIN: 06717452), the Managing Director of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**: -

“RESOLVED THAT, in supersession of the earlier resolutions, pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company, the approval of the Members be and hereby accorded for revision in the remuneration payable to Mr. Gauarv Kumar (DIN: 06717452), Managing Director of the Company, with effect from 01/09/2021, as per the details set out in the Explanatory Statement



7. Remuneration to Mrs. Neha Abrol (DIN: 06935869), the Whole Time of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**: -

“RESOLVED THAT, in supersession of the earlier resolutions, pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company, the approval of the Members be and hereby accorded for revision in the remuneration payable to Mrs. Neha Abrol (DIN: 06935869), Whole Time Director of the Company, with effect from 01/09/2021, as per the details set out in the Explanatory Statement

REGISTERED OFFICE:

Unit No 49 B, Sushma Infinium
Chandigarh Ambala Highway Zirakpur Mohali,
Punjab 140603
Phone:+91 1762-424697
Email: regencyinvestmentsltd@gmail.com
Website:www.regencyfincorp.com

By Order of the Board
Regency Fincorp Limited

Sd/-
Gaurav Kumar
Managing Director
DIN: 06717452

Date:14/08/2021

Place: Zirakpur, Punjab



NOTES:

1. An explanatory statement as required under Section 102 of the Companies Act, 2013 in respect of the special businesses specified above is annexed hereto. Information pursuant to provisions of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Item No. 3,4,5,6,7 is annexed to this notice. Further, the information and facts as specified in the Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 (SS-2) on “General Meetings” issued by The Institute of Company Secretaries of India for Item No. 3,4,5,6,7 have been given in the respective explanatory statement annexed to this notice.
2. The present AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020 and 02/2021 dated January 13, 2021 and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the SEBI (hereinafter collectively referred to as “the Circulars”). Since this AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), Members will not be able to appoint proxies for this meeting. Further, Attendance Slip and Route Map are not being annexed to this Notice.
3. Corporate Members are requested to send a certified copy (in PDF / JPG format) of the Board Resolution authorizing their representatives to attend the AGM, pursuant to Section 113 of the Act, through e-mail at regencyinvestmentsltd@gmail.com.
4. The Register of Members and the Share Transfer Book of the Company shall remain closed from Friday, 24th September, 2021 to Monday, 27th September, 2021 (both days inclusive).
5. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 i.e. Secretarial Standards on General Meetings in respect of the Directors seeking appointment/reappointment at the Meeting is annexed to the Notice as Annexure–A.



6. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Annual Report and Annual Accounts 2021 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. Further In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.regencyfincorp.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com. Members may also note that the Notice of the Meeting and the Annual Report will also be available on the Company's website www.regencyfincorp.com for download
7. Relevant Documents referred to in the accompanying Notice, Registers and all other statutory documents will be made available for inspection in the electronic mode. Members can inspect the same by sending a request to the Company's investor email ID i.e. regencyinvestmentsltd@gmail.com.
8. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020 and 02/2021 dated January 13, 2021. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The detailed Instruction for attending AGM through VC/ OAVM is annexed to the Notice as Annexure-B
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting (facility to cast vote prior to the AGM) and also e-voting during the AGM to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The



facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. The detailed instruction for remote E-Voting & E-Voting at AGM is annexed to the Notice as Annexure-C

10. Mr. Suresh Kumar Pillay, Practicing Company Secretary [Membership No. ACS NO. 43865], has been appointed as the Scrutinizer to scrutinize the e-voting process (remote as well as at the time of AGM) in a fair and transparent manner.
11. The remote e-voting period commences on Friday 24th September 2021 [9:00 A.M.] and ends on Sunday, 26th September, 2021 [5:00 P.M.]. During this period, Members holding shares either in physical form or demat form, as on Monday 20th September, 2021 i.e. cut-off date, may cast their vote electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast vote again.
12. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail facility of remote e-voting. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on cut-off date, may cast vote after following the instructions for e-voting as provided in the Notice convening the Meeting, which is available on the website of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting vote.
13. The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's website www.regencyfincorp.com and on the website of CDSL i.e., www.evotingindia.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited [BSE], where the equity shares of the Company are listed.



14. REQUEST TO MEMBERS

- (i) Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communications including Annual Report, Circulars, etc. from the Company electronically. 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.
- (ii) Members holding shares in demat form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service [NECS], Electronic Clearing Services [ECS] mandates, nominations, power of attorneys, change in address, change of name, email address, contact numbers, etc. to their Depository Participant [DP]. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agents to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Registrar and Transfer Agents of the Company.

Members holding shares in dematerialized form are requested to register / update their e-mail addresses & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

- (iii) Members are requested to inform the Company's Registrar and Share Transfer Agent i.e. MAS Services Limited, T/34, 2nd Floor, Okhla Phase II, New Delhi, 110020, about the changes, if any, in their registered address along with Pin Code, quoting their Folio number and DP ID. All correspondence relating to transfer of shares may be sent directly to the aforesaid Registrar and Share Transfer Agent of the Company or by sending email the same at info@masserv.com.
- (iv) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote. Members who hold shares in



physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar, for consolidation into a single folio.

- (v) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / registrar and Share Transfer Agents.

15. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

REGISTERED OFFICE:

Unit No 49 B, Sushma Infinium
Chandigarh Ambala Highway Zirakpur Mohali,
Punjab 140603
Phone:+91 1762-424697
Email: regencyinvestmentsltd@gmail.com
Website: www.regencyfincorp.com

Date:14/08/2021

Place: Zirakpur, Punjab

By Order of the Board
Regency Fincorp Limited

Sd/-
Gaurav Kumar
Managing Director
DIN: 06717452



EXPLANATORY STATEMENT TO SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3:

Pursuant to Section 149, 152, 161 and Schedule IV of the Companies Act, 2013 and rules made thereunder and based on the recommendations of the Nomination & Remuneration Committee, the Board of Directors of the Company has appointed Mr. Sunil Jindal as an Additional Director (Independent Director) of the Company for the term of 5 (five) w.e.f. 19.03.2021 consecutive years not liable to retire by rotation, subject to the approval of the shareholders at the ensuing Annual General Meeting. Mr. Sunil Jindal is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of Companies Act, 2013 and applicable regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director.

Accordingly, pursuant to Section 149 and Schedule IV of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification or re-enactment thereof), the Board recommends the resolution in relation to appointment of Mr. Sunil Jindal as a Non-Executive Independent Director of the Company for a term of 5 (Five) consecutive years and shall not be liable to retire by rotation.

Except Mr. Sunil Jindal being appointee, none of the Directors and/or Key Managerial Personnel or their relatives, are interested or concerned in the resolution. The Board recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice in the interests of the Company.

Item No. 4:

The Board of Directors of the Company at its meeting held on January 9, 2021 has appointed Mrs. Rashu Sarin (DIN No: 07903239) as Additional Director who holds their office only upto this Annual General Meeting. Pursuant to the provisions of section 161(1) and other applicable provisions of the Companies Act, 2013, the Company has received a notice from a shareholder proposing candidature for the office of Director.



Except Mr. Vishal Sarin, being her relative of Mrs. Rashu Sarin, no other Directors/Key Managerial Personnel of the Company/their relatives are concerned or interested in the resolution.

The Board recommends above Resolution for your approval.

Item No. 5:

The Board of Directors of the Company at its meeting held on August 14, 2021 has appointed Ms. Ranjana Sharma (DIN- 08781305) as Additional Director who holds this office only upto this Annual General Meeting. Pursuant to the provisions of section 161(1) and other applicable provisions of the Companies Act, 2013, the Company has received a notice from a shareholder proposing her candidature for the office of Director.

None of the Directors/Key Managerial Personnel of the Company/their relatives except Ms. Ranjana Sharma for whom the resolution relates, are concerned or interested in the resolution.

The Board recommends above Resolution for your approval.

Item No. 6:

The Board of Directors of the Company ('the Board') at the meeting held on 14th August 2021, on the recommendation of the Nomination & Remuneration Committee ('the Committee') decided to reconsider remuneration payable to the Managing Director of the Company w.e.f. 01/09/2021, in terms of Sections 196, 197 and 203 read with Schedule V of the Act, on the Consolidated Monthly Salary of Rs. 1,00,000/-pm and reimbursement of expenses incurred in courses of official duties on actual basis. . The aforesaid remuneration shall be paid as minimum remuneration to Mr. Gaurav Kumar in terms of Schedule V to the Act.

In addition to the above information, following information is also provided as per Schedule V of the Act.

Save and except Mr. Gaurav Kumar and Mrs. Neha Abrol, being his relative, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.6 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

**Item No. 7:**

The Board of Directors of the Company ('the Board') at the meeting held on 14th August 2021, on the recommendation of the Nomination & Remuneration Committee ('the Committee') decided to reconsider remuneration payable to the Whole Time Director of the Company w.e.f. 01/09/2021, in terms of Sections 196, 197 and 203 read with Schedule V of the Act, on the Consolidated Monthly Salary of Rs. 1,00,000/-pm and reimbursement of expenses incurred in courses of official duties on actual basis. . The aforesaid remuneration shall be paid as minimum remuneration to Mrs. Neha Abrol in terms of Schedule V to the Act.

In addition to the above information, following information is also provided as per Schedule V of the Act.

Save and except Mrs. Neha Abrol, and Mr. Gaurav Kumar, being her relative, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.7 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the members.



ANNEXURE –A

Additional Information on directors recommended for appointment/re-appointment as required under Regulation 36(3) of the SEBI (Listing and Obligation Disclosure Requirements) Regulations 2015 at ensuing Annual General Meeting are as follows:

Name of the Director	MR. SUNIL JINDAL	MRS. RASHU SARIN	MS. RANJANA SHARMA
DIN	02909819	07903239	08781305
Nationality	Indian	Indian	Indian
Date of Appointment	19/03/2021	09/01/2021	14/08/2021
Designation	Independent Director	Director	Director
Number of meeting attended of board in last financial year (2020-21)	Nil	Three (3)	NA
Remuneration last drawn	Nil	Nil	Nil
Terms and Condition of appointment/ re - appointment	Terms & Condition for appointment are as per the Nomination and Remuneration Policy of the Company	Terms & Condition for re-appointment are as per the Nomination and Remuneration Policy of the Company	Terms & Condition for appointment are as per the Nomination and Remuneration Policy of the Company
List of directorships held in various other Companies.	Annexure I	Annexure II	Annexure III
No. of Shares held Company as on 31/03/2021.	Nil	66294	Nil
Relationship with existing Directors of the Company	None	Wife of Mr Vishal Rai Sarin who is Director cum CFO of the Company	None

**Annexure I**

CIN	Name of company	Date of Appointment	Date of Cessation
U45400DL2013PLC248116	SUNWEALTH REAL ESTATES LIMITED	11/02/2013	-
U85100DL2013NPL251178	S P JINDAL FOUNDATION	27/04/2013	-
U74900DL2012PLC244633	S P JINDAL STAFFING AND TRAINING SERVICES LIMITED	19/11/2019	-
U67190DL2012PLC244657	S P JINDAL INSURANCE SERVICES LIMITED	18/11/2019	-
U67190DL2012PLC244719	S P JINDAL FINANCIAL SERVICES LIMITED	18/11/2019	-
U92490DL2012PLC244647	BLUE BULLS PRODUCTIONS LIMITED	30/11/2020	-
U70100DL2012PLC244661	S P JINDAL REAL ESTATES LIMITED	18/11/2019	-
U36900DL2012PLC244472	S P JINDAL INDUSTRIES LIMITED	20/11/2019	-
U45200DL2012PLC242875	SUNWEALTH INTERNATIONAL LIMITED	05/03/2020	-

Annexure II

CIN	Name of company	Date of Appointment	Date of Cessation
NIL			

Annexure II

CIN	Name of company	Date of Appointment	Date of Cessation
U74999UP2020PTC130344	SAJNEER MANAGEMENT AND CONSULTANCY PRIVATE LIMITED	04/07/2020	

REGISTERED OFFICE:

Unit No 49 B, Sushma Infinium
Chandigarh Ambala Highway Zirakpur Mohali,
Punjab 140603
Phone: +91 1762-424697
Email: regencyinvestmentsltd@gmail.com
Website: www.regencyfincorp.com

Date: 14/08/2021
Place: Zirakpur, Punjab

By Order of the Board
Regency Fincorp Limited

Sd/-
Gaurav Kumar
Managing Director
DIN: 06717452



“ANNEXURE: B TO THE NOTICE”

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the 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 shareholder/members login where the EVSN of Company will be displayed.
2. The Company will be providing VC/OAVM Services.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. 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 Connection to mitigate any kind of aforesaid glitches.
6. Members who would like to ask questions during the AGM may send their questions from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at regencyinvestmentsltd@gmail.com upto Monday, 20th September 2021 (5:00 p.m. IST).
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will



be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (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. who are allowed to attend the AGM without restriction on account of first come first served basis.

9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
10. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.



“ANNEXURE: C TO THE NOTICE”

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on Friday, 24th September 2021 at 9:00 A.M. and ends on Sunday, 26th September 2021 at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of i.e. Monday, 20th September 2021 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 at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding



securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"><li data-bbox="275 519 1107 755">1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.<li data-bbox="275 779 1107 1096">2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.<li data-bbox="275 1120 1107 1510">3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.



<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none">1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>



Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdsliindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (i) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) 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.
 - 6) If you are a first-time user follow the steps given below:



	For Shareholders holding shares in Demat Form other than individual 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 sent by Company/RTA or contact Company/RTA.
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 bgin. <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 (3).

- (i) After entering these details appropriately, click on “SUBMIT” tab.
- (ii) 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.
- (iii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (v) 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.
- (vi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.



- (vii) 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.
- (viii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (ix) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (x) 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 & enter the details as prompted by the system.
- (xi) Facility for Non – Individual Shareholders and Custodians –Remote Voting
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians 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 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 email address viz; regencyinvestmentsltd@gmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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 Connection to mitigate any kind of aforesaid glitches.



7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance latest by Monday, 20th September 2021 by 5:00 PM mentioning their name, demat account number/folio number, email id, mobile number at (company email id - regencyinvestmentsltd@gmail.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted 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.
10. 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.



DIRECTOR'S REPORT

To,
The Members,
Regency Fincorp Limited
(Formerly Known as Regency Investments Limited)

Your Directors present hereunder the 28th Annual Report on the Business and operations of the Company along with audited statement of accounts of your Company for the Financial Year ended March 31, 2021. The financial results are summarized as under:

1. FINANCIAL PERFORMANCE OF THE COMPANY:

<u>Particulars</u>	<u>(Amt. in Lacs.)</u>	
	<u>2020-21</u>	<u>2019-20</u>
Revenue from Operations	357.01	338.69
Other Income	179.69	22.60
Less: Expenditure	213.56	101.89
Earnings before interest, tax, depreciation and amortization (EBITDA)	323 .13	259.40
Less: Finance Cost	241.50	190.38
Depreciation	21.39	15.61
Extra Ordinary Items		0.00
Profit Before Tax	60.24	53.41
Less: Provision For Taxation		
-Current Tax	15.97	12.72
-Deferred Tax Liability	2.45	0
Profit After Tax	41.82	37.62



2. FINANCIAL HIGHLIGHTS & OPERATIONS:

The Key highlights pertaining to the business of the company for the year 2020-21 and period subsequent there to have been given hereunder:

Your directors are pleased to report that for the year under review, your Company has been able to achieve a net turnover of Rs. 357.01 Lacs in the year 2020-21 as compared to Rs. 338.65 Lacs in the previous year. The Company has earned a net profit of Rs 41.82 Lacs as compared to Rs. 37.62 Lacs in the previous year.

The Directors trust that shareholders will find the performance of the company for the financial year 2020-21 to be satisfactory. The Earning per share (EPS) of the company is Rs. 1.02 per share (Basic) and Diluted EPS is Rs. 1.02 per share.

3. CHANGE IN THE NATURE OF THE BUSINESS:

During the year, there is no change in the nature of the business of the Company.

4. PUBLIC DEPOSITS:

During the financial year 2020-21, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 and Non Banking Financial Companies - Acceptance of Public Deposits (Reserve Bank) Directions, 2016.

5. BORROWINGS

The Company had issued 8,650 Unsecured non-convertible debenture amounting to Rs. 865000/- during the financial year.

The Company had also availed credit facility of Rs 1,56,65,969.89 from HDFC Bank Limited during the financial year.

6. FUTURE OUTLOOK:

Your Company is very well positioned to take advantage of ever increasing demand for the personal loans, business loans, education loans, loan against property, residential &



commercial loan. So in this way, your Directors are hopeful to achieve better results in the coming years.

Further the company has started digital platform for granting loan facility to eligible borrowers which are in progress till date of report. So that the Company can maintain quality and many other benefit from various angle.

7. APPROPRIATIONS:

➤ DIVIDEND:

In order to conserve the reserves, the management of the Company does not propose to declare any dividend for the financial year ended 31st March 2021.

➤ TRANSFER TO RESERVE:

As per Section 45IC of the Reserve Bank of India Act, 1934, the Company created a reserve fund and transferred therein a sum of 20% of its net profit.

Transfer to reserve fund Under section 45-IC(1) of Reserve Bank of India Act, 1934, non-banking financial companies (NBFCs) are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend. Accordingly, the Company has transferred a sum of Rs. 8.57 Lakhs to its Statutory reserve fund.

8. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE ENDS OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

The company has changed its name from “Regency Investments Limited” to “Regency Fincorp Limited” during the year. However there are no other material changes and commitments occurred which affect the financial position of the Company between the end of the financial year and date of report.



9. LISTING:

The Company is listed on Bombay Stock Exchange, a National wide Stock Exchange and is regularly complying with SEBI (LODR) Regulations, 2015.

10. DEMATERIALIZATION OF SHARES

The securities of the Company are admitted with NSDL and CDSL, the ISIN allotted to the Company is **INE964R01013**

11. CAPITAL STRUCTURE

The Authorised Share Capital as at March 31, 2021 stood at ₹ 8,00,00,000/- (Rupees Eight Crore only) divided into 80,00,000 (Eighty Lakh) equity shares of Rs. 10 (Ten) each and the paid up Equity Share Capital as at March 31, 2021 stood at ₹ 4,10,14,840/- (Rupees Four Crore Ten Lakh Forteen Thousand Eight Hundred and Forty only) divided into 41,01,484 (Forty-one Lakh One Thousand Four Hundred and Eighty Four only) equity shares of Rs. 10 (Ten) each. During the year under review the Company made preferential issue of equity shares has issued and allotted 3,89,651 shares at Rs. 29.00 per share (Rs. 19.00 being security premium) on 21.03.2020 but the final listing letter received from Bombay Stock Exchange was of 381031 equity shares.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the financial year 2020-21 following changes in **directorship** were made:

During the year following **appointments** were made:

Mr. Jenish Pankajkumar Shah (DIN: 07986786) and Mr Naveen Parashar (DIN: 08399097) has been appointed as Additional Non-Executive Independent Director by the Board of Directors w.e.f 08.06.2020. Further both of them were regularized as Non-Executive Independent Director at 27th Annual General Meeting held on 30.09.2020.

Mr Vishal Rai Sarin was appointed as Additional Director, by the Board of Directors w.e.f 05.09.2020. Further he was regularized as Director at 27th Annual General Meeting held on 30.09.2020.



Mrs. Rashu Sarin (DIN: 07903239) has been appointed as Additional Non-Executive Non- Independent Director by the Board of Directors on 09.01.2021

Mr. Sunil Jindal (DIN: 02909819) has been appointed as an Additional Non Executive Independent Director of the company by the Board of Directors on 19.03.2021

During the year following **resignation** were made:

Mr Surender Kumar (DIN: 07974144): has resigned from the post of Non-executive Independent Director w.e.f 28.05.2020.

Mrs Rashu Sarin (DIN: 07903239) has resigned from the post of Director w.e.f 31.08.2020.

Mr. Naveen Parashar has resigned as director of the company w.e.f 31.12.2020.

The board based on recommendation of nomination and remuneration committee place before the Annual General Meeting to reappoint Mrs. Neha Abrol who is retired by rotation and eligible to be reappointed,. To appoint the following as Directors in the ensuing Annual General Meeting:

- (i) Mr. Sunil Jindal as an Independent Director,
- (ii) Mrs. Rashu Sarin as Director .
- (iii) Ms Ranjana Sharma as Director

Appropriate resolutions for the re-appointment are being placed for your approval at the ensuing AGM. The brief resume of the Directors and other related information has been detailed in the Notice convening the 28th AGM of your Company.

CHANGES IN THE KMPS DURING THE YEAR

Mr Adarsh Tulsyan (PAN: AKPPT4448J) has resigned from the post of Chief Financial Officer w.e.f 28.05.2020.



Mr Vishal Rai Sarin (PAN: APJPS0737C) has been appointed as Chief Financial Officer w.e.f.27.07.2020

Mr. Rahul Kumar, Company Secretary and Compliance Officer of the Company, resigned from the said office on 15th June 2021

Mr. Gaurav Arora was appointed as Company Secretary and Compliance Officer of the Company on 15th June 2021 and he resigned from the said office on 9th August 2021

13. NUMBER OF BOARD MEETING HELD:

The board met 12 (Twelve) times during the year 2020-21 under review. The board meets at least four times a year with a maximum gap of one hundred and twenty days between any two meetings. Additional meetings are held, due to necessity for the purposes of transaction of various businesses as under- 08.05.2020, 08.06.2020, 26.06.2020, 27.07.2020, 10.08.2020, 05.09.2020, 04.11.2020, 12.11.2020, 09.01.2021, 25.01.2021, 10.02.2021, 19.03.2021.

14. MEETING OF INDEPENDENT DIRECTORS:

The independent directors of company met one time during the year on Friday, 26th June, 2020 where all the independent directors were present under the requirement of Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. DECLARATION BY AN INDEPENDENT DIRECTORS:

A declaration from, Mr. Jenish Pankajkumar Shah, has received confirming that he meet with the criteria of Independence as prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). However his names is not included in the Databank of Independent Directors as prescribed under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014

A declaration from, Mr. Gurinder Singh Sandhu, has received confirming that he meet with the criteria of Independence as prescribed under Section 149(6) of the Act read with



Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). However his names is not included in the Databank of Independent Directors as prescribed under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014

A declaration from, Mr. Pratik Jalan, has received confirming that he meet with the criteria of Independence as prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). However his names is not included in the Databank of Independent Directors as prescribed under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014

A declaration from, Mr. Sunil Jindal, has received confirming that he meet with the criteria of Independence as prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). However his names is not included in the Databank of Independent Directors as prescribed under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

16. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

A policy on familiarization program for independent directors has also been adopted by the Company. All new Independent Directors inducted to the Board are presented with an overview of the Company's business operations, products, organization structures and about the Board Constitutions and its procedures.

17. DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of the Section 134(3) (c) of the Companies Act, 2013:



- a. That In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- c. That the directors 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.
- d. That the directors had prepared the annual accounts on a going concern basis.
- e. That the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. That the directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

18. DISCLOSURE OF VARIOUS COMMITTEES OF BOARD OF DIRECTORS:

A. AUDIT COMMITTEE:

Your Company has constituted an Audit Committee (“Audit Committee”), as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company's Equity shares on BSE, The constituted Audit Committee comprises following members:



Name of Director	Nature of Directorship	Status in Committee
Pratik Jalan	Non-Executive Independent Director	Chairman
Gurinder Singh Sandhu	Non-Executive Independent Director	Member
Gaurav Kumar	Executive Director	Member

The Company Secretary of the Company acts as the Secretary to the Committee.

The Audit Committee acts in accordance with the terms of reference specified by the Board of Directors of the Company. All the recommendations made by the Audit committee were accepted by the Board whenever made.

The audit committee shall meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present.

The audit committee met four (4) times during the year on 26.06.2020, 10.08.2020, 12.11.2020 and on 10.02.2021 where all the member directors were present.

B. NOMINATION AND REMUNERATION COMMITTEE:

Your Company has formed the Nomination and Remuneration Committee in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013 & Regulation 19 of SEBI Listing Regulation, 2015. The Nomination and Remuneration Committee comprise the following:

Name of Director	Nature of Directorship	Status in Committee
Pratik Jalan	Non-Executive Independent Director	Chairman
Gurinder Singh Sandhu	Non-Executive Independent Director	Member
Jenish Pankajkumar Shah	Non-Executive Independent Director	Member



The Company Secretary of the Company acts as the Secretary to the Committee.

The Nomination and Remuneration Committee acts in accordance with the terms of reference specified by the Board of Directors of the Company. The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated as per recommendation of Nomination and Remuneration Committee the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

The Nomination and Remuneration Committee met five (5) times during the year on 08.05.2020, 27.07.2020, 05.09.2020, 19.01.2021, 19.03.2021 where all the member directors were present.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Your Company has formed the Stakeholder's Relationship Committee in accordance with the provisions of sub-section (5) of Section 178 of the Companies Act, 2013 & Regulation 20 of SEBI Listing Regulation, 2015.

The Stakeholder's Relationship Committee comprises of the following members:

Name of Director	Nature of Directorship	Status in Committee
Pratik Jalan	Non-Executive Independent Director	Chairman
Gurinder Singh Sandhu	Non-Executive Independent Director	Member
Gaurav Kumar	Executive Director	Member



The Company Secretary of the Company acts as the Secretary to the Committee. The Stakeholder's Relationship Committee acts in accordance with the terms of reference specified by the Board of Directors of the Company.

The Stakeholder's Relationship Committee met one (1) times during the year on 08.05.2020 where all the member directors were present.

Details of Investor's grievances/ Complaints:

No investor complaints received during the year. The pending complaints of the Shareholders/Investors registered with SEBI at the end of the current financial year ended on 31st March, 2021 are NIL.

There were no pending requests for share transfer/dematerialization of shares as of 31st March 2021.

19. PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review the Committee/Management has not received any complaint related to Sexual Harassment

20. AUDITORS:

a. STATUTORY AUDITORS:

Appointment of Statutory Auditors:

M/s. Sunil K Sharma & Associates, Chartered Accountants, Chandigarh (Firm Reg. No. 029335N) were appointed on 21.01.2019 as Statutory Auditors of the Company to hold the office from the conclusion of 26th Annual General Meeting till 31st Annual General Meeting of the Company to be held in the year 2024.



STATUTORY AUDITORS' OBSERVATIONS IN AUDIT REPORT:

There are qualifications made by M/s. Sunil K Sharma & Associates, Chartered Accountants, the Statutory Auditors of the Company, in their report. The observations made by the Statutory Auditors in their report for the financial period ended 31st March, 2021 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. SECRETARIAL AUDITOR:

Pursuant to the provisions of section 204 of the Act, the Board has appointed Mr. Suresh Kumar Pillay, practicing company secretary (ACS No. 43865, CP No.21089), to undertake secretarial audit of the Company.

A report from the secretarial auditor in the prescribed Form MR-3 is Annexure-I which forms part of the Directors Report. However, there are certain observation and same is mentioned in the Secretarial Audit, which are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

c. INTERNAL AUDITOR:

In terms of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the board has appointed Mr. Aditya Aggarwal, Chartered Accountant as an Internal Auditor of the Company.

The Company continued to implement his suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditor's findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.



d. Cost Auditors:

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

21. SECRETARIAL STANDARDS:

Your Company complies with the Secretarial Standard on Meetings of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) whenever it has applicable.

Your Company will comply with the other Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) as and when they are made mandatory.

22. EVALUATION OF BOARD'S PERFORMANCE:

In compliance with the provisions of the Companies Act, 2013 ('the Act') and SEBI (LODR) Regulations, 2015, the Board during the year adopted a formal mechanism for evaluation of its performances as well as that of its committees and individual Directors, including the Chairman of the Board. A structured mechanism was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.



23. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

24. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary, Joint venture or Associate Company as on 31st March, 2021. Hence, 'Form AOC-1' is not applicable

25. CLASSES OF SHARES:

As on date, the Company has only one class of share capital i.e. Equity Shares of Rs. 10/- each.

26. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal Audit functions reports to the Chairman of the Audit Committee and to Chairman/Managing Director of the Company.

The Internal Audit monitors and evaluates the efficiency and adequacy of internal control systems in the company. It's compliances with operating systems, accounting procedure and policies at all locations of the Company.

27. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

28. RISK MANAGEMENT:

Risk Management is the systematic process of understanding, measuring, controlling and communicating organization's risk exposures while achieving its objectives. Risk Management is an important business aspect in the current economic environment and



its objective is to identify, monitor and take mitigation measures on a timely basis in respect of the events that may pose risks for the business. The Company's risk management strategy is to identify, assess and mitigate any significant risks. We have established processes and guidelines, along with a strong overview and monitoring framework at the Board and Senior Management levels.

29. RELATED PARTIES TRANSACTIONS:

There were no any materially significant related parties' transaction with promoters and directors which were in conflict with the interest of the Company attracting the provision of Section 188 of the Companies Act, 2013 during the financial year. Thus disclosure in Form AOC-2 is not required.

30. EXTRACT OF ANNUAL RETURN:

The details of Annual return is available on the website of the company at www.regencyfincorp.com

31. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Since the company has given loan or provided any guarantee or made any investment covered under section 186 of the Companies Act 2013 during the year and complied with the provisions of the Act.

Details on loans or investments are mentioned in Notes to financial statements of this Annual Report. (Refer Note 04 for investments and Note No. 03 for loans given of the attached financial statements for the financial year 2020-21). The Company has neither provided any security nor given any guarantee on behalf of a third party.

32. CORPORATE GOVERNANCE:

In terms of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the provision of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company since the paid up capital of the Company is below Rs. 10 crores and also the net worth of the Company is below Rs. 25 Crores.



Since, the Paid-up capital and Net worth of the Company is within the threshold specified under the Regulations, the Compliance with the Corporate Governance Norms are not applicable to Company and thus the Company is not required to attach the Corporate Governance report with the Report of the Board of Directors.

33. PARTICULARS OF EMPLOYEES:

No employee of the Company was in receipt of the remuneration exceeding the limits prescribed in the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence no information as required under the provisions of Section 197 of the Companies Act, 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this report.

34. DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has zero tolerance towards any action on the part of any executive which may fall under the ambit of 'Sexual Harassment' at workplace and is fully committed to uphold and maintain the dignity of every women executive working in your Company. The Sexual Harassment Policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

During the year under review, there were no complaints pending as on the beginning of the financial year and no new complaints were filed during the financial year under review.

35. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Since, the Company is an Investment Company and did not carry any manufacturing activities and the Company has neither used nor earned any foreign exchange during the year under review. Hence, no particulars as per Section 134(3)(m) read with Rule 8(3) of The Companies (Accounts) Rule, 2014 are being furnished under this head.



36. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) (e) of the Listing Regulations is given as an “Annexure – II” to this report.

37. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in “Annexure –III” forming part of the Annual Report.

38. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

39. SUMS DUE TO MICRO, SMALL & MEDIUM ENTERPRISES:

No amount for payment towards principal and interest was pending towards Micro, Small & Medium Enterprises as on 31st March, 2021.

40. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has established vigil mechanism/Whistle Blower Policy for Directors and employees of the Company to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and ethics Policy. The said mechanism also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Board of Directors of the Company frequently reviews the vigil mechanism/whistle blower policy in order to ensure adequate safeguards to employees and Directors



against victimization. During the year under review, no personnel of the Company approached the Audit Committee on any issue falling under the said policy.

41. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board of Directors and the designated employees have confirmed compliance with the code.

42. CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code.

A declaration signed by the Company's Managing Director for the Compliance of these requirements is furnished in "Annexure – IV" forming part of the Annual Report.

43. MANAGING DIRECTOR CERTIFICATION:

The Managing Director of the company required to gives annual certification on financial reporting and internal controls to the board in terms of Regulation 17(8) of listing regulation and certification on financial results while placing the financial result before the board in terms of Regulation 33 of listing regulation and same is published in this "Annexure –V report.



44. INDUSTRIAL RELATIONS:

During the year under review, your Company enjoyed cordial relationship with employees at all level.

45. GENERAL DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

- a. Issue of equity shares and differential rights as to dividend, voting or otherwise.
- b. Issue of Shares (including sweat equity shares) to employees of the Company under any scheme.
- c. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

46. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC):

No Insolvency resolution process has been initiated/ filed by a financial or operational creditor or by the company itself under the IBC before the NCLT.

47. ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board of Directors
Regency Fincorp Limited

Sd/-
Gaurav Kumar
Managing Director
DIN: 06717452

Sd/-
Vishal Rai Sarin
Director & CFO (KMP)
DIN: 08758350

Place : Zirakpur, Punjab
Date : 14.08.2021

Annexure- I
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[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,
Regency Fincorp Limited
CIN: L67120PB1993PLC013169
Unit No. 49 B, 3rd Floor Sushma Infinium,
Chandigarh Ambala Highway Zirakpur
Mohali Punjab 140603

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Regency Fincorp 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 Regency Fincorp Limited'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 March 31, 2021 has complied with the statutory provisions listed hereunder and has followed proper Board-processes and compliance-mechanism in place to the extent, in manner and subject to reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Regency Fincorp Limited ("the Company") for the financial year ended on March 31, 2021 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;
- a) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 including the amendments thereof.
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- (Not applicable as the company at the company has not provided any share based benefits to the members during the year).
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - g) 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 -Not applicable as the company has not registered as Registrars to an Issue and Share Transfer Agents during the financial year under review.
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- Not applicable as there was no instance of Delisting of Equity Shares during the financial year under review.
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- Not applicable as the company has not bought back any of its securities during the financial year under review.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligation & Disclosure Requirement, 2015 being listed on BSE Limited to the extent applicable to the company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

i. During the course of our audit, the following discrepancies/observation were observed with respect to various compliances under the Companies Act 2013:

- a) The company has issued and allotted 3,89,651 shares at Rs. 29.00 per share (Rs. 19.00 being security premium) on 21.03.2020. However, the final listing approval received from Bombay Stock Exchange was for 381031 equity shares. 8620 Equity Shares issued were not granted the listing approval. Further, The Bombay Stock Exchange had levied a penalty of Rs. 33.44 Lacs for delay in submitting final listing application of 389651 shares. However, the Bombay Stock Exchange had waived off a penalty of Rs. 33.44 Lacs vide its letter CFD. DIL2/OW/P/2021/1483/1 dated 19.01.2021.

Based on our examination and the information received and records maintained, I further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings agenda and detailed notes on agenda were sent well 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.

3. All decisions are carried through majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Management/ Officers and taken on record by the board of directors in their meeting(s), I am of an opinion that:

1. 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.

2. Based on the examination of the relevant documents and records on test check basis, the Company has Complied with the following laws specifically applicable to the Company:

a) The Reserve Bank of India Act, 1934

b) The Finance Act, 2016

c) Prevention of Money Laundering Act, 2002 and the Prevention of Money Laundering (Amendment) Act, 2012.

I further report that during the audit period the company has issued and allotted 8620 Unsecured Non-Convertible Debentures during the financial year.

The Company has approved to issue fully paid-up Bonus Shares in the ratio of 1:1 by capitalizing the reserves, however the in Principal approval from the BSE is not received.

I, further report that during the audit period, there were no instances of:

- (i) Public / Rights / Equity/ sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaborations.

Suresh Kumar Pillay

ACS No. 43865

C P No.: 21089

UDIN: A043865C000785694

Place: Zirakpur

Date: 14.08.2021

This report is to be read with our letter of event date which is annexed as “**Annexure A**” and forms an integral part of this report

Annexure-A”

To,
The Members,
Regency Fincorp Limited
Unit No. 49 B, 3rd Floor Sushma Infinium,
Chandigarh Ambala Highway Zirakpur
Mohali Punjab 140603

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records, based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we 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 the management. Our examination was limited to the extent of verification of procedures on test basis.

6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Suresh Kumar Pillay

ACS No. 43865

C P No.: 21089

UDIN: A043865C000785694

Place: Zirakpur

Date: 14.08.2021



Annexure-II

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure and Developments:

The Indian economy registered GDP growth of 7.2% and 6.8% in 2017-18 and 2018-19, respectively. The current fiscal has witnessed a number of headwinds in the form of credit squeeze, sluggish manufacturing growth and subdued consumption. Economies across the globe have displayed signs of stagnation owing to the rising trade barriers and increasing geopolitical tensions. However, India was well placed after timely measures taken by the Government such as reduction in the corporate tax rate and income tax rates which indicated some signs of green shoots and steady economic recovery. But the world got badly hit in the last quarter of 2020-21 with an unprecedented Covid-19 pandemic that disrupted the growth prospect of most global economies including India. Despite of these testing times where most of the economies are expected to deliver negative GDP growth, IMF projects India's GDP to grow at 4.2% in 2020-21 amid Corona virus pandemic.

Our Government and policymakers are providing consistent support to households, firms and financial markets which is critical for a strong recovery. As a major move to boost liquidity in the market, the Reserve Bank of India (RBI) announced several measures to accelerate the economy and facilitate bank credit flows. The Government announced economic stimulus worth 20 lakhs Crores in May 2021, which is 10% of GDP, focusing on migrant workers, street vendors, self-employed people, small farmers, tax breaks for small businesses and incentives for domestic manufacturing. In addition, reduced repo rate and CRR will enable banks to lend even more. Also, to ease the lack of liquidity that borrowers might face, the RBI allowed offering two phases of three months moratorium on term loan and credit card bill payments.

2. Opportunity and Threats:

Opportunities

Our long-standing relationship with our major customers has been one of the most significant factors contributing to our growth. Our commitments to quality and customer



service practices have been strong contributing factors to our robust customer relations. Over the years, we have steadily developed a robust base of customers for our products in national level.

To overcome the challenges and competition, we have taken various initiatives to reduce the operational costs, to develop new value added products, improve the performance and quality of existing value-added products as well as to explore new markets domestically and globally.

The digitization, unparalleled expertise and an excellent corporate strategy has resulted in an unprecedented growth of the company over the years. We have an experienced and dedicated team of professionals, catering to the needs of clients, delivering products at reasonable interest rates & timely.

Threats:

- Change in Policy and Regulations.
- New entrants in the market and intense competition by existing players
- Technology may become obsolete due to Innovation in Technology

3. Risk Management and Concerns:

Risk Management forms an integral part of your Company's operations. Your Company continues to focus on a system based approach to business risk management. It broadly involves identification & potential risks, their analysis and impact as also risk mitigation initiatives to address the same. The Board of Director of the Company oversees the risk management Process.

4. Recent Trend and Future Outlook:

The NBFC sector continued to grow its share in the financial services industry. Credit growth of scheduled commercial banks (SCBs) continued to moderate throughout FY 2021. On 31 March 2019, growth in advances of SCBs was 13.2%. By 30 September 2019, this had reduced to 8.7% and on 27 March 2020, it was further down to 6.1%. SCBs also continued to face asset quality challenges in FY2021. Data published by the



RBI in its Financial Stability Report dated 27 December 2019 show that NBFCs have outperformed SCBs on asset quality, as the figures below indicate.

While the importance of NBFCs in credit intermediation continued to grow, repayment default by a systemically important NBFC in September 2018 brought to focus asset-liability mismatches of the sector — where some NBFCs were more impacted than the others. To strengthen the asset-liability profile of the sector, RBI introduced a liquidity coverage ratio (LCR) requirement for all NBFCs with AUM of Rs 5,000 crore and above. The LCR regulation mandates NBFCs to maintain a minimum level of high-quality liquid assets to cover expected net cash outflows in a stressed scenario. The regulation also stipulates that NBFCs should attain LCR of 100% in a phased manner over a period of four years starting December 2020. It is a welcome regulatory change and will significantly strengthen ALM profile of the NBFC sector. BFL's liquidity buffer management framework exceeds these requirements even today — and demonstrates its strong orientation towards liquidity management.

COVID-19 further accentuated ALM challenges of the NBFC sector. The RBI's moratorium measures for customers is likely to put additional stress on many NBFCs. There is an asymmetry. On one hand, NBFCs have to offer such moratoriums to their customers; while on the other, their market borrowings must be repaid on due dates.

To ease liquidity pressure on NBFCs, the RBI has taken multiple actions including a Targeted Long-Term Repo Operation (TLTRO) for the sector of Rs 50,000 crore and a special financing window through SIDBI, NABARD and National Housing Bank (NHB) of another Rs 50,000 crore to enable financing NBFCs. It remains to be seen whether the RBI will open a direct window to support the NBFC sector.

The COVID-19 pandemic is also expected to result in a deterioration in the asset quality of the financial sector. NBFCs too will face similar pressures. Early indicators of non-delinquent customers opting for moratoriums reflect a considerable level of anxiety from customers. It remains to be seen how this anxiety eases when economic activities resume. A long-drawn lockdown or frequent lockdowns of economic activities may require the RBI to frame forbearance policies for impacted borrowers like a comprehensive one-time restructuring of loans without impacting asset classification. Such a one-time restructuring framework would enable financial sector to continue to lend and also provide customers adequate time to recover from the economic crisis and honour their obligations.



5. Internal Control Systems and their Adequacy:

The Company has adequate systems of internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business.

6. Financial Performance with respect to operational performance:

The Financial performance of the Company for the year 2020-21 is described in the Directors' Report under the head operations.

7. Material developments in Human Resources/Industrial Relations front, including the number of people employed:

The Company has undertaken employee's development initiatives, which have very positive impact on the morale and team spirit of the employees. The company has continued to give special attention to human resources and overall development.

8. Cautionary Statement:

Statement in this Management Discussion and Analysis Report, Describing the Company's objectives, estimates and expectations may constitute Forward Looking Statements within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board of Directors
Regency Fincorp Limited

Place : Zirakpur, Punjab
Date : 14.08.2021

Sd/-
Gaurav Kumar
Managing Director
DIN: 06717452

Sd/-
Vishal Rai Sarin
Director & CFO (KMP)
DIN: 08758350



Annexure-III

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR EMPLOYEES

Background

REGENCY FINCORP LIMITED (hereinafter referred as the 'Company') practices a corporate culture that is based on the tenets of trusteeship, empowerment, accountability, control and ethical practices with transparency at its core for creation of maximum value for the stakeholders.

Brief Overview under Companies Act 2013

{Section 178 and Companies [Meetings of Board and its Powers] Rules 2014}

- i. Constitution of the Nomination and Remuneration Committee consisting of three or more non- executive directors out of which not less than one-half shall be independent directors
- ii. The Nomination and Remuneration Committee shall identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- iii. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the Remuneration for the Directors, Key Managerial Personnel and Senior Management Personnel i.e. Employees at one level below the Board including functional heads.
- iv. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:—
 - the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and



- remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

v. Such policy shall be disclosed in the Board's Report.

Brief Overview of the Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Nomination and Remuneration Committee

A. The Company shall set up a Nomination and Remuneration committee which shall comprise at least three directors, all of whom shall be non-executive directors and at least half shall be independent. Chairman of the committee shall be an independent director.

B. The role of the committee shall, *INTER-ALIA*, include the following:

- formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the Remuneration of the Directors, Key Managerial Personnel and Other Employees;
- formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- devising a policy on Diversity of Board of Directors;
- identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

The Company shall disclose the Remuneration Policy and the Evaluation Criteria in its Annual Report.



Terms of Reference of Nomination and Remuneration Committee

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the Remuneration of the Directors, Key Managerial Personnel and Other Employees;
- Act as Selection and Compensation Committee to evaluate suitability of candidates for various Senior Positions and determine appropriate compensation package for them. Selection of related persons whether or not holding place of profit in the Company to be carried out strictly on merit and where applicable, be subjected to review by the Audit Committee of and / or the Board with approval at each stage being obtained by disinterested Independent Directors only.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Removal should be strictly in terms of the applicable laws and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Diversity of Board of Directors.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board / Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.



Criteria for Determining the Following

Qualifications for Appointment of Directors (including Independent Directors):

- Persons of eminence, standing and knowledge with significant achievements in business, professions and / or public service.
- Their financial or business literacy /skills.
- Appropriate other qualification / experience to meet the objectives of the Company.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidates.

Positive Attributes of Directors (including Independent Directors):

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.



Criteria for Appointment of KMP / Senior Management:

- To possess the required qualifications, experience, skills and expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals / objectives and corporate mission.
- To adhere strictly to code of conduct.

Policy Relating to Remuneration of Directors, KMP and Senior Management Personnel:

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No director / KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear and meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:



- Responsibilities and duties;
- Time and efforts devoted;
- Value addition;
- Profitability of the Company and growth of its business;
- Analyzing each and every position and skills for fixing the remuneration yardstick;
- Standards for certain functions where there is a scarcity of qualified resources.
- Ensuring tax efficient remuneration structures.
- Ensuring that remuneration structure is simple and that the Cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
- Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organization.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification / reasons should also be indicated / disclosed adequately.

Review

The policy shall be reviewed by the Nomination and Remuneration Committee and the Board, from time to time as may be necessary.



Annexure - IV

DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

To,
Regency Fincorp Limited
Zirakpur, Punjab

This is to certify that the Company had laid down code of conduct for all the board members and senior management personnel of the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non compliance thereof during the year ended on 31st March, 2021.

For Regency Investments Limited

Place: Zirakpur, Punjab

Date:-

Sd/-
Gaurav Kumar
Managing Director
DIN: 06717452

Sd/-
Vishal Rai Sarin
Director & CFO (KMP)
DIN: 08758350



Annexure - V
Managing Director/Chief Financial Officer Certification

To,
The Board of Directors,
Regency Fincorp Limited
Unit No. 49 B, 3rd Floor Sushma Infinium,
Chandigarh Ambala Highway Zirakpur
Mohali Punjab 140603

Sub: Certificate by Managing Director pursuant to the Regulation 33(1)(e) and Schedule IV of SEBI (Listing Obligation and Disclosure Requirements), Regulation 2015.

I, Gaurav Kumar, the Managing Director (MD) of the Company and I Vishal Sarin, CFO & Director do hereby certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the year ending 31st March, 2021 and that to the best of their knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.



- D. We have indicated to the auditors and the Audit committee-
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board of Directors
Regency Fincorp Limited

Gaurav Kumar
Managing Director
DIN : 06717452

Vishal Rai Sarin
Chief Financial Officer
DIN : 08758350

INDEPENDENT AUDITOR'S REPORT

To
The Members of Regency Fincorp Limited
(Previously known as Regency Investment Limited)
Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Regency Fincorp Limited** (previously known as Regency Investment Limited) which comprise the Balance Sheet as at March 31, 2021 the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan

and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

Following are observation and qualification:-

(I) During the course of our audit, the following observations were observed with respect to compliances under the Companies Act, 2013:

- a) The Bombay Stock Exchange had waived the penalty vide its letter CFD./DIL2/OW/P/2021/1483/1 dated 19.01.2021 amounting to Rs. 33.44 with the approval of SEBI.
- b) The company has issued and allotted 3,89,651 Equity Shares at Rs. 29.00 per share (Rs. 19.00 being security premium) on 21.03.2020 but the final listing letter received from Bombay Stock Exchange was of 3,81,031 equity shares. There was a difference of 8620 Equity Shares of Ms Priyanka Singh Nain (one of the allottee in Preferential allotment) were not listed due to non fulfilment of non-lock-in of her pre-preferential shareholding i.e 13806 equity shares. Further, 13806 Equity shares were sold out and re-purchased during year for lock-in period.

- c) TDS deducted on interest paid pending as on date due to non-reconciliation among the parties.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act.

- f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in “Annexure B”; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigation as on 31.03.2021.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (ii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

**FOR SUNIL K SHARMA & ASSOCIATES.
CHARTERED ACCOUNTANTS
FIRM REG NO. 029335N**

**(CA SUNIL KUMAR)
PROPRIETOR
M.NO. 536370
PLACE: CHANDIGARH
DATE: 15.06.2021
UDIN : 21536370AAAABK2559**

Annexure - A to Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i) In Respect of its Fixed Assets :

The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. In our opinion the fixed assets covering significant value have been physically verified by the Management during the year at reasonable intervals and having regard to the size of the Company and the nature of its assets and on the basis of the information and explanations given by the Management, no material discrepancies have been noticed on such verification.

No substantial part of fixed assets has been disposed off during the year, which has affected the going concern.

ii) In Respect of its Inventory :

The company has no inventories; therefore the para no 3(i) of the Companies (Auditor's Report) Order, 2016 are not applicable to the Company.

iii) In our opinion and according to information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.

iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

vi) To the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013.

- vii) According to the information and explanations given to us, in respect of statutory dues :
- a) The Company has not been regular in depositing undisputed dues including Income Tax and any other statutory dues applicable to it with the appropriate authorities and there were no undisputed dues in arrears as at 31st March, 2021 for a period of more than six months from the date they become payable.
 - b) According to the information and explanations given to us, there were no disputed dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess.
- viii) The Company has issued and allotted unsecured non convertible debentures during the year.
- ix) The Company has not raised money by way of further public offer during the year.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has provided managerial remuneration during the year.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3. (xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable
- xv) The Company has obtained the requisite registration under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR SUNIL K SHARMA & ASSOCIATES.
CHARTERED ACCOUNTANTS
FIRM REG NO. 029335N**

**(CA SUNIL KUMAR)
PROPRIETOR
M.NO. 536370
PLACE: CHANDIGARH
DATE : 15.06.2021
UDIN : 21536370AAAABK2559**

Annexure - B to the Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of Regency Fincorp Limited (“the Company”) as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR SUNIL K SHARMA & ASSOCIATES.
CHARTERED ACCOUNTANTS
FIRM REG NO. 029335N**

**(CA SUNIL KUMAR)
PROPRIETOR
M.NO. 536370
PLACE: CHANDIGARH
DATE : 15.06.2021
UDIN : 21536370AAAABK2559**

REGENCY FINCORP LTD

Registered Address :Unit No. 49 B, 3rd Floor, Sushma Infinium, Chandigarh Ambala Highway Zirakpur 140603 PB IN

CIN L67120PB1993PLC013169

Balance Sheet as at 31st March 2021

(Figure in Lakhs)

	NOTE	31.3.2021	31.3.2020
A. ASSETS			
(1) Financial Assets			
(a) Cash & Cash Equivalents	1	2.98	0.39
(b) Bank balance other than cash and cash equivalents	2	64.41	192.71
(c) Derivative financial instruments			
(d) Trade Receivables			
(e) Loans	3	3,492.13	3,273.08
(f) Investments	4	65.15	33.24
(g) Other Financial assets			
Sub total -Financial Assets		3,624.67	3,499.41
(2) Non Financial Assets			
(a) Inventories			
(b) Current tax assets (Net)	5	82.88	67.17
(c) Deferred tax Assets (Net)	6		
(d) Investment Property			
(e) Biological assets other than bearer plants			
(f) Property, Plant and Equipment	7	206.57	142.71
(g) Capital work-in-progress			
(h) Intangible assets under development			
(i) Goodwill			
(j) Other Intangible assets			
(k) Other non-financial assets (to be specified)			
Sub total -Non Financial Assets		289.46	209.88
Total Assets		3,914.12	3,709.29
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Derivative financial instruments			
(b) Payables			
(i) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
(ii) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
(c) Debt Securities			
(d) Borrowings (Other than Debt Securities)	8	2,783.60	2,744.04
(e) Deposits			
(f) Subordinated Liability			
(g) Other financial liabilities (to be specified)	9		35.52
Sub total -Financial Liabilities		2,783.60	2,779.56
(2) Non-Financial Liabilities			
(a) Current tax liabilities (Net)	10	21.46	14.16
(b) Provisions	11	17.54	1.56
(c) Deferred tax liabilities (Net)	12	11.26	8.81
(d) Other non-financial liabilities (to be specified)	13	131.73	
Sub total -Non Financial Liabilities		181.99	24.53
(3) EQUITY			
(a) Equity Share capital	14	410.15	410.15
(b) Other Equity	15	497.36	454.02
(c) Money Received Against Share Warrants	16	41.03	41.03
Sub total -Equity		948.55	905.20
Total Liabilities		3,914.12	3,709.29
Significant Accounting Policies			
Notes forming part of Accounts			

1 to 22

As per our report of even date attached
FOR SUNIL K SHARMA & ASSOCIATES.

CHARTERED ACCOUNTANTS
FIRM REG NO. : 029335N

(CA SUNIL KUMAR)
PROPRIETOR
M.NO. 536370
Date : 15.06.2021

(VISHAL RAI SARIN)
DIRECTOR & CFO (KMP)
DIN 08758350

(RASHU SARIN)
DIRECTOR
DIN 07903239

(GAURAV KUMAR)
MANAGING DIRECTOR
DIN 06717452

(GAURAV ARORA)
COMPANY SECRETARY & COMPLIANCE OFFICER
MEM. NO. A64919

(NEHA ABROL)
WHOLETEIME DIRECTOR
DIN 06935869

REGENCY FINCORP LTD

Registered Address :Unit No. 49 B, 3rd Floor, Sushma Infinium, Chandigarh Ambala Highway Zirakpur 140603 PB IN
CIN L67120PB1993PLC013169

Statement of Profit and Loss Account for the period ended 31st March '2021

(Figure in Lakhs)

	NOTE		31.3.2021		31.3.2020
I. REVENUE FROM OPERATIONS					
(i) Interest Income	17		357.01		338.69
(ii) Dividend Income					
(iii) Rental Income					
(iv) Fees and commission Income					
(v) Net gain on fair value changes					
(vi) Net gain on derecognition of financial instruments under amortised cost category					
(vii) Sale of products(including Excise Duty)					
(viii) Sale of services					
(ix) Others (to be specified)					
(I) Total Revenue from operations			357.01		338.69
(II) Other Income					
(II) Other Income (to be specified)	18		179.69		22.60
(II) Total Revenue from other income			179.69		22.60
(III) Total Income (I+II)			536.69		361.29
2 Expenses					
(i) Finance Costs	20		241.50		190.38
(ii) Fees and commission expense					
(iii) Net loss on fair value changes					
(iv) Net loss on derecognition of financial instruments under amortised cost category					
(v) Impairment on financial instruments					
(vi) Cost of materials consumed					
(vii) Purchases of Stock in trade					
(viii) Changes in Inventories of finished goods, stock trade and work-in-progress					
(ix) Employee Benefits Expenses	19		77.67		48.24
(x) Depreciation, amortization and impairment	7		21.39		15.61
(xi) Others expenses (to be specified)	21		135.89		53.65
V. TOTAL EXPENSES			476.45		307.88
VI. Profit/(Loss) before tax			60.24		53.42
VII. Tax Expense :					
- Current Tax		15.97		12.72	
- MAT Credit Available		-			
- Deferred Tax		2.45		0.06	
- Earlier years			18.43		15.79
VIII. Profit After Tax (VI-VII)			41.82		37.63
Less: Dividend Paid					3.71
IX. Earnings Available to Shareholders			41.82		33.91
Earning per share (Nominal value of share ₹10/-)	22				
Basic			1.02		0.83
Diluted			1.02		0.83
Significant Accounting Policies					
Notes forming part of Accounts	1 to 22				

As per our report of even date attached
FOR SUNIL K SHARMA & ASSOCIATES.

CHARTERED ACCOUNTANTS
FIRM REG NO. : 029335N

(VISHAL RAI SARIN)
DIRECTOR & CFO (KMP)
DIN 08758350

(GAURAV KUMAR)
MANAGING DIRECTOR
DIN 06717452

(NEHA ABROL)
WHOLETIME DIRECTOR
DIN 06935869

(CA SUNIL KUMAR)
PROPRIETOR
M.NO. 536370
Date : 15.06.2021

(RASHU SARIN)
DIRECTOR
DIN 07903239

(GAURAV ARORA)
COMPANY SECRETARY & COMPLIANCE OFFICER
MEM. NO. A64919

REGENCY FINCORP LTD
CIN L67120PB1993PLC013169

CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET FOR THE YEAR ENDED 31st MARCH'2021

(Figure in Lakhs)

			2020-21	2019-20
(A)	CASH FLOW FROM OPERATING ACTIVITIES			
	Net Profit before tax and extraordinary items		60.24	53.42
	Adjustments for :			
	Contingent Provision Against Standard Assets(Net)			
	Interest on Income Tax			-
	Depreciation	21.38		15.61
	Interest on tds	0.00		0.26
	Deferred tax Liabilities	-		-
	Dividend Distribution Tax			0.65
	Provision for tax previous year	(14.16)		
	Interest on DDT	-		0.16
	Transfer to reserves			-
	Operating Profit Before Working Capital Changes	(A)	7.23	16.67
	Adjustments for :		67.47	70.09
	(Increase)/ Decrease in Other Current Assets	(15.71)		(22.85)
	Increase/ (Decrease) in Short Term Borrowings	-		
	Increase/ (Decrease) in Other Current Liabilities	117.66		6.54
	Increase/ (Decrease) in Provisions			
	Cash Generated From Operations		101.95	(16.31)
	Interest on Income Tax		169.42	53.78
	Interest on tds	(0.00)	(0.00)	(0.26)
	Net Cash Flow from / (Used in) Operating Activities		169.41	53.52
(B)	CASH FLOW FROM INVESTING ACTIVITIES			
	Proceeds from Sale of Fixed Assets		-	-
	Purchase of Fixed Assets		(106.39)	-
	Sale (purchase) of fixed assets		21.14	(58.10)
	Sale (purchase) of Investments		(31.91)	11.22
	Net Cash Flow from / (Used in) Investing Activities	(B)	(117.17)	(46.88)
(C)	CASH FLOW FROM FINANCING ACTIVITIES			
	(Increase)/ Decrease in Long Term Loans and advances		(219.05)	(982.10)
	Increase/ (Decrease) in Equity Shares Capital		-	38.97
	Increase/ (Decrease) in Long Term Borrowings		39.56	822.23
	Increase/ (Decrease) in Security Premium		1.53	152.00
	Increase/ (Decrease) in Share application money		-	
	Increase/ (Decrease) in Share Warrants		-	41.03
	Interest on DDT		-	(0.16)
	Dividend Distribution Tax Paid		-	(0.65)
	Dividend Paid		-	(3.71)
	Net Cash Flow from / (Used in) Financing Activities	(C)	(177.97)	67.61
	Net Increase/(Decrease) in Cash and Cash Equivalents	(A+B+C)	(125.72)	74.25
	Cash and Cash Equivalents (Opening Balance)		193.10	118.84
	Cash and Cash Equivalents (Closing Balance)		67.38	193.10

As per our report of even date attached
FOR SUNIL K SHARMA & ASSOCIATES.
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MEM. NO. A64919

	31.3.2021	31.3.2020
NOTE – 1 CASH & CASH EQUIVALENTS		
Cash in Hand	2.98	0.39
	2.98	0.39
NOTE – 2 BANK BALANCE		
Balances with Banks	61.41	192.71
Cheques in Hand	3.00	-
	64.41	192.71
NOTE – 3 LONG TERM LOANS AND ADVANCES		
Secured Loans & Advances	-	-
Unsecured Loans & Advances	3,378.36	3,200.23
Branch (Hyderabad)	47.09	48.31
Branch (Surat)	66.68	24.53
	3,492.13	3,273.08
NOTE – 5 OTHER CURRENT ASSETS		
MAT Credit Entitlement	3.63	3.63
Commission Receivable		28.52
Tax Input	26.33	20.85
Security for Rent	0.11	0.11
Other Assets	52.81	14.06
	82.88	67.17
NOTE –6 DEFERRED TAX ASSETS		
Deferred Tax Assets on Account of :		
Contingent Provision Against Standard Assets	-	-
Deferred Tax Liability on Account of :		
Related To Fixed Assets	-	-
Deferred Tax Assets (Net)	-	-

	31.3.2021	31.3.2020
NOTE – 8 LONG TERM BORROWINGS		
Secured Loans	156.66	118.41
Unsecured Loans	2,562.26	2,552.79
SHORT TERM BORROWINGS		
Unsecured Loans	64.68	72.85
Secured Loans		
	2,783.60	2,744.04
NOTE – 9 OTHER FINANCIAL LIABILITIES		
Creditors		8.37
Expense Payable		7.13
Statutory Dues		20.02
Interest accrued but not due on borrowings	-	-
Cheque Issued but not cleared	-	-
	-	35.52
NOTE – 10 CURRENT TAX LIABILITIES(NET)		
Statutory Dues	21.46	14.16
	21.46	14.16
NOTE – 11 SHORT TERM PROVISIONS		
Provision Against Standard Assets	1.56	1.56
Provision for Income tax (Net)*	15.97	
Contingent Provision Against Standard Assets		
*(includes provision for interest on income tax)	17.54	1.56
NOTE – 12 DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability @ 26%	11.26	8.81
	11.26	8.81

		31.3.2021	31.3.2020
NOTE – 13 OTHER NON- FINANCIAL LIABILITIES			
Creditors		125.82	
Expense Payable		5.92	
		131.73	
NOTE – 14 SHARE CAPITAL			
Authorised			
Equity Shares of Face Value of Rs.10 each		800.00	410.15
		800.00	410.15
Issued, Subscribed & Paid Up			
37,11,833 (Previous Year 37,11,833) Equity Shares of `10 each fully paid up		371.18	371.18
Additional 3,89,651 Equity Shares of Rs.10 each fully paid up		38.97	38.97
		410.15	410.15
Note 14.1 – Details of Shareholders holding more than 5% shares in the Company		No. of shares	% Holding in the class
Equity shares of ₹10 each fully paid			
Gaurav Kumar		3.29	8.87
Note 14.2 – Reconciliation of share outstanding at the beginning and at the end of the reporting year		No. of shares	Amount
Equity shares at the beginning of the year		41.01	410.15
Add: Fresh issue of equity shares during the year			3.90
		41.01	410.15
Equity shares outstanding at the end of the year		41.01	410.15

<p>Note14.3 – Terms/Rights attached to equity shares</p> <p>The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. Dividend shall be paid proportionately to the amounts paid on shares. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.</p> <p>In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.</p>				
<p>NOTE -15 OTHER EQUITY</p> <p>1. RESERVES AND SURPLUS</p> <p>General Reserve</p> <p>As Per Last Balance Sheet</p>	.00	.00	.00	.00
<p>Securities Premium Account</p> <p>As Per Last Balance Sheet</p> <p>Add: Received During The Year</p>	336.53 1.53	338.06	184. 5 26 151. 9 99	336.53
<p>Statutory Reserve u/s 45 - IC of Reserve Bank of India Act, 1934</p> <p>As Per Last Balance Sheet</p> <p>Add: Transferred for the year</p>	30.94 8.57	39.51	23.99 6.95	30.94
<p>Surplus</p> <p>As Per Last Balance Sheet</p> <p>Add: Profit/(Loss) for the year</p> <p>Less: Contingent Provision For Standard Assets</p> <p>Less:- Transferred to Statutory Reserve u/s 45-IC of RBI Act,1934</p>	86.55 41.82 - (8.57)	119.79	59.59 33.91 - (6.95)	86.55
		497.36		454.02

	31.3.2021	31.3.2020
NOTE – 16 MONEY RECEIVED AGAINST SHARE WARRANTS	41.03	41.03
NOTE – 17 REVENUE FROM OPERATION		
Interest Income	357.01	338.69
	357.01	338.69
NOTE – 18 OTHER INCOME		
Profit on Mutual Funds		0.10
Profit on sale of Stock & Future Option		7.45
Consultancy Income		9.77
Commission Income	160.72	-
Processing Fees	16.22	1.60
Log In charges	0.32	3.07
Preclosure Charges		0.01
Rebate & Discount		0.01
Late Fee Charges	0.32	0.17
Insurance Commission	0.59	0.02
Bouncing Charges	0.39	0.41
Misc income	1.13	
	179.69	22.60
NOTE – 19 EMPLOYEE BENEFITS EXPENSES		
Salaries	75.16	47.98
Staff Welfare	2.51	0.26
	77.67	48.24
NOTE – 20 FINANCIAL CHARGES		
Interest on loan	221.70	183.29
Interest on Car Loan	8.19	7.08
Processing fees	11.61	
	241.50	190.38

	31.3.2021	31.3.2020
NOTE – 21 OTHER EXPENSES		
Advertisement	2.46	1.17
Bank Charges	1.60	0.53
Consultant Fee	0.03	0.03
Bulk sms charges		0.11
Listing Fee	-	3.43
Membership Fees	2.68	2.12
Professional charges	64.35	2.39
Amc Charges		-
Annual Custody Fees		0.11
Commision Expense	21.00	0.22
Carpet & Wallpaper Expenses		-
Corporate Action Fees		1.21
Demat & Interest Charges	0.11	-
Director Sitting Fees		6.06
Electricity Charges	1.90	1.75
E-voting Charges		0.10
Fee for Monitoring of foreign Investment		0.24
Document Processing Fees		-
Lockin Share charges		0.02
INTEREST ON TDS	0.00	0.26
Dividend Distribution Tax		0.65
Interest on DDT		0.16
Insurance Charges	0.32	1.93
Rent	9.15	11.08
BSE listing fees	3.50	3.60
Legal Expense		-
Loss on FUT/OPT	0.85	4.99
LOSS ON FUTURE		-
LOSS ON OPTION		-
Loss on Sale of Stock	1.20	0.86
Miscellaneous Expense	1.79	0.90
Monthly Report Charges		1.59
Newspaper Expenses		-
Principal Approval Fees		-
Printing & Stationary	1.48	1.08
Office Expenses	4.12	0.68
Telephone and Internet Expense	0.60	0.68
Transfer Requisition Fees		-
ROC Fees	0.17	-

	31.3.2021	31.3.2020
Audit Fees	0.70	1.00
Sectorial Auditor Fees		-
Travelling Expenses	0.10	0.74
Software Fees	1.72	2.50
Website Development		-
Write off Asset		-
Water Expenses	0.20	0.14
Repair & Maintainance	6.42	0.88
Postage & courier Expense	0.32	0.12
Trademark Fee	0.04	0.13
Registrar and Tranfer Agent	0.40	0.23
Fuel expenses	0.17	
Festival expenses	1.27	
Loss on sale of car	5.14	
Financial services Personal loan	2.13	
	135.89	53.65
NOTE – 22 EARNING PER SHARE		
Net Profit/(Loss) After Tax (₹)	41.82	33.91
Weighted Average No. of Equity Shares	41.01	41.01
Basic & Diluted Earning Per Share (₹)	1.02	0.83

Provision for Deferred Taxation for Assessment Year 2020-2021

		Figure in Lakhs						
S. No	Particulars	Co.'s Act	Allowance as per I.T. Act	Difference	Opening deferred Tax Asset/(Liabilities)	Deferred Tax Liab.	Deferred Tax Assets	Net Deferred Tax Assets/(Liabilities)
1	Depreciation	21.39	30.82	9.43	(8.81)	2.45	-	(11.26)
3	Prov. For Bonus	-	-	-	-	-	-	-
4	Prov. For Gratuity	-	-	-	-	-	-	-

NOTE-1- SIGNIFICANT ACCOUNTING POLICIES

1. BRIEF NOTE ON THE BUSINESS ACTIVITY / OPERATIONS OF THE COMPANY AND ITS PLACE(S) OF BUSINESS

The Company is a Non-Banking Financial Company and listed on Bombay Stock Exchange. The Company has its Registered office at Unit No. 49 B, 3rd Floor, Sushma Infinium, Chandigarh Ambala Highway Zirakpur 140603.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Basis of Accounting:

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and presented under the historical cost convention on accrual basis of accounting to comply with the Accounting Standards and with the relevant provisions of the Companies Act, 2013.

(b) Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

3. FIXED ASSETS

Fixed assets are stated at cost, less current year depreciation. Cost includes expenses incidental to bringing the assets to its working condition for the intended use.

4. DEPRECIATION

Depreciation on fixed assets is provided on Straight Line Method on the basis of the useful life prescribed in Schedule-II of Companies Act, 2013.

5. IMPAIRMENT OF ASSETS

Carrying amount of cash generating units/ assets is reviewed for impairment. Impairment, if any, is recognized where the carrying amount exceeds the recoverable amount being the higher of realizable price and value in use.

6. INVESTMENTS

Investments are classified into current and long-term investments. Current investments except for current maturities of long term investments are stated at the lower of cost and quoted/ fair value. Long term investments are stated at cost less any provision for other than temporary diminution in value.

7. CASH AND CASH EQUIVALENTS (FOR PURPOSE OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

8. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

9. REVENUE/EXPENDITURE RECOGNITION

Revenue is recognized when it can be reliably measured and when all significant risks and rewards/ ownership are transferred to the customer.

Dividend income is recognized in Statement of Profit and Loss when a right to receive payment is established. Interest income is recognized on accrual basis in the income statement.

Expenditure is accounted for on accrual basis and provision is made for all known losses and liabilities.

10. RETIREMENT BENEFITS

Provision of retirement benefits including gratuity is not made as and when the employees become entitled to receive such benefits.

11. INCOME TAX

Provision for current income tax is made after taking credit for allowances and exemptions. In case of matters under appeal, due to disallowance or otherwise, provision is made when the said liabilities are accepted by the Company.

Minimum Alternate Tax (MAT) paid in a year is charged to Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward.

In accordance with the Accounting Standard 22-Accounting for Taxes on income, the deferred tax for timing differences between the book & tax profit for the period is accounted for using the tax rates and the tax laws that have been enacted or substantively enacted as of the balance sheet date.

Deferred tax assets arising from temporary timing difference are recognized to the extent there is virtual certainty that the asset will be realized in future.

12. FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of the transaction. Monetary items denominated in foreign currencies outstanding at the year-end are translated at exchange rate applicable as on that date. Non-monetary items are valued at the exchange rate prevailing on the date of transaction. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the statement of Profit and Loss.

13. PROVISIONS

Show cause notices issued by various Government Authorities are not considered as obligation. When the demand notices are raised against such show cause notices and are disputed by the Company then these are classified as possible obligations.

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

14. CONTINGENT LIABILITY & COMMITMENTS

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, these are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements, although there can be no assurance regarding the final outcome of the legal proceedings, the company does not expect them to have a materially adverse impact on the financial position or profitability.

15. PROPOSED DIVIDEND

Dividend if proposed by the Board of Directors is provided for in the books of accounts pending approval at the Annual General Meeting.

NOTE - 20 NOTES ON ACCOUNTS

1. The Company is a Non-Banking Financial Company registered u/s 45-IA of the Reserve Bank of India Act, 1934. The Company has complied with applicable guidelines issued by the Reserve Bank of India in respect of Prudential Norms for income recognition and provisioning for Non Performing Assets.
2. The company has no pending litigation as well as contingent liability and commitment as on 31.03.2021.
3. None of the employee is eligible for retirement benefits; hence no provision is required except leave encashment for which provision has been made.
4. Some of the account balances are subject to the confirmation and reconciliation with respective parties from whom confirmation has not been received by the company.
5. The Company has not complied with Accounting Standard 2 - "Valuation of Inventories" because this standard is not applicable on shares, debentures and financial instruments held as stock-in-trade.

6. The company does not have any reportable business and/or geographical segment. Hence, segment reporting as per Accounting Standard 17 “Segment Reporting” is not applicable.
7. As per the information available, the company has not received any intimation from any vendor of its registration under micro, Small and Medium Enterprises Development Act 2006, (“The Act”) therefore detail required under Act has not been given. This has been relied upon by Management.
8. There is no decline in the value of long term unquoted investment. Hence, no provision for diminution has been made and the long term unquoted investments are carried at cost.

Provision for diminution in value of quoted investments has been booked :

Name of Company in which investment is made	Cost (₹in lakhs)	Diminution/(₹in lakhs)	Balance/(₹in lakhs)
Nippon India ETF	65.15	-	-
Total	65.15	-	-

9. **Disclosure in accordance with the Accounting Standard-18. “Related Party Disclosures” are as follows :-**

(i) RELATED PARTIES

Key Managerial Personnel / Director:

Name	Relationship
Mr. Rahul Verma	Company Secretary
Mr.Gaurav Kumar	Managing Director
Mr. Gurinder Singh Sandhu	Director
Mrs. Neha Abrol	Wholesale Director
Mr.Vishal Rai Sarin	Director and CFO
Mr. Rashu Sarin	Additional Director

(ii) **Transaction with above related parties:**

Nature of Transactions: Payment of Salary/Fees/Reimbursement of Expenses

Name of the related party	Current Year (₹)	Previous Year (₹)
Mr. Rahul Verma	3,09,065	-
Mr.Gaurav Kumar	2,25,000	20,000
Mr. Gurinder Singh Sandhu	3,72,500	
Mrs. Neha Abrol	5,30,000	
Mr.Vishal Rai Sarin	8,88,000	
Mr. Rashu Sarin	11,97,500	

10. Disclosure pursuant to section 186 (4) of Companies Act , 2013

- i) During the year company has made some investments. For full particulars of investments - Refer Note 10.
- ii) During the year company neither provided any security nor given any guarantee.
- iii) Loans given is repayable on demand and carries interest.

11. As required in terms of Paragraph 16 of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

(Figure In lakhs)

Liabilities side :		
Particulars	Amount outstanding	Amount overdue
1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a) Debentures :		
Secured	Nil	Nil
Unsecured	Nil	Nil
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	11.26	11.26
(c) Term Loans	2783.60	2783.60
(d) Inter-corporate loans and borrowing	Nil	Nil
(e) Commercial Paper	Nil	Nil
(f) Other Loans (specify nature)	Nil	Nil
Assets side :		
Particulars	Amount outstanding	
2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	Nil	
(b) Unsecured (advance tax/ MAT/amount recoverable)	3,378.36	
(c) Branches (Hyderabad & Surat)	113.77	
3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities:		
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	Nil	
(b) Operating lease	Nil	
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	Nil	
(b) Repossessed Assets	Nil	
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	Nil	
(b) Loans other than (a) above	Nil	

Assets side :**Particulars****Amount
outstanding**

4)

Break-up of Investments:**Current Investments:**

1. Quoted:

(i) Shares:

(a) Equity

Nil

(b) Preference

Nil

(ii) Debentures and Bonds

Nil

(iii) Units of mutual funds

Nil

(iv) Government Securities

Nil

(v) Others (please specify)

Nil

2. Unquoted:

(i) Shares:

(a) Equity

Nil

(b) Preference

Nil

(ii) Debentures and Bonds

Nil

(iii) Units of mutual funds

Nil

(iv) Government Securities

Nil

(v) Others (please specify)

Nil

Long Term investments:

1. Quoted:

(i) Shares:

(a) Equity

-

(b) Preference

Nil

(ii) Debentures and Bonds

Nil

(iii) Units of mutual funds

Nil

(iv) Government Securities

Nil

(v) Others (please specify)

Nil

2. Unquoted:

(i) Shares:

(a) Equity

65.15

(b) Preference

Nil

(ii) Debentures and Bonds

Nil

(iii) Units of mutual funds

Nil

(iv) Government Securities

Nil

(v) Others (please specify)

Nil

5) **Borrower group-wise classification of assets financed as in (2) and (3) above:**

Category	Amount (Net of Provisions)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
3. Branch (Hyderabad & Surat)	Nil	Nil	Nil
Total	Nil	Nil	Nil

6) **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

Category	Market Value / Break up or fair value or NAV*	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group**	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	Nil	Nil
Total	Nil	Nil

*Breakup / NAV of investments in unquoted equity shares have been carried at cost.

**Identified by the management.

7) **Other information:**

Particulars	Amount
(i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
(iii) Assets acquired in satisfaction of debt	Nil

- 12 The company has no foreign currency transaction during the year and hence Accounting Standard 11 is not applicable.
- 13 Previous year figures have been regrouped/ reclassified wherever considered necessary to make them comparable with current year's figures.

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COMPANY SECRETARY & COMPLIANCE OFFICER
MEM. NO. A64919

DATE : 15.06.2021



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