Cash flow not applicable to below small companies :

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|  |
| Paid up capital below 4 Cr & |
| Turnover below 40 cr |

Caro 2020 not applicable to below companies :

1. A private company which is not holding or subsidiary Company of a public company;
2. A private company having paid up capital and reserve and surplus below Rs 1 Crore as on the balance sheet;
3. A private company with total borrowing below Rs. 1 crore from any bank and financial institution at any point of time during the financial year;
4. A private company with total revenue below Rs 10 Crore during the financial year; and v) CARO shall also not apply to the auditor's report on the consolidated financial statement (CFS) of the Company.
5. Small companies [Paidup capital below Rs 4 cr and turnover below Rs 40 cr]

**[However if paidup capital + reserve exceeds Rs 1 cr, caro becomes applicable]**