



CIN : L65910HR1983PLC050169
Website : sitalleasingfinance.com
Mob.: +91-9891709895, +91-8800446397
E-mail : sitalleasing83@gmail.com, sitalleasing@gmail.com

SITAL
LEASING AND FINANCE LIMITED
(An ISO 9001 : 2015 Certified Company)

Regd. Off.:
322, 3rd Floor, SS Plaza Commercial Complex,
Mayfield Garden, Sector-47,
Gurugram, Haryana - 122001

Date: 23-07-2020

To,
The Head- Listing & Compliances
Metropolitan Stock Exchange of India Limited
Vibgyor Towers, 4th floor, Plot No C 62, G - Block,
Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E),
Mumbai – 400098

Subject: Submission of Annual Report (including Notice of AGM) under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the Financial Year 2019-20. (SYMBOL: SITAL)

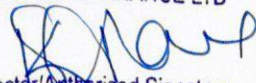
Dear Sir,

With reference to the above mentioned subject, please find enclosed herewith the Annual Report (including AGM Notice) as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the Financial Year 2019-20.

You are requested to take the above on your records and acknowledge the same.

For and on behalf of
Sital Leasing and Finance Limited

For SITAL LEASING AND FINANCE LTD


Director/Authorised Signatory

Surendra Kumar Jain
Managing Director
DIN: 00530035
Address: 555, Double Story Market
New Rajinder Nagar, New Delhi 110060

SITAL LEASING AND FINANCE LIMITED

SITAL
LEASING AND
FINANCE LIMITED

37TH
ANNUAL REPORT
2019-2020



CONTENTS

SITAL LEASING AND FINANCE LIMITED

S. NO.	PARTICULARS
1.	Corporate Information
2.	Notice
3.	Route Map
4.	Director's Report <ul style="list-style-type: none">• MGT-9 (Annexure-I)• AOC-1 (Annexure-II)• AOC-2 (Annexure- III)
5.	Management Discussion & Analysis Report (Annexure-IV)
6.	Corporate Governance Report (Annexure-V)
7.	Independent Auditor's Report (Annexure-VI) Financial Statements: Balance Sheet Statement Profit & Loss Account Cash Flow Statement Accounting Policies and Notes on Accounts
8.	Secretarial Audit Report (Annexure-VII)
9.	Proxy Form
10.	Attendance Slip

CORPORATE INFORMATION

CIN: L65910HR1983PLC050169

BOARD OF DIRECTORS

Mr. Surendra Kumar Jain, Managing Director

SITAL LEASING AND FINANCE LIMITED

Mrs. Priti Jain, Director
Mr. Sujan Mal Mehta, Independent Director
Mr. Anil Prakash, Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Nishu Jain
Company Secretary and Compliance Officer

SECRETARIAL AUDITORS

M/s S Ravi & Associates
(Company Secretaries)
7B, Sanjay Nagar, Gulabi Bagh,
New Delhi 110007

STATUTORY AUDITORS

M/s. MAK & Company,
Chartered Accountants
111/2, Bhagwan Nagar Ashram
Near Gurudwara Bala Sahib,
New Delhi-110014

SCRUTINIZER

M/s S Ravi & Associates
(Company Secretaries)
7B, Sanjay Nagar, Gulabi Bagh,
New Delhi 110007

INTERNAL AUDITOR

Mr. Deepak Bhojak

REGISTERED OFFICE

Office No. 322, 3rd Floor, S.S. Plaza Commercial Complex
Mayfield Garden, Sector-47, Gurugram, Haryana- 122001

CORPORATE OFFICE

16/121-122, Jain Bhawan, Faiz Road,
Karol Bagh, New Delhi-110005

BANKERS

Dena Bank, Nehru Place, New Delhi
HDFC Bank, Old Rajinder Nagar, New
Delhi
Punjab National Bank, New Delhi

REGISTRAR AND TRANSFER AGENT

Bigshare Services Pvt. Ltd.
302, Kushal Bazar, 32-33, Nehru Place,

SITAL LEASING AND FINANCE LIMITED
New Delhi-110019

**STOCK EXCHANGE(S) WHERE
COMPANY'S SECURITIES ARE
REGISTERED**

Metropolitan Stock Exchange of India
Limited (MSEI)

EMAIL

sitalleasing83@gmail.com
sitalleasing@gmail.com

INVESTORS HELPDESK & EMAIL

Ms. Nishu Jain
Company Secretary cum Compliance officer
sitalleasing83@gmail.com

WEBSITE

www.sitalleasingfinance.com

CONTACT NO.

91-9891709895

BOARD COMMITTEE

AUDIT COMMITTEE

Mr. Anil Prakash, Chairperson
Mr. Surendra Kumar Jain, Member
Mr. Sujan Mal Mehta, Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Anil Prakash, Chairperson
Mrs. Priti Jain, Member
Mr. Sujan Mal Mehta, Member

SITAL LEASING AND FINANCE LIMITED

STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Sujan Mal Mehta, Chairperson
Mrs. Priti Jain, Member
Mr. Anil Prakash, Member

RISK MANAGEMENT COMMITTEE

Mrs. Priti Jain, Chairperson
Mr. Sujan Mal Mehta, Member
Mr. Anil Prakash, Member

ASSET LIABILITY MANAGEMENT COMMITTEE

Mrs. Priti Jain, Chairperson
Mr. Sujan Mal Mehta, Member
Mr. Anil Prakash, Member

INVESTMENT COMMITTEE

Mrs. Priti Jain, Chairperson
Mr. Sujan Mal Mehta, Member
Mr. Anil Prakash, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mrs. Priti Jain, Chairperson
Mr. Sujan Mal Mehta, Member
Mr. Surendra Kumar Jain, Member

SITAL LEASING AND FINANCE LIMITED

Regd. Office: 322, 3rd Floor, S.S Plaza Commercial Complex, Mayfield Garden, Sector-47,
Gurugram, Haryana- 122001

Corp. Office: 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

CIN: L65910HR1983PLC050169; **Ph. No.:** 91-9891709895

E-mail Id: sitalleasing83@gmail.com, sitalleasing@gmail.com

Website: www.sitalleasingfinance.com

NOTICE

Notice is hereby given that the 37th Annual General Meeting of the Company will be held on Thursday, 20th Day of August, 2020 at 01:00 P.M. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. APPROVAL OF FINANCIAL RESULTS, DIRECTOR’S & AUDITOR’S REPORT

SITAL LEASING AND FINANCE LIMITED

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

“RESOLVED THAT pursuant to the provisions of Section 134 of the Companies Act 2013, the Financial Statements containing the Balance Sheet, Profit and Loss Account, Cash Flow statements, Note & Schedules appended thereto for the Financial Year ended 31st March 2020 together with the Board’s Report and Auditor’s Report thereon be and are hereby received, considered and adopted.”

2. RETIRE BY ROTATION AS PER SECTION 152(6) OF COMPANIES ACT, 2013

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

To appoint a Director in place of **Mr. Surendra Kumar Jain, Managing Director (DIN: - 00530035)**, who retires by rotation and being eligible offers himself for re-appointment in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT Mr. Surendra Kumar Jain, Managing Director (DIN:- 00530035), who retire by rotation in terms of Section 152 of Companies Act, 2013 and being eligible be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation”.

**By Order of the Board of Directors
Sital Leasing And Finance Limited**

**Nishu Jain
Company Secretary**

Date: 22.07.2020

Place: Gurugram

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to sharmalegal17@gmail.com with a copy marked to evoting@nsdl.co.in

4. The Members can join the Annual General Meeting in the VC/OAVM mode 30 minutes before

SITAL LEASING AND FINANCE LIMITED

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 Annual General Meeting through VC/OAVM will be made available for at least 1000 members on first come first served basis. This will 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 Annual General Meeting without restriction on account of first come first served basis.

5. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from **14th August 2020 to 20th August 2020**.

6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Bigshare Services Private Limited for assistance in this regard.

7. Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the company in case the shares are held by them in physical form.

8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Company in case the shares are held by them in physical form.

9. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Company in case the shares are held in physical form.

10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

12. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.sitalleasingfinance.com and websites of the Stock Exchanges i.e. Metropolitan Stock Exchange Of India Limited at www.msei.in and on the website of NSDL www.evoting.nsdl.com.

13. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

14. At the 36th AGM held on September 28, 2019 the Members approved appointment of MAK & Co., Chartered Accountants (Firm Registration No. 028454N) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 41th AGM, subject to ratification of their appointment by Members at every AGM, if so required

SITAL LEASING AND FINANCE LIMITED

under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors in the AGM.

15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

16. Instructions for e-voting and joining the AGM are as follows:

VOTING THROUGH ELECTRONICS MEANS

1. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
2. The remote e-voting period commences on **Monday, August 17, 2020 (9:00 a.m. IST) and ends on Wednesday, August 19, 2020 (5:00 p.m. IST)**. During this period, Members holding shares either in physical form or in dematerialized form, as on **Thursday, August 13, 2020** i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
3. The Board of Directors has appointed **Mr. Ravi Sharma (Membership No. ACS 54818) of M/s S Ravi & Associates, Practicing Company Secretaries** as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
4. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
5. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
6. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in . However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

1. PROCEDURE TO LOGIN TO E-VOTING WEBSITE

How do I vote electronically using NSDL e b-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. 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 amobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/>with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID isIN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e.a.pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on (www.evoting.nsdl.com).
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the checkbox.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.

SITAL LEASING AND FINANCE LIMITED

4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

A. Instructions for Members for attending the AGM through VC / OAVM are as under:

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company’s AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
3. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at sitalleasing@gmail.com from August 17, 2020 (9:00 a.m. IST) to August 19, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolution set out in this notice:

1. In case shares are held in physical mode please provide 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 sitalleasing@gmail.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to sitalleasing@gmail.com
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

The instructions for members for E-Voting on the day of AGM are as under: -

1. The procedure for e-Voting on the day of the Annual General Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the Annual General Meeting 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 in the Annual General Meeting.
3. Members who have voted through remote e-voting will be eligible to attend the Annual General Meeting. However, they will not be eligible to vote at the Annual General Meeting.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the Annual General Meeting shall be the same person mentioned for remote e-voting.

**By Order of the Board of Directors
Sital Leasing And Finance Limited**

**Nishu Jain
Company Secretary**

**Date: 22.07.2020
Place: Gurugram**

**DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-
APPOINTMENT**
**(In Pursuance of Regulation 36 (3) of SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015**

Name of Director	Mr. Surendra Kumar Jain
Nationality	Indian

SITAL LEASING AND FINANCE LIMITED

Date of Appointment	25/09/2008
Qualifications	B.Com, LLB
Number of Shares held in the Company	1147500
Expertise in specific Functional areas	Financial Sector
Director of other Listed Companies (excluding foreign Companies)	1. Shri Niwas Leasing And Finance Limited 2. Sunshine Capital Limited
Membership / Chairmanship of Committees of the Board in other Listed Companies	1. Shri Niwas Leasing And Finance Limited • Audit Committee_Member • Assets Liability Management Committee_Member • Investment Committee_Member • Nomination and Remuneration Committee_Member • Risk Mgmt Comm._Member • Stakeholder Relationship Comm._Member 2. Sunshine Capital Limited • Audit Committee_Member • Assets Liability Management Committee_Member • Investment Committee_Member
Relationship between Director Interest	Nil

DIRECTOR'S REPORT

To
The Members
Sital Leasing And Finance Limited

The Directors have pleasure in presenting before you the 37th Annual Report on the business and operations of the Company along with the Audited Financial Statement for the financial year ended 31st March, 2020.

FINANCIAL SUMMARY HIGHLIGHTS

SITAL LEASING AND FINANCE LIMITED

Financial Result of the Company for the year under review along with the figures for previous year is as follows:

PARTICULARS	(IN '000')	
	31 st MARCH, 2020	31 st MARCH, 2019
Total Income	17,401	45,431
Profit before Tax	7,104	22,044
Current Tax	2,857	7,317
MAT Credit Entitlement	-	-
Deferred Tax	(231)	(291)
Net Profit after Tax	4,478	15,018

1. STATE OF COMPANY AFFAIRS

During the Financial Year 2019-2020, the Company has recorded Revenue of ₹ 1,74,00,626.64 /-. The Company has earned Net Profit of ₹ 44,78,470.92/- during the year as compared to Profit of ₹ 1,50,17,706.23 in the last year. The Directors are optimistic about future performance of the Company.

2. GLOBAL HEALTH PANDEMIC FROM COVID-19

The World Health Organization declared a global pandemic of the Novel Corona virus disease (COVID-19) on February 11, 2020. In enforcing social distancing to contain the spread of the disease, our offices and client offices all over the world have been operating with minimal or no staff for extended periods of time. In keeping with its employee-safety first approach, the Company quickly instituted measures to trace all employees and be assured of their well-being. Our teams reacted with speed and efficiency, and quickly leveraged technology to shift the workforce to an entirely new 'work-from-home' model. Proactive preparations were done in our work locations during this transition to ensure our offices are safe.

3. WEB ADDRESS OF ANNUAL RETURN

The Web Address where Annual Return of the Company for the Financial Year 2019-20 referred in sub-section (3) of Section 92 has been placed at: www.sitalleasingfinance.com

However, the Extract of Annual Return (MGT-9) also annexed herewith marked as **Annexure-I**.

4. CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of company.

5. SUBSIDIARY/ASSOCIATES/ JOINT- VENTURE COMPANIES

During the Financial Year 2019-2020, The Company has two Associates company i.e. Solomon Holdings Private Limited and Utsav Securities Private Limited. Accordingly, AOC-1 is attached to this Annual Report as separate section under **Annexure-II**.

6. SHARE CAPITAL

SITAL LEASING AND FINANCE LIMITED

The Authorized Share Capital is ₹ 65,00,00,000/- and Paid up Share Capital as on 31st March, 2020 was ₹61,25,73,750 /-. There was no change in share capital of the company during the year.

7. DIVIDEND

As the company kept the profits for investment in better projects it regret not to recommend any dividend.

8. TRANSFER TO RESERVES

During the year under review Company has transferred ₹ 10,21,475/- to the Statutory Reserves Fund from the profits of the Company in accordance with the provision of Section 45IC of the Reserve Bank of India.

9. RBI GUIDELINES

The Company continues to fulfil all the norms and standards laid down by the Reserve Bank of India for the Non-Banking Financial Company.

10. NBFC REGISTRATION

The Company has been registered with Reserve Bank of India as Non-Banking Finance Company Vide Registration No. B-14.02131 dated 21st December, 2001.

11. NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS, 2016

Pursuant to the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, a Certificate from the Statutory Auditors to the Board of Directors' has been received by your company. This Certificate has certified that the company has complied with all the directions and prudential Norms as prescribed under the RBI ACT, 1934.

12. NON-ACCEPTANCE OF PUBLIC DEPOSITS

The Company is a Non- Banking Finance Company (Non-Deposit taking). Therefore the Company has not accepted any Public Deposits or any Fixed Deposit during the Financial Year 2019-2020.

13. BOARD OF DIRECTORS

A. Re-Appointment of Director

Mr. Surendra Kumar Jain (DIN: 00530035), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors recommends her re-appointment..

B. Declaration by Independent Directors

The Independent directors have submitted their disclosure to the Board that they fulfil all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149(6) of the Companies Act, 2013 as well as SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015. The policy of regularization is also available on Company's Website.

C. Company Secretary

SITAL LEASING AND FINANCE LIMITED

Ms. Nishu Jain, an Associate Member of the ICSI, Delhi has been appointed, by the Board of Directors, as Company Secretary and Compliance Officer of the Company **with effect from 22th April, 2019.**

D. Chief Financial Officer

Mr. Piyush Jain was appointed, by the Board of Directors of the Company, as Chief Financial Officer of the Company with effect from 12th November, 2018.

E. Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed there under:

- 1. Mr. Surendra Kumar Jain, Managing Director**
- 2. Ms. Nishu Jain, Company Secretary and Compliance Officer**
- 3. Mr. Piyush Jain, Chief Financial Officer**

F. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committees, Investment Committee and Asset Liability Management Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

14. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provision of section 134(5) of the Companies Act, 2013 the Board confirms and submits the Director's Responsibility Statement:

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review;
- The Directors have taken proper & sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for prevention & detecting fraud & other irregularities;
- The Directors have prepared the accounts for the Financial Year ended 31st March, 2020 on a going concern basis.
- 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.
- The Directors had devised proper system to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

15. NO. OF BOARD MEETINGS HELD

The Board of Directors duly met (14) fourteen times during the Financial Year from 1st April, 2019 to 31st March, 2020. The dates on which meetings were held are as follows:

22th April 2019, 09th May 2019, 15th May 2019, 28th May 2019, 13th June 2019, 17th June 2019, 20th June 2019, 22th July 2019, 02nd September 2019, 10th September 2019, 05th November 2019, 20th December 2019, 22nd January 2020, 07th March 2020.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees and Investment covered under the provisions of section 186 of the Companies Act, 2013 are not applicable to NBFC company. Further details of investment are given in the Notes to the Financial Statements.

17. INTERNAL FINANCIAL CONTROL SYSTEM

The Company has in place well defined and adequate internal controls commensurate with the size of the company and same were operating throughout the year. The company has in-house internal audit functions.

18. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

In pursuant to the provision of Section 177 (9) & (10) of the Companies Act, 2013, The Company has formulated a Whistle Blower Policy to establish a Vigil Mechanism for Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy is available on the website of the Company www.sitalleasingfinance.com

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no related party transactions under the provisions of section 188 of the Companies Act, 2013. Form AOC-2 attached for the purpose as *Annexure III*

20. MANAGEMENT DISCUSSION ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, is presented in a Separate Section which forms part of the Annual Report under *Annexure IV*.

21. CORPORATE GOVERNANCE

As per Regulation 15 (2) of SEBI (Listing Obligation and Disclosures requirement) Regulations, 2015, Report on Corporate Governance is applicable to the company. Accordingly, Corporate Governance Report is attached to this Annual Report as separate section under *Annexure V*.

22. AUDITORS

A. STATUTORY AUDITOR

At the 36th AGM held on September 28, 2019 the Members approved appointment of MAK & Co., Chartered Accountants (Firm Registration No. 028454N) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 41th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act.

SITAL LEASING AND FINANCE LIMITED

The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors in the AGM.

However, A Certificate from the Auditors has been received in the last Annual General Meeting of the Company to the effect that their appointment, if made, would be within the limits prescribed under section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to section 139(1), section 141(2) and section 141(3) of the companies Act, 2013, and the provisions of Companies (Audit and Auditors) Rules, 2014.

● **Statutory Auditor's Report**

The Auditors have given an Audit Report on Financial of 2019-2020 and annexed herewith marked as **Annexure VI** to the annual report.

● **Statutory Auditor's Observations**

- (A) There is a pending tax demand of Rs. 10.07 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2010-11. The company has filed an appeal before CIT(A) against the demand for A.Y. 2010-11. The matter is pending before CIT(A). The company is hopeful to get relief.
- (B) There is a pending tax demand of Rs. 3.04 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2011-12. The company has filed an appeal before CIT(A) against the demand for A.Y. 2011-12. The matter is pending before CIT(A). The company is hopeful to get relief.

The Board of Directors considered the matter and seeking to resolve the matter, if any.

B. SECRETARIAL AUDITOR

The Company has appointed M/s S Ravi & Associates, Company Secretaries as Secretarial Auditor to conduct the Secretarial Audit for the year 2019-20.

● **Secretarial Auditor's Report**

The Secretarial Audit Report is annexed herewith marked as **Annexure- VII** to this report in **Form No. MR-3**.

● **Secretarial Auditor's Observations**

The observations made by Auditors with reference to notes to account are Self explanatory and need no comments.

The Board of Directors considered the matter and seeking to resolve the matter, if any.

C. INTERNAL AUDITOR

The Company has appointed Mr. Deepak Bhojak as an Internal Auditor of the Company for the financial year 2019-2020.

● **Internal Auditor's Report**

Mr. Deepak Bhojak placed the internal audit report to the Board of Directors.

Internal Auditor's Observations

Internal Audit Report is Self-explanatory and need no comments.

23. MAINTENANCE OF COST RECORDS

Maintenance of Cost Audit Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company and accordingly such accounts and records are not required to be made and maintained.

Also Cost Audit is not applicable to the Company.

24. ENHANCING SHAREHOLDER VALUE

Our Company firmly believes that its success in the market place and a good reputation is among the primary determination of value to the shareholders.

25. DEMATERIALISATION OF SHARES

The Company has connectivity with NSDL & CDSL for dematerialization of its equity shares. The ISIN- INE341O01029 has been allotted for the Company. Therefore, the matter and/or investors may keep their shareholding in the electronic mode with their Depository Participates. 86.61% of the Company's Paid-up Share Capital is in dematerialized form and balance 13.39% is in physical form as on 31st March, 2020.

26. PARTICULARS OF EMPLOYEES

Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March, 2020.

Sr. No.	Name of Directors	Remuneration P.A	Ratio to Median Remuneration of Employees
1.	Surendra Kumar Jain	2,00,000 P.M.	NIL

Note: No sitting fees paid to Independent Directors and Non-executive director and hence not included in the above table.

2. The percentage increase in remuneration of each director CFO, CEO, Company Secretary or Manager, if any, in the financial year 2019-20: **5%***
3. The number of permanent employees on the rolls of the company as on 31st March, 2020 is 8 (Eight)
4. Affirmation that the remuneration is as per the remuneration policy of the company:

Pursuant to Rule 5(1)(Xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

* There was an increment of 5% of Company Secretary according to the policy of the company.

27. CREDIT RATING

The Directors of the Company are pleased to report that the Company get its membership Certificate from all four CICs i.e. TransUnion Credit Information Bureau (India) Limited (CIBIL), Equifax Credit Information Services Private Limited (ECIS), Experian Credit Information Company of India Pvt. Ltd, CRIF High Mark Credit Information Services Pvt. Ltd.

28. EXPOSURE TO REAL ESTATE

The following are details of loan provided to the Companies engaged in real estate business during the Financial Year 2019-2020:

(₹)		
S. No.	Name of Companies	Amount Outstanding as on 31st March, 2020
1.	Prosper Buildtech Pvt. Ltd	7,38,000.00

29. CAPITAL FUND TO RISK WEIGHTED ASSETS

Percentage to capital funds to risk weighted assets/exposures:

Particulars	(In %)
Tier -I Capital	99.45
Tier-II Capital	0.08
Total	99.53

30. HEALTH, SAFETY AND ENVIRONMENT PROTECTION

The Company has complied with all the applicable environmental law and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

31. HUMAN RESOURCES

People remain the most valuable asset of your Company. Your Company follows a policy of building strong team of talented professionals. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. It has built an open, transparent and meritocratic culture to nurture this asset.

The Company recognizes people as its most valuable asset and The Company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operations of the Company.

32. DISCLOSURE OF FRAUDS IN THE BOARD'S REPORT UNDER SECTION 143 OF THE COMPANIES ACT, 2013

During the year under review, your Directors do not observe any transactions which could result in a fraud. Your Directors hereby declares that the Company has not been encountered with any fraud or fraudulent activity during the Financial Year 2019-2020.

33. COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock Exchange(s), Securities and Exchange Board of India (SEBI) etc.

The Company has complied with all applicable provisions of the Companies Act, 2013, Listing Agreement executed with the Stock Exchange(s), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

34. SECRETARIAL STANDARDS OF ICSI

Pursuant to the approval by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India on April 10, 2015, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 01, 2015. Thereafter, Secretarial Standards were revised with effect from October 01, 2017. The Company is in compliance with the Secretarial Standards.

35. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Policy is available on the website of the company i.e. www.sitalleasingfinance.com

The following is a summary of Sexual Harassment Complaints received and disposed off during the year 2019-2020.

• No of complaints received	:	0
• No of complaints disposed off	:	N.A.

36. DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY

The assets of the Company are adequately insured against the loss of fire, riot, earthquake, terrorism, loss of profits, etc other risks which considered necessary by the management. The Company has been addressing the various risks impacting the Company and policy of the Company on risk management is continuously reviewed by Management of the Company and is available on website of the company i.e. www.sitalleasingfinance.com

37. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

Except as disclosed elsewhere in the Report, there have been no material changes and commitments made between the end of the financial year of the company and the date of this report.

38. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

During the Financial Year 2019-2020, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company.

39. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Companies Act, 2013 along with the Rules there under and revised Schedule VII to the Act, concerning Corporate Social Responsibility (CSR), have been notified on 27th February 2014, which came into effect from 1st April 2014, the Company being covered under the provisions of the said section has taken necessary initial steps in this regard.

The Corporate Social Responsibility Policy of the Company is displayed on website of the company www.sitalleasingfinance.com. As the Company has to spend 3,77,976 for the Financial Year 2019-2020 towards CSR activities. But due to Covid-19 pandemic the company did not spend the amount during the lockdown period. Our company is searching a project which is related to education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. After getting a suitable project our company will spend this amount. Our company will try to spend this amount as soon as possible. The company will attach the details and receipt of spending when it will be paid by the company with AOC-4 which has to be filed for the FY 2019-2020. Further the brief details about CSR is annexed herewith.

40. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished

(A) Conservation of energy

Steps taken / impact on conservation of energy, with special reference to the following:

Steps taken by the company for utilizing alternate sources of energy including waste generated:
NIL

(B) Technology absorption

Efforts, in brief, made towards technology absorption. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.

The Company has not taken any technical knowhow from anyone and hence not applicable.

In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

The Company has not imported any technology and hence not applicable.

Expenditure incurred on Research and Development: The Company has not incurred any expenditure on research and development.

(c) Foreign Exchange Earnings/ Outgo:

SITAL LEASING AND FINANCE LIMITED

Foreign Exchange Earnings And Outgoings	31st March, 2020	31st March, 2019
Earnings in Foreign Currency (FOB Value of exports)	NIL	NIL
Expenditure in Foreign Currency	NIL	NIL

ACKNOWLEDGEMENT

The Directors are thankful to the Bankers, Customers, Dealers, and Vendors for their valuable support and assistance. The Directors wish to place on record their appreciation of the commendable work done, dedication and sincerity by all the employees of the Company at all levels during the year under review. The Company will make every effort to meet the aspirations of its shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

**For and on behalf of the Board of Directors
Sital Leasing And Finance Limited**

**Date: 22.07.2020
Place: Gurugram**

**Priti Jain
Director
DIN: 00537234**

**Surendra Kumar Jain
Managing Director
DIN: 00530035**

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31/03/2020

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

REGISTRATION AND OTHER DETAILS

a)	CIN	L65910HR1983PLC050169
b)	Registration Date	10/10/1983
c)	Name of Company	Sital Leasing And Finance Limited
d)	Category of Company	Having Share Capital
e)	Sub-Category of Company	Indian Non-Government Company
f)	Address of Company	<u>REGISTERED OFFICE</u> Office No. 322, 3 rd Floor, S.S. Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana- 122001 <u>CORPORATE OFFICE</u> 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005
g)	Listed/Unlisted	Listed
h)	Name & Address of RTA	Bigshare Services Pvt. Ltd. 302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019

II. PRINCIPAL BUSINESS ACTIVIES OF THE COMPANY

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

S. No	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Other Financial Services- Dealing in shares and securities	65910	99.99%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Utsav Securities Private Limited	U65993DL1995PTC063997	Associate company	30.20	Sec. 2(6)
2	Solomon Holding Private Limited	U65993DL2000PTC104410	Associate company	28.43	Sec. 2(6)

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

Category-wise share Holding

SITAL LEASING AND FINANCE LIMITED

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) HUF/ Individual	2579285	-	2579285	0.42	2579285	-	2579285	0.42	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	297140318	0	297140318	48.50	297150821	0	297150821	48.50	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	299719603	0	299719603	48.92	299730106	0	299730106	48.92	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs									
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions	0	0	0	0	0	0	0	0	0
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	33993682	0	33993682	5.55	34629704	0	34629704	5.65	0.01
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0

SITAL LEASING AND FINANCE LIMITED

i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	961960 9	5929 4800	6891440 9	11.2 5	8959916	5929 4800	68254716	11.14	- 0.11
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	185141 031	2456 6500	2097075 31	34.2 3	1726720 62	2270 3944	19537606 2	31.89	- 2.34
c) Others (specify)	238525	0	238525	0.03	1458316 2	0	14583162	2.38	2.35
Sub-total (B)(2):-	228992 847	8386 1300	3128541 47	51.0 7	2308448 44	8199 8744	31284364 4	51.07	(0.0 9)
Total Public Shareholding (B)=(B)(1)+(B)(2)	228992 847	8386 1300	3128541 47	51.0 7	2308448 44	8199 8744	31284364 4	51.07	(0.0 9)
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	528712 450	8386 1300	6125737 50	100	5305749 50	8199 8744	61257375 0	100	0

ii Share Holding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Surender Kumar Jain	1147500	0.18	-	1147500	0.18	-	-
Virendra Jain	629100	0.10	-	629100	0.10	-	-
Babita Jain	65100	0.01	-	65100	0.01	-	-
Priti Jain	610085	0.10	-	610085	0.10	-	-
Ram Chander	127500	0.02	-	127500	0.02	-	-
Rajesh Kumar Mishra	-	-	-	-	-	-	-
Pelicon Finance & Leasing Ltd	12877500	2.10	-	12877500	2.10	-	-
Synergy Finlease Pvt.	14025000	2.28	-	14025000	2.28	-	-

SITAL LEASING AND FINANCE LIMITED

Ltd							
Wonder Trading Pvt. Ltd	14025000	2.28	-	14025000	2.28	-	-
Avail Financial Services Pvt. Ltd	45364291	7.40	-	45364291	7.40	-	-
Legend Infoways Pvt. Ltd.	95625000	15.61	-	95625000	15.61	-	-
Micro Land Developers Pvt. Ltd	89250000	14.57	-	89250000	14.57	-	-
Alstone Textiles India Limited (Formerly Known as Shalini Holdings Limited)	15820200	2.58	-	15820200	2.58	-	-
Paschim Finance & Chit Fund Pvt. Ltd.	1797750	0.29	-	1797750	0.29	-	-
Silvant Investment & Finance Pvt. Ltd	1328550	0.22	-	1328550	0.22	-	-
Mekastar Finlease Limited	846560	0.14	-	846560	0.14	-	-
Utsav Securities Pvt Ltd	5421432	0.88	-	5431935	0.88	-	-
Transnational Growth Fund Limited	759035	0.12	-	759035	0.12	-	-
TOTAL	299719603	48.92	-	299730106	48.92	-	0

iii Change in promoter's shareholding

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	299719603	48.92	299719603	48.92

SITAL LEASING AND FINANCE LIMITED

Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Transfer on 31.03.2019	NO CHANGE DURING THE YEAR			
At the End of the year	299719603	48.92	299719603	48.92

Shareholding of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	105984406	17.30	97349218	15.59
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
At the End of the year (or on the date of separation, if separated during the year)	105984406	17.30	97349218	15.89

Shareholding of Directors and Key Managerial Personnel:

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1910585	0.31	1910585	0.31
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
At the End of the year	1910585	0.31	1910585	0.31

INDEBTNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				

SITAL LEASING AND FINANCE LIMITED

i) Principal Amount	36,90,000	-	-	36,90,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	36,90,000	-	-	36,90,000
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	13,91,036	-	-	13,91,036
Net Change	13,91,036	-	-	13,91,036
Indebtedness at the end of the financial year				
i) Principal Amount	22,98,964	-	-	22,98,964
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	22,98,964	-	-	22,98,964

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross Salary Salary as per provisions contained in section 17(1) of the Income –tax Act,1961 Value of perquisites u/s 17(2) Income tax Act, 1961 Profit in lieu of salary under section 17(3) Income tax Act,1961	Surendra Kumar Jain (MD)	8,00,000/-	-	-	8,00,000/-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission As % of profit others, Specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total (A)	-	8,00,000/-	-	-	8,00,000/-
	Ceiling as per the Act	-	-	-	-	-

B. Remunerations to others Director

S. No.	Particulars of Remuneration	Name of Director				Total Amount
		-----	-----	-----	-----	
1.	1. Independent Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, Please specify 	-	-	-	-	-
2.	Total (1)	-	-	-	-	-

SITAL LEASING AND FINANCE LIMITED

3.	2. Other Non – Executive Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	-	-	-	-	-
4.	Total (2)	-	-	-	-	-
5.	Total (B) = (1+2)	-	-	-	-	-
6.	Total Managerial Remuneration	-	-	-	-	-
7.	Overall Ceiling as per the Act	-	-	-	-	-

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (Nishu Jain)	CFO (Piyush Jain)	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income –tax Act,1961	-	2,95,110/-	6,919/-	3,02,029/-
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	-	-	-	-
	(c) Profit in lieu of salary under section 17(3) Income tax Act,1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission <ul style="list-style-type: none"> - As % of profit - Others specify..... 	-	-	-	-
5.	Others, Please specify	-	-	-	-
	Total	-	2,95,110/-	6,919/-	3,02,029/-

II. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief Description	Details of Punishment/ Compounding imposed	Penalty/ fees	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY						
Penalty	-	-	-	-	-	-
Punishment	-	-	-	-	-	-
Compounding	-	-	-	-	-	-
B. DIRECTORS						

SITAL LEASING AND FINANCE LIMITED

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

C. OTHER OFFICERS IN DEFAULT

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE-II**FORM NO. AOC-1**

(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "B" Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(IN ₹)

Name Of Associates/ Joint Ventures	Solomon Holdings Private Limited	Utsav Securities Private Limited
1. Latest Audited Balance Sheet Date	31-03-2020	31-03-2020
2. Date of acquisition of shares in the company	31-03-2011	31-03-2011
3. Shares of Associate/Joint Ventures held by the Company on the year end		
1. No. of Shares	32,50,000	32,50,000
2. Amount of Investment in Associates/ Joint Venture	325,00,00,000/-	325,00,00,000/-
3. Extend of Holding %	28.43%	30.20%

SITAL LEASING AND FINANCE LIMITED

4.Networth attributable to Shareholding as per latest audited Balance Sheet	9,69,13,42,982	9,56,82,18,586
5.Profit /Loss for the year	(29,160)	10,50,645
i. Considered in Consolidation	(8,299)	3,17,295
ii.Not Considered in Consolidation	(20,861)	7,33,350

**For and on behalf of the Board of Directors
Sital Leasing And Finance Limited**

**Date:22.07.2020
Place: Gurugram**

**Priti Jain
Director
DIN: 00537234**

**Surendra Kumar Jain
Managing Director
DIN: 00530035**

ANNEXURE-III**FORM NO. AOC – 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

- (a) Name(s) of the related party and nature of relationship: NIL
(b) Nature of contracts/arrangements/transactions: NIL
(c) Duration of the contracts / arrangements/transactions: NIL
(d) Salient terms of the contracts or arrangements or transactions including the value: NIL
(e) Justification for entering into such contracts or arrangements or transactions: NIL
(f) Date of approval by the Board: NIL
(g) Amount paid as advances: NIL
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL

➤ As per Accounting Standard 18 on related Party disclosure issued by the Institute of chartered Accountants of India, the nature and volume of transaction of the company during the year with the related parties were as follows:

Name of the Related Party	Relationship	Nature of Transaction	Number of Transaction	Amount of Transaction	Amount o/s on B.S Date
KDG Properties & constructions	Virendra Jain Director of KDG Properties &	Investment	0	0	200,00,00,000

SITAL LEASING AND FINANCE LIMITED

Private Limited	Construction Pvt. Ltd. is Brother of Surendra Kumar Jain				
Utsav Securities Private Limited	Virendra Jain Director of Utsav Securities Pvt. Ltd. is Brother of Surendra Kumar Jain	Investment	0	0	325,00,00,000
Surendra Kumar Jain	Managing Director	Director Remuneration	10	8,00,000/-	0
Nishu Jain	Company Secretary	KMP Remuneration	3	2,95,110/-	0
Sunshine Capital Ltd.	Same Director	Loan & Advances	5	1,41,52,284/-	0

ANNEXURE-IV**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Annexure -II

A ECONOMIC OUTLOOK

The long-term fundamentals of the Indian Economy continue to be strong due to rising incomes and large investments. These growth drivers are expected to sustain over a long period of time. At the same time, there are some concerns due to uncertain global economic environment and slow recovery in developed markets.

B. COMPANY OVERVIEW

The company is engaged in trading in Shares, Financial Services and Investment Activities where the outlook of the business seems to be encouraging over and above we have been diversified into different businesses ranging from third party product distributions (lowest balance sheet risk) to originating unsecured personal loans, corporate loans (highest balance sheet risk). We believe that we are well placed to leverage on the growth opportunities in the economy.

C. FINANCIAL PERFORMANCE

The Company has incurred a Net Profit of ₹ 4478,470.92/- during the year. The Directors are optimistic about future performance of the Company.

D. OPPORTUNITIES & THREATS**Opportunities**

- Increase in Income levels will aid greater penetration of financial products.
- Positive regulatory reforms.
- Increase in corporate growth & risk appetite.
- Greater efficiency in debt market operations which will also help greater penetration.
- Increased securitization.
- Focus on selling new product/services.

Threats

- Inflation could trigger increase in consumer price inflation, which would dampen growth.

SITAL LEASING AND FINANCE LIMITED

- Increased competition in both local & overseas markets.
- Unfavourable economic development.
- Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates.

E. RISK MANAGEMENT AND CONCERNS

The Company operates in the Financial Services Sector, which is affected by variety factors linked to Economic Development in India and globally which, in turn, also affected global fund flows. Any economic event across the globe can have direct or indirect impact on your company. To mitigate this, Company has diversified its revenue stream across multiple verticals. Your Company's risk management system is a comprehensive and integrated framework comprising structured reporting and stringent controls. Through its approach it strives to identify opportunities that enhance organizational values while managing or mitigating risks that can adversely impact the company's future performance. Within the organization, every decision taken is after weighing the pros and cons of such a decision making taking note of the risk attributable.

F. HUMAN RESOURCE

The Company keeps developing its organizational structure consistently over time. Efforts are made to follow excellent Human Resource practices. Adequate efforts of the Staff and Management Personnel are directed on imparting continuous training to improve the Management Practices.

The objective of your Company is to create a workplace where every person can achieve his or her full potential. The employees are encouraged to put in their best. Lot of hard work is put in to ensure that new and innovative ideas are given due consideration to achieve the short and long term objectives of your company.

G. MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The employees are satisfied and having good relationship with the Management.

H. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of conduct for its employees including the director. I confirm that the Company has in respect of the Financial Year ended 31st March, 2020, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the code of Conduct as applicable to them.

I. DISCLOSURE OF ACCOUNTING TREATMENT

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions of the 2013 Act, as applicable. The Financial Statements have been prepared on going concern basis under the historical cost convention on accrual basis.

The Company has follows to continue with the period of 1st day of April to 31st day of March, each year as its Financial Year for the purpose of Preparation of Financial Statements under the provisions of Section 2(41) of the Companies Act, 2013.

J. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

ANNEXURE-V**CORPORATE GOVERNANCE REPORT****(As Required Under Regulation 27 Of THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)**

Corporate governance is a term that refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations. The Corporate Governance is a key element in enhancing investor confidence, promoting competitiveness and ultimately improving economic growth.

The objective of Corporate Governance is "Enhancement of Long-Term Shareholders Value and ensuring the protection of rights of the shareholders" and your company reiterates its commitment to good Corporate Governance.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company policy on Corporate Governance rests on the pillars of transparency, accountability, integrity, equity and environment responsibility in all facets of its operations. Good Corporate Governance therefore, embodies both enterprise (performance) and accountability (conformance).

Independent directors are appointed not merely to fulfil the listing requirement but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions.

BOARD OF DIRECTORS

The Board of Company consists of four (4) Directors with a fair representation of executive, non-executive, independent directors and women director.

The Composition and Category of Board during the year as follows:

S. NO.	NAME	DESIGNATION	CATEGORY
1.	Mr. Surendra Kumar Jain	Managing Director	Executive & Non- Independent
2.	Mrs. Priti Jain	Director	Non- Executive & Non- Independent
3.	Mr. Sujan Mal Mehta	Director	Non- Executive & Independent

SITAL LEASING AND FINANCE LIMITED

4.	Mr. Anil Prakash	Director	Non- Executive & Independent
-----------	------------------	----------	------------------------------

1. BOARD MEETINGS

The Board of Directors duly met (14) fourteen times during the Financial Year from 1st April, 2019 to 31st March, 2020. The dates on which meetings were held are as follows:

22th April 2019, 09th May 2019, 15th May 2019, 28th May 2019, 13th June 2019, 17th June 2019, 20th June 2019, 22th July 2019, 02nd September 2019, 10th September 2019, 05th November 2019, 20th December 2019, 22nd January 2020, 07th March 2020.

The periodicity between two Board Meetings was within the maximum time gap as prescribed in the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015/ Companies Act, 2013.

The composition of the Board of Directors, their attendance at Board Meetings and last Annual General Meeting is as under:

Name of the Director	Designation	Category	Number of Board Meetings during the year		Attendance of Last AGM
			Held	Attended	
Mr. Surendra Kumar Jain	Managing Director	Executive & Non Independent	14	14	Yes
Mrs. Priti Jain	Director	Non-Executive & Non Independent	14	14	Yes
Mr. Sujan Mal Mehta	Director	Non-Executive & Independent	14	14	Yes
Mr. Anil Prakash	Director	Non-Executive & Independent	14	14	Yes

Information provided to the Board:

The Board of the Company is presented with all information under the following heads, whenever applicable and materially significant. These are summarised either as part of the agenda will in advance of the Board Meetings or are tabled in the course of the Board Meetings. This, inter-alia, include:

- Annual operating plans of businesses, capital budgets, updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Materially important litigations, show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents.
- Any material default in financial obligations to and by the Company or substantial non-payment for services rendered by the Company.
- Details of any joint venture or collaboration agreement or new client win.

SITAL LEASING AND FINANCE LIMITED

- Any issue, which involves possible public liability claims of substantial nature, including any judgment or order, which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Transactions had involved substantial payments towards good-will, brand equity, or intellectual property.
- Significant development in the human resources front.
- Sale of material, nature of investments, subsidiaries, assets which is not in the normal course of business.
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement.
- Quarterly update on the return from deployment of surplus funds.
- Non-compliance of any regulatory or statutory provisions or listing requirements as well as shareholder services as non-payment of dividend and delays in share transfer.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources /Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

Meeting of Independent Directors:

One Meeting of Independent Directors held on 29th March, 2020 during the Financial Year ended March 31, 2020.

The Meeting shall:

- Review the performance of non-independent directors and the Board as a whole;
- Review the performance of Chairman of the company, taking into account the views of Executive Directors and Non-Executive Directors and;
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAMME FOR DIRECTORS

At the time of appointing a director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected by him/her as a director of company. The chairman and Managing Director also have a one to one discussion with the newly appointed director to familiarize him/her with the company operations.

The Familiarization Programme policy for the directors is given on the website of the company i.e. www.sitalleasingfinance.com.

2. COMMITTEES MEETINGS

The Board has Seven Committees: The Audit Committee, The Nomination & Remuneration Committee, The Stakeholders' Relationship Committee, The Risk Management Committee, The Corporate Social Responsibility, The Asset Liability Management Committee and The Investment Committee.

A. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

Brief description of the terms of reference:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing the financial statements and draft audit report, including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
 - ❖ Any changes in accounting policies and practices;
 - ❖ Major accounting entries based on exercise of judgment by management;
 - ❖ Qualifications in draft audit report;
 - ❖ Significant adjustments arising out of audit;
 - ❖ Compliance with accounting standard;
 - ❖ Compliance with stock exchange and legal requirements concerning financial statements;
 - ❖ Any related party transactions as per Accounting Standard 18.
 - ❖ Reviewing the Company's financial and risk management policies.
 - ❖ Disclosure of contingent liabilities.
 - ❖ Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
 - ❖ Discussion with internal auditors of any significant findings and follow-up thereon.
 - ❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - ❖ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - ❖ Reviewing compliances as regards the Company's Whistle Blower Policy.
- Mandatory review of following information:
 - ❖ Management discussion and analysis of financial condition and results of operations;
 - ❖ Statement of significant related party transactions, submitted by management;
 - ❖ Management letters / letters of internal control weaknesses issued by Statutory Auditors and:
 - ❖ Appointment, removal and terms of remuneration of Internal Auditor.

Meetings of the Committee:

The Audit Committee comprises all three members of which Chairman of the Committee are Independent Director. During the Year 5 (Five) Audit Committee Meetings were convened and held.

SITAL LEASING AND FINANCE LIMITED

The Committee met 5 (Five) times on 08th April 2019, 28th May 2019, 22th July 2019, 05th November 2019, 22th January 2020 during the financial year ended March 31, 2020.

The Minutes of the Meetings of the Audit Committee are discussed and taken note by the board of directors.

The Statutory Auditor, Internal Auditor and Executive Directors are invited to the meeting as and when required.

The Composition of the Audit Committee and Their Attendance at the Meeting:

Name of Members	Category / Designation	No. of Meetings	
		Held	Attended
Mr. Anil Prakash	Chairperson	5	5
Mr. Sujan Mal Mehta	Member	5	5
Mr. Surendra Kumar Jain	Member	5	5

Powers of Audit Committee:

The audit committee shall have the following powers, which includes the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant with relevant expertise, if it considers necessary.

Review of Information by Audit committee:

The Audit Committee shall mandatorily review the following information:

- Management Discussion and analysis of financial condition and results of operations;
- Statement of Related Party Transactions (As defined by Audit Committee), submitted by Management;
- Management letters / letters of internal control weakness issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

B. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee comprises of Three Members of which the Chairman of the Committee is Independent Director. During the Year Two (2) Nomination & Remuneration Committee Meetings were convened and held.

Scope of the Committee:

The terms of reference of the remuneration committee in brief pertain to inter-alia, determining the Companies policy on and approve specific remuneration packages for Executive Director (s)/Manager under the Companies Act, 2013 after taking in to account the financial position of the Company, trend in the industry, appointees qualification, experience, past performance, interest of the Company and members.

Meetings of the Committee:

The Committee met Two (2) Times on 22th April 2019, 10th March 2020 during the Financial Year ended March 31, 2020.

The Minutes of the Meetings of the Nomination & Remuneration Committee are discussed and taken note by the board of directors.

The Composition of the Nomination & Remuneration Committee and their attendance at the meeting:

Name of Members	Category / Designation	No. of Meetings	
		Held	Attended
Mrs. Priti Jain	Member	2	2
Mr. Sujan Mal Mehta	Member	2	2
Mr. Anil Prakash	Chairperson	2	2

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee comprises all Three Members of which Chairman of the Committee is Independent Director. During the Year Two (2) Stakeholders' Relationship Committee Meetings were convened and held.

Scope of the Committee:

The scope of the Stakeholders' Relationship Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of Annual Report, non-receipt of dividend etc, and other related activities. In addition, the Committee also looks into matters which can facilitate better investor's services and relations.

Meetings of the Committee:

The Committee met Two (2) times on 28th May 2019 and 10th March, 2020 during the Financial Year ended on March 31, 2020.

The Minutes of the Meetings of the Stakeholders' Relationship Committee are discussed and taken note by the board of directors.

The Composition of the Stakeholders' Relationship Committee and their attendance at the meeting:

Name of Members	Category / Designation	No. of Meetings	
		Held	Attended
Mr. Sujan Mal Mehta	Chairperson	2	2
Mrs. Priti Jain	Member	2	2

SITAL LEASING AND FINANCE LIMITED

Mr. Anil Prakash	Member	2	2
------------------	--------	---	---

COMPLIANCE OFFICER

Name of the Compliance Officer	Ms. Nishu Jain* *(Ms. Nishu Jain was appointed as Company Secretary in the Company by Board of Directors from 22 nd April, 2019)
Contact Details	Registered Office Office No. 322, 3 rd Floor, S.S. Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana- 122001 Corporate office 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi- 110005
E- Mail ID	Sitalleasing83@gmail.com

D. RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprises all three members including Chairman of the Committee. During the Year Two (2) Risk Management Committee Meetings were convened and held.

Scope of the Committee:

The Committee constituted to understand and assess various kinds of risks associated with the running of business and suggesting/implementing ways and means for eliminating/minimizing risks to the business of the Company and periodic review of the management control procedures/tools used to mitigate such risks.

Meetings of the Committee:

The Committee met Two (2) times on 28th May 2019 and 10th March, 2020 during the Financial Year ended on March 31, 2020.

The Minutes of the Meetings of the Risk Management Committee are discussed and taken note by the board of directors.

The Composition of Risk Management Committee and their attendance at the meeting:

Name of Members	Category / Designation	No. of Meetings	
		Held	Attended
Mrs. Priti Jain	Chairperson	2	2
Mr. Sujan Mal Mehta	Member	2	2
Mr. Anil Prakash	Member	2	2

E. ASSET LIABILITY MANAGEMENT COMMITTEE

SITAL LEASING AND FINANCE LIMITED

The Asset Liability Management Committee of the Board comprised of the Three Members including chairman of the committee.

The Asset Liability Management Committee of the Board has been entrusted with the following Responsibilities:

- To ensure proper funding and capital planning, management of capital markets risks, profit planning, forecasting and analyzing interest movements etc.
- The ALCO should actively monitor the company's liquidity profile and should have sufficiently broad representation across major internal functions that can be directly influence the company's liquidity risks profile (e.g. lending, investment, securities, wholesale and retail funding).
- The ALCO should ensure that the risk measurement system adequately identifies and quantifies risk exposure.

Meetings of the Committee:

The Committee met Two (2) times on 28th May 2019 and 10th March, 2020 during the Financial Year ended on March 31, 2020.

The Composition of Asset Liability Management Committee and their attendance at the meeting:

Name of Members	Category / Designation	No. of Meetings	
		Held	Attended
Mrs. Priti Jain	Chairperson	2	2
Mr. Sujan Mal Mehta	Member	2	2
Mr. Anil Prakash	Member	2	2

F. INVESTMENT COMMITTEE

The Investment Committee of the Board comprised of Three Members including Chairman of the Committee. During the Year Two (2) Investment Committee meetings were convened and held. The Investment Committee of the Board has been entrusted with the following responsibilities:

- To keep check on sale and purchase of the investment of the company.
- Approve Personal and Business Loan.
- Approve the opening and operating of Letters of Credit, Buyers Credit, Forex facility etc.

Meetings of the Committee:

The Committee met Two (2) times on 28th May 2019 and 10th March 2020 during the Financial Year ended March 31, 2020.

The Minutes of the Meetings of the Investment Committee are discussed and taken note by the board of directors.

The Composition of Investment Committee and their attendance at the meeting:

SITAL LEASING AND FINANCE LIMITED

Name of Members	Category / Designation	No. of Meetings	
		Held	Attended
Mrs. Priti Jain	Chairperson	2	2
Mr. Sujan Mal Mehta	Member	2	2
Mr. Anil Prakash	Member	2	2

G CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per Section 135 of the Companies Act, 2013 every company having net worth of rupees five hundred Crore or more, or turnover of rupees one thousand Crore or more or a net profit of rupees five Crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

Accordingly, The Corporate Social Responsibility Committee of the Board comprised of three members out of which one member of the Committee is Independent Director.

The Board in its meeting held on 5th January, 2015 constituted Corporate Social Responsibility Committee.

The Committee has been formed with a view to undertake the following:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall include the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;
- recommend the amount of expenditure to be incurred on the activities referred in the above clause; and
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

Meetings of the Committee:

The Committee met Two (2) times on 28th May 2019 and 10th March 2020 during the Financial Year ended March 31, 2020.

The Composition of Corporate Social Responsibility Committee and their attendance at the meeting:

Name of Members	Category / Designation	No. of Meetings	
		Held	Attended
Mrs. Priti Jain	Chairperson	2	2
Mr. Surendra Kumar Jain	Member	2	2
Mr. Sujan Mal Mehta	Member	2	2

3. SHAREHOLDER'S MEETING

Meeting of Members held during the three previous financial years as mentioned below:

SITAL LEASING AND FINANCE LIMITED

YEAR	DATE	AGM/ EGM	VENUE	DAY	TIME
2019	28.09.2019	AGM	Empiru Entertainment, 389P, Sector 29, Gurgaon, Haryana-122022	Saturday	11:00 a.m.
2018	26.09.2018	AGM	Sandys Cocktails & Kitchen, 388 SCO Adjacent To Iffco Metro Station Behind Westin Hotel, Sector-29, Gurugram, Haryana 122001	Wednesday	10:00 a.m.
2017	27.09.2017	AGM	Sandys Cocktails & Kitchen, 388 SCO Adjacent To Iffco Metro Station Behind Westin Hotel, Sector-29, Gurugram, Haryana 122001	Wednesday	10:00 a.m.

❖ **No Extra Ordinary General Meeting of Members held during the year.**

4. MANAGEMENT**4.1. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A Statement of Management Discussion and Analysis is appearing elsewhere in this Annual report in terms of requirement of the Code of Corporate Governance.

4.2. DISCLOSURE OF MATERIAL TRANSACTIONS

Pursuant to Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations' 2015, Senior Management Members have given disclosures to the Board that there are no material, financial and commercial transactions where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company.

4.3. PRESENTATION TO INVESTORS

There was no presentation made to investor in the last year.

SUBSIDIARY, HOLDING COMPANY AND JOINT VENTURE

The Company does not have any subsidiary, Holding Company and Joint Venture.

APPOINTMENT/REAPPOINTMENT OF DIRECTORS

According to the Companies Act, 2013, at least two-third of the Board should consist of retiring directors. Of these, one-third is required to retire every year and, if eligible, may seek re-appointment by the shareholders.

Accordingly, Mrs. Priti Jain retires from Board by rotation this year and, being eligible, has offered her candidature for re-appointment. Her candidature has been recommended by the Remuneration and Nomination Committee to the Board, which in turn has recommended the same for approval of the shareholders.

SITAL LEASING AND FINANCE LIMITED
MEANS OF COMMUNICATIONS

The Unaudited/ Audited Financial Results have been published in a Hindi National Newspaper and an English National Newspaper. The Results were sent to the Stock Exchanges on quarterly basis. Details of publication of Financial Results are given below:

Period	Name of Newspaper
Audited Financial Results for the year ended 31.03.2020	Exempt by SEBI due to Covid-19 pandemic
Unaudited Financial Results for the Quarter ended on 31.12.2019	Dainik Mahalakshmi Bhagyodaya (Hindi News Paper) and Money Makers (English News Paper)
Unaudited Financial Results for the Quarter ended on 30.09.2019	Dainik Mahalakshmi Bhagyodaya (Hindi News Paper) and Money Makers (English News Paper)
Unaudited Financial Results for the Quarter ended on 30.06.2019	Dainik Mahalakshmi Bhagyodaya (Hindi News Paper) and Money Makers (English News Paper)

The Audited yearly/Unaudited Quarterly Results of the Company are also displayed on the website of the Company at www.sitalleasingfinance.com as per the requirements of the Regulation 46 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations'2015 the website of the Company is regularly updated. Half yearly results are not sent to the shareholders. Annual Report and Financial Statements are sent to all the shareholders at their addresses registered with the Company/RTA.

GENERAL SHAREHOLDERS INFORMATION

A. 37TH ANNUAL GENERAL MEETING

DATE: 20th August 2020

TIME: 01.00 PM.

B. DATE OF BOOK CLOSURE

The Company's Register of Members and Share Transfer Books will remain close from, 14th August 2020 to 20th August 2020 (both days inclusive).

C. FINANCIAL YEAR

1st April, 2019 to 31st March, 2020.

D. DIVIDEND

No dividend is proposed to be declared in AGM or declared in last AGM.

E. STOCK EXCHANGES AND FEES

The Shares of the Company are listed on Metropolitan Stock Exchange Limited (MSEI) and its listing fees paid on time.

F. SCRIP CODE: INE341O01029

MSEI Symbol is SITAL

G MARKET PRICE DATA

There is no trading in MSEI during the year from 1st April, 2019 to 31st March, 2020 as follows:

MONTH	MSEI	
	HIGH	LOW
APRIL 2019	-	-
MAY 2019	-	--
JUNE 2019	-	-
JULY 2019	-	-
AUGUST 2019	-	-
SEPTEMBER 2019	-	-
OCTOBER 2019	-	-
NOVEMBER 2019	-	-
DECEMBER 2019	-	-
JANUARY 2020	-	-
FEBRUARY 2020	-	-
MARCH 2020	-	-

***No trading on Delhi Stock Exchange Limited, as it is de-recognized.**

H SUSPENSIONS DETAILS

There was no suspension of securities took place in last year.

I. REGISTRAR

Bigshare Services Pvt. Ltd., 302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019 is the Registrar and Share Transfer Agents of the Company.

J. SHARE TRANSFER SYSTEM

- The Share Transfer Committee meets as often as possible to approve transfers and related matters as may be required by the Registrars and share Transfer Agents.
- All matters connected with the share transfer, dividends and other matters are being handled by the RTA located at the address mentioned elsewhere in this report.
- Shares lodged for transfers are normally processed within ten days from the date of acknowledgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within seven days. Grievances received from investors and other miscellaneous correspondence relating to change of address, mandates, etc.
- Certificates are being obtained and submitted to Stock Exchanges, on half-yearly basis, from a Company Secretary-in-practice towards due compliance of share transfer formalities by the Company within the due dates, in terms of Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations'2015.
- Certificates have also been received from a Company Secretary-in-practice and submitted to the Stock Exchanges, on a quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 1996.

SITAL LEASING AND FINANCE LIMITED

The Company, as required under SEBI (Listing Obligations and Disclosure Requirement) Regulations'2015, has designated the following e-mail ID, namely sitalleasing83@gmail.com for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.

Shareholders are, therefore, requested to correspond with the RTA for transfer/ transmission of shares, change of address any queries pertaining to their shareholding, dividend, etc., at their address given in this report.

REGISTERED OFFICE

Office No. 322, 3rd Floor, S.S. Plaza Commercial Complex Mayfield Garden, Sector-47 Gurugram Haryana 122001

CORPORATE OFFICE

The corporate office of the company is situated at 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi 110005.

SHAREHOLDING PATTERN AS ON MARCH 31, 2020

Category	No. of shareholder	No. of Shares (Face value of ` 1/- each)	No. of shares in demat form	% of shareholding
Promoters	17	299730106	299730106	48.92
Body Corporate (Other)	14	34629704	34629704	5.65
NRI/OCBs/Clearing , Members /Trust	0	0	0	0
Bank/Financial Institutions	0	0	0	0
Indian Public	1346	263630778	181631978	43.03
HUF (Other)	48	14583162	14583162	2.38
Others	0	0	0	0
Total	1425	612573750	530574950	100.00

DISTRIBUTION SCHEDULE OF SHAREHOLDING AS ON MARCH 31, 2020

Shareholding of Nominal Value		No. of Shareholder	% of Shareholder	No. of Shares held	% of Shareholding
Upto	5000	40	2.80	1,30,340	0.021
5,001	10,000	19	1.33	1,30,435	0.021
10,001	20,000	3	0.21	37,903	0.006
20,001	30,000	34	2.39	8,67,952	0.141
30,001	40,000	4	0.28	1,38,736	0.023
40,001	50,000	6	0.42	2,81,600	0.046

SITAL LEASING AND FINANCE LIMITED

50,001	1,00,000	747	52.42	3,87,10,305	6.320
1,00,001	ABOVE	572	40.15	57,22,76,479	93.422
TOTAL		1425	100.00	61,25,73,750	100.00

O ADR/GDR

The Company did not issued any ADR or GDR in any previous year as company presently is domestic trading.

Q ADDRESS FOR CORRESPONDENCE

The shareholders may address their communication/ suggestion/ grievances/ queries to the Company's corporate office or our Share Transfer Agent:

Bigshare Services Pvt. Ltd.
302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019
Tel No: 011-62638261
Fax No: 011-62638299
Email: bssdelhi@bigshareonline.com
Website: www.bigshareonline.com

The Question relating to share and requests for transactions such as transfer, transmission and nomination facilities, change of address, may please be taken up with the Registrar and Transfer Agent at above given address.

OTHER DISCLOSURES**a) RELATED PARTY TRANSACTIONS**

There are no related party transactions under the provisions of section 188 of the Companies Act, 2013. Further the policy regarding related party transaction is also given on the company's website under the head policies.

b) VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In pursuant to the provision of section 177(9) & (10) of the Companies Act, 2013, The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The Whistle Blower Policy is available on the website of the Company i.e. www.sitalleasingfinance.com.

c) COMPLIANCE WITH REGULATIONS

The Company has complied fully with the requirements of the regulatory authorities on capital markets. There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty been imposed on the Company by the stock exchanges, SEBI or any other statutory authority.

d) ACCOUNTING STANDARDS

The Company has followed the Accounting Standards laid down by the Companies Act, 2013.

e) AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

SITAL LEASING AND FINANCE LIMITED

The Statutory Auditors of the Company have furnished the requisite Certificate to the Board of Directors as required by Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations' 2015.

f) SECRETARIAL AUDIT

A Qualified Practicing Company Secretary carried out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

g) PROHIBITION OF INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has constituted a comprehensive Code of Conduct for its Senior Management, Staff, and relevant business associates. The code lays down guidelines, which advise them on procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

h) CODE OF CONDUCT

In terms of Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations'2015, the Company has adopted a Code of Conduct for the board of Directors and Senior Management Personnel of the Company. The same has been posted on the Company's website i.e. www.sitalleasingfinance.com. The Declaration by the Chairperson and Managing Director of the Company forms part of this Report.

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH SCHEDULE V SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS 2015 IN REPECT OF COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Members of Board of Directors and Senior Management Personnel of the Company have affirmed their Compliance with the Code of Conduct of Sital Leasing And finance Limited, as applicable to them, for the Financial Year ended 31st March 2019.

**For and on behalf of the Board of Directors
Sital Leasing And Finance Limited**

**Date: 22.07.2020
Place: Gurugram**

**Surendra Kumar Jain
Managing Director
DIN: 00530035**

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Sital Leasing and Finance Limited

I have examined all relevant records of Sital Leasing and Finance Limited ('the Company') for the purpose of certifying of the conditions of Corporate Governance under Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations' 2015 of the Listing Agreement with Stock Exchanges for the Financial Year ended 31st March, 2020. I have obtained all the information and explanations, which are to the best of my knowledge and belief, were necessary for the purposes of certification.

The compliance of the condition of Corporate Governance is responsibility of the management. My Examination has been limited to a review of the procedure and implementations thereof. This certificate is neither an assurance for the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations' 2015 of the above mentioned Listing Agreement.

FOR MAK & COMPANY
(CHARTERED ACCOUNTANT)
FIRM REGN NO: 028454N

CA. SAMEEM AHMED
(PARTNER)
M. NO: 533849

CEO/CFO/MD CERTIFICATION

SITAL LEASING AND FINANCE LIMITED

I, Surendra Kumar Jain, Managing Director and Piyush Jain, Chief Financial Officer of Sital Leasing and Finance Limited, to the best of my knowledge and belief hereby certify that:

- (a) I have reviewed the financial statements and the cash flow statements for the year ended 31st March 2020 and that to the best of my knowledge and belief:
- (b) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:
- (i) 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 my knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violate the company's Code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the Auditors and the Audit committee deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit Committee:
- (i) Significant changes in the internal control over financial reporting during the year under reference.
- (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements and
- (iii) 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
Sital Leasing And Finance Limited**

**Piyush Jain
Chief Financial Officer**

**Surendra Kumar Jain
Managing Director**

Date: 22.07.2020

Place: Gurugram

Corporate Social Responsibility (CSR)

Annexure - IV

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Refer CSR Policy in website i.e www.sitalleasingfinance.com.

2. The Composition of the CSR Committee:

The Composition is as stated in the Corporate Governance Report. (Annexure IV)

3. Average net profit of the company for last three financial years: ₹ 1,88,98,805/-.

S.NO.	F.Y.	NET PROFIT
1.	2018-2019	2,22,27,338
2.	2017-2018	1,82,54,656
3.	2016-2017	1,62,14,372

4. Prescribed CSR Expenditure two per cent of average amount as in item 3 above): ₹3,77,976/-

5. Details of CSR spent/unspent during the financial year:

a) Total amount to be spent for the financial year: 3,77,976/-

b) Amount unspent : ₹ 9,20,466*

* Summary of ₹ 9,20,466 is as follow:

Amount unspent in F.Y 2017-18 is ₹ 2,38,949

Amount unspent in F.Y 2018-19 is ₹ 3,03,541

Amount unspent in F.Y 2019-2020 is ₹ 3,77,976/-

1. The details of spending or not spending the amount of CSR for the Financial Year 2019-2020 has been showed in the Board Report.

2. Responsibility Statement of the Corporate Social responsibility committee:

We hereby declare that implementation and monitoring of the CSR project, as and when done, shall be in compliance with CSR objectives and policy of the Company.

**For and on behalf of the Board of Directors
Sital Leasing And Finance Limited**

Date: 22.07.2020
Place: Gurugram

Priti Jain
Director
DIN: 00537234

Surendra Kumar Jain
Managing Director
DIN: 00530035

ANNEXURE-VI

STANDALONE INDEPENDENT AUDITORS' REPORT

To
The Members of Sital Leasing And Finance Limited
Report on the audit of the financial statements

Opinion

We have audited the financial statements of Sital Leasing And Finance Limited (“the Company”), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit Amount of Rs. 44,78,471/- and cash out flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Emphasis of Matter

We draw your attention to serial no. 26 Note, which describes the impact of Pandemic (Covid-19) on financial position of the Company. Our opinion is not modified in respect of this matter.

Key audit matters

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

- (A) **Adoption of new revenue recognition standard Ind AS 115 (This is added only for illustrative purposes and the auditor has to decide the most significant matter and modify this section accordingly)**

Details of the Key Audit Matter

The Company adopted Ind AS 115 “Revenue from Contracts with Customers” with effect from April 1, 2019. The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and point of recognition of revenue.

Ind AS 115 also requires extensive disclosures.

Auditors’ Response to the Key Audit Matter

We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard (Ind AS 115).

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

SITAL LEASING AND FINANCE LIMITED

(a) Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.

(b) Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.

(c) Selected a sample of continuing and new contracts and performed the following procedures:

- Read, analysed and identified the distinct performance obligations in these contracts.
- Compared these performance obligations with that identified and recorded by the Company.
- Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
- Performed analytical procedures for reasonableness of revenue recognition as per IND AS 115.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the

SITAL LEASING AND FINANCE LIMITED

preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

SITAL LEASING AND FINANCE LIMITED

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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 Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to our, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

SITAL LEASING AND FINANCE LIMITED

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to our;

- a. The Company does not have any pending litigations which would impact its financial position;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**FOR MAK & COMPANY
(CHARTERED ACCOUNTANT)
FIRM REGN NO: 028454N**

**CA. SAMEEM AHMED
(PARTNER)
M. NO: 533849**

**PLACE: GURUGRAM
DATE: 23.06.2020
UDIN: 20533849AAAAAM4929**

Annexure "A" to the Independent Auditor's Report*

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of Sital Leasing And Finance Limited of even date)

- | | |
|----|---|
| 1. | In respect of the Company's fixed assets: <ul style="list-style-type: none">a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.b) The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no materialc) discrepancies were noticed on such verification. <p>According to the information and explanations given to us, the records examined by us, we report that the Company does not hold any freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.</p> |
| 2. | The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification. |
| 3. | According to information and explanation given to us, the company has granted interest bearing loan unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 179 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not |

SITAL LEASING AND FINANCE LIMITED

	applicable.
4.	In our opinion and according to information and explanation given to us, the company granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
5.	In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
5.	The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7.	In respect of statutory dues:
	a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
	According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable
	b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8.	In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
9.	The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
10.	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11.	In our opinion and according to the information and explanations given to us, the Company has not paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12.	The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13.	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 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14.	According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully

SITAL LEASING AND FINANCE LIMITED

- or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
- 15 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 them. Accordingly, paragraph 3(xv) of the order is not applicable.
- 16 The Company is engaged in the business of Non-Banking financial institution and has obtained certificate of registration with RBI dated 12/12/2001, Reg. Certificate No. B-14.02131

FOR MAK & COMPANY (CHARTERED ACCOUNTANT)
FIRM REGN NO: 028454N

CA. SAMEEM AHMED (PARTNER)
M. NO: 533849
PLACE: GURUGRAM
DATE: 23.06.2020
UDIN: 20533849AAAAAM4929

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Sital Leasing And Finance Limited of even date)

Report on the internal financial controls over financial reporting 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 Sital Leasing And Finance Limited (“the Company”) as at March 31, 2020, 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 board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with

SITAL LEASING AND FINANCE LIMITED

ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

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

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 MAK & COMPANY
(CHARTERED ACCOUNTANT)
FIRM REGN NO: 028454N

SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M. NO: 533849

PLACE: GURUGRAM
DATE: 23.06.2020
UDIN: 20533849AAAAAM4929

Annexure - V

Annexure - VI

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana
122001

Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

Balance Sheet As at 31.03.2020

(` in '000)

Particulars	Note No.	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019	AS AT 1ST APRIL, 2018
1	2	3	4	5
(1) ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	3	9,536	12,078	10,840
(b) Capital work-in-progress		-	-	-
(c) Investment Property		-	-	-
(d) Goodwill		-	-	-
(e) Other Intangible assets		-	-	-
(f) Intangible assets under evelopment		-	-	-
(g) Biological Assets other than bearer plants		-	-	-
(h) Financial Assets				
(i) Investments	4	95,00,000	95,00,000	95,00,000
(ii) Trade receivables		-	-	-
(iii) Loans	5	2,06,946	2,01,413	1,55,553
(iv) Others (to be specified)		-	-	-
(i) Deferred tax assets (net)	6	1,745	1,514	1,223
(j) Other non-current assets		-	-	-
(2) Current assets				
(a) Inventories	7	1,744	3,928	11,482
(b) Financial Assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents	8	196	498	327
(iv) Bank balances other than (iii) above	9	541	425	20,930
(v) Loans		-	-	-
(vi) Others (to be specified)		-	-	-
(c) Current Tax Assets (Net)		-	-	-
(d) Other current assets	10	2,581	4,869	5,223
Total Assets		97,23,288	97,24,724	97,05,577

SITAL LEASING AND FINANCE LIMITED

EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	11	6,12,574	6,12,574	6,12,574
(b) Other Equity	12	91,02,182	90,98,053	90,83,339
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other financial liabilities (other than those specified in item (b), to be specified)				
(b) Provisions	13	2,298	1,438	1,254
(c) Deferred tax liabilities (Net)		-	-	-
(d) Other non-current liabilities		-	-	-
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other financial liabilities (other than those specified in item (c))				
(b) Other current liabilities	16	1,079	894	386
(c) Provisions	17	2,857	7,317	6,416
(d) Current Tax Liabilities (Net)		-	-	-
Total Equity and Liabilities		97,23,288	97,24,724	97,05,577

See accompanying notes to the financial statements

1

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY

(CHARTERED ACCOUNTANTS)

FIRM REGN NO:028454N

FOR AND ON BEHALF OF

SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED

(PARTNER)

M.NO: 533849

SURENDRA KUMAR JAIN

(MANAGING DIRECTOR)

DIN: 00530035

PRITI JAIN

(DIRECTOR)

DIN : 00537234

PLACE : GURUGRAM

DATE : 23.06.2020

NISHU JAIN

(COMPANY SECRETARY)

M. NO: A58126

PIYUSH JAIN

(C.F.O)

SITAL LEASING AND FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

Statement of Changes in Equity for the period ended 31.03.2020

(₹ in '000)

A. Equity Share Capital

PARTICULAR	No. Of Shares	Amount of Shares
As at 01st April,2018	61,25,73,750	6,12,574
Changes in equity share capital during the year	-	-
As at 31st March,2019	61,25,73,750	6,12,574
Changes in equity share capital during the year	-	-
As at 31st March,2020	61,25,73,750	6,12,574

B. Other Equity

PARTICULAR	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (specify nature)	Retained Earnings								
As at 01st April 2018	-	-	-	89,48,888	1,14,390	20,061	-	-	-	-	-	-	-	90,83,339
Profit for the year	-	-	-	-	-	15,018	-	-	-	-	-	-	-	15,018
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(3,286)	-	-	-	-	-	-	-	(3,286)
As at 31st March 2019	-	-	-	89,48,888	1,17,372	31,793	-	-	-	-	-	-	-	90,98,053
profit for the year	-	-	-	-	-	4,478	-	-	-	-	-	-	-	4,478
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(1,371)	-	-	-	-	-	-	-	(1,371)
As at 31st March 2020	-	-	-	89,48,888	1,18,394	34,900	-	-	-	-	-	-	-	91,02,182

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY
(CHARTERED ACCOUNTANTS)
FIRM REGN NO:028454N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M.NO: 533849

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

Statement of Profit and Loss for the period ended 31.03.2020

(` in '000)

S.N	Particulars	Note No.	YEAR ENDED 31ST MARCH 2020	YEAR ENDED 31ST MARCH 2019
I	Revenue From Operations	18	17,399	45,428
II	Other Income	19	2	3
III	Total Income (I+II)		17,401	45,431
IV	EXPENSES			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade	20	4	3,323
	Changes in inventories of finished goods	21	2,184	7,553
	Stock-in -Trade and work-in-progress		-	-
	Employee benefits expense	22	1,441	1,273
	Finance costs		-	-
	Depreciation and amortization expense	3	2,554	1,841
	Other expenses	23	3,253	9,214
	Total expenses (IV)		9,437	23,203
V	Profit/(loss) before exceptional items and tax (I- IV)		7,964	22,227
VI	Exceptional Items		860	183
VII	Profit/(loss) before tax (V-VI)		7,104	22,044
VIII	Tax expense:			
	(1) Current tax		2,857	7,317
	(2) MAT Credit Entitlement		-	-
	(3) Deferred tax		(231)	(291)
	(4) Excess Provision of earlier Year		-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		4,478	15,018
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		4,478	15,018

Cont.....

SITAL LEASING AND FINANCE LIMITED

	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
XIV	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		-	-
	Earnings per equity share (for continuing operation):			
XVI	(1) Basic		0.01	0.02
	(2) Diluted		0.01	0.02
	Earnings per equity share (for discontinued operation):			
XVII	(1) Basic		-	-
	(2) Diluted		-	-
	Earnings per equity share (for discontinued & continuing operations)			
XVIII	(1) Basic		0.01	0.02
	(2) Diluted		0.01	0.02

See accompanying notes to the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY
(CHARTERED ACCOUNTANTS)
FIRM REGN NO:028454N

FOR .FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M.NO: 533849

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED
SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001
 Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005
 Statement of Cash Flows for the year ended 31.03.2020

(IN LACS)

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Cash flows from operating activities		
Profit before taxation	79.64	222.27
Adjustments for:		
Depreciation	25.54	18.41
Provision for income tax	28.57	-
Defered tax	-	-
Working capital changes:		
(Increase) / Decrease in trade and other receivables	20.57	79.07
Increase / (Decrease) in trade payables	2.87	12.62
Cash generated from operations		
Interest paid		-
tax paid	(73.17)	(64.16)
Dividends paid		
Net cash from operating activities	84.01	268.21
Cash flows from investing activities		
Purchase of property, plant and equipment	(0.12)	-
Purchase/ Sale of shares	21.84	-
Net cash used in investing activities	21.72	-
Cash flows from financing activities		
Loans & Advances Given/Received	(121.50)	(492.43)
Repayment of Loan	13.91	20.86
Dividends paid	-	-
Net cash used in financing activities	(107.59)	(471.57)
Net increase in cash and cash equivalents	(1.85)	(203.35)
Cash and cash equivalents at beginning of period	9.23	212.58
Cash and cash equivalents at end of period	7.37	9.23

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY
 (CHARTERED ACCOUNTANTS)
 FIRM REGN NO:028454N

FOR AND ON BEHALF OF
 SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
 (PARTNER)
 M.NO: 533849

SURENDRA KUMAR JAIN
 (MANAGING DIRECTOR)
 DIN: 00530035

PRITI JAIN
 (DIRECTOR)
 DIN : 00537234

PLACE : GURUGRAM
 DATE : 23.06.2020

NISHU JAIN
 (COMPANY SECRETARY)
 M. NO: A58126

PIYUSH JAIN
 (C.F.O)

SITAL LEASING AND FINANCE LIMITED

Notes to Financial Statements

OTHER NON CURRENT ASSETS

NOTE 4: NON CURRENT INVESTMENT

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
	Unquoted Equity Shares					
Carewell Exim Pvt. Ltd.	1000000	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000
KDG Properties & Construction Pvt. Ltd.	2000000	20,00,000	20,00,000	20,00,000	20,00,000	20,00,000
Solomon Holdings Pvt. Ltd.	3250000	32,50,000	32,50,000	32,50,000	32,50,000	32,50,000
Utsav Securities Pvt. Ltd.	3250000	32,50,000	32,50,000	32,50,000	32,50,000	32,50,000
Total		95,00,000		95,00,000		95,00,000

NOTE 5: LOAN

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
	Unsecured, Considered Good					
Loans at agreement values less instalment Standard Assets		2,06,906		2,01,373		1,55,513
Other Loans & Advances						
DSE Security Deposits		40		40		40
Total		2,06,946		2,01,413		1,55,553

NOTE 6: DEFERED TAX ASSETS (NET)

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
	Opening Balance		1,514		1,223		1,011
Created/ Reversed During the year		231		291		212
Total		1,745		1,514		1,223

NOTE 7: INVENTORIES

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
	Stock In Shares		1,744		3,928		11,482
As Per "Annexure-A"						
Total		1,744		3,928		11,482

SITAL LEASING AND FINANCE LIMITED

NOTE 8: CASH & CASH EQUIVALENTS

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Cash in Hand	196	498	327
Total	196	498	327

NOTE 9: BANK & BANK BALANCES

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Dena Bank	-	-	13
HDFC Bank Ltd.	20	259	20,763
HDFC Bank Ltd Fixed Deposit	166	166	155
Punjab National Bank	355	-	-
Total	541	425	20,930

NOTE 10: OTHER CURRENT ASSETS

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Share Application Money	-	-	11
Balance with Revenue Authorities	80	80	263
Advance Tax for A.Y. 2018-19	-	-	2,700
Tax Deducted at Source A.Y. 2018-19	-	-	2,248
Tax Deducted at Source A.Y. 2020-21	1,501	3,288	-
Advance Tax for A.Y. 2020-21	1,000	1,500	-
Total	2,581	4,869	5,222.68

NOTE 11: SHARE CAPITAL

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Authorised Share Capital			
65,00,00,000 Equity Share of ` 1/- Each (Previous Year 65,00,00,000 Equity share of `1/-each)	6,50,000	6,50,000	6,50,000
	<u>6,50,000</u>	<u>6,50,000</u>	<u>6,50,000</u>
Issued , Subscribed & Paid up Shares			
Shares at the end of the Accounting Period 61,25,73,750 (Previous Year 61,25,73,750) Equity Shares of ` 1/-	6,12,574	6,12,574	6,12,574
Total	<u>6,12,574</u>	<u>6,12,574</u>	<u>6,12,574</u>

11.1 The company has only one class of equity Shares having Par Value of ` 1/- per Share. All these Shares have Same right & preferences with respect to payment of dividend, re-payment of Capital & Voting.

11.2 The reconciliation of the number of Shares outstanding is set out Below

11.3 Shares In The Company Held By Each Shareholder Holding More Than 5% shares

SITAL LEASING AND FINANCE LIMITED

Name of the Shareholders	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
	% of Shares held	No. Of Share	% of Shares held	No. Of Share	% of Shares held	No. Of Share
Avail Financial Services Ltd.	7.41	4,53,64,291	7.41	4,53,64,291	6.87	4,20,57,441
Legend Infoways Pvt. Ltd.	15.61	9,56,25,000	15.61	9,56,25,000	15.61	9,56,25,000
Microland Developers Pvt. Ltd.	14.57	8,92,50,000	14.57	8,92,50,000	14.57	8,92,50,000

NOTE 12: OTHER EQUITY

Refer Statement of Changes in Equity for detailed movement in Equity balance

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Researve u/s 45IC			
At The Beginning Of The Accounting Period	11,557	8,575	6,207
Additions During The Year	1,021	2,982	2,368
At The End Of The Accounting Period	<u>12,578</u>	<u>11,557</u>	<u>8,575</u>
General Researve			
At The Beginning Of The Accounting Period	1,05,816	1,05,816	1,05,816
Additions During The Year	-	-	-
At The End Of The Accounting Period	<u>1,05,816</u>	<u>1,05,816</u>	<u>1,05,816</u>
Securities Premium Account			
At The Beginning Of The Accounting Period	89,48,888	89,48,888	89,48,888
Additions During The Year	-	-	-
At The End Of The Accounting Period	<u>89,48,888</u>	<u>89,48,888</u>	<u>89,48,888</u>
Surplus in Statement of Profit & loss			
At The Beginning Of The Accounting Period	31,793	20,061	27,248
Additions During The Year	4,478	15,018	11,383
	<u>36,271</u>	<u>35,078</u>	<u>38,631</u>
Transfer to Researve			
Researve u/s 45IC	(1,021)	(2,982)	(2,368)
Provision for CSR Expenses	(350)	(304)	(239)
Intersegment Transfer Exp W/off	-	-	(15,963)
	<u>(1,371)</u>	<u>(3,286)</u>	<u>(18,570)</u>
At The End Of The Accounting Period	<u>34,900</u>	<u>31,793</u>	<u>20,061</u>
Grand Total	91,02,182	90,98,053	90,83,339

NON-CURRENT LIABILITES

NOTE: 13 LONG TERM PROVISION

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Provision for Standard Assets	925	803	620
Provision for Loss Assets	1,373	635	635
Total	2,298	1,438	1,254

SITAL LEASING AND FINANCE LIMITED
NOTE: 14 SHORT TERM BORROWINGS

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Term Loans			
Loan from ICICI Bank (Secured Loan)	1,864	3,690	1,604
Loan from Director			
Surendra Kumar Jain	435	-	-
Total	2,299	3,690	1,604

CURRENT LIABILITES:
NOTE 15: TRADE PAYABLES

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Trade Payable	-	759	4
Total	-	759	4

NOTE 16 : OTHER CURRENT LIABILITIES

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Expenses Payable	1,079	894	386
Total	1,079	894	386

NOTE 17 : SHORT TERM PROVISION

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Provision for Taxation	2,857	7,317	6,416
Total	2,857	7,317	6,416

NOTE 18: REVENUE FROM OPERATION

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
Sale of Trading Goods	2,389	12,373
Income From FDR in Bank	-	13
Interest on Loan (Gross TDS ₹ 15,00,510/- (Previous Year Gross TDS ₹ 32,88,418/-/-	15,010	33,042
Total	17,399	45,428

NOTE 19: OTHER INCOME

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
Dividend	2	3
Total	2	3

NOTE 20: PURCHASE OF STOCK IN TRADE

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
Purchases of shares	-	3,275
Trading Expenses	4	48
Total	4	3,323

SITAL LEASING AND FINANCE LIMITED

NOTE 21: CHANGE IN INVENTORIES OF FINISHED GOODS

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
Balance at the beginning of the year	3,928	11,482
Balance at the Closing of the year	1,744	3,928
Total	2,184	7,553

NOTE 22: EMPLOYEE BENEFIT EXPENSES

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
Salary Expenses	1,437	1,253
Staff Welfare Expense	3	19
Total	1,441	1,273

NOTE 23: OTHER EXPENSES

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
Advertisement & Publicity Expenses	25	20
AGM Expenses	12	12
Annual Charges For Credit Rating	18	18
Audit Fees	18	18
Bad Debts W/off	-	5,000
Bank Charges	2	0
Board Meeting Fees	3	3
Car Insurance	179	351
Car Repair & Maintenance	556	50
CDSL Custodial Fees	89	89
Computer Repair & Maintenance	13	16
Conveyance Expenses	44	59
Courier Charges	-	29
Demat Account Charges	-	2
Director Salary	800	2,100
Filing Fees	11	6
General Expenses	3	6
House Tax	85	-
Income Tax Appeal Filing Fees	-	2
Interest Expenses on Tax	146	127
Interest on Loan	546	225
Internal Audit Fees	10	10
ISO Certification Charges	-	6
Legal & Professional charges	37	69
Listing Fees	130	130
NSDL Fees	142	2
Office Repair & Maintenance	182	184
Other Community Expense	1	3
Postal charges	17	24
Printing & Stationery	18	25
Loss on Sale of Fixed Assets	-	376
Registrar Charges	41	34
Software Expenses	-	28
Tax Audit Fees	11	11
Telephone Expenses	2	2
Tour & Travelling Expenses	-	32
Vehicle Running Expenses	107	146
Website Expenses	7	-
Total	3,253	9,214

Note 1: COMPANY INFORMATION

SITAL LEASING AND FINANCE LIMITED

Sital Leasing & Finance Ltd. is a Public Limited Company (The Company) having registered office at 322, 3rd Floor, S.S Plaza Commercial Complex, Mayfield Garden, Sector-47 Gurgaon, Haryana 122001. The Company is listed on the MSEI (Metropolitan Stock Exchange of India Ltd.) The company is engaged in the business of investment, financing, trading in shares and securities activities. We believe that we are well placed to leverage on the growth opportunities in the economy.

Note 2 : SIGNIFICANT ACCOUNTING POLICIES

(a) Basis for preparation of Accounts:

The financial statements have been prepared under the historical cost convention on accrual basis, except pertaining to amalgamation accounting in the earlier years, in accordance with the generally accepted accounting principles, provisions of the Companies Act, 2013, and Accounting Standards (AS) notified under Companies (Accounting Standards) Amendment Rules, 2017 u/s 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statement have been prepared in conformity with generally accepted accounting principle to comply in all material respect with the notified accounting standards ('AS') under companies accounting standards Rules, as amended, the relevant provisions of the companies Act, 2013 ('the Act') and the guidelines issued by the Reserve Bank of India (RBI) as applicable to an Non - Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year. The company adopts accrual system of accounting unless otherwise stated.

(b) Use of Estimates

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

(c) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Intangible Assets expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprise

SITAL LEASING AND FINANCE LIMITED

of purchase price and directly attributable expenditure on making the assets ready for its intended use.

(d) Depreciation & Impairment of Assets

Depreciation on fixed assets is provided on Written down Value method, over the useful lives and in the manner prescribed in Schedule II to the Companies Act, 2013.

(e) Investment

Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made only if; such a decline is other than temporary in the opinion of the management. As in case of our company such decline is presumed to be temporary hence no provision has been created.

(f) Revenue Recognition

(i) Loan Income

In respect of loan agreements, the income is accrued by applying the impact rate in the transaction on declining balance on the amount financed for the period of the agreement.

(ii) Dividend income on investments is accounted for as and when the right to receive the same is established.

(iii) No income is recognized in respect of Non- performing assets, if any, as per the prudential norms for income recognition introduced for Non-Banking Financial Corporation by Reserve Bank of India vide its notification .DFC.NO.119/DG/ (SPT)-98 date 31-01-1998 and revised notification no. DNBS.192/DG (VL)-2007 dated 22-02-2007.

(g) Provisions of Assets

The company makes provisions for standard and Non-performing Assets as per the Non-Banking Financial (Non-Deposit Accepting of Holding Companies prudential Norms Reserve Bank) Directions, 2007, as amended from time to time. The company also makes additional provisions towards loan assets, to the extent considered necessary, based on the management's best estimate.

Loan assets which as per the management are not likely to be recovered are considered as bad debts and written off.

Provisions on standards assets are made as per the notification DNBS.PD.CC.No. 002/03.10.001/2014-15 Dated Nov 10, 2014 issued by Reserve Bank of India.

(h) Statutory/ Special reserve

SITAL LEASING AND FINANCE LIMITED

The Company creates Statutory / Special Reserve every year twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

(i) **Employee Benefits**

Company do not follow the provision of the accounting Standard-15 "Employee benefits" as the company do not have employee more than 10 personnel's. So it is the policy of the company that any kind of provision mentioned in the AS -15 will not be entertained. And the company does not make provision for gratuity also.

In case the company's employee limits goes beyond the prescribed limits then AS-15 for Employee benefits will be taken into consideration.

(j) **Financial Derivatives and Commodity Hedging Transaction:**

In respect of Derivative contracts, premium paid, gain & losses on settlement and losses on restatement are recognized in the Statement of profit & Loss.

(k) **Accounting of Inventories:**

Stock in trade should be valued at cost or market price whichever is lower.

(l) **Provisions, contingents Liabilities and contingent Assets**

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

(ii) Contingent Liabilities are disclosed separately by way of note to financial statements after careful evaluation by the managements of the facts and legal aspects of the matter involved in case of:

- (a) A present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- (b) A possible obligation, unless the probability of outflow of resources is remote.

(iii) Contingent Assets are neither recognized, nor disclosed in the financial statements.

(m) **Taxation**

Provisions for current tax is made in accordance with and at the rates specified under the Income Tax Act, 1961, in accordance with Accounting Standard 22-

SITAL LEASING AND FINANCE LIMITED

'Accounting for taxes on Income', issued by the Institute of Chartered Accountant of India.

(n) Earnings per share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted averages number of equity shares outstanding during the year.

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

(o) Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statements comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amount of cash.

24. Previous year's figures have been reworked, regrouped, & reclassified wherever necessary to confirm to the current year presentation.

25. In the opinion of Board of Director, the current Assets, loans & advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated.

26. GLOBAL HEALTH PANDEMIC (COVID-19)

The outbreak of COVID-19 pandemic is causing significant disturbance and slow down of economic activities globally.

The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities.

The Management has considered the possible effects that may result from the pandemic on the recoverability/ carrying value of the assets. Based on the current indicators of future economic conditions, the Management expects to recover the carrying amount of the assets, however the Management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial statements.

27. During the year, the company has not made any provision for Doubtful Assets in respect of Loan outstanding.

28. During the year, the Company has purchased shares Quoted/unquoted and Commodities (If Any) has been considered as stock in trade by the Management.

29. During the year, the company has not been traded in F & O's.

SITAL LEASING AND FINANCE LIMITED

30. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of ` 10,21,475/- (Previous Year ` 29,82,044/-) representing 20% of Net Profit is transferred to the fund for the year.

31. **Contingent liabilities and pending litigations:**

(C) There is a pending tax demand of Rs. 10.07 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2010-11. The company has filed an appeal before CIT(A) against the demand for A.Y. 2010-11. The matter is pending before CIT(A). The company is hopeful to get relief.

(D) There is a pending tax demand of Rs. 3.04 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2011-12. The company has filed an appeal before CIT(A) against the demand for A.Y. 2011-12. The matter is pending before CIT(A). The company is hopeful to get relief.

32. The company's business activity falls within two primary/ secondary business segment viz. Finance Activity and dealing in shares & securities. The disclosure requirement of Accounting standard (AS) -17 "Segment Reporting" issued by the Institute of chartered Accountants of India, therefore is given below:

Income from Financial Segment	- 1.50 CR
Income from Investment Segment	- NIL
Total Expense	- 0.73 CR
Net Profit	- 0.80 CR

33. **Auditor's remuneration :**

Particulars	2019-20	2018-19
Statutory Audit	18,320/-	18,320/-
Tax Audit Fees	11,236/-	11,236/-

34. Information as required by Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007 is Furnished vide Annexure -1 Attached Herewith.

35. Information as required by Non Banking Financial Companies -Corporate Governance (Reserve Bank) Direction, 2015 is Furnished vide Annexure -II Attached Herewith.

36. **Provision for Standard and Non-Performing Assets:** Provision for non performing assets (NPAs) is made in the financial statements according to the Prudential Norms prescribed by RBI for NBFCs. The Company also makes additional provision towards loan assets, based on the management's best estimate. Additional provision of 0.40% on Standard assets has also been made during the year, as per stipulation of RBI on Standard assets. Company has made provisions for Standard Assets as well as Non-Performing Assets as per the table below:

(In `)

Particulars	2019-20	2018-19
-------------	---------	---------

SITAL LEASING AND FINANCE LIMITED

Sub standard Assets		
Total Non-Performing Assets	13,72,973.00	6,34,973.00
Provision already available	6,34,973.00	6,34,973.00
Additional Provision made during the year	7,38,000.00	0.00
Reversed Provision During the Year	0.00	0.00
Total Provision at the end of the Year	13,72,973.00	6,34,973.00
Standard Assets		
Provision already available	8,02,952.00	6,19,510.00
Additional Provision made during the year	1,21,946.00	1,83,442.00
Reversed Provision made During the Year	0.00	0.00
Total Provision at the end of the Year	9,24,898.00	8,02,952.00

37. Earnings per Share "AS-20" issued by the Institute of chartered Accountants of India:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(A) Profit after taxation as Statement of Profit and Loss (in Rupees)	44,78,471	1,50,17,706
(B) Weight Average number of equity Shares outstanding during the year	61,25,73,750	61,25,73,750
(C) Nominal value of Equity shares (in rupees)	1.00	1.00
(D) Basic Earnings per Share	0.01	0.02
(E) Diluted Earnings per share	0.01	0.02

38. **Related Party Disclosure:**

As per Accounting Standard 18 on related Party disclosure issued by the Institute of chartered Accountants of India, the nature and volume of transaction of the company during the year with the related parties were as follows:

Name of the Related Party	Relationship	Nature of Transaction	Number of Transaction	Amount of Transaction	Amount o/s on B.S Date
KDG Properties & constructions Private Limited	Virendra Jain Director of KDG Properties & Construction Pvt. Ltd. is Brother of Surendra Kumar Jain	Investment	0	0	200,00,00,000
Utsav Securities Private	Virendra Jain Director of Utsav Securities Pvt. Ltd.	Investment	0	0	325,00,00,000

SITAL LEASING AND FINANCE LIMITED

Limited	is Brother of Surendra Kumar Jain				
Surendra Kumar Jain	Managing Director	Director Remuneration	10	8,00,000/-	0
Nishu Jain	Company Secretary	KMP Remuneration	3	2,95,110/-	0
Sunshine Capital Ltd.	Same Director	Loan & Advances	5	1,41,52,284/-	0

Note: Related party relationship is as identified by the Company and relied upon by the auditor.

The following Director of the company are Director in other Companies:

Surendra Kumar Jain	Priti Jain	Sujan Lal Mehta	Anil Prakash
Sunshine Capital Limited	PB Housing Dev. Pvt. Ltd.	Kallinugger And Khoreel Tea Co Ltd	Sunshine Capital Limited
Shri Niwas Leasing And Finance Limited	Great Bear Aviation Pvt Ltd	Barduar Tea & Timber Co Ltd	Transnational Growth Fund Ltd.
Euro Asia Laboratories Limited	JP Buildcon Pvt. Ltd.	C Batia & Co Pvt Ltd	RKG Finvest Limited
Transnational Growth Fund Ltd	Shourya Developers Pvt. Ltd.	Sunshine Capital Limited	ECHT Finance Limited
RKG Finvest Limited	PB Properties Pvt. Ltd.	Transnational Growth Fund Ltd.	Cosmo Buildtech Private Limited
-	ECHT Finance Limited	RKG Finvest Limited	-
-	Euro Asia Laboratories Limited	ECHT Finance Limited	-
-	-	Jaipur Investment Limited	-

39. The Company estimates the deferred tax created / (credit) using the applicable rate of Taxation based on the impact of timing Differences between financial Statements and Estimated taxable income for the current Year.

Details of Deffered Tax Assets (Liabilities) are As follows:

Calculation of Deferred Tax Assets	
WDV as per Companies Act	95,36,027.00
WDV as per Income Tax act	1,44,09,527.00
Timing Difference	(48,73,500.00)
Deferred Tax Assets	17,44,542.00

40. There are no micro, Small and Medium Enterprises, to whom the Company owes dues which outstanding for more than 45 days as at 31st March 2020. This information as required to be disclosed under the micro, small and medium Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with company.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED.

FOR MAK & COMPANY
(CHARTERED ACCOUNTANTS)
FRN: 028454N

FOR SITAL LEASING & FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M. NO. 533849

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN: 00537234

PLACE: GURUGRAM
DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)
M. NO. A58126

PIYUSH JAIN
(C.F.O.)

CONSOLIDATED INDEPENDENT AUDITORS' REPORT

To
The Members of Sital Leasing And Finance Limited
Report on the audit of the financial statements

Opinion

We have audited the financial statements of Sital Leasing And Finance Limited (“the Company”), which comprise the balance sheet as at March 31, 2020, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit Amount of Rs. 47,87467/- and cash out flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

SITAL LEASING AND FINANCE LIMITED

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

Emphasis of Matter

We draw your attention to serial no. 26 Note, which describes the impact of Pandemic (Covid-19) on financial position of the Company. Our opinion is not modified in respect of this matter.

Key audit matters

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

- (B) Adoption of new revenue recognition standard Ind AS 115 (This is added only for illustrative purposes and the auditor has to decide the most significant matter and modify this section accordingly)

Details of the Key Audit Matter

The Company adopted Ind AS 115 “Revenue from Contracts with Customers” with effect from April 1, 2019. The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and point of recognition of revenue.

Ind AS 115 also requires extensive disclosures.

Auditors’ Response to the Key Audit Matter

We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard (Ind AS 115).

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

- (a) Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.
- (b) Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.
- (c) Selected a sample of continuing and new contracts and performed the following procedures:
- Read, analysed and identified the distinct performance obligations in these contracts.
 - Compared these performance obligations with that identified and recorded by the Company.
 - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
 - Performed analytical procedures for reasonableness of revenue recognition as per IND AS 115.

Information other than the financial statements and auditors’ report thereon

The Company’s board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and

SITAL LEASING AND FINANCE LIMITED

Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The boards of directors **are also responsible for overseeing the Company's financial reporting process.**

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

SITAL LEASING AND FINANCE LIMITED

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

SITAL LEASING AND FINANCE LIMITED

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 Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to our, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to our;
 - a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**FOR MAK & COMPANY
(CHARTERED ACCOUNTANT)
FIRM REGN NO: 028454N**

CA. SAMEEM AHMED
(PARTNER)
M. NO: 533849

PLACE: GURUGRAM
DATE: 23.06.2020
UDIN: 20533849AAAAAM4929

Annexure “A” to the Independent Auditor’s Report*

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of Sital Leasing And Finance Limited of even date)

1.	In respect of the Company’s fixed assets:
a)	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b)	The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as
c)	examined by us, no material discrepancies were noticed on such verification.
	According to the information and explanations given to us, the records examined by us, we report that the Company does not hold any freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
2.	The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
3.	According to information and explanation given to us, the company has granted interest bearing loan unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 179 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
4.	In our opinion and according to information and explanation given to us, the company granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
5.	In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6.	The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7.	In respect of statutory dues:

SITAL LEASING AND FINANCE LIMITED

a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
	According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable
b)	According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8.	In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
9.	The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
10.	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11.	In our opinion and according to the information and explanations given to us, the Company has not paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12.	The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13.	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 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14.	According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15.	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 them. Accordingly, paragraph 3(xv) of the order is not applicable.

SITAL LEASING AND FINANCE LIMITED

16	The Company is engaged in the business of Non-Banking financial institution and has obtained certificate of registration with RBI dated 12/12/2001, Reg. Certificate No. B-14.02131
----	---

**FOR MAK & COMPANY
(CHARTERED ACCOUNTANT)
FIRM REGN NO: 028454N**

**CA. SAMEEM AHMED
(PARTNER)
M. NO: 533849**

**PLACE: GURUGRAM
DATE: 23.06.2020
UDIN: 20533849AAAAAM4929**

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Sital Leasing And Finance Limited of even date)

Report on the internal financial controls over financial reporting 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 Sital Leasing And Finance Limited (“the Company”) as at March 31, 2020, 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 board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 judgement, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

Our 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 control system over financial reporting.

SITAL LEASING AND FINANCE LIMITED

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

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 MAK & COMPANY
(CHARTERED ACCOUNTANT)
FIRM REGN NO: 028454N**

**CA. SAMEEM AHMED
(PARTNER)
M. NO: 533849**

**PLACE: GURUGRAM
DATE: 23.06.2020
UDIN: 20533849AAAAAM4929**

SITAL LEASING AND FINANCE LIMITED

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

Consolidated Balance Sheet As at 31.03.2020

(` in '000)

Particulars	Note No.	AS AT 31ST MARCH, 2020	AS AT 31ST MARCH, 2019	AS AT 1ST APRIL, 2018
1	2	3	4	5
(1) ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	3	9,536	12,078	10,840
(b) Capital work-in-progress		-	-	-
(c) Investment Property		-	-	-
(d) Goodwill		-	-	-
(e) Other Intangible assets		-	-	-
(f) Intangible assets under development		-	-	-
(g) Biological Assets other than bearer plants		-	-	-
(h) Financial Assets				
(i) Investments	4	95,10,824	95,10,515	95,08,984
(ii) Trade receivables		-	-	-
(iii) Loans	5	2,06,946	2,01,413	1,55,553
(iv) Others (to be specified)		-	-	-
(i) Deferred tax assets (net)	6	1,745	1,514	1,223
(j) Other non-current assets		-	-	-
(2) Current assets				
(a) Inventories	7	1,744	3,928	11,482
(b) Financial Assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents	8	196	498	327
(iv) Bank balances other than (iii) above	9	541	425	20,930
(v) Loans		-	-	-
(vi) Others (to be specified)		-	-	-
(c) Current Tax Assets (Net)		-	-	-
(d) Other current assets	10	2,581	4,869	5,223
Total Assets		97,34,113	97,35,240	97,14,560

Cont.....

SITAL LEASING AND FINANCE LIMITED

EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	11	6,12,574	6,12,574	6,12,574
(b) Other Equity	12	91,13,006	91,08,568	90,92,322
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Trade payables		-	-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-	-
(b) Provisions	13	2,298	1,438	1,254
(c) Deferred tax liabilities (Net)		-	-	-
(d) Other non-current liabilities		-	-	-
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	2,299	3,690	1,604
(ii) Trade payables	15	-	759	4
(iii) Other financial liabilities (other than those specified in item (c))		-	-	-
(b) Other current liabilities	16	1,079	894	386
(c) Provisions	17	2,857	7,317	6,416
(d) Current Tax Liabilities (Net)		-	-	-
Total Equity and Liabilities		97,34,113	97,35,240	97,14,560

See accompanying notes to the financial statements 1

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY

(CHARTERED ACCOUNTANTS)

FIRM REGN NO:028454N

FOR AND ON BEHALF OF

SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED

(PARTNER)

M.NO: 533849

SURENDRA KUMAR JAIN

(MANAGING DIRECTOR)

DIN: 00530035

PRITI JAIN

(DIRECTOR)

DIN : 00537234

PLACE : GURUGRAM

DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)

M. NO: A58126

PIYUSH JAIN

(C.F.O)

SITAL LEASING AND FINANCE LIMITED

STATEMENT OF CHANGES IN EQUITY

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

Consolidated Statement of Changes in Equity for the period ended 31.03.2020

(in '000)

A. Equity Share Capital

PARTICULAR	No. Of Shares	Amount of Shares
As at 01st April,2018	61,25,73,750	6,12,574
Changes in equity share capital during the year	-	-
As at 31st March,2019	61,25,73,750	6,12,574
Changes in equity share capital during the year	-	-
As at 31st March,2020	61,25,73,750	6,12,574

B. Other Equity

PARTICULAR	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (specify nature)	Retained Earnings								
As at 01st April 2018	-	-	-	89,48,888	1,14,390	29,044	-	-	-	-	-	-	-	90,92,322
Profit for the year	-	-	-	-	-	16,549	-	-	-	-	-	-	-	16,549
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(3,286)	-	-	-	-	-	-	-	(3,286)
As at 31st March 2019	-	-	-	89,48,888	1,17,372	42,308	-	-	-	-	-	-	-	91,08,568
profit for the year	-	-	-	-	-	4,787	-	-	-	-	-	-	-	4,787
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(1,371)	-	-	-	-	-	-	-	(1,371)
As at 31st March 2020	-	-	-	89,48,888	1,18,394	45,724	-	-	-	-	-	-	-	91,13,006

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY
(CHARTERED ACCOUNTANTS)
FIRM REGN NO:028454N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M.NO: 533849

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

Consolidated Statement of Profit and Loss for the period ended 31.03.2020

(` in '000)

S.N	Particulars	Note No.	YEAR ENDED 31ST MARCH 2020	YEAR ENDED 31ST MARCH 2019
I	Revenue From Operations	18	17,399	45,428
II	Other Income	19	2	3
III	Total Income (I+II)		17,401	45,431
IV	EXPENSES			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade	20	4	3,323
	Changes in inventories of finished goods	21	2,184	7,553
	Stock-in -Trade and work-in-progress		-	-
	Employee benefits expense	22	1,441	1,273
	Finance costs		-	-
	Depreciation and amortization expense	3	2,554	1,841
	Other expenses	23	3,253	9,214
	Total expenses (IV)		9,437	23,203
V	Profit/(loss) before exceptional items and tax (I- IV)		7,964	22,227
VI	Exceptional Items		860	183
VII	Profit/(loss) before tax (V-VI)		7,104	22,044
	Shares In Associate Companies		309	1,532
	Tax expense:			
VIII	(1) Current tax		2,857	7,317
	(2) MAT Credit Entitlement		-	-
	(3) Deferred tax		(231)	(291)
	(4) Excess Provision of earlier Year		-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		4,787	16,549
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		4,787	16,549

Cont.....

SITAL LEASING AND FINANCE LIMITED

	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
XIV	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		-	-
	Earnings per equity share (for continuing operation):			
XVI	(1) Basic		0.01	0.03
	(2) Diluted		0.01	0.03
	Earnings per equity share (for discontinued operation):			
XVII	(1) Basic		-	-
	(2) Diluted		-	-
	Earnings per equity share (for discontinued & continuing operations)			
XVIII	(1) Basic		0.01	0.03
	(2) Diluted		0.01	0.03

See accompanying notes to the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY
(CHARTERED ACCOUNTANTS)
FIRM REGN NO:028454N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M.NO: 533849

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

Consolidated Statement of Cash Flows for the year ended 31.03.2020

(IN LACS)

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Cash flows from operating activities		
Profit before taxation	82.73	237.59
Adjustments for:		
Depreciation	25.54	18.41
Provision for income tax	28.57	-
Defered tax	-	-
Working capital changes:		
(Increase) / Decrease in trade and other receivables	20.57	79.07
Increase / (Decrease) in trade payables	2.87	12.62
Cash generated from operations		
Interest paid		-
tax paid	(73.17)	(64.16)
Dividends paid		
Net cash from operating activities	87.10	283.53
Cash flows from investing activities		
Purchase of property, plant and equipment	(0.12)	-
Purchase/ Sale of shares	21.84	-
Net cash used in investing activities	21.72	-
Cash flows from financing activities		
Loans & Advances Given/Received	(121.50)	(492.43)
Repayment of Loan	13.91	20.86
Dividends paid	-	-
Shares in Associates Company	3.09	15.32
Net cash used in financing activities	(110.68)	(486.89)
Net increase in cash and cash equivalents	(1.85)	(203.35)
Cash and cash equivalents at beginning of period	9.23	212.58
Cash and cash equivalents at end of period	7.37	9.23

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY
(CHARTERED ACCOUNTANTS)
FIRM REGN NO:028454N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M.NO: 533849

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

Notes to Financial Statements

OTHER NON CURRENT ASSETS

NOTE 4: NON CURRENT INVESTMENT

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
Unquoted Equity Shares						
Carewell Exim Pvt. Ltd.	1000000	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000
KDG Properties & Construction Pvt. Ltd.	2000000	20,00,000	20,00,000	20,00,000	20,00,000	20,00,000
Solomon Holdings Pvt. Ltd.	3250000	32,50,011	32,50,000	32,50,019	32,50,000	32,50,010
Utsav Securities Pvt. Ltd.	3250000	32,60,814	32,50,000	32,60,496	32,50,000	32,58,974
Total		95,10,824		95,10,515		95,08,984

NOTE 5: LOAN

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
Unsecured, Considered Good						
Loans at agreement values less instalment received Standard Assets		2,06,906		2,01,373		1,55,513
Other Loans & Advances						
DSE Security Deposits		40		40		40
Total		2,06,946		2,01,413		1,55,553

NOTE 6: DEFERED TAX ASSETS (NET)

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
Opening Balance		1,514		1,223		1,011
Created/ Reversed During the year		231		291		212
Total		1,745		1,514		1,223

NOTE 7: INVENTORIES

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
Stock In Shares As Per "Annexure-A"		1,744		3,928		11,482
Total		1,744		3,928		11,482

SITAL LEASING AND FINANCE LIMITED
NOTE 8: CASH & CASH EQUIVALENTS

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Cash in Hand	196	498	327
Total	196	498	327

NOTE 9: BANK & BANK BALANCES

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Dena Bank	-	-	13
HDFC Bank Ltd.	20	259	20,763
HDFC Bank Ltd Fixed Deposit	166	166	155
Punjab National Bank	355	-	-
Total	541	425	20,930

NOTE 10: OTHER CURRENT ASSETS

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Share Application Money	-	-	11
Balance with Revenue Authorities	80	80	263
Advance Tax for A.Y. 2018-19	-	-	2,700
Tax Deducted at Source A.Y. 2018-19	-	-	2,248
Tax Deducted at Source A.Y. 2020-21	1,501	3,288	-
Advance Tax for A.Y. 2020-21	1,000	1,500	-
Total	2,581	4,869	5,222.68

NOTE 11: SHARE CAPITAL

(₹ in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Authorised Share Capital			
65,00,00,000 Equity Share of ₹ 1/- Each (Previous Year 65,00,00,000 Equity share of ₹ 1/-each)	6,50,000	6,50,000	6,50,000
	<u>6,50,000</u>	<u>6,50,000</u>	<u>6,50,000</u>
Issued , Subscribed & Paid up Shares			
Shares at the end of the Accounting Period 61,25,73,750 (Previous Year 61,25,73,750) Equity Shares of ₹ 1/-	6,12,574	6,12,574	6,12,574
Total	<u>6,12,574</u>	<u>6,12,574</u>	<u>6,12,574</u>

11.1 The company has only one class of equity Shares having Par Value of ₹ 1/- per Share. All these Shares have Same right & preferences with respect to payment of dividend, re-payment of Capital & Voting.

11.2 The reconciliation of the number of Shares outstanding is set out Below

11.3 Shares In The Company Held By Each Shareholder Holding More Than 5% shares

SITAL LEASING AND FINANCE LIMITED

Name of the Shareholders	AS AT 31ST MARCH 2020		AS AT 31ST MARCH 2019		AS AT 1ST APRIL 2018	
	% of Shares held	No. Of Share	% of Shares held	No. Of Share	% of Shares held	No. Of Share
Avail Financial Services Ltd.	7.41	4,53,64,291	7.41	4,53,64,291	6.87	4,20,57,441
Legend Infoways Pvt. Ltd.	15.61	9,56,25,000	15.61	9,56,25,000	15.61	9,56,25,000
Microland Developers Pvt. Ltd.	14.57	8,92,50,000	14.57	8,92,50,000	14.57	8,92,50,000

NOTE 12: OTHER EQUITY

Refer Statement of Changes in Equity for detailed movement in Equity balance

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Reserve u/s 451C			
At The Beginning Of The Accounting Period	11,557	8,575	6,207
Additions During The Year	1,021	2,982	2,368
At The End Of The Accounting Period	<u>12,578</u>	<u>11,557</u>	<u>8,575</u>
General Reserve			
At The Beginning Of The Accounting Period	1,05,816	1,05,816	1,05,816
Additions During The Year	-	-	-
At The End Of The Accounting Period	<u>1,05,816</u>	<u>1,05,816</u>	<u>1,05,816</u>
Securities Premium Account			
At The Beginning Of The Accounting Period	89,48,888	89,48,888	89,48,888
Additions During The Year	-	-	-
At The End Of The Accounting Period	<u>89,48,888</u>	<u>89,48,888</u>	<u>89,48,888</u>
Surplus in Statement of Profit & loss			
At The Beginning Of The Accounting Period	42,308	29,044	27,248
Additions During The Year	4,787	16,549	20,367
	<u>47,096</u>	<u>45,594</u>	<u>47,615</u>
Transfer to Reserve			
Reserve u/s 451C	(1,021)	(2,982)	(2,368)
Provision for CSR Expenses	(350)	(304)	(239)
Intersegment Transfer Exp W/off	-	-	(15,963)
	<u>(1,371)</u>	<u>(3,286)</u>	<u>(18,570)</u>
At The End Of The Accounting Period	<u>45,724</u>	<u>42,308</u>	<u>29,044</u>
Grand Total	91,13,006	91,08,568	90,92,322

NON-CURRENT LIABILITIES
NOTE: 13 LONG TERM PROVISION

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Provision for Standard Assets	925	803	620
Provision for Loss Assets	1,373	635	635
Total	2,298	1,438	1,254

SITAL LEASING AND FINANCE LIMITED
NOTE: 14 SHORT TERM BORROWINGS

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Term Loans			
Loan from ICICI Bank (Secured Loan)	1,864	3,690	1,604
Loan from Director			
Surendra Kumar Jain	435	-	-
Total	2,299	3,690	1,604

CURRENT LIABILITIES:
NOTE 15: TRADE PAYABLES

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Trade Payable	-	759	4
Total	-	759	4

NOTE 16 : OTHER CURRENT LIABILITIES

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Expenses Payable	1,079	894	386
Total	1,079	894	386

NOTE 17 : SHORT TERM PROVISION

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019	AS AT 1ST APRIL 2018
Provision for Taxation	2,857	7,317	6,416
Total	2,857	7,317	6,416

NOTE 18: REVENUE FROM OPERATION

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2020	AS AT 31ST MARCH 2019
Sale of Trading Goods	2,389	12,373
Income From FDR in Bank	-	13
Interest on Loan (Gross TDS ` 15,00,510/- (Previous Year Gross TDS ` 32,88,418/-/-)	15,010	33,042
Total	17,399	45,428

SITAL LEASING AND FINANCE LIMITED

NOTE 19: OTHER INCOME

(` in '000)

PARTICULARS	AS AT	AS AT
	31ST MARCH 2020	31ST MARCH 2019
Dividend	2	3
Total	2	3

NOTE 20: PURCHASE OF STOCK IN TRADE

(` in '000)

PARTICULARS	AS AT	AS AT
	31ST MARCH 2020	31ST MARCH 2019
Purchases of shares	-	3,275
Trading Expenses	4	48
Total	4	3,323

NOTE 21: CHANGE IN INVENTORIES OF FINISHED GOODS

(` in '000)

PARTICULARS	AS AT	AS AT
	31ST MARCH 2020	31ST MARCH 2019
Balance at the beginning of the year	3,928	11,482
Balance at the Closing of the year	1,744	3,928
Total	2,184	7,553

NOTE 22: EMPLOYEE BENEFIT EXPENSES

(` in '000)

PARTICULARS	AS AT	AS AT
	31ST MARCH 2020	31ST MARCH 2019
Salary Expenses	1,437	1,253
Staff Welfare Expense	3	19
Total	1,441	1,273

NOTE 23: OTHER EXPENSES

(` in '000)

PARTICULARS	AS AT	AS AT
	31ST MARCH 2020	31ST MARCH 2019
Advertisement & Publicity Expenses	25	20
AGM Expenses	12	12
Annual Charges For Credit Rating	18	18
Audit Fees	18	18
Bad Debts W/off	-	5,000
Bank Charges	2	0
Board Meeting Fees	3	3
Car Insurance	179	351
Car Repair & Maintenance	556	50
CDSL Custodial Fees	89	89
Computer Repair & Maintenance	13	16
Conveyance Expenses	44	59
Courier Charges	-	29
Demat Account Charges	-	2
Director Salary	800	2,100
Filing Fees	11	6
General Expenses	3	6
House Tax	85	-
Income Tax Appeal Filing Fees	-	2
Interest Expenses on Tax	146	127
Interest on Loan	546	225
Internal Audit Fees	10	10
ISO Certification Charges	-	6
Legal & Professional charges	37	69
Listing Fees	130	130
NSDL Fees	142	2
Office Repair & Maintenance	182	184
Other Community Expense	1	3
Postal charges	17	24
Printing & Stationery	18	25
Loss on Sale of Fixed Assets	-	376
Registrar Charges	41	34
Software Expenses	-	28
Tax Audit Fees	11	11
Telephone Expenses	2	2
Tour & Travelling Expenses	-	32
Vehicle Running Expenses	107	146
Website Expenses	7	-
Total	3,253	9,214

SITAL LEASING AND FINANCE LIMITED

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

CONSOLIDATED DEPRECIATION CHART AS PER COMPANIES ACT, 2013.

(in '000)

Fixed Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost/valuation as at beginning of the year 2019-20	Additions during the year 2019-20	Disposals/ Adjustments	Cost/valuation at the year end 2019-20	As at the beginning of the year 2019-20	Depreciation during the year 2019-20	Disposals/ Adjustments	Total up to the year end 2019-20	As at the Current year end 2020	As at the previous year end 2019
Tangible Assets										
Building	5,477	-	-	5,477	1,402	204	-	1,606	3,871	4,075
Furniture & Fixtures	1,260	-	-	1,260	785	-	-	785	475	475
Vehicles	20,700	-	-	20,700	13,456	2,272	-	15,728	4,972	7,244
Office Equipment	1,058	12	-	1,070	773	79	-	852	218	285
Total Assets	28,494	12	-	28,506	16,415	2,554	-	18,970	9,536	12,078
Previous year	25,414	4,125	1,046	28,494	14,575	1,841	-	16,415	12,078	10,840

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY
(CHARTERED ACCOUNTANTS)
FIRM REGN NO:028454N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M.NO: 533849

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Corp. Office:- 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

CONSOLIDATED DEPRECIATION CHART AS PER INCOME TAX ACT

(` in '000)

PARTICULARS	DEP. RATE	OPENING WDV	ADDITION / REVALUATION ON OR BEFORE 30.09.2019	ADDITION / REVALUATION AFTER 30.09.2019	SOLD DURING THE YEAR	TOTAL	DEPRECIATION	CLOSING WDV
Computer	40%	11	-	12	-	23	7	16
Furniture & Fixtures	10%	629	-	-	-	629	63	566
Office Building	10%	2,972	-	-	-	2,972	297	2,675
Plant & Machinery	15%	12,979	-	-	-	12,979	1,826	11,153
Total Assets		16,590	-	12	-	16,602	2,193	14,410

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY
(CHARTERED ACCOUNTANTS)
FIRM REGN NO:028454N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M.NO: 533849

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

Note 1: COMPANY INFORMATION

SITAL LEASING AND FINANCE LIMITED

Sital Leasing & Finance Ltd. is a Public Limited Company (The Company) having registered office at 322, 3rd Floor, S.S Plaza Commercial Complex, Mayfield Garden, Sector-47 Gurgaon, Haryana 122001. The Company is listed on the MSEI (Metropolitan Stock Exchange of India Ltd.) The company is engaged in the business of investment, financing, trading in shares and securities activities. We believe that we are well placed to leverage on the growth opportunities in the economy.

Note 2 : SIGNIFICANT ACCOUNTING POLICIES

(c) Basis for preparation of Accounts:

The financial statements have been prepared under the historical cost convention on accrual basis, except pertaining to amalgamation accounting in the earlier years, in accordance with the generally accepted accounting principles, provisions of the Companies Act, 2013, and Accounting Standards (AS) notified under Companies (Accounting Standards) Amendment Rules, 2017 u/s 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statement have been prepared in conformity with generally accepted accounting principle to comply in all material respect with the notified accounting standards ('AS') under companies accounting standards Rules, as amended, the relevant provisions of the companies Act, 2013 ('the Act') and the guidelines issued by the Reserve Bank of India (RBI) as applicable to an Non - Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year. The company adopts accrual system of accounting unless otherwise stated.

(d) Use of Estimates

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

(c) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

SITAL LEASING AND FINANCE LIMITED

Intangible Assets expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprise of purchase price and directly attributable expenditure on making the assets ready for its intended use.

(d) Depreciation & Impairment of Assets

Depreciation on fixed assets is provided on Written down Value method, over the useful lives and in the manner prescribed in Schedule II to the Companies Act, 2013.

(e) Investment

Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made only if; such a decline is other than temporary in the opinion of the management. As in case of our company such decline is presumed to be temporary hence no provision has been created.

(f) Revenue Recognition

(iv) Loan Income

In respect of loan agreements, the income is accrued by applying the impact rate in the transaction on declining balance on the amount financed for the period of the agreement.

(v) Dividend income on investments is accounted for as and when the right to receive the same is established.

(vi) No income is recognized in respect of Non- performing assets, if any, as per the prudential norms for income recognition introduced for Non-Banking Financial Corporation by Reserve Bank of India vide its notification .DFC.NO.119/DG/ (SPT)-98 date 31-01-1998 and revised notification no. DNBS.192/DG (VL)-2007 dated 22-02-2007.

(g) Provisions of Assets

The company makes provisions for standard and Non-performing Assets as per the Non-Banking Financial (Non-Deposit Accepting of Holding Companies prudential Norms Reserve Bank) Directions, 2007, as amended from time to time. The company also makes additional provisions towards loan assets, to the extent considered necessary, based on the management's best estimate.

Loan assets which as per the management are not likely to be recovered are considered as bad debts and written off.

SITAL LEASING AND FINANCE LIMITED

Provisions on standards assets are made as per the notification DNBS.PD.CC.No. 002/03.10.001/2014-15 Dated Nov 10, 2014 issued by Reserve Bank of India.

(h) Statutory/ Special reserve

The Company creates Statutory / Special Reserve every year twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

(l) Employee Benefits

Company do not follow the provision of the accounting Standard-15 "Employee benefits" as the company do not have employee more than 10 personnel's. So it is the policy of the company that any kind of provision mentioned in the AS -15 will not be entertained. And the company does not make provision for gratuity also.

In case the company's employee limits goes beyond the prescribed limits then AS-15 for Employee benefits will be taken into consideration.

(m) Financial Derivatives and Commodity Hedging Transaction:

In respect of Derivative contracts, premium paid, gain & losses on settlement and losses on restatement are recognized in the Statement of profit & Loss.

(n) Accounting of Inventories:

Stock in trade should be valued at cost or market price whichever is lower.

(l) Provisions, contingents Liabilities and contingent Assets

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

(ii) Contingent Liabilities are disclosed separately by way of note to financial statements after careful evaluation by the managements of the facts and legal aspects of the matter involved in case of:

- (c) A present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- (d) A possible obligation, unless the probability of outflow of resources is remote.

SITAL LEASING AND FINANCE LIMITED

(iv) Contingent Assets are neither recognized, nor disclosed in the financial statements.

(m) **Taxation**

Provisions for current tax is made in accordance with and at the rates specified under the Income Tax Act, 1961, in accordance with Accounting Standard 22- 'Accounting for taxes on Income', issued by the Institute of Chartered Accountant of India.

(n) **Earnings per share**

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted averages number of equity shares outstanding during the year.

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

(o) **Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statements comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amount of cash.

41. Previous year's figures have been reworked, regrouped, & reclassified wherever necessary to confirm to the current year presentation.

42. In the opinion of Board of Director, the current Assets, loans & advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated.

43. **GLOBAL HEALTH PANDEMIC (COVID-19)**

The outbreak of COVID-19 pandemic is causing significant disturbance and slow down of economic activities globally.

The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities.

The Management has considered the possible effects that may result from the pandemic on the recoverability/ carrying value of the assets. Based on the current indicators of future economic conditions, the Management expects to recover the carrying amount of the assets, however the Management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial statements.

44. During the year, the company has not made any provision for Doubtful Assets in respect of Loan outstanding.

SITAL LEASING AND FINANCE LIMITED

45. During the year, the Company has purchased shares Quoted/unquoted and Commodities (If Any) has been considered as stock in trade by the Management.
46. During the year, the company has not been traded in F & O's.
47. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of ` 10,21,475/- (Previous Year ` 29,82,044/-) representing 20% of Net Profit is transferred to the fund for the year.
48. **Contingent liabilities and pending litigations:**

(E) There is a pending tax demand of Rs. 10.07 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2010-11. The company has filed an appeal before CIT(A) against the demand for A.Y. 2010-11. The matter is pending before CIT(A). The company is hopeful to get relief.

(F) There is a pending tax demand of Rs. 3.04 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2011-12. The company has filed an appeal before CIT(A) against the demand for A.Y. 2011-12. The matter is pending before CIT(A). The company is hopeful to get relief.

49. The company's business activity falls within two primary/ secondary business segment viz. Finance Activity and dealing in shares & securities. The disclosure requirement of Accounting standard (AS) -17 "Segment Reporting" issued by the Institute of chartered Accountants of India, therefore is given below:

Income from Financial Segment	-	1.50 CR
Income from Investment Segment	-	NIL
Total Expense	-	0.73 CR
Net Profit	-	0.80 CR

50. **Auditor's remuneration :**

Particulars	2019-20	2018-19
Statutory Audit	18,320/-	18,320/-
Tax Audit Fees	11,236/-	11,236/-

51. Information as required by Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007 is Furnished vide Annexure -1 Attached Herewith.
52. Information as required by Non Banking Financial Companies -Corporate Governance (Reserve Bank) Direction, 2015 is Furnished vide Annexure -II Attached Herewith.
53. **Provision for Standard and Non-Performing Assets:** Provision for non performing assets (NPAs) is made in the financial statements according to the Prudential Norms prescribed by RBI for NBFCs. The Company also makes additional provision towards loan assets, based on the management's best estimate. Additional provision of 0.40% on Standard assets has also been made during the year, as per stipulation of RBI on Standard assets. Company has made provisions for Standard Assets as well as Non-Performing Assets as per the table below:

Particulars	2019-20	2018-19
Sub standard Assets		
Total Non-Performing Assets	13,72,973.00	6,34,973.00
Provision already available	6,34,973.00	6,34,973.00
Additional Provision made during the year	7,38,000.00	0.00
Reversed Provision During the Year	0.00	0.00
Total Provision at the end of the Year	13,72,973.00	6,34,973.00
Standard Assets		
Provision already available	8,02,952.00	6,19,510.00
Additional Provision made during the year	1,21,946.00	1,83,442.00
Reversed Provision made During the Year	0.00	0.00
Total Provision at the end of the Year	9,24,898.00	8,02,952.00

54. Earnings per Share "AS-20" issued by the Institute of chartered Accountants of India:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(F) Profit after taxation as Statement of Profit and Loss (in Rupees)	44,78,471	1,50,17,706
(G) Weight Average number of equity Shares outstanding during the year	61,25,73,750	61,25,73,750
(H) Nominal value of Equity shares (in rupees)	1.00	1.00
(I) Basic Earnings per Share	0.01	0.02
(J) Diluted Earnings per share	0.01	0.02

55. **Related Party Disclosure:**

As per Accounting Standard 18 on related Party disclosure issued by the Institute of chartered Accountants of India, the nature and volume of transaction of the company during the year with the related parties were as follows:

Name of the Related Party	Relationship	Nature of Transaction	Number of Transaction	Amount of Transaction	Amount o/s on B.S Date
KDG Properties & constructions	Virendra Jain Director of KDG Properties &	Investment	0	0	200,00,00,000

SITAL LEASING AND FINANCE LIMITED

Private Limited	Construction Pvt. Ltd. is Brother of Surendra Kumar Jain				
Utsav Securities Private Limited	Virendra Jain Director of Utsav Securities Pvt. Ltd. is Brother of Surendra Kumar Jain	Investment	0	0	325,00,00,000
Surendra Kumar Jain	Managing Director	Director Remuneration	10	8,00,000/-	0
Nishu Jain	Company Secretary	KMP Remuneration	3	2,95,110/-	0
Sunshine Capital Ltd.	Same Director	Loan & Advances	5	1,41,52,284/-	0

Note: Related party relationship is as identified by the Company and relied upon by the auditor.

The following Director of the company are Director in other Companies:

Surendra Kumar Jain	Priti Jain	Sujan Lal Mehta	Anil Prakash
Sunshine Capital Limited	PB Housing Dev. Pvt. Ltd.	Kallinugger And Khoreel Tea Co Ltd	Sunshine Capital Limited
Shri Niwas Leasing And Finance Limited	Great Bear Aviation Pvt Ltd	Barduar Tea & Timber Co Ltd	Transnational Growth Fund Ltd.
Euro Asia Laboratories Limited	JP Buildcon Pvt. Ltd.	C Batia & Co Pvt Ltd	RKG Finvest Limited
Transnational Growth Fund Ltd	Shourya Developers Pvt. Ltd.	Sunshine Capital Limited	ECHT Finance Limited
RKG Finvest Limited	PB Properties Pvt. Ltd.	Transnational Growth Fund Ltd.	Cosmo Buildtech Private Limited
-	ECHT Finance Limited	RKG Finvest Limited	-
-	Euro Asia Laboratories Limited	ECHT Finance Limited	-
-	-	Jaipur Investment Limited	-

56. The Company estimates the deferred tax created / (credit) using the applicable rate of Taxation based on the impact of timing Differences between financial Statements and Estimated taxable income for the current Year.

Details of Deffered Tax Assets (Liabilities) are As follows:

Calculation of Deferred Tax Assets	
WDV as per Companies Act	95,36,027.00
WDV as per Income Tax act	1,44,09,527.00
Timing Difference	(48,73,500.00)
Deferred Tax Assets	17,44,542.00

57. There are no micro, Small and Medium Enterprises, to whom the Company owes dues which outstanding for more than 45 days as at 31st March 2020. This information as

SITAL LEASING AND FINANCE LIMITED

required to be disclosed under the micro, small and medium Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with company.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED.

FOR MAK & COMPANY.
(CHARTERED ACCOUNTANTS)
FRN: 028454N

FOR SITAL LEASING & FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M. NO. 533849
00537234

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN:

PLACE: GURUGRAM
DATE : 23.06.2020

NISHU JAIN
(COMPANY SECRETARY)
M. NO. A58126

PIYUSH JAIN
(C.F.O.)

ANNEXURE-VII

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To,
The Members,
Sital Leasing & Finance Ltd
[L65910HR1983PLC050169]
Office No. 322, 3rd Floor, SS Plaza Commercial
Complex Mayfield Garden,
Sector-47, GURUGRAM, HR 122001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Sital Leasing & Finance Ltd.[L65910HR1983PLC050169]**. Secretarial Audit was conducted in a manner that provided meareasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/s Sital Leasing & Finance Ltd [L65910HR1983PLC050169]** 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

SITAL LEASING AND FINANCE LIMITED

financial year ended on **31.03.2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Sital Leasing & Finance Ltd.[L65910HR1983PLC050169]**(“the Company”) for the financial year ended on **31.03.2020** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (a) The Company has complied with the provision of Section 203 of the Companies Act, 2013 for appointment of Chief Financial Officer during the audit period. The Chief Financial Officer appointed in the F.Y. 2018-19 is continued in Current Audit Period.
 - (b) The Company during transition of Appointment of Whole Time Company Secretary, appointed the Director of the Company as Compliance Officer.
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under:
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [**Not Applicable in the period of Audit**]
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. [**Not Applicable in the period of Audit**]
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. [**Not Applicable in the period of Audit**]
 - f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client. [**Not Applicable in the period of Audit**]
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. [**Not Applicable in the period of Audit**]
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. [**Not Applicable in the period of Audit**]

SITAL LEASING AND FINANCE LIMITED

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (LODR) Regulations, 2015 entered into by the Company with

Stock Exchange.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors as on 31st March, 2020. 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.
- Proof of sending notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance maintained by the Company.
- On the basis of the Minutes of the Board Meeting, it is apparent that all the decisions are carried through unanimous consensus and there were no dissenting members' views.
- Based on review of compliance mechanism established by the Company and on the basis of certificates issued by officers of the Company, we are of the opinion that the management has adequate system and processes commensurate with its sizes and regulations and guidelines.
- The compliance by the Company of applicable financial laws, like direct and indirect tax laws and financial accounts, has not been reviewed in this Audit since the same has been subject to review by statutory financial audit and designated professionals.

For and on Behalf of

M/s S RAVI & ASSOCIATES
(Practising Company Secretary)

(CS. Ravi Sharma)

Place: New Delhi

Date: 16/07/2020

UDIN: A054818B000459486

SITAL LEASING AND FINANCE LIMITED

This report is to be read with our letter of even date which is annexed as Annexure "A" and forms an integral part of this report.

Annexure-A

To,
The Members,
Sital Leasing & Finance Ltd
[L65910HR1983PLC050169]
Office No. 322, 3rd Floor, SS Plaza Commercial
Complex Mayfield Garden,
Sector-47, GURUGRAM, HR 122001 IN

Subject: My Report of even date is to be read along with this letter:

- 1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.**
- 2. I have followed the audit practices and processes as were appropriate to obtain reasonable was done on to ensure that correct facts are reflected in secretarial records. I believe that the process and practice, I followed provide a reasonable basis for my opinion.**
- 3. I have not verified the correctness and appropriateness of financial records and books of account of the company.**
- 4. Where ever required, I have obtained the Management Representation about the compliance of Laws, rules, regulations and happening of events etc.**
- 5. The compliance of provision of corporate and other applicable laws, rules, regulations, standards of procedures on test basis.**
- 6. The Secretarial Audit Report is neither an assurance as to future validity of the company nor of the efficiency or effectiveness with which management has conducted the affaires of the company.**

For and on Behalf of

M/s S RAVI & ASSOCIATES
(Practising Company Secretary)

(CS. Ravi Sharma)

Place: New Delhi

Date: 16/07/2020

UDIN: A054818B000459486

Indicative List of Balance Sheet Disclosure for Non-Deposit Taking NBFCs with Asset Size Rs. 500 Crore and Above and Deposit Taking NBFCs (hereinafter called as Applicable NBFCs)

1. Minimum Disclosures

At a minimum, the items listed in this Annex should be disclosed in the NTA by all applicable NBFCs. The disclosures listed are intended only to supplement, and not to replace, other disclosure requirements as applicable.

2. Summary of Significant Accounting Policies

NBFCs should disclose the accounting policies regarding key areas of operations at one place along with NTA in their financial statements. A suggestive list includes - Basis of Accounting, Transactions involving Foreign Exchange, Investments - Classification, Valuation, etc, Advances and Provisions thereon, Fixed Assets and Depreciation, Revenue Recognition, Employee Benefits, Provision for Taxation, Net Profit, etc.

3.1 Capital

Amount in Rs. crore)		
Particulars	Current Year	Previous Year
) RAR (%)	9.53	9.35
) RAR - Tier I Capital (%)	9.45	9.29
) RAR - Tier II Capital (%)	08	07
) Amount of subordinated debt raised as Tier-II capital		
) Amount raised by issue of Perpetual Debt Instruments		

3.2 Investments

Amount in Rs. crore)		
Particulars	Current Year	Previous Year
) Value of Investments	50	50
) Gross Value of Investments		
)) India	50	50
)) Outside India		
) Provisions for Depreciation		
)) India		
)) Outside India		
) Net value of Investments		
)) India		
)) Outside India		
) Movement of provisions held towards depreciation on investments		
)) Opening Balance		
)) Add: Provisions made during the year		
)) Less: Write-off/write-back of excess provisions during the year		
)) Closing balance		

Derivatives

3.3.1 Forward Rate Agreement / Interest Rate Swap

Amount in Rs Crore)		
Particulars	Current Year	Previous Year
i) The notional principal of swap agreements		
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements		
iii) Collateral required by the NBFC upon entering into swaps		
iv) Concentration of credit risk arising from the swaps \$		
v) The fair value of the swap book @		

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.

Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the NBFC would receive or pay to terminate the swap agreements as on the balance sheet date.

3.3.2 Exchange Traded Interest Rate (IR) Derivatives

Amount in Rs. Crore)		
No.	Particulars	Amount
i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	
ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March (instrument-wise)	
iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	
iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	

--	--	--

3.3.3 Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

NBFCs shall describe their risk management policies pertaining to derivatives with particular reference to the extent to which derivatives are used, the associated risks and business purposes served. The discussion shall also include:

- The structure and organization for management of risk in derivatives trading,
- The scope and nature of risk measurement, risk reporting and risk monitoring systems,
- Policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants, and
- Accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation.

Quantitative Disclosures

Amount in Rs. Crore)			
No.	Particular	Currency Derivatives	Interest Rate Derivatives
	Derivatives (Notional Principal Amount)		
	for hedging		
	Marked to Market Positions [1]		
	Asset (+)		
	Liability (-)		
	Credit Exposure [2]		
	Unhedged Exposures		

3.4 Disclosures relating to Securitization

3.4.1 The NTA of the originating NBFCs should indicate the outstanding amount of securitized assets as per books of the SPVs sponsored by the NBFC and total amount of exposures retained by the NBFC as on the date of balance sheet to comply with the Minimum Retention Requirements (MRR). These figures should be based on the information duly certified by the SPV's auditors obtained by the originating NBFC from the SPV. These disclosures should be made in the format given below.

No.	Particulars	No. / Amount in Rs. Crore
	No. of SPVs sponsored by the NBFC for securitisation transactions*	
	Total amount of securitised assets as per books of the SPVs sponsored	
	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	
	Off-balance sheet exposures	
	First loss	
	Others	
	On-balance sheet exposures	
	First loss	
	Others	
	Amount of exposures to securitisation transactions other than	

SITAL LEASING AND FINANCE LIMITED

MRR		
	Off-balance sheet exposures	
	Exposure to own securitizations	
	First loss	
	Others	
	Exposure to third party securitisations	
	First loss	
	Others	
	On-balance sheet exposures	
	Exposure to own securitisations	
	First loss	
	Others	
	Exposure to third party securitisations	
	First loss	
	Others	

Only the SPVs relating to outstanding securitisation transactions may be reported here

3.4.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Amount in Rs. Crore)			
Particulars		Current year	Previous Year
a)	No. of accounts	-	-
b)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
c)	Aggregate consideration	-	-
d)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
e)	Aggregate gain / loss over net book value	-	-

3.4.3 Details of Assignment transactions undertaken by NBFCs

Amount in Rs. Crore)			
Particulars		Current year	Previous Year
a)	No. of accounts	-	-
b)	Aggregate value (net of provisions) of accounts sold	-	-
c)	Aggregate consideration	-	-
d)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
e)	Aggregate gain / loss over net book value	-	-

3.4.4 Details of non-performing financial assets purchased / sold

NBFCs which purchase non-performing financial assets from other NBFCs shall be required to make the following disclosures in the NTA to their Balance sheets: -NIL

A. Details of non-performing financial assets purchased:

SITAL LEASING AND FINANCE LIMITED

Amount in Rs. Crore)			Current year	Previous Year
Particulars				
)	)	o. of accounts purchased during the year	-	-
)	)	Aggregate outstanding	-	-
)	)	of these, number of accounts restructured during the year	-	-
)	)	Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold:

Amount in Rs. Crore)			Current year	Previous Year
Particulars				
)	)	o. of accounts sold	-	-
)	)	Aggregate outstanding	-	-
)	)	Aggregate consideration received	-	-

3.5 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities (amount in Cr.)

	Up to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	20.69	-	20.69
Investments	-	-	-	-	-	-	-	950	950
Borrowings	-	-	-	-	-	0.23	-	-	0.23
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

3.6 Exposures

3.6.1 Exposure to Real Estate Sector

Amount in Rs. Crore)			Current Year	Previous Year
Category				
Direct Exposure				
)	)	Residential Mortgages -		
)	)	ending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		
)	)	Commercial Real Estate -		
)	)	ending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also		

SITAL LEASING AND FINANCE LIMITED

		include non-fund based limits		
	i)	investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
		Residential		
		Commercial Real Estate	07	07
Total Exposure to Real Estate Sector			07	07

3.6.2 Exposure to Capital Market

Amount in Rs. Crore)			
Particulars		Current Year	Previous Year
a)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
b)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
i)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
v)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
c)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
i)	Loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
ii)	Bridge loans to companies against expected equity flows / issues;	-	-
iii)	Net exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market			

3.6.3 Details of financing of parent company products - NIL

3.6.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC The NBFC should make appropriate disclosure in the NTA to the annual financial statements in respect of the exposures where the NBFC had exceeded the prudential exposure limits during the year. The sanctioned limit or entire outstanding, whichever is high, shall be reckoned for exposure limit. -NIL

3.6.5 Unsecured Advances

SITAL LEASING AND FINANCE LIMITED

- a) For determining the amount of unsecured advances the rights, licenses, authorizations, etc., charged to the NBFCs as collateral in respect of projects (including infrastructure projects) financed by them, should not be reckoned as tangible security. Hence such advances shall be reckoned as unsecured. – **All loans are unsecured.**
- b) NBFCs should also disclose the total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral. The disclosure may be made under a separate head in NTA. This would differentiate such loans from other entirely unsecured loans. - **NIL**

4. Miscellaneous

4.1 Registration obtained from other financial sector regulators:

A. MSEI Registration No.: SITAL / ISIN: INE341O01029

B. RBI Registration No.: B-14.002131 dated 21/12/2001

4.2 Disclosure of Penalties imposed by RBI and other regulators

Consistent with the international best practices in disclosure of penalties imposed by the regulators, placing the details of the levy of penalty on the NBFC in public domain will be in the interests of the investors and depositors. Further, strictures or directions on the basis of inspection reports or other adverse findings should also be placed in the public domain. The penalties should also be disclosed in the NTA. - **None**

4.3 Related Party Transactions

- a) Details of all material transactions with related parties shall be disclosed in the annual report - **Disclosed in Annual report.**
- b) The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report. - **Disclosed in Annual report.**

4.4 Ratings assigned by credit rating agencies and migration of ratings during the year- **Disclosed in the Annual Report.**

4.5 Remuneration of Directors

All pecuniary relationship or transactions of the non-executive director's vis-à-vis the company shall be disclosed in the Annual Report- **Disclosed in the Annual Report.**

4.6 Management

As part of the directors' report or as an addition thereto, a Management Discussion and Analysis report should form part of the Annual Report to the shareholders. This Management Discussion & Analysis should include discussion on the following matters within the limits set by the company's competitive position:

- a) Industry structure and developments.
- b) Opportunities and Threats.
- c) Segment-wise or product-wise performance.
- d) Outlook
- e) Risks and concerns.
- f) Internal control systems and their adequacy.
- g) Discussion on financial performance with respect to operational performance.
- h) Material developments in Human Resources / Industrial Relations front, including number of people employed.

4.7 Net Profit or Loss for the period, prior period items and changes in accounting policies

Since the format of the profit and loss account of NBFCs does not specifically provide for disclosure of the impact of prior period items on the current year's profit and loss, such disclosures, wherever warranted, may be made in the NTA.

4.8 Revenue Recognition

An enterprise should also disclose the circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

4.9 Accounting Standard 21 -Consolidated Financial Statements (CFS)

NBFCs may be guided by general clarifications issued by ICAI from time to time. A parent company, presenting the CFS, should consolidate the financial statements of all subsidiaries - domestic as well as foreign. The reasons for not consolidating a subsidiary should be disclosed in the CFS. The responsibility of determining whether a particular entity should be included or not for consolidation would be that of the Management of the parent entity. In case, its Statutory Auditors are of the opinion that an entity, which ought to have been consolidated, has been omitted, they should incorporate their comments in this regard in the "Auditors Report".

5. Additional Disclosures**5.1 Provisions and Contingencies**

To facilitate easy reading of the financial statements and to make the information on all Provisions and Contingencies available at one place, NBFCs are required to disclose in the NTA the following information:

Amount in Rs. Crore)		
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Current Year	Previous Year
Provisions for depreciation on Investment	-	-
Provision towards NPA	0.14	0.06
Provision made towards Income tax	0.29	0.73
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	0.09	0.08

5.2 Draw Down from Reserves Suitable disclosures are to be made regarding any draw down of reserves in the NTA.

5.3 Concentration of Deposits, Advances, Exposures and NPAs**5.3.1 Concentration of Deposits (for deposit taking NBFCs)**

Amount in Rs. crore)	
Total Deposits of twenty largest depositors	A
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	A

5.3.2 Concentration of Advances

Amount in Rs. crore)	
Total Advances (loan) to twenty largest borrowers	0.69
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	

5.3.3 Concentration of Exposures

SITAL LEASING AND FINANCE LIMITED

Amount in Rs. crore)	
Total Exposure to twenty largest borrowers / customers	10.69
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	

5.3.4 Concentration of NPAs

Amount in Rs. Crore)	
Total Exposure to top four NPA accounts	14

5.3.5 Sector-wise NPAs

S. No.	Sector	Percentage of NPAs to Total Advances in that sector
	Agriculture & allied activities	NA
	SME	NA
	Corporate borrowers	20.69
	Services	NA
	Unsecured personal loans	NA
	Auto loans	NA
	Other personal loans	NA

5.4 Movement of NPAs

Amount in Rs. crore)			
Particulars		Current Year	Previous Year
i)	Net NPAs to Net Advances (%)	100	106
ii)	Movement of NPAs (Gross)		
	Opening balance	106	106
	Additions during the year	107	
	Reductions during the year-		
	Closing balance	114	106
iii)	Movement of Net NPAs		
	Opening balance	106	
	Additions during the year	107	106
	Reductions during the year		
	Closing balance	114	106
iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	Opening balance		
	Provisions made during the year		
	Write-off / write-back of excess provisions		
	Closing balance		

5.5 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

SITAL LEASING AND FINANCE LIMITED

Name of the Joint Venture/ Subsidiary	Other Partner in the JV	Country	Total Assets
NONE			

5.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Name of the SPV sponsored	
Domestic	Overseas
NONE	

6. Disclosure of Complaints

6.1 Customer Complaints

)	No. of complaints pending at the beginning of the year	NONE
)	No. of complaints received during the year	
)	No. of complaints redressed during the year	
)	No. of complaints pending at the end of the year	

If undelivered, please return to:

SITAL LEASING AND FINANCE LIMITED
 Regd. Office: Office No. 322, 3rd Floor, S.S Plaza
 Commercial Complex, Mayfield Garden,
 Sector-47, Gurugram, Haryana- 122001

Corp. Office: 16/121-122, Jain Bhawan, Faiz Road,
 Karol Bagh, New Delhi-110005
 Ph: 011-47476071