



# SITAL

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

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

**Regd. Off. :**  
Office No. : 322, 3rd Floor, SS Plaza Commercial Complex  
Mayfield Garden, Sector-47  
Gurgaon, Haryana - 122001

**Date: 17.10.2018**

**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**

**Sub: Submission of Annual Report (including Notice of AGM) under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the Financial Year 2017-18. (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 2017-18.

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

For SITAL LEASING AND FINANCE LIMITED

  
SURENDRA KUMAR JAIN  
(Managing Director)

DIN: 00530035

Encl: a/a

**SITAL  
LEASING AND  
FINANCE  
LIMITED**

**35<sup>TH</sup>  
ANNUAL REPORT  
2017-18**

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# **CORPORATE INFORMATION**

**CIN:** L65910HR1983PLC050169

## **BOARD OF DIRECTORS**

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

## **COMPANY SECRETARY**

Ms. Rainy Jain

## **SECRETARIAL AUDITORS**

Abhishek Sharma & Associates  
(Practicing Company Secretaries)  
First Floor, House No. 451, Ward-11  
Near Gulshan Depo, Panipat,  
Haryana- 132103

## **STATUTORY AUDITORS**

M/s PBH & Co.  
Chartered Accountant  
489/1, Indra Colony,  
Rohtak, Haryana-124001

## **INTERNAL AUDITORS**

Mr. Deepak Bhojak

## **REGISTERED OFFICE**

Office No. 322, 3<sup>rd</sup> 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

## **REGISTRAR AND TRANSFER AGENT**

Bigshare Services Pvt. Ltd.  
E4/8, First Floor, Jhandewalan  
Extension, New Delhi-110055

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

- Metropolitan Stock Exchange of India Limited (MSEI)

## **EMAIL**

sitalleasing83@gmail.com  
Sital1983@sitalleasingfinance.com

## **INVESTORS HELPDESK & EMAIL**

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

## **WEBSITE**

www.sitalleasingfinance.com

## **CONTACT NO.**

91-9891709895  
011-47476071

## **BOARD COMMITTEE:**

### **Audit Committee:**

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

### **Nomination & Remuneration Committee:**

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

### **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. Surender Kumar Jain, Member

# **SITAL LEASING AND FINANCE LTD**

**Regd. Office:** 322, 3<sup>rd</sup> 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,sital1983@sitalleasingfinance.com, **Website:** www.sitalleasingfinance.com

## **NOTICE**

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, 26<sup>th</sup> Day of September, 2018 at 10:00 A.M. at Sandys Cocktails & Kitchen, 388 SCO Adjacent to IFFCO Metro Station Behind Westin Hotel Sector 29, Gurugram, Haryana 122001 to transact the following Businesses:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2018 and Statement of Profit and Loss for the year ended on that date, together with the Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Mr. Surendra Kumar Jain (DIN: 00530035), an Executive/ Non-Independent Director who retires by rotation and being eligible offers herself for re- appointment.
3. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to provisions to Section 139 to 142 of the Companies Act, 2013 and other applicable provisions if any of the act and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s PBH&CO., Chartered Accountant, New Delhi, (having FRN. 027217N), be and is hereby re-appointed as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be fixed in this behalf by the Board of Directors of the Company.”

**By Order of the Board of Directors  
SITAL LEASING AND FINANCE LIMITED**

**Date: 30.08.2018  
Place: Gurugram**

**SURENDRA KUMAR JAIN  
MANAGING DIRECTOR  
(DIN: 00530035)**

## NOTES

- (i) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE AT A POLL INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY, DULY COMPLETE AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN (10) % OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
- (ii) There is no special business to be transacted in AGM. Hence, no Explanatory statement pursuant to the provision of Section 102 of the Companies Act 2013 for material facts related to Special business is annexed herewith.
- (iii) Corporate Members intending to send their respective authorized representative are requested to send a duly certified copy of the Board/ Governing Body resolution authorizing such representative to attend and vote at the Annual General Meeting.
- (iv) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (v) 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 19<sup>th</sup> September, 2018 to 26<sup>th</sup> September, 2018 (both days inclusive).
- (vi) Details under Regulation 26 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment at the Annual General Meeting, forms integral part of the Notice. The Director has furnished the requisite declarations for re-appointment to the Company.
- (vii) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members who are holding shares in physical forms are requested to notify changes in their respective address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to Company's Registrar i.e. M/s **Bigshare Services Pvt Ltd.**, 4E/8, First Floor, Jhandewalan Extension, New Delhi-110055. Beneficial owners holding shares in electronic form are requested to intimate change in address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to their respective Depository Participants (DP). Members are requested to register/ update their e-mail addresses with the Registrar in case of shares held in physical form and with their respective Depository Participants in case shares are held in electronic form.
- (viii) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.
- (ix) Electronic copy of the Annual Report for financial year 2017-18 along with the Notice of the 35<sup>th</sup> Annual General Meeting of the Company (including Attendance Slip and Proxy Form) is being

sent to all the members whose email IDs are registered with the Registrar/Depository Participants(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2017-18 along with Notice of the 35<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by other permissible modes.

- (x) Members may also note that the Notice of the 35<sup>th</sup> Annual General Meeting and the Annual Report for the financial year 2017-18 will also be available on the Company's website [www.sitalleasingfinance.com](http://www.sitalleasingfinance.com). The physical copies of the aforesaid documents will also be available at the Company's Corporate Office in New Delhi for inspection during normal business hours on all working day.
- (xi) Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by any permissible mode free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [sitalleasing83@gmail.com](mailto:sitalleasing83@gmail.com).
- (xii) Pursuant to the provisions of Section 72 of the Companies Act 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility.
- (xiii) All documents referred to in the accompanying Notice are open for inspection at the corporate office of the Company during normal business hours on all working day.
- (xiv) The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and Register of Contracts or Arrangements in which directors are interested under section 189 will be made available for inspection by members of the Company at the meeting.

### **Voting Through Electronics Means**

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the **business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).**

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system. The Notice of the 35<sup>th</sup> Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or [www.sitalleasingfinance.com](http://www.sitalleasingfinance.com)

The facility for voting through Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.



## PROCEDURE TO LOGIN TO E-VOTING WEBSITE

### 1. How do I vote electronically using NSDL e-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 Step1 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 a mobile.
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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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 is IN300***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 is 12*****
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](http://www.evoting.nsdl.com).
  - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto: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 check box.
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.
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.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [Fcs.chirag@gmail.com](mailto:Fcs.chirag@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
4. The remote e-voting period commenced on 23<sup>rd</sup> September, 2018 at 9.00 a.m. and ends on 25<sup>th</sup> September, 2018 at 5.00 p.m. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date 18<sup>th</sup> September, 2018.

By Order of the Board of Directors  
**SITAL LEASING AND FINANCE LIMITED**

**DATE: 30.08.2018**  
**PLACE: GURUGRAM**

**SURENDRA KUMAR JAIN**  
**MANAGING DIRECTOR**  
**DIN: 00530035**

## **OTHER INFORMATION:**

1. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Tuesday, September 18, 2018.
2. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
3. Shareholders of the Company, holding either in physical form or in dematerialized form, as on the cut-off date of Tuesday, September 18, 2018 may only cast their vote at the 35<sup>th</sup> Annual General Meeting.
4. Mr. Chirag Singla, Practicing Company Secretary (Membership No.: ACS 50931, C.P. No.: 18463) has been appointed as the Scrutinizer for the Purpose of Annual General Meeting.
5. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the voting cast at the meeting and make a Scrutinizer's Report of the votes cast in favour or against, if any, and to submit the same to the Chairman of the AGM not later than two working days from the conclusion of the AGM.
6. The Results shall be declared forthwith after the submission of Scrutinizer's Report either by Chairman of the Company or by any person authorized by him in writing and the resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
7. The Results declared along with the Scrutinizer's Report will be available on the website of the Company [www.sitalleasingfinance.com](http://www.sitalleasingfinance.com) after the declaration of the results by the Chairman.

**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)**

<b>Name of Director</b>	Mr. SURENDRA KUMAR JAIN
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	01/03/2014
<b>Qualifications</b>	B.COM, L.L.B.
<b>Number of Shares held in the Company</b>	1147500
<b>Expertise in specific Functional areas</b>	Financial Sector
<b>Director of other Companies (excluding foreign Companies)</b>	<ol style="list-style-type: none"><li>1. SHRI NIWAS LEASING AND FINANCE LIMITED</li><li>2. EURO ASIA LABORATORIES LIMITED</li><li>3. TRANSNATIONAL GROWTH FUND LTD.</li><li>4. SUNSHINE CAPITAL LIMITED</li><li>5. RKG FINVEST LIMITED</li></ol>
<b>Relationship between Director Inter se</b>	NA

**Here we are given below the Route Map for the purpose of Company's AGM Venue**



# **DIRECTOR'S REPORT**

To,  
The Members,  
**SITAL LEASING AND FINANCE LTD**

The Directors have pleasure in presenting before you the 35<sup>th</sup> Annual Report on the business and operations of the Company along with the Audited Financial Statement for the financial year ended 31<sup>ST</sup> March, 2018.

## **1. FINANCIAL SUMMARY HIGHLIGHTS:**

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

	(IN INR)	
<b>Particulars</b>	<b>31<sup>st</sup> March, 2018</b>	<b>31<sup>st</sup> March, 2017</b>
Total Income	88,77,24,042	3,025,238,293
Profit before Tax	1,75,86,700	1,60,42,478
Current Tax	64,15,662	57,24,854
MAT Credit Entitlement	-	-
Deferred Tax	(2,11,809)	(4,17,455)
Net Profit after Tax	1,13,82,848	1,07,35,079

## **2. STATE OF COMPANY AFFAIRS:**

During the Financial Year 2017-18, the Company has recorded Revenue of INR88,77,24,042/-. The Company has earned Net Profit of INR 1,13,82,848/- during the year as compared to Profit of INR 1,07,35,079/- in the last year. The Directors are optimistic about future performance of the Company.

## **3. WEB ADDRESS OF ANNUAL RETURN**

The Web Address where Annual Return of the Company for the Financial Year 2017-18 referred in sub-section (3) of Section 92 has been placed is mentioned below:

[www.sitalleasingfinance.com](http://www.sitalleasingfinance.com)

## **4. CHANGE IN NATURE OF BUSINESS:**

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

## **5. SUBSIDIARY/ASSOCIATES/ JOINT- VENTURE COMPANIES:**

The Company 2 Associates company i.e. Solomon Holdings Private Limited, Utsav Securities Private Limited.

## **6. SHARE CAPITAL:**

The Authorized Share Capital is INR 65,00,00,000/- and Paid up Share Capital as on 31<sup>st</sup> March, 2018 was INR 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 INR 23,67,799/- 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 has not accepted any Public Deposits or any Fixed Deposit during the Financial Year 2017-18 and hence there are no defaults in repayment of amount of principle and interest as on the date of Balance Sheet.

## **13. BOARD OF DIRECTORS:**

### **A. Re-Appointment of Directors**

Mr. Surendra Kumar Jain, Managing 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 their 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:**

Ms. Rainy Jain an Associate Member of the ICSI, Delhi has been appointed, by the Board of Directors of the Company, as Company Secretary of the Company with effect from 16<sup>th</sup> May, 2017.

\*Further, Mr. Rajender Kumar, Company Secretary ceased from the post of Company Secretary of company on 1<sup>st</sup> May, 2017.

### **D. Chief Financial Officer:**

Mr. Deepak Kumar was appointed, by the Board of Directors of the Company, as Chief Financial Officer of the Company with effect from 6<sup>th</sup> July, 2016.

However, Mr. Deepak Kumar, Chief Financial Officer has ceased from the Company w.e.f. 20<sup>th</sup> May, 2017.

### **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. Surender Kumar Jain, Managing Director
2. Ms. Rainy Jain, Company Secretary

#### 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 31<sup>st</sup> March, 2018 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 6 (Six) time during the Financial Year from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018. The dates on which Meetings were held are as follows:

27<sup>th</sup> May 2017, 11<sup>th</sup> August 2017, 5<sup>th</sup> September, 2017, 10<sup>th</sup> November 2017, 10<sup>th</sup> February 2018, 26<sup>th</sup> March 2018.

## **16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantees and Investment covered under the provisions of section 186 of the Companies Act, 2013 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](http://www.sitalleasingfinance.com).

## **19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATEDPARTIES:**

The particulars of contracts or arrangements with Related Parties for the Financial Year 2017-18 in prescribed Form No AOC -2 is annexed herewith to this report.

## **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 I**.

## **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-II.

## 22. AUDITORS:

### (A) STATUTORY AUDITOR:

To appoint M/s PBH&CO., Chartered Accountant, in place of Mr. Anil Kumar, Chartered Accountant, (M. No. 86223) as the Statutory Auditor of the company pursuant to the provisions of Section 139 to 142 of the Companies Act, 2013 and other applicable provisions, if any, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, on such remuneration to be decided by the Board of Directors of the Company. In this regard, Written Consent have submitted by Statutory Auditor for their eligibility and qualification to be appointed as Statutory Auditor of the company in terms of Section 139 of the Companies act, 2013 and also satisfy the criteria provided in Section 141 of the Companies Act, 2013.

- Statutory Auditor's Report

The Auditors have given an Audit Report on Financial of 2017-18 and annexed herewith marked as Annexure III to the annual report.

- Statutory Auditor's Observations

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

### (B) SECRETARIAL AUDITOR:

The Company has appointed M/s Abhishek Sharma & Associates, Company Secretaries to hold the office of the Secretarial Auditors and to conduct the Secretarial Audit for the Financial Year 2017-18.

- Secretarial Auditor's Report

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

- Secretarial Auditor's Observations

Secretarial Audit Report is Self-explanatory and need no Comments.

### (C) INTERNAL AUDITOR:

The Company has appointed Mr. Deepak Bhojak as an Internal Auditor of the Company for the financial year 2017-18.

- Internal Auditor's Report

Mr. Deepak Bhojak placed the internal audit report to the Company.

- 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. EXTRACT OF THE ANNUAL RETURN:**

The Extract of the Annual Return for the Financial Year 2017-18 forms part of Annual Report in Form No MGT-9 marked as Annexure V.

### **25. 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.

### **26. 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. 84.52% of the Company's Paid-up Share Capital is in dematerialized form and balance 15.48% is in physical form as on 31<sup>st</sup> March, 2018.

### **27. PARTICULARS OF EMPLOYEES:**

Disclosure under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 as amended, has been furnished herein below.

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	% increase/decrease (-) in Remuneration in the Financial Year 2017-18	Ratio of Remuneration of each Director / to Median Remuneration of Employees
1.	Surendra Kumar Jain	-100%	NIL

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

1. % increase/decrease in the Median Remuneration of Employees in the Financial Year 2017-18 is -1.43%.
2. The Median Remuneration of employees of the Company during the financial year was INR 41,595/-.
3. There were Total 5 Permanent Employees on the rolls of Company as on March 31, 2018.

Remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

None of the employee was drawing in excess of the limits by the Companies Act, 2013 and rules made there under which needs to be disclosed in the Directors Report.

## 28. CREDIT RATING:

The Directors of the Company are pleased to report that the Company get its membership Certificate from all four CICs i.e. 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.

## 29. EXPOSURE TO REAL ESTATE:

The following are details of loan provided to the Companies engaged in real estate business during the Financial Year 2017-18:

(IN')

S. No.	Name of Companies	Amount Outstanding as on 31st March, 2018
1.	Mahagun India Pvt. Ltd	50,00,000.00

2.	Prosper Buildtech Pvt. Ltd	2,07,38,000.00
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### 30. CAPITAL FUND TO RISK WEIGHTED ASSETS:

Percentage to capital funds to risk weighted assets/exposures:

Particulars	(in %)
Tier-I Capital	100.70
Tier-II Capital	0.06
Total	100.76%

### 31. 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.

### 32. HUMAN RESOURCES

People remain the most valuable asset of your Company. Your Company follows a policy of building strong teams 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.

### 33. 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 2017-2018.

### 34. 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.

### **35. 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.

### **36. 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](http://www.sitalleasingfinance.com)

The following is a summary of Sexual Harassment Complaints received and disposed off during the year 2017-18.

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

### **37. 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.

### **38. 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.

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

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company.

### **40. 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 27<sup>th</sup> February 2014, which came into effect from 1<sup>st</sup> 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](http://www.sitalleasingfinance.com) and are given in the Notes to the Financial Statements.

### **41. 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:

<b>Foreign Exchange Earnings And Outgoings</b>	<b>31<sup>st</sup> March, 2018</b>	<b>31<sup>st</sup> March, 2017</b>
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: 30.08.2018**  
**PLACE: GURGAON**

**PRITI JAIN**  
**DIRECTOR**  
**DIN: 00537234**

**SURENDER KUMAR JAIN**  
**DIRECTOR**  
**DIN: 00530035**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## 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 INR 1,13,82,848/- 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.
- 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, 2018, 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.

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

## 1. BOARD MEETINGS

The Board of Directors duly met (6) Six times during the Financial Year from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018. The dates on which meetings were held are as follows:

27<sup>th</sup> May 2017, 11<sup>th</sup> August 2017, 5<sup>th</sup> September 2017, 10<sup>th</sup> November 2017, 10<sup>th</sup> February 2018 & 26<sup>th</sup> March 2018.

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. Surender Kumar Jain	Managing Director	Executive & Non Independent	6	2	Yes
Mrs. Priti Jain	Director	Non-Executive & Non Independent	6	6	Yes
Mr. Sujan Mal Mehta	Director	Non-Executive & Independent	6	6	Yes
Mr. Anil Prakash	Director	Non-Executive & Independent	6	6	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.
- 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 23<sup>rd</sup> March, 2018 during the Financial Year ended March 31, 2018.

#### 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](http://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 including Chairman of the Committee are Independent Director. During the Year Five (5) Audit Committee Meetings were convened and held.

The Committee met 5 (Five) times on 27<sup>th</sup> May, 2017, 11<sup>th</sup> August 2017, 10<sup>th</sup> November, 2017, 10<sup>th</sup> February, 2018 & 26<sup>th</sup> March 2018 during the financial year ended March 31, 2018.

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. Surender Kumar Jain	Member	5	2

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 Non - Independent Director while the Members are Independent. 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 17<sup>th</sup> June 2017 & 8<sup>th</sup> January 2018 during the Financial Year ended March 31, 2018.

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	Chairperson	2	2
Mr. Sujan Mal Mehta	Member	2	2
Mr. Anil Prakash	Member	2	2

#### C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee comprises all Three Members including Chairman of the Committee are 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 13th July, 2017 and 23rd January, 2018 during the Financial Year ended on March 31, 2018.

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
Mr. Anil Prakash	Member	2	2

**COMPLIANCE OFFICER:**

Name of the Compliance Officer	Ms. Rainy Jain
Contact Details	<u>Registered Office:</u> Office No. 322, 3 <sup>rd</sup> Floor, S.S. Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugarm, Haryana- 122001  <u>Corporate office:</u> 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 24<sup>th</sup> June, 2017 and 13<sup>th</sup> February, 2018 during the financial year ended March 31, 2018. 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:

The Asset Liability Management Committee of the Board was comprising 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 5 (Five) Times on 26<sup>th</sup> May 2017, 6<sup>th</sup> July 2017, 8<sup>th</sup> August 2017, 12<sup>th</sup> November 2017 and 8<sup>th</sup> February 2018 during the financial year ended March 31, 2018.

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	5	5

Mr. Sujan Mal Mehta	Member	5	5
Mr. Anil Prakash	Member	5	5

#### F. INVESTMENT COMMITTEE:

The Investment Committee of the Board was comprising of Three Members including Chairman of the Committee. During the Year Five (5) 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 Five (5) times on 26<sup>th</sup> May 2017, 6<sup>th</sup> July, 2017, 8<sup>th</sup> August 2017, 12<sup>th</sup> November 2017 and 8<sup>th</sup> February 2018 during the Financial Year ended March 31, 2018.

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:

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

#### 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 two including Chairman of the Committee are Independent Director.

The Board in its meeting held on 5<sup>th</sup> 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 2 (Two) time on 6<sup>th</sup> July, 2017 and 18<sup>th</sup> March, 2018 during the financial year ended 31<sup>st</sup> March, 2018.

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. Surender Kumar Jain	Member	1	1
Mr. Sujan Mal Mehta	Member	1	1
Mr. Anil Prakash	Member	1	1

### 3. SHAREHOLDER'S MEETING

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

YEAR	DATE	AGM/ EGM	VENUE	DAY	TIME
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.
2016	29.09.2016	AGM	Near Hongkok Bazar, Sector 57, HUDA, Gurgaon-122002	Thursday	11:00 a.m.
2015	12.09.2015	AGM	Community Centre, Village Wazirabad, Sector-52, Behind Tata Service Centre,	Saturday	11.00 a.m.



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

#### 4. MANAGEMENT

##### A. 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.

##### B. 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.

##### C. 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, Mr. Surender Kumar Jain retires from Board by rotation this year and, being eligible, has offered his candidature for re-appointment. His 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.

#### 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 31.03.2018	Naya India (Hindi News Paper) and Top Story (English News Paper)
Unaudited Financial Results for the	Millenium Today (English News

Quarter ended on 31.12.2017	Paper) and Naya India (Hindi News Paper)
Unaudited Financial Results for the Quarter ended on 30.09.2017	Millenium Today (English News Paper) and Naya India (Hindi News Paper)
Unaudited Financial Results for the Quarter ended on 30.06.2017	Millenium Today (English News Paper) and Naya India (Hindi News Paper)

The Audited yearly/Unaudited Quarterly Results of the Company are also displayed on the website of the Company at [www.sitalleasingfinance.com](http://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. 35<sup>th</sup> ANNUAL GENERAL MEETING:

DATE: 26<sup>th</sup> SEPTEMBER, 2018

TIME: 10.00 AM.

VENUE: Sandy's Cocktails & Kitchen, 388 SCO Adjacent to IFFCO Metro Station Behind Westin Hotel Sector 29, Gurugram, Haryana 122001

##### B. DATE OF BOOK CLOSURE:

The Company's Register of Members and Share Transfer Books will remain close from, 19<sup>th</sup> September, 2018 to 26<sup>th</sup> September, 2018 (both days inclusive).

##### C. FINANCIAL YEAR:

1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018.

##### 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 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018, as follows:

MONTH	MSEI	
	HIGH	LOW
APRIL 2017	-	-
MAY 2017	-	--
JUNE 2017	-	-
JULY 2017	-	-
AUGUST 2017	-	-
SEPTEMBER 2017	-	-
OCTOBER 2017	-	-
NOVEMBER 2017	-	-
DECEMBER 2017	-	-
JANUARY 2018	-	-
FEBRUARY 2018	-	-
MARCH 2018	-	-

**\*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., E4/8, First Floor, Jhandewalan Extension, New Delhi-110055, 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 lodgment, 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 47 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
- The Company, as required under Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations'2015(f), has designated the following e-mail IDs, 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 and queries pertaining to their shareholding, dividend, etc., at their address given in this report.

**K. REGISTERED OFFICE:**

Office No. 322, 3<sup>rd</sup> Floor, S.S. Plaza Commercial Complex Mayfield Garden, Sector-47 Gurgram Haryana 122001

**L. CORPORATE OFFICE:**

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

**M. SHAREHOLDING PATTERN AS ON MARCH 31, 2018:**

Category	No. of shareholder	No. of Shares (Face value of ` 1/- each)	No. of shares in demat form	% of shareholding
Promoters	17	296412753	296412753	48.38
Body Corporate	10	21548539	21446539	3.51
NRI/OCBs/ Clearing Members/Trust	1	238525	238525	0.03
Bank/Financial Institutions	0	0	0	0
Indian Public	1438	294373933	199679133	48.05
HUF	0	0	0	0

Others				
<b>Total</b>	<b>1,466</b>	<b>61,25,73,750</b>	<b>51,77,76,950</b>	<b>100.00</b>

**N. DISTRIBUTION SCHEDULE OF SHAREHOLDING AS ON MARCH 31, 2018:**

Shareholding of Nominal Value		No. of Shareholder	% of Shareholder	No. of Shares held	% of Shareholding
Upto	5000	42	2.86	1,27,730	0.02
5,001	10,000	19	1.29	1,30,435	0.02
10,001	20,000	3	0.20	42,700	0.00
20,001	30,000	37	2.52	9,39,352	0.15
30,001	40,000	4	0.27	1,38,736	0.02
40,001	50,000	6	0.40	2,81,600	0.05
50,001	1,00,000	784	53.47	4,06,70,750	6.63
1,00,001	ABOVE	571	38.94	57,02,42,447	93.09
<b>TOTAL</b>		<b>1,466</b>	<b>100.00</b>	<b>61,25,73,750</b>	<b>100.00</b>

**O. ADR/GDR:**

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

**P. PLANT LOCATION:**

The Company is engaged in business of trading of shares, which does not require company to have plant.

**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.  
E4/8, First Floor, Jhandewalan,  
Extension, New Delhi-110055  
Tel No: 011-23522373  
Fax No: 011-23522373  
Email: [bssdelhi@bigshareonline.com](mailto:bssdelhi@bigshareonline.com)  
Website: [www.bigshareonline.com](http://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 have been no materially significant related party transactions with the Company's promoters, directors, management or their relatives which may have a

potential conflict with the interests of the Company. Members may refer to Disclosures of transactions with related parties i.e. Promoters, Directors, Relatives, or Management made in the Balance Sheet in Notes to the Accounts. The policy 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 behavior, 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](http://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:**

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](http://www.sitalleasingfinance.com). The Declaration by the Chairperson and Managing Director of the Company forms part of this Report.

DECLARATION BY THE CHIEF EXECUTIVE OFFICER 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 31<sup>st</sup> March 2018.

For and on behalf of the Board of Directors  
**SITAL LEASING AND FINANCE LIMITED**

**DATE: 30.08.2018**  
**PLACE: GURGAON**

**PRITI JAIN**  
**DIRECTOR**  
**DIN: 00537234**

**SURENDER KUMAR JAIN**  
**DIRECTOR**  
**DIN: 00530035**

## CEO/CFO/MD CERTIFICATION

I, Surendra Kumar Jain, Director 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 31<sup>st</sup> March 2018 and that the best of my knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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 may, 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**

**DATE: 30.08.2018**  
**PLACE: GURGAON**

**PRITI JAIN**  
**DIRECTOR**  
**DIN: 00537234**

**SURENDER KUMAR JAIN**  
**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 31<sup>st</sup> March, 2018. 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.

**CA. BHUSHAN SINGH TANWAR**  
**(PARTNER)**  
**M. NO. 529400**

**PLACE: ROHTAK**  
**DATE: 26.05.2018**

## **Independent Auditor's Report**

To the Members of

**SITAL LEASING & FINANCE LIMITED**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **M/s SITAL LEASING & FINANCE LIMITED** ("the Company") which comprise the Balance Sheet as at **March 31, 2018** and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Management is responsible for the matters in section 134(5) of the Companies Act, 2013 (the Act) with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 the Companies Act, 2013 read with rule 7 of Companies (Accounts) Amendment Rules, 2015. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the act for the safeguarding of Assets of the company and for preventing and detecting the frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimated that are reasonable and prudent and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the act, the accounting and Auditing standards and matter which are required to be included in the audit report under the provision of the act and the rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements read together with NOTES thereon, ***subject to Note No. 26, there is non provision of diminution in the value of Non Current Investment to the tune of Rs. 80.02/- Crores by virtue of which profit of the company has been overstated by Rs. 80.02/- Crores. And subject to Note No. 27, as per AS-2, the inventories are to be valued at cost or market value whichever is less but the company has valued the inventories at cost. There is non provision for shortfall in value of inventories to the tune of Rs. 7.77/- Lacs by virtue of which profit of the company has been overstated by Rs. 7.77/- Lacs, and subject to disclaimer opinion,*** give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018;
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date;
- (C) In the case of the Cash Flow Statement, of the Cash inflows for the year ended on that date;

### **Disclaimer Opinion**

An Amount of Rs. 1.60/- Crores is being written off against the profits of the company during the year on account of Inter segment Transfer Expenses written off due to which profits of the company has been understated by the said amount. We are unable to comment on this due to insufficient audit evidence and due explanations from the management of the company

### **Report on other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure "A" statement on the matters Specified in paragraphs 3 and 4 of the Order.
- 2) As required by section 143(3) of the Act, I report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those book;

- c. The Balance Sheet, Statement of Profit and Loss, and cash flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Financial Statement, comply with the Accounting Standards specified under section 133 of the act, read with 7 of Companies (Accounts) Amendment Rules, 2015.
- e. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018, from being appointed as a director in terms of section 164(2) of the act.
- f. With respect to 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”, and
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigations which would impact its financial position.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**FOR PBH & CO.  
(CHARTERED ACCOUNTANTS)  
FRN : 027217N**

**CA. BHUSHAN SINGH TANWAR  
(PARTNER)  
M. NO. 529400**

**PLACE: ROHTAK  
DATE: 26.05.2018**

## **“ANNEXURE A” TO THE AUDITOR’S REPORT**

The Annexure referred to in our report of even date to the members of M/s SITAL LEASING & FINANCE LIMITED as at and for the year ended 31<sup>st</sup> March, 2018, We report that:

### **1. Fixed Assets:**

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

### **2. Inventories:**

- a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.

### **3. Secured or unsecured Loans**

The company has granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. The terms and conditions of such loans are nor prejudicial to the interest of the company. The company has been regular in receiving the interest from the parties, wherever applicable

4. The company has complied with the provision of section 185 & 186 in respect of loans, investments, guarantees, and security.
5. In our opinion and according to the Information & Explanation given to me, The Company has not accepted deposits under the provisions of sections 73 to 76 are not applicable or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. We have been informed that the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

8. There has been no default in repayment of dues to banks, financial institutions, and Government, in respect of loans taken from banks against vehicle. The company has not taken any other loan.
9. In our opinion and according to the Information & Explanation given to me, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans so the clause is not applicable for the company.
10. Based on the procedure performed and the information and explanation given to us, We report that no fraud on or by the company has been noticed or reported during the year, nor we have been informed of such cases by the management.
11. In our opinion and according to the information and Explanation given to us, the company has paid or provided managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act.
12. The company is not a Nidhi company hence the provision related to the the Nidhi Company is not applicable.
13. In our opinion and according to the information and Explanation given to us, the company has complied the provision of related party transaction refer in sections 177 and 188 of Companies Act, 2013, and the detail have been disclosed in the financial statement as required by the applicable Accounting Standard.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The company has not entered into any non-cash transactions with directors or persons connected with him.
16. The company is engaged in the business of non-banking financial institution and has obtained certificate of registration with RBI dated 21.12.2001, Reg. Cert. No. B-14.02131.

**FOR PBH & CO.**  
**(CHARTERED ACCOUNTANTS)**  
**FRN : 027217N**

**CA. BHUSHAN SINGH TANWAR**  
**(PARTNER)**  
**M. NO. 529400**

**PLACE: ROHTAK**  
**DATE: 26.05.2018**

## **“Annexure – B” to the Auditors’ Report**

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

We have audited the internal financial controls over financial reporting of **M/s SITAL LEASING & FINANCE LIMITED** (“the Company”) as of **31<sup>st</sup> March 2018** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

**FOR PBH & CO.**  
**(CHARTERED ACCOUNTANTS)**  
**FRN : 027217N**

**CA. BHUSHAN SINGH TANWAR**  
**(PARTNER)**  
**M. NO. 529400**

**PLACE: ROHTAK**  
**DATE: 26.05.2018**



## **SITAL LEASING AND FINANCE LIMITED**

### **STANDALONE BALANCE SHEET AS AT 31-03-2018**

(IN `)

PARTICULARS		NOTE NO.	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
	<b>1</b>	<b><u>Shareholders Funds</u></b>		
		2	612,573,750	612,573,750
		3	9,083,338,673	9,088,158,252
			-	-
	<b>2</b>	<b><u>Share application money pending allotment</u></b>		
			-	-
		<b>TOTAL SHAREHOLDER'S FUND</b>		
			9,695,912,423	9,700,732,002
	<b>3</b>	<b><u>Non-Current Liabilities</u></b>		
		4	-	1,603,822
			-	-
		5	1,254,483	586,528
			-	-
		<b>TOTAL NON CURRENT LIABILITIES</b>		
			1,254,483	2,190,350
<b>4</b>	<b><u>Current Liabilities</u></b>			
	6	1,603,822	-	
	7	3,971	15,282,930	
		-	-	
		-	-	
		-	-	
	8	386,317	2,289,442	
	9	6,415,662	5,724,854	
		-	-	
	<b>TOTAL CURRENT LIABILITIES</b>			
		8,409,772	23,297,226	
	<b>TOTAL</b>			
		<b>9,705,576,679</b>	<b>9,726,219,577</b>	
<b>II</b>	<b><u>ASSETS</u></b>			
	<b>1</b>	<b><u>Non-Current Assets</u></b>		
		10		
			10,839,601	13,766,759
			-	-
			-	-
			-	-
			-	-
		11	9,500,000,000	9,500,000,000
		12	1,222,574	1,010,765
		13	155,552,563	167,619,303
			-	-
		<b>TOTAL NON-CURRENT ASSETS</b>		
			9,667,614,738	9,682,396,827
	<b>2</b>	<b><u>Current Assets</u></b>		
			-	-
	14	11,481,566	39,439,624	
		-	-	
	15	21,257,696	841,780	
	16	5,222,679	3,541,347	
		-	-	
	<b>TOTAL CURRENT ASSETS</b>			
		37,961,941	43,822,751	
	<b>TOTAL</b>			
		<b>9,705,576,679</b>	<b>9,726,219,577</b>	

Schedules referred to above and notes attached there to form an integral part of Balance Sheet  
Significant Accounting policies and Notes on Financial

1

**IN TERMS OF MY REPORT OF EVEN DATE ANNEXED**

**FOR PBH & CO.**  
**(CHARTERED ACCOUNTANTS)**  
**FRN : 027217N**

**FOR SITAL LEASING AND FINANCE LIMITED**

**CA. BHUSHAN SINGH TANWAR**  
**(PARTNER)**  
**M. NO. 529400**

**SURENDRA KUMAR JAIN**  
**(MANAGING DIRECTOR)**  
**DIN: 00530035**

**PRITI JAIN**  
**(DIRECTOR)**  
**DIN : 00537234**

**DATE: 26.05.2018**  
**PLACE: ROHTAK**

**RAINY JAIN**  
**(COMPANY SECRETARY)**  
**M. No. A50151**

**SITAL LEASING AND FINANCE LIMITED**  
**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2018**

(IN `)

PARTICULARS	NOTE NO.	CURRENT PERIOD 2017-2018	PREVIOUS PERIOD 2016-2017
Revenue From Operations	17	887,632,895	3,025,065,403
Other Income	18	91,147	172,890
<b>Total Revenue</b>		<b>887,724,042</b>	<b>3,025,238,293</b>
Cost of Material Consumed	19	835,927,257	2,995,248,653
Change in Inventories	20	27,958,058	4,173,931
Work in progress and Stock in trade		-	-
Employee Benefit expense & Finance cost	21	395,219	1,624,071
Depreciation and amortisation expense	10	3,000,158	3,960,596
Other Expenses	22	2,188,695	4,016,670
<b>Total Expenses</b>		<b>869,469,387</b>	<b>3,009,023,921</b>
<b>Profit Before Exceptional and Extraordinary items</b>		<b>18,254,656</b>	<b>16,214,372</b>
Exceptional Items	23	667,955	171,894
<b>Profit Before Extraordinary items</b>		<b>17,586,700</b>	<b>16,042,478</b>
Extraordinary Items		-	-
<b>Profit Before Tax</b>		<b>17,586,700</b>	<b>16,042,478</b>
<b>Tax Expense</b>			
Current Tax		6,415,662	5,724,854
MAT Credit		-	-
Deferred Tax		(211,809)	(417,455)
<b>Profit/ (Loss) For The Period from continuing operations</b>		<b>11,382,848</b>	<b>10,735,079</b>
Profit/ (Loss) from Discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
<b>Profit/ (Loss) from Discontinuing operations after tax</b>		<b>-</b>	<b>-</b>
<b>Profit for the Period</b>		<b>11,382,848</b>	<b>10,735,079</b>
Earning Per Equity Share			
Basic		0.02	0.02
Diluted		0.02	0.02

Schedules referred to above and notes attached there to form an integral part of Balance Sheet  
 Significant Accounting policies and Notes on Financial

1

**IN TERMS OF MY REPORT OF EVEN DATE ANNEXED**

**FOR PBH & CO.**  
**(CHARTERED ACCOUNTANTS)**  
**FRN : 027217N**

**FOR SITAL LEASING AND FINANCE LIMITED**

**CA. BHUSHAN SINGH TANWAR**  
**(PARTNER)**  
**M. NO. 529400**

**SURENDRA KUMAR JAIN**  
**(MANAGING DIRECTOR)**  
**DIN: 00530035**

**PRITI JAIN**  
**(DIRECTOR)**  
**DIN : 00537234**

**DATE: 26.05.2018**  
**PLACE: ROHTAK**

**RAINY JAIN**  
**(COMPANY SECRETARY)**  
**M. No. A50151**

## **SITAL LEASING AND FINANCE LIMITED**

### **STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2018**

( ` IN Lacs)

	PARTICULARS	2017-2018	2016-2017
<b>A.</b>	<b><u>CASH FLOWS FROM OPERATION ACTIVITIES :</u></b>		
	Net Profit Before Tax And Extraordinary Items	182.55	162.14
	<b>Adjustments For :</b>		
	Depreciation W/Off	30.00	39.61
	Operating Profit Before Working Capital Changes	<b>212.55</b>	<b>201.75</b>
	<b>Adjustments For :</b>		
	Increase/ Decrease in Current Assets	100.77	28.77
	Increase/ Decrease In Current Liabilities	(149.52)	141.83
	CSR Expenses Paid	-	(1.88)
	Cash Generated From Operations	<b>(48.75)</b>	<b>168.72</b>
	Direct Tax Paid	(57.25)	(39.28)
	<b>Net Cash From Operating Activities</b>	<b>(57.25)</b>	<b>(39.28)</b>
<b>B.</b>	<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
	Fixed Assets purchased	(0.73)	(20.34)
	Purchase of Investments	-	-
	Sale of Investment	-	-
	<b>Net Cash Used In Investment Activites</b>	<b>(0.73)</b>	<b>(20.35)</b>
<b>C.</b>	<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
	loans & Advances Given/ Received	120.67	(293.68)
	Repayment of Car loan	(22.30)	(20.28)
	Repayment received from loan & advances	-	-
	<b>Net Cash From In Financing Activities</b>	<b>98.37</b>	<b>(313.96)</b>
	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>204.18</b>	<b>(3.13)</b>
	CASH & CASH EQUIVALENTS (Opening Balance)	8.40	11.53
	<b>CASH &amp; CASH EQUIVALENTS (Closing Balance)</b>	<b>212.59</b>	<b>8.40</b>

NOTE : NEGATIVE FIGURES HAVE BEEN SHOWN IN BRACKETS.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

**FOR M/S PBH & CO.**  
(CHARTERED ACCOUNTANTS)  
FRN NO: 027217N

**FOR UTSAV SECURITIES PRIVATE LIMITED**

**CA. BHUSHAN SINGH TANWAR**  
(PARTNER)  
M.NO. 529400

**VIRENDRA JAIN**  
(DIRECTOR)  
DIN : 00530078

**ANIL**  
(DIRECTOR)  
DIN : 07041162

**DATE: 26.05.2018**  
**PLACE: ROHTAK**

**RAINY JAIN**  
(COMPANY SECRETARY)  
M. No. A50151

## **Note 1 : 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. Cot 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**

(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**

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.
- (c) 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 earning 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.

## Notes to Financial Statements

### NOTE 2. SHARE CAPITAL

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Authorised Share Capital</b> 65,00,00,000 Equity Share of ` 1/- Each (Previous Year 65,00,00,000 Equity share of `1/- each)	650,000,000 <u>650,000,000</u>	650,000,000 <u>650,000,000</u>
<b>Issued, Subscribed &amp; Paid up Share Capital</b> Shares at the end of the Accounting Period 61,25,73,750 Equity Shares of ` 1/- Each (Previous Year 61,25,73,750 of ` 1/- each )	612,573,750	612,573,750
<b>Total</b>	<u>612,573,750</u>	<u>612,573,750</u>

- 2.1 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.
- 2.2 The reconciliation of the number of Shares outstanding is set out Below

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Equity Shares at the beginning of the year</b>	6,125,737,500	612,573,750
<b>Equity Shares at the end of the Year</b>	<u>6,125,737,500</u>	<u>6,125,737,500</u>

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

Name of the Shareholders	AS AT 31ST MARCH, 2018		AS AT 31ST MARCH, 2017	
	% of Shares held	No. Of Share	% of Shares held	No. Of Share
Avail Financial Services Ltd.	6.87	42,057,441	6.43	39,371,271
Legend Infoways Pvt. Ltd.	15.61	95,625,000	15.61	95,625,000
Microland Developers Pvt. Ltd.	14.57	89,250,000	14.57	89,250,000



## Notes to Financial Statements

### NOTE 3: RESERVES & SURPLUS

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b><u>Reserve Under Section 45(IC)</u></b>		
At The Beginning Of The Accounting Period	6,207,114	4,109,645
Additions During The Year	2,367,799	2,097,469
At The End Of The Accounting Period	8,574,912	6,207,114
<b><u>General Reserve</u></b>		
At The Beginning Of The Accounting Period	105,815,522	105,815,522
Additions During The Year	-	-
At The End Of The Accounting Period	105,815,522	105,815,522
<b><u>Securities Premium Account</u></b>		
At The Beginning Of The Accounting Period	8,948,887,500	8,948,887,500
Additions During The Year	-	-
At The End Of The Accounting Period	8,948,887,500	8,948,887,500
<b><u>Surplus in Statement of Profit &amp; loss</u></b>		
At The Beginning Of The Accounting Period	27,248,116	18,798,496
Additions During The Year	11,382,848	10,735,079
(Balance In Statement Of Profit & Loss)		
<b><u>Transfer To Reserves</u></b>		
Reserve U/S 45(IC)	(2,367,799)	(2,097,469)
Provision for CSR Expenses	(238,949)	(187,991)
ROC fees for increased in Authorised cap.	-	-
Fixed Assets Written Off	-	-
Reversal of loss on valuation	-	-
Inter Segment trf exp. Written off	(15,963,477)	-
At The End Of The Accounting Period	20,060,739	27,248,116
<b>Grand Total</b>	<b>9,083,338,673</b>	<b>9,088,158,252</b>

## Notes to Financial Statements

### NON CURRENT LIABLITIES

#### NOTE: 4 LONG TERM BORROWINGS

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Term Loans</b>		
Loan from Bank (Secured Loan)	-	1,603,822
Current portion of the above liability is disclosed under the "other Current liabilities"		
<b>Total</b>	<b>-</b>	<b>1,603,822</b>

\* Secured against Hypothecation of motor car valued of Rs. 64,00,000/- & Personal Guarantee of Director.

#### NOTE: 5 LONG TERM PROVISION

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Provision for Standard Assets	619,510	586,528
Provision for Loss Assets	634,973	
<b>Total</b>	<b>1,254,483</b>	<b>586,528</b>

#### NOTE: 6 SHORT TERM BORROWINGS

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Term Loans</b>		
Loan from Bank (Secured Loan)	1,603,822	-
Current portion of the above liability is disclosed under the "other Current liabilities"		
<b>Total</b>	<b>1,603,822</b>	<b>-</b>

### CURRENT LIABILITES:

#### NOTE 7: TRADE PAYABLES

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Sundry Creditors	3,971	15,282,930
<b>Total</b>	<b>3,971</b>	<b>15,282,930</b>

## Notes to Financial Statements

### NOTE 8 : OTHER CURRENT LIABILITIES

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Current maturities of long Term payable	-	2,229,886.00
Expenses Payable	386,317	59,556.00
<b>Total</b>	<b>386,317</b>	<b>2,289,442</b>

### NOTE 9 : SHORT TERM PROVISION

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Provision for Taxation	6,415,662	5,724,854
<b>Total</b>	<b>6,415,662</b>	<b>5,724,854</b>

### NON CURRENT ASSETS

#### NOTE 11: NON CURRENT INVESTMENT

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Unquoted Equity Shares</b>		
1000000 Carewell Exim Pvt. Ltd. of ` 10 /-each	1,000,000,000	1,000,000,000
2000000 KDG Properties & Construction Pvt. Ltd. of ` 10/- each	2,000,000,000	2,000,000,000
3250000 Solomon Holdings Pvt. Ltd. ` 10/- each	3,250,000,000	3,250,000,000
3250000 Utsav Securities Pvt. Ltd ` 10/- each	3,250,000,000	3,250,000,000
<b>Total</b>	<b>9,500,000,000</b>	<b>9,500,000,000</b>

\*Fair Value of the Unquoted Shares

8,699,825,000

8,700,037,500

**SITAL LEASING AND FINANCE LIMITED**

**Notes to the Financial Statement**

Note : 10 Fixed Asset As Per Companies Act, 2013

IN `

Sr. No	Particulars	Gross Block			Depreciaton				Net Block			
		Value at the beginning	Addition during the year	Deductio n during the year	Value at the end	Value at the beginning	Addition during the year	Adjustme nts	Deductio n during the year	Value at the end	WDV as on 31.03.2018	WDV as on 31.03.2017
I	<b>Tangible Assets</b>											
1	Building	5,476,815	-	-	5,476,815	961,986	225,741	-	-	1,187,727	4,289,088	4,514,829
2	Furniture & fixture	1,259,500	-	-	1,259,500	784,633	-	-	-	784,633	474,867	474,867
3	Vehicles	17,620,325	-	-	17,620,325	9,371,693	2,583,711	-	-	11,955,404	5,664,921	8,248,632
4	Office Equipment	984,694	73,000	-	1,057,694	456,263	190,706	-	-	646,969	410,725	528,431
	<b>SUB TOTAL</b>	<b>25,341,334</b>	<b>73,000</b>	<b>-</b>	<b>25,414,334</b>	<b>11,574,575</b>	<b>3,000,158</b>	<b>-</b>	<b>-</b>	<b>14,574,733</b>	<b>10,839,601</b>	<b>13,766,759</b>
	<b>Total (Current Year)</b>	<b>25,341,334</b>	<b>73,000</b>	<b>-</b>	<b>25,414,334</b>	<b>11,574,575</b>	<b>3,000,158</b>	<b>-</b>	<b>-</b>	<b>14,574,733</b>	<b>10,839,601</b>	<b>13,766,759</b>
	<b>(Previous Year)</b>	<b>23,307,752</b>	<b>2,033,581</b>	<b>-</b>	<b>25,341,334</b>	<b>7,613,979</b>	<b>3,960,596</b>	<b>-</b>	<b>-</b>	<b>7,613,979</b>	<b>13,766,759</b>	<b>15,693,774</b>

IN TERMS OF MY REPORT OF EVEN DATE ANNEXED  
FOR PBH & CO.  
(CHARTERED ACCOUNTANTS)  
FRN : 027217N

FOR SITAL LEASING AND FINANCE LIMITED

CA. BHUSHAN SINGH TANWAR  
(PARTNER)  
M. NO. 529400

SURENDRA KUMAR JAIN      PRITI JAIN  
(MANAGING DIRECTOR)      (DIRECTOR)  
DIN: 00530035                  DIN : 00537234

RAINY JAIN  
(COMPANY SECRETARY)  
M. No. A50151

DATE: 26.05.2018  
PLACE: ROHTAK

**SITAL LEASING AND FINANCE LIMITED**

**SCHEDULE OF FIXED ASSETS AS ON 31.03.2018**  
(As Per Income Tax)

Annexure 14 of Tax Audit Report :

IN `

Sl. No.	PARTICULARS	DEP. RATE	OPENING WDV as on 01.04.2017	ADDITIONS / REVALUATION ON OR BEFORE 30/09/2017	ADDITIONS / REVALUATION ON AFTER 30/09/2017	SOLD DURING THE YEAR	Total	DEPRECIATION	CLOSING WDV as on 31.03.2018
1	Plant & Machinery	15.00%	659,426	73,000.00	-	-	732,426.00	109,864	622,562
2	Furniture & Fixture	10.00%	776,038	-	-	-	776,038.00	77,604	698,434
3	Computer	60.00%	30,178	-	-	-	30,178.00	18,107	12,071
4	Vehicles	15.00%	11,949,465	-	-	-	11,949,465.00	1,792,420	10,157,045
5	Office Building	10.00%	3,639,318	-	-	-	3,639,318.00	363,932	3,275,386
	<b>TOTAL</b>		<b>17,054,425</b>	<b>73,000.00</b>	<b>-</b>	<b>-</b>	<b>17,127,425.00</b>	<b>2,361,927</b>	<b>14,765,498</b>

IN TERMS OF MY REPORT OF EVEN DATE ANNEXED  
FOR PBH & CO.  
(CHARTERED ACCOUNTANTS)  
FRN : 027217N

FOR SITAL LEASING AND FINANCE LIMITED

CA. BHUSHAN SINGH TANWAR  
(PARTNER)  
M. NO. 529400

SURENDRA KUMAR JAIN  
(MANAGING DIRECTOR)  
DIN: 00530035

PRITI JAIN  
(DIRECTOR)  
DIN : 00537234

DATE: 26.05.2018  
PLACE: ROHTAK

RAINY JAIN  
(COMPANY SECRETARY)  
M. No. A50151

## Notes to Financial Statements

### NOTE 12 : DEFERRED TAX ASSETS (NET)

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Opening Balance	1,010,765	593,310
Created During the Year	211,809	417,455
Reversed During the Year	-	-
<b>Closing Balance</b>	<b>1,222,574</b>	<b>1,010,765</b>

### NOTE : 13 LONG TERM LOAN & ADVANCES

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Unsecured Loan</b> (include overdue Amount)		
Standard Assets	155,512,563	167,579,303
DSE Security Deposits	40,000	40,000
<b>Total</b>	<b>155,552,563</b>	<b>167,619,303</b>

### NOTE : 14 INVENTORIES

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Stock in Trade ( Quoted security) (As Per Annexure-A)	11,481,566	39,439,624
<b>Total</b>	<b>11,481,566</b>	<b>39,439,624</b>

\*Market Value of Inventories

12,657,334

38,602,296

### NOTE : 15 CASH & CASH EQUIVALENTS

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Cash in Hand	327,482	348,599
Bank balance with Current account	20,775,425	273,552
Fixed Deposit	154,789	219,629
<b>Total</b>	<b>21,257,696</b>	<b>841,780</b>

## Notes to Financial Statements

### NOTE : 16 SHORT TERM LOAN & ADVANCES

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Balance from Revenue Authorities	2,522,679	2,541,347
Advance Tax for A.Y 17-18	-	1,000,000
Advance Tax for A.Y 18-19	2,700,000	-
<b>Total</b>	<b>5,222,679</b>	<b>3,541,347</b>

### NOTE : 17 REVENUE FROM OPERATION

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Sale of Trading Goods	864,545,715	3,001,027,223
Income from Trading	-	236,713
Income from FDR in Bank	7,457	16,254
Interest On Loan (Gross TDS: ` 23,44,982/- Previous Year Gross TDS: ` 11,04,794/- )	23,079,723	23,785,213
<b>Total</b>	<b>887,632,895</b>	<b>3,025,065,403</b>

### NOTE : 18 OTHER INCOME

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Dividend Income	91,147	126,783
Interest Income On FDR (Gross)	-	46,107
Car Insurance claim	-	-
<b>Total</b>	<b>91,147</b>	<b>172,890</b>

### NOTE : 19 PURCHASES OF STOCK IN TRADE

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Purchases of Stock in trade	835,138,122	2,994,478,768
Trading Expenses	789,134	769,885
<b>Total</b>	<b>835,927,257</b>	<b>2,995,248,653</b>

## Notes to Financial Statements

### NOTE : 20 CHANGE IN STOCK IN TRADE

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Balance at the beginning of the year	39,439,624	43,613,554.55
Balance at the Closing of the year*	11,481,566	39,439,623.88
<b>Total</b>	<b>27,958,058</b>	<b>4,173,931</b>

\*Valued at cost

### NOTE : 21 EMPLOYEE BENEFITS EXPENSES & FINANCE COST

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Salary Expenses	388,911	1,146,570
Staff Welfare Expenses	2,420	6,915
Interest Paid OB globe	3,888	470,586
<b>Total</b>	<b>395,219</b>	<b>1,624,071</b>

### NOTE : 22 OTHER EXPENSES

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Advertisement Expenses	29,005	22,649
<b>- Audit Remuneration</b>		
(a) Audit Fees	18,320	18,320
(b) Tax Audit Fees	23,036	11,236
(c ) Internal Audit Fees	10,000	10,000
Annual charges for Credit Rating	23,000	34,450
Bank Charges	3,327	2,308
Business Promotion	-	-
Bed Debts	1,924	703,973
Car Insurance	197,581	164,745
Conveyance Expenses	54,160	54,647
Directors Remunerations	-	1,500,000
House Tax	64,840	
Interest on Late Payment of Tax	503,500	315,521
Interest payable on loan	269,054	
Legal & Professional charges	136,586	146,410



### Notes to Financial Statements

Listing Compliance Charges	265,523	318,325
Meeting expenses	15,002	12,945
Misc. Expenses	6,070	18,645
Other community expense	3,080	2,500
Postal Charges	31,617	27,415
Printing & Stationery	33,490	56,045
Repair & Maintenance	490,326	580,743
Secretarial & Filing Fees Expenses	4,200	5,400
Trading Expenses	514	500
Telephone expenses	4,539	9,893
<b>Total</b>	<b>2,188,695</b>	<b>4,016,670</b>

#### NOTE : 23 PROVISIONS

IN `

<b>PARTICULARS</b>	<b>CURRENT PERIOD 2017-18</b>	<b>PREVIOUS PERIOD 2016-17</b>
Provision on Standard Assets	32,982	171,894
Provision on Loss Assets	634,973	-
<b>Total</b>	<b>667,955</b>	<b>171,894</b>

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. As per AS-13, all long term investments are to be carried at cost less diminution in the value except for temporary diminution. There is non provision of diminution in the value of Non Current Investment to the tune of ` 80.02 Crores by virtue of which profit of the company has been overstated by ` 80.02 Crores.
27. As per AS-2 the inventories are to be valued at cost or market value whichever is less but the company has valued the inventories at cost. There is non provision for shortfall in value of inventories to the tune of ` 7.77 Lacs by virtue of which profit of the company has been overstated by ` 7.77 Lacs.
28. During the year, the company has not made any provision for Doubtful Assets in respect of Loan outstanding no payment for the current year is received in respect of the same is received. But the company is hopeful for receiving.
29. During the year, the Company has purchased shares Quoted/unquoted and Commodities (If Any) has been considered as stock in trade by the Management.
30. During the year, the company has been traded in F & O's. All the transactions transacted in the F & O's during the year has been covered in the turnover of the company. During the year, the company has made turnover of Rs. 85.63 Crores from the sale & purchase of F & O's.
31. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of ` 23,67,799/- (Previous Year ` 20,97,469/-) representing 20% of Net Profit is transferred to the fund for the year.
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  | - 88.76 CR |
| Income From Investment Segment | - 0.01CR   |
| Total Expense                  | - 86.95 CR |
| Net Profit                     | - 1.82 CR  |

33. **Auditor's remuneration :**

Particulars	2017-18	2016-17
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	2017-18	2016-17
<b>Sub standard Assets</b>		
Total Non-Performing Assets	6,34,973.00	0.00
Provision already available	0.00	0.00
Additional Provision made during the year	6,34,973.00	0.00
Reversed Provision During the Year	0.00	0.00
<b>Total Provision at the end of the Year</b>	<b>6,34,973.00</b>	<b>0.00</b>
<b>Standard Assets</b>		
Provision already available	5,86,527.55	4,14,633.66
Additional Provision made during the year	32,982.45	1,71,893.89
<b>Total Provision at the end of the Year</b>	<b>6,19,510.00</b>	<b>5,86,527.55</b>

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

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(A) Profit after taxation as Statement of Profit and Loss (in Rupees)	1,13,82,848	1,07,35,079
(B) Weight Average number of equity Shares outstanding during the year	61,257,3750	61,257,3750
(C) Nominal value of Equity shares (in rupees)	1.00	1.00
(D) Basic Earnings per Share	0.02	0.02

(E) Diluted Earnings per share	0.02	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 is Brother of Surendra Kumar Jain	Investment	0	0	2000000000
Utsav Securities Private Limited	Virendra Jain Director of Utsav is Brother of Surendra Kumar Jain	Investment	0	0	3250000000

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	SUNSHINE CAPITAL LIMITED	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.
SRI AMARNATH FINANCE LIMITED	SRI AMARNATH FINANCE LIMITED	C BATIA & CO PVT LTD	RKG FINVEST LIMITED
TRANSNATIONAL GROWTH FUND LTD	TRANSNATIONAL GROWTH FUND LTD.	SUNSHINE CAPITAL LIMITED	ECHT FINANCE LIMITED
RKG FINVEST LIMITED	RKG FINVEST LIMITED	SRI AMARNATH FINANCE LIMITED	COSMO BUILDTECH PRIVATE LIMITED
EURO ASIA LABORATORIES LIMITED	ECHT FINANCE LIMITED	TRANSNATIONAL GROWTH FUND LTD.	-
-	EURO ASIA LABORATORIES LIMITED	RKG FINVEST 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.

**40.**

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

<b>Calculation of Deferred Tax Assets</b>	
WDV as per Companies Act	1,08,39,600.84
WDV as per Income Tax act	1,47,65,498.00
Timing Difference	(39,25,897.16)
<b>Deferred Tax Assets</b>	<b>12,97,901.60</b>

The company has made less provision of deferred tax assets by ` 76,138/- due to the deferred tax assets balance is understated by ` 76,138/- and profit is overstated by ` 76,138/- .

41. There are no micro, Small and Medium Enterprises, to whom the Company owes dues which outstanding for more than 45 days as at 31<sup>st</sup> March 2017. 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 My Report of even date annexed.**

**FOR PBH & CO.  
LIMITED  
(CHARTERED ACCOUNTANTS)  
FRN : 027217N**

**FOR SITAL LEASING & FINANCE**

**CA. BHUSHAN SINGH TANWAR  
(PARTNER)  
M. NO. 529400**

**SURENDRA KUMAR JAIN  
(MANAGING DIRECTOR)  
DIN: 00530035**

**PRITI JAIN  
(DIRECTOR  
DIN: 00537234**

**PLACE: GURGAON  
DATE : 26.05.2018**

**RAINY JAIN  
(COMPANY SECRETARY)  
M. NO. A50151**

## **Independent Auditor's Report**

To the Members of

**SITAL LEASING & FINANCE LIMITED**

### **Report on the Consolidated financial statements**

We have audited the accompanying consolidated financial statements of **SITAL LEASING & FINANCE LIMITED** (herein referred as “ the Holding Company”) and its associate(the Holding Company and its associate together referred as “the Group”) comprising of the Consolidated Balance Sheet as at 31st March 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

### **Management's Responsibility for the Consolidated statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended (“Accounting Standards”), and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid..

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the act, the accounting and Auditing standards and matter which are required to be included in the audit report under the provision of the act and the rules made there

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Consolidated financial statements read together with NOTES thereon, **subject to**

- ***Note No. 26, there is non provision of diminution in the value of Non Current Investment to the tune of Rs. 80.02/- Crores by virtue of which profit of the company has been overstated by Rs. 80.02/- Crores.;***
- ***Note No. 27, as per AS-2, the inventories are to be valued at cost or market value whichever is less but the company has valued the inventories at cost. There is non provision for shortfall in value of inventories to the tune of Rs. 7.77/- Lacs by virtue of which profit of the company has been overstated by Rs. 7.77/- Lacs;***
- ***In the associate company Interest Income of Rs. 21.85/- Lakhs has been reversed and of Rs. Rs. 1.02/- crores has not been booked during the year due to which the profitsof the company is understated by Rs. Rs.1.23/- Crores. And subject to disclaimer opinion***

give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018;
- (b) In the case of the Consolidated Statement of Profit and Loss, of the Profit for the year ended on that date;
- (C) In the case of the Consolidated Cash Flow Statement, of the Cash inflows for the year ended on that date;

### **Disclaimer Opinion**

An Amount of Rs. 1.60/- Crores is being written off against the profits of the company during the year on account of Inter segment Transfer Expenses written off due to which profits of the company has been

understated by the said amount. We are unable to comment on this due to insufficient audit evidence and due explanations from the management of the company

**Report on other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure "A" statement on the matters Specified in paragraphs 3 and 4 of the Order.
- 2) As required by section 143(3) of the Act, I report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those book;
  - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated cash flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Financial Statement, comply with the Accounting Standards specified under section 133 of the act, read with 7 of Companies (Accounts) Amendment Rules, 2015.
  - e. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018, from being appointed as a director in terms of section 164(2) of the act.
  - f. With respect to 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",and
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (iv) The Company does not have any pending litigations which would impact its financial position.
    - (v) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (vi) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**FOR PBH & CO.  
(CHARTERED ACCOUNTANTS)  
FRN : 027217N**

**CA. BHUSHAN SINGH TANWAR  
(PARTNER)  
M. NO. 529400**



**PLACE: ROHTAK**

**DATE: 26.05.2018**

**“ANNEXURE A” TO THE AUDITOR’S REPORT**

The Annexure referred to in our report of even date to the members of **M/s SITAL LEASING & FINANCE LIMITED** as at and for the year ended 31<sup>st</sup> March, 2018, We report that:

**17. Fixed Assets:**

- c) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- d) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

**18. Inventories:**

- d) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- e) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- f) The Company has maintained proper records of inventories. As per the information and explanation given to us, no material discrepancies were noticed on physical verification.

**19. Secured or unsecured Loans**

The company has granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. The terms and conditions of such loans are nor prejudicial to the interest of the company. The company has been regular in receiving the interest from the parties, wherever applicable

- 20. The company has complied with the provision of section 185 & 186 in respect of loans, investments, guarantees, and security.
- 21. In our opinion and according to the Information & Explanation given to me, The Company has not accepted deposits under the provisions of sections 73 to 76 are not applicable or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- 22. We have been informed that the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

23. The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
24. There has been no default in repayment of dues to banks, financial institutions, and Government, in respect of loans taken from banks against vehicle. The company has not taken any other loan.
25. In our opinion and according to the Information & Explanation given to me, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans so the clause is not applicable for the company.
26. Based on the procedure performed and the information and explanation given to us, We report that no fraud on or by the company has been noticed or reported during the year, nor we have been informed of such cases by the management.
27. In our opinion and according to the information and Explanation given to us, the company has paid or provided managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act.
28. The company is not a Nidhi company hence the provision related to the the Nidhi Company is not applicable.
29. In our opinion and according to the information and Explanation given to us, the company has complied the provision of related party transaction refer in sections 177 and 188 of Companies Act, 2013, and the detail have been disclosed in the financial statement as required by the applicable Accounting Standard.
30. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
31. The company has not entered into any non-cash transactions with directors or persons connected with him.
32. The company is engaged in the business of non-banking financial institution and has obtained certificate of registration with RBI dated 21.12.2001, Reg. Cert. No. B-14.02131.

**FOR PBH & CO.**  
**(CHARTERED ACCOUNTANTS)**  
**FRN : 027217N**

**CA. BHUSHAN SINGH TANWAR**  
**(PARTNER)**  
**M. NO. 529400**

**PLACE: ROHTAK**

**DATE: 26.05.2018**

**“Annexure – B” to the Auditors’ Report**

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

We have audited the internal financial controls over financial reporting of **M/s SITAL LEASING & FINANCE LIMITED** (“the Company”) as of 31 March 2018 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

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

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

**FOR PBH & CO.**  
**(CHARTERED ACCOUNTANTS)**  
**FRN : 027217N**

**CA. BHUSHAN SINGH TANWAR**  
**(PARTNER)**  
**M. NO. 529400**

**PLACE: ROHTAK**  
**DATE: 26.05.2018**

## **SITAL LEASING AND FINANCE LIMITED**

### **CONSOLIDATED BALANCE SHEET AS AT 31-03-2018**

(IN `)

PARTICULARS		NOTE NO.	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b><u>Shareholders Funds</u></b>			
	(A) Share Capital	2	612,573,750	612,573,750
	(B) Reserves And Surplus	3	9,096,734,418	9,092,589,888
	(C) Money Received against share warrants		-	-
<b>2</b>	<b><u>Share application money pending allotment</u></b>			
			-	-
	<b>TOTAL SHAREHOLDER'S FUND</b>		9,709,308,168	9,705,163,638
<b>3</b>	<b><u>Non-Current Liabilities</u></b>			
	(A) Long-term Borrowings	4	-	1,603,822
	(B) Deffered Tax Liabilities		-	-
	(C) Other Long-term Liabilities		-	-
	(D) Long term Provisions	5	1,254,483	586,528
	<b>TOTAL NON CURRENT LIABILITIES</b>		1,254,483	2,190,350
<b>4</b>	<b><u>Current Liabilities</u></b>			
	(A) Short Term Borrowings	6	1,603,822	-
	(B) Trade Payables	7	3,971	15,282,930
	(i) Total outstanding dues of micro enterprises and small enterprises; and		-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises;		-	-
	(C) Other Current Liabilities	8	386,317	2,289,442
	(D) Short- term provisions	9	6,415,662	5,724,854
	<b>TOTAL CURRENT LIABILITIES</b>		8,409,772	23,297,226
	<b>TOTAL</b>		<b>9,718,972,423</b>	<b>9,730,651,213</b>
<b>II</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b><u>Non-Current Assets</u></b>			
	(A) Fixed Assets	10		
	(i) Tangible Assets		10,839,601	13,766,759
	(ii) Intangible Assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(B) Non-current Investments	11	9,513,395,744	9,504,431,636
	(C) Deffered Tax Assets	12	1,222,574	1,010,765
	(D) Long term loans and advances	13	155,552,563	167,619,303
	(E) Other non-current assets		-	-
	<b>TOTAL NON-CURRENT ASSETS</b>		9,681,010,482	9,686,828,463
<b>2</b>	<b><u>Current Assets</u></b>			
	(A) Current Investments		-	-
	(B) Inventories	14	11,481,566	39,439,624
	(C) Trade Receivables		-	-
	(D) Cash And Cash Equivalents	15	21,257,696	841,780
	(E) Short-term loans and advances	16	5,222,679	3,541,347
	(F) Other current assets		-	-
	<b>TOTAL CURRENT ASSETS</b>		37,961,941	43,822,751
	<b>TOTAL</b>		<b>9,718,972,423</b>	<b>9,730,651,213</b>

*Schedules referred to above and notes attached there to form an integral part of Balance Sheet  
Significant Accounting policies and Notes on Financial*

01

**IN TERMS OF MY REPORT OF EVEN DATE ANNEXED**

**FOR PBH & CO.**

**FOR SITAL LEASING AND FINANCE LIMITED**

**(CHARTERED ACCOUNTANTS)**

**FRN : 027217N**

**CA. BHUSHAN SINGH TANWAR  
(PARTNER)  
M. NO. 529400**

**SURENDRA KUMAR JAIN  
(MANAGING DIRECTOR)  
DIN: 00530035**

**PRITI JAIN  
(DIRECTOR)  
DIN : 00537234**

**PLACE: GURGAON  
DATE: 26.05.2018**

**RAINY JAIN  
(COMPANY SECRETARY)  
M. No. A50151**

## **SITAL LEASING AND FINANCE LIMITED**

### **CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2018**

(IN `)

PARTICULARS	NOTE NO.	CURRENT PERIOD 2017-2018	PREVIOUS PERIOD 2016-2017
Revenue From Operations	17	887,632,895	3,025,065,403
Other Income	18	91,147	172,890
<b>Total Revenue</b>		<b>887,724,042</b>	<b>3,025,238,293</b>
Cost of Material Consumed	19	835,927,257	2,995,248,653
Change in Inventories	20	27,958,058	4,173,931
Work in progress and Stock in trade		-	-
Employee Benefit expense & Finance cost	21	395,219	1,624,071
Depreciation and amortisation expense	10	3,000,158	3,960,596
Other Expenses	22	2,188,695	4,016,670
<b>Total Expenses</b>		<b>869,469,387</b>	<b>3,009,023,921</b>
<b>Profit Before Exceptional and Extraordinary items</b>		<b>18,254,656</b>	<b>16,214,372</b>
Exceptional Items	23	667,955	171,894
<b>Profit Before Extraordinary items</b>		<b>17,586,700</b>	<b>16,042,478</b>
Extraordinary Items		-	-
<b>Profit Before Tax</b>		<b>17,586,700</b>	<b>16,042,478</b>
Shares in Associates company		8,964,108	4,431,636
<b>Tax Expense</b>			
Current Tax		6,415,662	5,724,854
MAT Credit		-	-
Deferred Tax		(211,809)	(417,455)
<b>Profit/ (Loss) For The Period from continuing operations</b>		<b>20,346,956</b>	<b>15,166,715</b>
Profit/ (Loss) from Discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
<b>Profit/ (Loss) from Discontinuing operations after tax</b>		<b>-</b>	<b>-</b>
<b>Profit for the Period</b>		<b>20,346,956</b>	<b>15,166,715</b>
Earning Per Equity Share			
Basic		0.03	0.02
Diluted		0.03	0.02

*Schedules referred to above and notes attached there to form an integral part of Balance Sheet  
Significant Accounting policies and Notes on Financial*

01

**IN TERMS OF MY REPORT OF EVEN DATE ANNEXED**

**FOR PBH & CO.**  
**(CHARTERED ACCOUNTANTS)**  
**FRN : 027217N**

**FOR SITAL LEASING AND FINANCE LIMITED**

**CA. BHUSHAN SINGH TANWAR**  
**(PARTNER)**  
**M. NO. 529400**

**SURENDRA KUMAR JAIN** **PRITI JAIN**  
**(MANAGING DIRECTOR)** **(DIRECTOR)**  
**DIN: 00530035** **DIN : 00537234**

**PLACE: GURGAON**  
**DATE: 26.05.2018**

**RAINY JAIN**  
**(COMPANY SECRETARY)**  
**M. No. A50151**

# **SITAL LEASING AND FINANCE LIMITED**

## **CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2018**

( ` IN Lacs)

	PARTICULARS	2017-2018	2016-2017
<b>A.</b>	<b><u>CASH FLOWS FROM OPERATION ACTIVITIES :</u></b>		
	Net Profit Before Tax And Extraordinary Items	182.55	162.14
	<b>Adjustments For :</b>		
	Depreciation W/Off	30.00	39.61
	Operating Profit Before Working Capital Changes	<b>212.55</b>	<b>201.75</b>
	<b>Adjustments For :</b>		
	Increase/ Decrease in Current Assets	100.77	28.77
	Increase/ Decrease In Current Liabilities	(149.52)	141.83
	CSR Expenses Paid	-	(1.88)
	Cash Generated From Operations	<b>(48.75)</b>	<b>168.72</b>
	Direct Tax Paid	(57.25)	(39.28)
	<b>Net Cash From Operating Activities</b>	<b>(57.25)</b>	<b>(39.28)</b>
<b>B.</b>	<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
	Fixed Assets purchased	(0.73)	(20.34)
	Purchase of Investments	-	-
	Sale of Investment	-	-
	<b>Net Cash Used In Investment Activities</b>	<b>(0.73)</b>	<b>(20.35)</b>
<b>C.</b>	<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
	loans & Advances Given/ Received	120.67	(293.68)
	Repayment of Car loan	(22.30)	(20.28)
	Repayment received from loan & advances	-	-
	<b>Net Cash From In Financing Activities</b>	<b>98.37</b>	<b>(313.96)</b>
	<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>204.18</b>	<b>(3.13)</b>
	CASH & CASH EQUIVALENTS (Opening Balance)	8.40	11.53
	<b>CASH &amp; CASH EQUIVALENTS (Closing Balance)</b>	<b>212.59</b>	<b>8.40</b>

NOTE : NEGATIVE FIGURES HAVE BEEN SHOWN IN BRACKETS.

**IN TERMS OF MY REPORT OF EVEN DATE ANNEXED**

**FOR PBH & CO.**

**FOR SITAL LEASING AND FINANCE LIMITED**

**(CHARTERED ACCOUNTANTS)**

**FRN : 027217N**

**CA. BHUSHAN SINGH TANWAR**

**SURENDRA KUMAR JAIN**

**PRITI JAIN**

**(PARTNER)**

**(MANAGING DIRECTOR)**

**(DIRECTOR)**

**M. NO. 529400**

**DIN: 00530035**

**DIN : 00537234**

**PLACE: GURGAON**

**RAINY JAIN**

**DATE: 26.05.2018**

**(COMPANY SECRETARY)**

**M. No. A50151**

## Note 1: SIGNIFICANT ACCOUNTING POLICIES

### (c) **Basis of Accounting and preparation of Consolidated financial statements:**

The consolidated financial statements of the Company and its associate companies (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the Act"). The consolidated financial statements have been prepared on accrual basis under the historical cost convention. Further, the Group follows the prudential norms for income recognition and provisioning for Non-performing Assets as prescribed by the Reserve Bank of India / National Housing Bank for Non-Banking Financial Companies / Housing Finance Companies. Loans to customers outstanding at the close of the year are stated net of amounts written off. The Group assesses all receivables for their recovery and accordingly provisions for non-performing assets are enhanced as considered necessary, based on past experience emerging trends and estimates. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

### (d) **Principles of Consolidation:**

The consolidated financial statements relate to Sital leasing & Finance Limited and its associate company. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the associate company used in the consolidation are drawn upto the same reporting date as that of the Company i.e. 31st March 2018.
- b) The financial statements of the Company and its associate company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions and resulting unrealised profit or losses, unless cost cannot be recovered.
- c) The following associate companies has been considered in the preparation of consolidated financial statements:

Name of Entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and Voting Power as at	
				31st March, 2018	31st March, 2017
Solomon Holdings Pvt. Ltd.	Associate Company	India	Sital Leasing & Finance Limited	28.43%	28.43%
Utsav Securities Pvt. Ltd.	Associate Company	India	Sital Leasing & Finance Limited	30.20%	30.20%



d) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's standalone financial statements

(e) **Use of Estimates**

The preparation of Consolidated 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 Consolidated 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 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.

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 Consolidated financial statements after careful evaluation by the managements of the facts and legal aspects of the matter involved in case of:

(d) 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.

(e) A possible obligation, unless the probability of outflow of resources is remote.

(iii) Contingent Assets are neither recognized, nor disclosed in the Consolidated 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 earning 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.

## Notes to Financial Statements

### NOTE 2. SHARE CAPITAL

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Authorised Share Capital</b> 65,00,00,000 Equity Share of ` 1/- Each (Previous Year 65,00,00,000 Equity share of ` 1/- each)	650,000,000 <u>650,000,000</u>	650,000,000 <u>650,000,000</u>
<b>Issued, Subscribed &amp; Paid up Share Capital</b> Shares at the end of the Accounting Period 61,25,73,750 Equity Shares of ` 1/- Each (Previous Year 61,25,73,750 of ` 1/- each )	612,573,750	612,573,750
<b>Total</b>	<u>612,573,750</u>	<u>612,573,750</u>

- 2.1 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.
- 2.2 The reconciliation of the number of Shares outstanding is set out Below

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Equity Shares at the beginning of the year</b>	6,125,737,500	612,573,750
<b>Equity Shares at the end of the Year</b>	<u>6,125,737,500</u>	<u>6,125,737,500</u>

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

Name of the Shareholders	AS AT 31ST MARCH, 2018		AS AT 31ST MARCH, 2017	
	% of Shares	No. Of Share	% of Shares	No. Of Share
Avail Financial Services Ltd.	6.87	42,057,441	6.43	39,371,271
Legend Infoways Pvt. Ltd.	15.61	95,625,000	15.61	95,625,000
Microland Developers Pvt. Ltd.	14.57	89,250,000	14.57	89,250,000

## Notes to Financial Statements

### NOTE 3: RESERVES & SURPLUS

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b><u>Reserve Under Section 45(IC)</u></b>		
At The Beginning Of The Accounting Period	6,207,114	4,109,645
Additions During The Year	2,367,799	2,097,469
At The End Of The Accounting Period	8,574,912	6,207,114
<b><u>General Reserve</u></b>		
At The Beginning Of The Accounting Period	105,815,522	105,815,522
Additions During The Year	-	-
At The End Of The Accounting Period	105,815,522	105,815,522
<b><u>Securities Premium Account</u></b>		
At The Beginning Of The Accounting Period	8,948,887,500	8,948,887,500
Additions During The Year	-	-
At The End Of The Accounting Period	8,948,887,500	8,948,887,500
<b><u>Surplus in Statement of Profit &amp; loss</u></b>		
At The Beginning Of The Accounting Period	31,679,751	18,798,496
Additions During The Year (Balance In Statement Of Profit & Loss)	20,346,956	15,166,715
<b><u>Transfer To Reserves</u></b>		
Reserve U/S 45(IC)	(2,367,799)	(2,097,469)
Provision for CSR Expenses	(238,949)	(187,991)
ROC fees for increased in Authorised cap.	-	-
Fixed Assets Written Off	-	-
Reversal of loss on valuation	-	-
Inter Segment trf exp. Written off	(15,963,477)	-
At The End Of The Accounting Period	33,456,483	31,679,751
<b>Grand Total</b>	<b>9,096,734,418</b>	<b>9,092,589,888</b>

## Notes to Financial Statements

### NON CURRENT LIABILITIES

#### NOTE: 4 LONG TERM BORROWINGS

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Term Loans</b>		
Loan from Bank (Secured Loan)	-	1,603,822
Current portion of the above liability is disclosed under the "other Current liabilities"		
<b>Total</b>	<b>-</b>	<b>1,603,822</b>

\* Secured against Hypothecation of motor car valued of Rs. 64,00,000/- & Personal Guarantee of Director.

#### NOTE: 5 LONG TERM PROVISION

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Provision for Standard Assets	619,510	586,528
Provision for Loss Assets	634,973	-
<b>Total</b>	<b>1,254,483</b>	<b>586,528</b>

#### NOTE: 6 SHORT TERM BORROWINGS

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Term Loans</b>		
Loan from Bank (Secured Loan)	1,603,822	-
Current portion of the above liability is disclosed under the "other Current liabilities"		
<b>Total</b>	<b>1,603,822</b>	<b>-</b>

### CURRENT LIABILITES:

#### NOTE 7: TRADE PAYABLES

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Sundry Creditors	3,971	15,282,930
<b>Total</b>	<b>3,971</b>	<b>15,282,930</b>

## Notes to Financial Statements

### NOTE 8 : OTHER CURRENT LIABILITIES

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Current maturities of long Term payable	-	2,229,886.00
Expenses Payable	386,317	59,556.00
<b>Total</b>	<b>386,317</b>	<b>2,289,442</b>

### NOTE 9 : SHORT TERM PROVISION

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Provision for Taxation	6,415,662	5,724,854
<b>Total</b>	<b>6,415,662</b>	<b>5,724,854</b>

### NON CURRENT ASSETS

### NOTE 11: NON CURRENT INVESTMENT

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Unquoted Equity Shares</b>		
1000000 Carewell Exim Pvt. Ltd. of ` 10/-each	1,000,000,000	1,000,000,000
2000000 KDG Properties & Construction Pvt. Ltd. of ` 10/- each	2,000,000,000	2,000,000,000
3250000 Solomon Holdings Pvt. Ltd. ` 10/- each	3,249,979,084	3,249,988,893
3250000 Utsav Securities Pvt. Ltd ` 10/- each	3,263,416,660	3,254,442,743
<b>Total</b>	<b>9,513,395,744</b>	<b>9,504,431,636</b>

\*Fair Value of the Unquoted Shares

8,699,825,000

8,700,037,500

## Notes to Financial Statements

### NOTE 12 : DEFFERED TAX ASSETS (NET)

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Opening Balance	1,010,765	593,310
Created During the Year	211,809	417,455
Reversed During the Year	-	-
<b>Closing Balance</b>	<b>1,222,574</b>	<b>1,010,765</b>

### NOTE : 13 LONG TERM LOAN & ADVANCES

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
<b>Unsecured Loan</b> (include overdue Amount)		
Standard Assets	155,512,563	167,579,303
DSE Security Deposits	40,000	40,000
<b>Total</b>	<b>155,552,563</b>	<b>167,619,303</b>

### NOTE : 14 INVENTORIES

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Stock in Trade ( Quoted security) (As Per Annexure-A)	11,481,566	39,439,624
<b>Total</b>	<b>11,481,566</b>	<b>39,439,624</b>

\*Market Value of Inventories

12,657,334

38,602,296

### NOTE : 15 CASH & CASH EQUIVALENTS

IN `

PARTICULARS	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
Cash in Hand	327,482	348,599
Bank balance with Current account	20,775,425	273,552
Fixed Deposit	154,789	219,629
<b>Total</b>	<b>21,257,696</b>	<b>841,780</b>



## **Notes to Financial Statements**

### **NOTE : 16 SHORT TERM LOAN & ADVANCES**

IN `

<b>PARTICULARS</b>	<b>AS AT 31ST MARCH, 2018</b>	<b>AS AT 31ST MARCH, 2017</b>
Balance from Revenue Authorities	2,522,679	2,541,347
Advance Tax for A.Y 17-18	-	1,000,000
Advance Tax for A.Y 18-19	2,700,000	-
<b>Total</b>	<b>5,222,679</b>	<b>3,541,347</b>

### **NOTE : 17 REVENUE FROM OPERATION**

IN `

<b>PARTICULARS</b>	<b>CURRENT PERIOD 2017-18</b>	<b>PREVIOUS PERIOD 2016-17</b>
Sale of Trading Goods	864,545,715	3,001,027,223
Income from Trading	-	236,713
Income from FDR in Bank	7,457	16,254
Interest On Loan (Gross TDS: ` 23,44,982/- Previous Year Gross TDS: ` 11,04,794/- )	23,079,723	23,785,213
<b>Total</b>	<b>887,632,895</b>	<b>3,025,065,403</b>

### **NOTE : 18 OTHER INCOME**

IN `

<b>PARTICULARS</b>	<b>CURRENT PERIOD 2017-18</b>	<b>PREVIOUS PERIOD 2016-17</b>
Dividend Income	91,147	126,783
Interest Income On FDR (Gross)	-	46,107
Car Insurance claim	-	-
<b>Total</b>	<b>91,147</b>	<b>172,890</b>

### **NOTE : 19 PURCHASES OF STOCK IN TRADE**

IN `

<b>PARTICULARS</b>	<b>CURRENT PERIOD 2017-18</b>	<b>PREVIOUS PERIOD 2016-17</b>
Purchases of Stock in trade	835,138,122	2,994,478,768
Trading Expenses	789,134	769,885
<b>Total</b>	<b>835,927,257</b>	<b>2,995,248,653</b>

## Notes to Financial Statements

### NOTE : 20 CHANGE IN STOCK IN TRADE

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Balance at the beginning of the year	39,439,624	43,613,554.55
Balance at the Closing of the year	11,481,566	39,439,623.88
<b>Total</b>	<b>27,958,058</b>	<b>4,173,931</b>

### NOTE : 21 EMPLOYEE BENEFITS EXPENSES & FINANCE COST

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Salary Expenses	388,911	1,146,570
Staff Welfare Expenses	2,420	6,915
Interest Paid OB globe	3,888	470,586
<b>Total</b>	<b>395,219</b>	<b>1,624,071</b>

### NOTE : 22 OTHER EXPENSES

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Advertisement Expenses	29,005	22,649
<b>- Audit Remuneration</b>		
(a) Audit Fees	18,320	18,320
(b) Tax Audit Fees	23,036	11,236
(c ) Internal Audit Fees	10,000	10,000
Annual charges for Credit Rating	23,000	34,450
Bank Charges	3,327	2,308
Business Promotion	-	-
Bed Debts	1,924	703,973
Car Insurance	197,581	164,745
Conveyance Expenses	54,160	54,647
Directors Remunerations	-	1,500,000
House Tax	64,840	-
Interest on Late Payment of Tax	503,500	315,521
Interest payable on loan	269,054	-
Legal & Professional charges	136,586	146,410

### **Notes to Financial Statements**

Listing Compliance Charges	265,523	318,325
Meeting expenses	15,002	12,945
Misc. Expenses	6,070	18,645
Other community expense	3,080	2,500
Postal Charges	31,617	27,415
Printing & Stationery	33,490	56,045
Repair & Maintenance	490,326	580,743
Secretarial & Filing Fees Expenses	4,200	5,400
Trading Expenses	514	500
Telephone expenses	4,539	9,893
<b>Total</b>	<b>2,188,695</b>	<b>4,016,670</b>

### **NOTE : 23 PROVISIONS**

IN `

<b>PARTICULARS</b>	<b>CURRENT PERIOD 2017-18</b>	<b>PREVIOUS PERIOD 2016-17</b>
Provision on Standard Assets	32,982	171,894
Provision on Loss Assets	634,973	-
<b>Total</b>	<b>667,955</b>	<b>171,894</b>

**SITAL LEASING AND FINANCE LIMITED**

**Notes to the Financial Statement**

Note : 10 Fixed Asset As Per Companies Act, 2013

IN`

Sr. No	Particulars	Gross Block			Depreciaton				Net Block			
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addiion during the year	Adjustme nts	Deduction during the year	Value at the end	WDV as on 31.03.2018	WDV as on 31.03.2017
<b>I</b>	<b>Tangible Assets</b>											
1	Building	5,476,815	-	-	5,476,815	961,986	225,741.45	-	-	1,187,727	4,289,088	4,514,829.00
2	Furniture & fixture	1,259,500	-	-	1,259,500	784,633	-	-	-	784,633	474,867	474,867.20
3	Vehicles	17,620,325	-	-	17,620,325	9,371,693	2,583,710.73	-	-	11,955,404	5,664,921	8,248,631.67
4	Office Equipment	984,694	73,000	-	1,057,694	456,263	190,706.06	-	-	646,969	410,725	528,431.21
	<b>SUB TOTAL</b>	<b>25,341,334</b>	<b>73,000</b>	<b>-</b>	<b>25,414,334</b>	<b>11,574,575</b>	<b>3,000,158</b>	<b>-</b>	<b>-</b>	<b>14,574,733</b>	<b>10,839,601</b>	<b>13,766,759</b>
	<b>Total (Current Year)</b>	<b>25,341,334</b>	<b>73,000</b>	<b>-</b>	<b>25,414,334</b>	<b>11,574,575</b>	<b>3,000,158</b>	<b>-</b>	<b>-</b>	<b>14,574,733</b>	<b>10,839,601</b>	<b>13,766,759</b>
	<b>(Previous Year)</b>	<b>23,307,752</b>	<b>2,033,581</b>	<b>-</b>	<b>25,341,334</b>	<b>7,613,979</b>	<b>3,960,596</b>	<b>-</b>	<b>-</b>	<b>7,613,979</b>	<b>13,766,759</b>	<b>15,693,774</b>

IN TERMS OF MY REPORT OF EVEN DATE ANNEXED  
FOR PBH & CO.  
(CHARTERED ACCOUNTANTS)  
FRN : 027217N

FOR SITAL LEASING AND FINANCE LIMITED

CA. BHUSHAN SINGH TANWAR  
(PARTNER)  
M. NO. 529400

SURENDRA KUMAR JAIN  
(MANAGING DIRECTOR)  
DIN: 00530035

PRITI JAIN  
(DIRECTOR)  
DIN : 00537234

PLACE: GURGAON  
DATE: 26.05.2018

RAINY JAIN  
(COMPANY SECRETARY)  
M. No. A50151

**SITAL LEASING AND FINANCE LIMITED**

**SCHEDULE OF FIXED ASSETS AS ON 31.03.2018**  
(As Per Income Tax)

Annexure 14 of Tax Audit Report :

Sl.No	PARTICULARS	DEP. RATE	OPENING WDV as on 01.04.2017	ADDITIONS / REVALUATION ON OR BEFORE 30/09/2017	ADDITIONS / REVALUATION AFTER 30/09/2017	SOLD DURING THE YEAR	Total	DEPRECIATION	CLOSING WDV as on 31.03.2018
1	Plant & Machinery	15.00%	659,426	73,000.00	-	-	732,426.00	109,864	622,562
2	Furniture & Fixture	10.00%	776,038	-	-	-	776,038.00	77,604	698,434
3	Computer	60.00%	30,178	-	-	-	30,178.00	18,107	12,071
4	Vehicles	15.00%	11,949,465	-	-	-	11,949,465.00	1,792,420	10,157,045
5	Office Building	10.00%	3,639,318	-	-	-	3,639,318.00	363,932	3,275,386
	<b>TOTAL</b>		<b>17,054,425</b>	<b>73,000.00</b>	<b>-</b>	<b>-</b>	<b>17,127,425.00</b>	<b>2,361,927</b>	<b>14,765,498</b>

IN TERMS OF MY REPORT OF EVEN DATE ANNEXED  
FOR PBH & CO.  
(CHARTERED ACCOUNTANTS)  
FRN : 027217N

FOR SITAL LEASING AND FINANCE LIMITED

CA. BHUSHAN SINGH TANWAR  
(PARTNER)  
M. NO. 529400

SURENDRA KUMAR JAIN  
(MANAGING DIRECTOR)  
DIN: 00530035

PRITI JAIN  
(DIRECTOR)  
DIN : 00537234

PLACE: GURGAON  
DATE: 26.05.2018

RAINY JAIN  
(COMPANY SECRETARY)  
M. No. A50151

**Annexure 'A'**  
**Detail of Closing Stock in Trade**

<b>Particulars</b>	<b>Quantity</b>	<b>AS AT 31.03.2018</b>
63 Moon Technologies Ltd.	20	0.01
Adani Enterprises Limited	500	155,719.19
Adani Ports & Special Economic Zone Limited	500	69,292.50
Adani Power Ltd.	2000	71,354.56
Adani Transmission Ltd.	200	0.01
Allahabad Bank Limited	10200	496,973.68
Alok Industries Ltd.	500	3,950.00
Andhra Bank Ltd	11000	474,039.31
Axis Bank Ltd.	10	5,830.34
Bajaj Auto Ltd.	5	10,618.54
Bajaj Hindusthan Sugar Limited	500	7,945.00
Bank of India	200	51,729.68
Berger Paints India Limited	14	2,168.07
Bharat Heavy Electricals Limited	150	24,187.84
Biocon Ltd.	30	4,482.65
Canara Bank	100	35,807.38
Castrol India Ltd.	20	6,185.65
CEAT Ltd.	10	6,770.21
CESC Ltd.	10	5,458.04
Crewboss Products Ltd..	1000	6,050.00
Dabur India Ltd	10	2,706.94
Dena Bank	200	12,240.30
Dhampur Sugars Mills Ltd.	500	16,076.07
DLF Ltd.	50	5,893.06
Educom Solution Ltd.	100	1,348.00
Engineers India Ltd.	40	4,116.40
Essel Propack Ltd.	10	1,173.09
Exide Industries Ltd.	10	1,543.90
Financial Technology Ltd.	20	3,631.67
Finolex Cables Ltd.	10	2,718.00
Gammon India Ltd.	200	7,004.00
GMR Infrastructure Ltd.	2000	33,419.48
Godrej Industries Ltd.	10	3,787.21
Gujrat Mineral Development Corp. Ltd.	100	12,448.43
Gujrat Narmada Valley Fertilisers and Chemicals Ltd.	100	7,448.56
Gujrat State Fertilisers And Chemicals Limited	100	9,272.40
Hero Motocorp Ltd.	5	18,042.08
Hindalco Industries Ltd.	500	52,894.06
Hinduatan Construction company Ltd.	200	7,391.00
Hindustan Coppers Ltd.	1000	69,336.66
Hindustan Zinc Ltd.	100	16,730.06
Housing Development and Infrastructure Ltd.	100	9,258.45
IDBI Bank Ltd.	500	35,940.48
IDEA Cellular Ltd.	50	8,976.31
IDFC Bank Ltd.	1000	16,529.45
IDFC Ltd.	1000	134,980.18
IFCI Ltd.	200	5,859.98
Indian Bank	100	16,013.55

Indian Infotech And software Ltd.	100000	1,473,000.00
Indian Overseas Bank	2000	54,563.20
IRB Infrastructure Developers Ltd.	100	27,526.00
IVRCL Ltd	1000	15,010.00
Jai Corporation Limited	500	31,639.79
Jai Prakash Associates Limited	13000	258,445.20
Jai Prakash Power Venture Limited	300	3,276.50
Karnataka Bank	100	13,569.59
Kotak Mahindra Bank Limited	50	34,475.26
LML Limited	1000	7,555.00
Maruti Suzuki India Limited	10	32,078.83
McLeod Russel India Limited	10	2,399.37
Metals and Minerals Trading Corp. of India Limited	400	25,145.02
National Minerals Developers Corporation Limited	100	14,281.40
National Thermal Power Corporation Limited	500	0.10
Nestle India Ltd.	5	27,434.93
NHPC Ltd.	7000	124,488.07
Oil and Natural Gas Corporation Limited	150	34,927.55
Petronet LNG Limited	200	20,025.01
PMC Fincorp Ltd.	80	157.21
Power Finance Corp. Limited	200	27,889.65
Powergrid Corporation of India Ltd.	500	69,013.22
Prakash Constrowell Ltd.	1000	19,357.90
Punjab National Bank	5100	488,897.12
Punj Lloyd Ltd	500	14,959.51
Reliance Capital Ltd.	200	68,059.73
Reliance Communication Ltd.	700	65,248.27
Reliance Home Finance Ltd.	200	0.10
Reliance Industries Ltd.	6100	4,373,551.10
Reliance Infrastructure Ltd.	200	70,716.36
Reliance Option	300	9,120.41
Reliance Power Ltd.	500	34,685.07
Rural Electrification Corp Ltd.	200	27,287.17
Steel Authority of India Ltd.	1000	63,000.91
State Bank of India	500	211,131.63
South Indian Bank	1500	34,942.40
Suzlon Energy Ltd.	13000	309,017.54
Syndicate Bank Ltd.	10200	577,775.63
Tata Power Ltd.	100	8,588.45
Tata Steel Limited	119	49,359.31
Tata Steel Limited (PP)	10	0.01
Tata Teleservices Ltd.	6000	30,397.74
Uco Bank Ltd.	300	12,602.25
Union Bank of India	100	22,835.90
Unitech Ltd.	1000	8,230.00
Vedanta Ltd (Pref)	40	0.01
Vedanta Ltd	10	0.01
Vijaya Bank Ltd.	10100	521,126.67
Voltas Ltd.	10	2,787.22
Welspun Corp Ltd.	100	5,554.37
YES Bank Ltd.	100	16,714.88
Zee Entertainment Enterprises Ltd.	500	183,375.38
<b>Grand Total</b>		<b>11,481,566.38</b>

42. Previous year's figures have been reworked, regrouped, & reclassified wherever necessary to confirm to the current year presentation.
43. 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.
44. As per AS-13, all long term investments are to be carried at cost less diminution in the value except for temporary diminution. There is non provision of diminution in the value of Non Current Investment to the tune of ` 80.02/- Crores by virtue of which profit of the company has been overstated by ` 80.02/- Crores.
45. As per AS-2 the inventories are to be valued at cost or market value whichever is less. But the company has valued it at cost There is non provision for shortfall in value of inventories to the tune of ` 7.77/- Lacs by virtue of which profit of the company has been overstated by ` 7.77/- Lacs.
46. During the year, the company has not made any provision for Doubtful Assets in respect of Loan outstanding no payment for the current year is received in respect of the same is received. But the company is hopeful for receiving.
47. During the year, the Company has purchased shares Quoted/unquoted and Commodities (If Any) has been considered as stock in trade by the Management.
48. During the year, the company has been traded in F & O's. All the transactions transacted in the F & O's during the year has been covered in the turnover of the company. During the year, the company has made turnover of Rs. 85.63/- Crores from the sale & purchase of F & O's.
49. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of ` 23,67,799/- (Previous Year ` 20,97,469/-) representing 20% of Net Profit is transferred to the fund for the year.
50. 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  | - 88.76 CR |
| Income From Investment Segment | - 0.01CR   |
| Total Expense                  | - 86.95 CR |
| Net Profit                     | - 1.82 CR  |

**51. Auditor's remuneration :**

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Statutory Audit	18,320/-	18,320/-
Tax Audit Fees	11,236/-	11,236/-



52. 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.
53. Information as required by Non Banking Financial Companies -Corporate Governance (Reserve Bank) Direction, 2015 is Furnished vide Annexure -II Attached Herewith.
54. **Provision for Standard and Non-Performing Assets:** Provision for non performing assets (NPAs) is made in the Consolidated 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	2017-18	2016-17
<b>Sub standard Assets</b>		
Total Non-Performing Assets	6,34,973.00	0.00
Provision already available	0.00	0.00
Additional Provision made during the year	6,34,973.00	0.00
Reversed Provision During the Year	0.00	0.00
<b>Total Provision at the end of the Year</b>	<b>6,34,973.00</b>	<b>0.00</b>
<b>Standard Assets</b>		
Provision already available	5,86,527.55	4,14,633.66
Additional Provision made during the year	32,982.45	1,71,893.89
<b>Total Provision at the end of the Year</b>	<b>6,19,510.00</b>	<b>5,86,527.55</b>

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

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(F) Profit after taxation as Statement of Profit and Loss (in Rupees)	2,03,46,956	1,07,35,079
(G) Weight Average number of equity Shares outstanding during the year	61,257,3750	61,257,3750
(H) Nominal value of Equity shares (in rupees)	1.00	1.00
(I) Basic Earnings per Share	0.03	0.02
(J) Diluted Earnings per share	0.03	0.02

**56. 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 is Brother of Surendra Kumar Jain	Investment	0	0	200000000 0
Utsav Securities Private Limited	Virendra Jain Director of Utsav is Brother of Surendra Kumar Jain	Investment	0	0	325000000 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	SUNSHINE CAPITAL LIMITED	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.
SRI AMARNATH FINANCE LIMITED	SRI AMARNATH FINANCE LIMITED	C BATIA & CO PVT LTD	RKG FINVEST LIMITED
TRANSNATIONAL GROWTH FUND LTD	TRANSNATIONAL GROWTH FUND LTD.	SUNSHINE CAPITAL LIMITED	ECHT FINANCE LIMITED
RKG FINVEST LIMITED	RKG FINVEST LIMITED	SRI AMARNATH FINANCE LIMITED	COSMO BUILDTECH PRIVATE LIMITED
EURO ASIA LABORATORIES LIMITED	ECHT FINANCE LIMITED	TRANSNATIONAL GROWTH FUND LTD.	-
-	EURO ASIA LABORATORIES LIMITED	RKG FINVEST LIMITED	-
-	-	ECHT FINANCE LIMITED	-
-	-	JAIPUR INVESTMENT LIMITED	-

57. The Company estimates the deferred tax created / (credit) using the applicable rate of Taxation based on the impact of timing Differences between Consolidated 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	1,08,39,600.84

WDV as per Income Tax act	1,47,65,498.00
Timing Difference	(39,25,897.16)
<b>Deferred Tax Assets</b>	<b>12,97,901.60</b>

The company has made less provision of deferred tax assets by ` 76,138/- due to the deferred tax assets balance is understated by ` 76,138/- and profit is overstated by ` 76,138/- .

58. There are no micro, Small and Medium Enterprises, to whom the Company owes dues which outstanding for more than 45 days as at 31<sup>st</sup> March 2017. 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 My Report of even date annexed.**

**FOR PBH & CO.  
(CHARTERED ACCOUNTANTS)  
FRN : 027217N**

**FOR SITAL LEASING & FINANCE LIMITED**

**CA. BHUSHAN SINGH TANWAR  
(PARTNER)  
M. NO. 529400**

**SURENDRA KUMAR JAIN  
(MANAGING DIRECTOR)  
DIN: 00530035**

**PRITI JAIN  
(DIRECTOR)  
DIN: 00537234**

**PLACE: GURGAON  
DATE : 26.05.2018**

**RAINY JAIN  
(COMPANY SECRETARY)  
M. NO. A50151**

## Indicative List of Balance Sheet Disclosure for NBFCs with Asset Size Rs.500 Crore and Above and Deposit Taking NBFCs as per RBI Guidelines

### 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
i)	CRAR (%)	100.76	100.71
ii)	CRAR - Tier I Capital (%)	100.76	100.71
iii)	CRAR - Tier II Capital (%)	0.06	0.03
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

#### 3.2 Investments

(Amount in Rs. crore)			
Particulars		Current Year	Previous Year
(1)	Value of Investments	950	950
i)	Gross Value of Investments		
	(a) In India	950	950
	(b) Outside India	-	-
ii)	Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
iii)	Net value of Investments		

	(a)	In India	-	-
	(b)	Outside India	-	-
(2)	Movement of provisions held towards depreciation on investments			
	(i)	Opening Balance	-	-
	(ii)	Add: Provisions made during the year	-	-
	(iii)	Less: Write-off/write-back of excess provisions during the year	-	-
	(iv)	Closing balance	-	-

### 3.3 Derivatives

#### 3.3.1 Forward Rate Agreement / Interest Rate Swap

(Amount in Rs crore)			Current Year	Previous Year
Particulars				
(i)	The notional principal of swap agreements	-	-	-
(ii)	Losses which would be incurred if counterparties failed to fulfill 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)			Amount
S. No.	Particulars		
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)		
	a)	-	-
	b)	-	-

	c)	-	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March ..... (instrument-wise)		
	a)	-	
	b)	-	
	c)	-	
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		
	a)	--	
	b)	-	
	c)	--	
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		
	a)	-	
	b)	-	
	c)	-	

### 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)			
Sl. No.	Particular	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)		
	For hedging	-	
(ii)	Marked to Market Positions [1]		
	a) Asset (+)	-	-
	b) Liability (-)	-	-
(iii)	Credit Exposure [2]		
(iv)	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.

S. No.	Particulars	No. / Amount in Rs. crore
1.	No of SPVs sponsored by the NBFC for securitisation transactions*	-
2.	Total amount of securitised assets as per books of the SPVs sponsored	-
3.	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-
	a) Off-balance sheet exposures	-
	First loss	--
	Others	-
	b) On-balance sheet exposures	-
	First loss	-
	Others	-
4.	Amount of exposures to securitisation transactions other than MRR	
	a) Off-balance sheet exposures	-
	i) Exposure to own securitizations	-
	First loss	-
	Loss	-
	ii) Exposure to third party securitisations	-
	First loss	-
	Others	-
	b) On-balance sheet exposures	-
	i) Exposure to own securitisations	-
	First loss	-
	Others	-
	ii) 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
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	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
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	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:

**A. Details of non-performing financial assets purchased:**

(Amount in Rs. crore)				
Particulars		Current year	Previous Year	
(1)	(a)	No. of accounts purchased during the year	-	-
	(b)	Aggregate outstanding	-	-
(2)	(a)	Of these, number of accounts restructured during the year	-	-
	(b)	Aggregate outstanding	-	-

**B. Details of Non-performing Financial Assets sold:**



(Amount in Rs. crore)				
Particulars			Current year	Previous Year
(1)		No. of accounts sold	-	-
(2)		Aggregate outstanding	-	-
(3)		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	-	-	-	-	-	-	15.55	-	15.55
Investments	-	-	-	-	-	-	-	950	950
Borrowings	-	-	-	-	-	-	0.16	-	0.16
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

### 3.6 Exposures

#### 3.6.1 Exposure to Real Estate Sector

(Amount in Rs. crore)				
Category			Current Year	Previous Year
a)	Direct Exposure			
(i)	Residential Mortgages -			
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		-	-
(ii)	Commercial Real Estate –			
	Lending 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 include non-fund based limits		-	-
(iii)	Investments in Mortgage Backed Securities		-	-

		(MBS) and other securitised exposures –		
	a.	Residential	-	-
	b.	Commercial Real Estate	-	-
Total Exposure to Real Estate Sector			-	-

### 3.6.2 Exposure to Capital Market

(Amount in Rs. crore)				
Particulars		Current Year	Previous Year	
(i)	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;	-	-	
(ii)	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;	-	-	
(iii)	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;	-	-	
(iv)	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;	-	-	
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	
(vi)	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;	-	-	
(vii)	bridge loans to companies against expected	-	-	

	equity flows / issues;		
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)	-	
<b>Total Exposure to Capital Market</b>			

### **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.

### **3.6.5 Unsecured Advances**

- 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.
- 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.

## **4. Miscellaneous**

### **4.1 Registration obtained from other financial sector regulators**

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

### **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 – **DONE**
- b) The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report. - **DONE**

#### **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 directors vis-à-vis the company shall be disclosed in the Annual Report- **DONE**.

#### **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	-	-
Provision made towards Income tax	0.64	0.57
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	0.06	0.01

### 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	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	NA

#### 5.3.2 Concentration of Advances

(Amount in Rs. crore)	
Total Advances to twenty largest borrowers	16.76
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	

#### 5.3.3 Concentration of Exposures

(Amount in Rs. crore)	
Total Exposure to twenty largest borrowers / customers	16.76
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	NA

### 5.3.5 Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
1.	Agriculture & allied activities	NA
2.	MSME	NA
3.	Corporate borrowers	NA
4.	Services	NA
2.	Unsecured personal loans	NA
3.	Auto loans	NA
4.	Other personal loans	NA

### 5.4 Movement of NPAs

(Amount in Rs. Crore)			
Particulars		Current Year	Previous Year
(i)	Net NPAs to Net Advances (%)	-	-
(ii)	Movement of NPAs (Gross)	-	-
	(a) Opening balance	-	-
	(b) Additions during the year	-	-
	(c) Reductions during the year-	-	-
	(d) Closing balance	-	-
(iii)	Movement of Net NPAs		
	(a) Opening balance	-	-
	(b) Additions during the year	-	-
	(c) Reductions during the year	-	-
	(d) Closing balance	-	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening balance	-	-
	(b) Provisions made during the year	-	-

	(c)	Write-off / write-back of excess provisions	-	-
	(d)	Closing balance	-	-

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

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

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

Name of the SPV sponsored	
Domestic	Overseas
<b>NONE</b>	

**6. Disclosure of Complaints**

**6.1 Customer Complaints**

(a)	No. of complaints pending at the beginning of the year	<b>NONE</b>
(b)	No. of complaints received during the year	
(c)	No. of complaints redressed during the year	
(d)	No. of complaints pending at the end of the year	

## **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
  
2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value	Date(s) of approval by the Board	Amount paid as advances, if any
KDG Properties & constructions Private Limited	Investment*	NIL	NIL	28.01.2011	NIL
Utsav Securities Private Limited	Investment*	NIL	NIL	28.01.2011	NIL

**\*Investments in these companies since 31.03.2011.**



## Corporate Social Responsibility (CSR)

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](http://www.sitalleasingfinance.com).**

2. The Composition of the CSR Committee:

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

3. Average net profit of the company for last three financial years:  
**Rs. 93,99,514/-.**

S.NO.	F.Y.	NET PROFIT
1.	2016-17	1,62,14,372
2.	2015-16	1,10,62,052
3.	2014-15	85,65,882

4. Prescribed CSR Expenditure two per cent of average amount as in item 3 above):**INR 2,38,948.70/-**

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: **INR 2,38,948.70/-**

(b) Amount unspent, if any: **NIL**

**Manner in which amount spent during the Financial Year:-**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. N	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget) Project/ Program wise (In `)	Amount spent on the project / programs Subheads: (1) Direct expenditure on project / programs (2) Overheads (In `)	Cumulative expenditure upto to the reporting period (In `)	Amount spent: Direct / through implementation agency
1.	Company has identified in rural areas to promote the child education, training and skill enhancement under Item No. (ii) of Schedule VII	Education sector	Ladnun, District Nagaur, State Rajasthan	2,38,948/-	238948/-	238948/-	Through Adarsh Shiksha Sansthan, Didwana, Rajasthan

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial year or any part thereof, the company shall provide the reason for not spending the amount in its Board report: Not Applicable.

7. 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.

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

**Form No. MR - 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2018**  
**[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 of  
**SITAL LEASING AND FINANCE LTD**  
**CIN: L65910HR1983PLC050169**  
Office No. 322, 3rd Floor, Plaza Commercial Comple Mayfield Garden,  
Sector-47, GURGAON – 122001

Dear Members,

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 AND FINANCE LTD (CIN: L65910HR1983PLC050169)**. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2018 complied with the statutory provisions listed hereunder subject to observations mentioned in the report and also that the Company has proper Board- processes and compliance-mechanism in place to the extent and in the manner reported hereunder.

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (a) *The Company has not complied with the provisions of Section 203 of the Companies Act, 2013 for appointment of Chief Financial Officer during the audit period.*
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **[Not Applicable]**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **[Not Applicable]**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. **[Not Applicable]**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **[Not Applicable]**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **[Not Applicable]**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. **[Not Applicable]**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **[Not Applicable]**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **[Not Applicable]**
- (vi) Non Banking Financial (Non – Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and Non Banking Financial (Non – Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and other relevant guidelines and Circulars issued by the Reserve Bank of India from time to time.

I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for Compliances under other applicable Acts, Laws and other applicable Laws and Regulations as applicable to the Company.

I/we 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 Exchanges.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31<sup>st</sup> March, 2018.
- During the period under review, the Company has made Non-Compliance of Section 179(3)(d) of the Companies Act, 2013.
- On the basis of Minutes of 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 certificate issued by officers of the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, 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 have been subject to review by statutory financial audit and other designated professionals.

**For Abhishek Sharma & Associates  
(Company Secretaries)**

**Place: New Delhi**

**Date:**

**Abhishek Sharma  
(Prop.)**

**M. No. : 52653**

**C. P. No. 19453**

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 of  
**SITAL LEASING AND FINANCE LTD**  
CIN: L65910HR1983PLC050169  
Office No. 322, 3rd Floor, Plaza Commercial Complex Mayfield Garden,  
Sector-47, GURGAON - 122001

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

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

**For Abhishek Sharma & Associates**  
**(Company Secretaries)**

**Abhishek Sharma**  
**(Prop.)**  
**C. P. No. 19453**  
**M. No. : 52653**

**Place: New Delhi**

## FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

**As on the Financial Year ended on 31/03/2018**

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

#### I. REGISTRATION AND OTHER DETAILS:

i.	<b>CIN</b>	L65910HR1983PLC050169
ii.	<b>Registration Date</b>	10/10/1983
iii.	<b>Name of Company</b>	Sital Leasing And Finance Limited
iv.	<b>Category of Company</b>	Having Share Capital
v.	<b>Sub-Category of Company</b>	Indian Non-Government Company
vi.	<b>Address of Company</b>	<p><b><u>REGISTERED OFFICE</u></b> Office No. 322, 3<sup>rd</sup> Floor, S.S. Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana- 122001</p> <p><b><u>CORPORATE OFFICE</u></b> 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005</p>
vii.	<b>Listed/Unlisted</b>	Listed
viii.	<b>Name &amp; Address of RTA</b>	Bigshare Services Pvt. Ltd. E4/8, First Floor, Jhandewalan Extension, New Delhi- 110055

#### 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	100%

### 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 PVT LTD	U65993DL2000PTC104410	Associate company	28.43	Sec. 2(6)

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

- i. Category-wise share Holding  
ii.

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	
<b>A. Promoters</b>									
(1) Indian									
a) HUF/ Individual	2579285	0	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.	293833468	0	293833468	47.96	293833468	0	293833468	47.96	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
<b>Total shareholding of Promoter (A)</b>	<b>296412753</b>	<b>0</b>	<b>296412753</b>	<b>48.38</b>	<b>296412753</b>	<b>0</b>	<b>296412753</b>	<b>48.38</b>	<b>0</b>
<b>B. Public Shareholding</b>									
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									
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>	0	0	0	0	0	0	0	0	0
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	21460259	102000	21562259	3.52	21446539	102000	21548539	3.52	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	11240603	60512715	71753318	11.80	10187429	61082800	71270229	11.63	(0.17)
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	188994895	33612000	222606895	36.33	189491704	33612000	223103704	36.42	0.09
c) Others (specify)	238525	0	238525	0.03	238525	0	238525	0.03	0
<b>Sub-total (B)(2):-</b>									
Total Public Shareholding (B)=(B)(1)+(B)(2)	<b>221934282</b>	<b>0</b>	<b>316160997</b>	<b>51.61</b>	<b>221364197</b>	<b>94796800</b>	<b>316160997</b>	<b>51.61</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0

Grand Total (A+B+C)	518347 035	9422 6715	61257375 0	100	5177769 50	9479680 0	612573 750	100	0
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### iii. 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	.18	-	.01
Virendra Jain	629100	0.10	-	629100	.10	-	(.10)
Babita Jain	65100	0.01	-	65100	.01	-	.16
Priti Jain	610085	0.09	-	610085	.10	-	(.23)
Ram Chander	127500	0.02	-	127500	.02	-	-
Rajesh Kumar Mishra	0	0	-	-	-	-	(0.02)
Pelicon Finance & Leasing Ltd	12877500	02.10	-	12877500	2.10	-	-
Synergy Finlease Pvt. Ltd	14025000	02.28	-	14025000	2.28	-	-
Wonder Trading Pvt. Ltd	14025000	02.28	-	14025000	2.28	-	-
Avail Financial Services Pvt. Ltd	42057441	06.86	-	42057441	6.86	-	.43
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	02.58	-	15820200	2.58	-	-
Paschim Finance & Chit Fund Pvt. Ltd.	1797750	0.29	-	1797750	.29	-	-
Silvant Investment & Finance Pvt. Ltd	1328550	0.22	-	1328550	.22	-	-
Mekastar Finlease Limited	846560	0.14	-	846560	.14	-	0.01
Utsav Securities Pvt Ltd	5421432	0.88	-	5421432	.88	-	0.02
Transnational	759035	0.12	-	759035	0.12	-	0.12

<b>Growth Fund Limited</b>							
<b>TOTAL</b>	<b>296412753</b>	<b>48.28</b>	<b>-</b>	<b>296412753</b>	<b>48.39</b>	<b>-</b>	<b>0.11</b>

#### iv. 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	296412753	48.38	296412753	48.38
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 31.03.2017	0		0	0
At the End of the year	296412753	48.38	296412753	48.38

#### v. 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	117036951	19.10	117036951	19.10
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)	117036951	19.10	117036951	19.10

#### vi. 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

## V. INDEBTNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	16,03,822	-	-	16,03,822
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	16,03,822	-	-	16,03,822
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	1,603,822	-	-	1,603,822
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	1,603,822	-	-	1,603,822

## 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	Surender Kumar Jain (MD)	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission As % of profit others, Specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
6.	Total (A)	-	-	-	-	-
	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"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, Please specify</li> </ul>	-	-	-	-	-
2.	Total (1)	-	-	-	-	-
3.	2. Other Non – Executive Directors <ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	-	-	-	-	-
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 (Rainy Jain)	CFO (Deepak Kumar)	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income –tax Act,1961	-	36,000/-	22,567/-	58,567/-
	(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"> <li>- As % of profit</li> <li>- Others specify.....</li> </ul>	-	-	-	-
5.	Others, Please specify	-	-	-	-
	<b>Total</b>	-	36,000/-	22,567/-	58567/-

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

**C. OTHER OFFICERS IN DEFAULT**

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

**SITAL LEASING AND FINANCE LTD**

Regd. Office: Office No. 322, 3<sup>rd</sup> 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, sital1983@sitalleasingfinance.com

Website: www.sitalleasingfinance.com

**ATTENDANCE SLIP**

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

<b>Name and Address of the Member</b>	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my Presence at the 35<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, 26<sup>th</sup> Day of September, 2018 at 10:00 A.M. at Sandys Cocktails & Kitchen, 388 SCO Adjacent to IFFCO Metro Station Behind Westin Hotel Sector 29, Gurugram, Haryana 122001 and at any adjournment thereof.

<b>Signature of the Shareholder</b>	<b>Signature of the Proxy</b>

- Note:**
1. The copy of Annual Report may please be brought to the Meeting Hall.
  2. Briefcase, Hand Bags etc. are not allowed inside the Meeting Hall.
  3. Please note that no gifts will be distributed at the meeting.

**Form No. MGT-11**

**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies

(Management and Administration) Rules, 2014]

**CIN:** L65910HR1983PLC050169

**Name of the company:** SITAL LEASING AND FINANCE LIMITED

**Registered office:** Office No. 322, 3<sup>rd</sup> Floor, S. S Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurgaon, Haryana- 122001

Name of Member(s) :

Registered address :

E-mail Id :

Folio No/ Client Id:

DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name :	Address :
E-mail Id :	Signature :

or failing him

2. Name :	Address :
E-mail Id :	Signature :

or failing him

3. Name :	Address :
E-mail Id :	Signature :



as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the company, to be held on Wednesday, 26th Day of September, 2018 at 10:00 A.M. at Sandys Cocktails & Kitchen, 388 SCO Adjacent to IFFCO Metro Station Behind Westin Hotel Sector 29, Gurugram, Haryana 122001 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. NO.	RESOLUTIONS
Ordinary Business	
1	Ordinary Resolution for adoption of Audited Financial Statements for the year ended March 31, 2018.
2	Ordinary Resolution that Mr. Surendra Kumar Jain (Din: 00530035) retires by rotation and being eligible, offers himself for re-appointment, as a Director of the Company.
3	Ordinary Resolution for the appointment M/s PBH & Co., Chartered Accountants (FRN -027217N), as Statutory Auditor of the company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company.

Signed this ..... day of..... 20.....

Affix Revenue  
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**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**