

**SHREEVATSAA  
FINANCE  
AND  
LEASING  
LIMITED**

**ANNUAL  
REPORT  
2018-2019**

## *Across the Report*

➤ <i>Corporate Information</i> -----	<i>1</i>
➤ <i>Notice</i> -----	<i>3</i>
➤ <i>Report of the Board of Directors</i> -----	<i>8</i>
➤ <i>Related Party Disclosure</i> -----	<i>25</i>
➤ <i>Management Discussion &amp; Analysis Report</i> -----	<i>26</i>
➤ <i>Report on Corporate Governance</i> -----	<i>28</i>
➤ <i>Standalone Balance Sheet</i> -----	<i>43</i>

## CORPORATE INFORMATION

### Management Team:

- Anil Kumar Sharma, Chairman and Managing Director
- Madhu Rani, Non-Executive and Non-Independent Director
- Sanjay Mehrotra, Non-Executive and Independent Director
- Sushil Kumar Mohanty, Non-Executive and Independent Director
- Rajesh Mahuley, Chief Financial Officer
- Ashish Thakur, Company Secretary and Compliance Officer

### Registered Office:

120/500(10), Lajpat Nagar,  
Kanpur, Uttar Pradesh – 208005

### Corporate Office:

R-720, New Rajinder Nagar,  
New Delhi-110060

### Registrar & Transfer Agent:

Maheshwari Datamatics Private Limited  
23, R N Mukherjee Road,  
5<sup>th</sup> Floor, Kolkata-700001

### Statutory Auditors:

R. Mohla & Co.,  
Chartered Accountants  
14, Rattan Villa,  
7/33, Tilak Nagar,  
Kanpur-208002

### Listing:

Bombay Stock Exchange  
Ahmedabad Stock Exchange

### Website and E-mail:

[www.svfl.in](http://www.svfl.in)  
[investors.svfl@rediffmail.com](mailto:investors.svfl@rediffmail.com)

### Bankers:

Axis Bank

#### **Audit Committee:**

- **Mr. Sanjay Mehrotra – Chairman**
- **Mr. Sushil Kumar Mohanty – Member**
- **Mr. Anil Kumar Sharma – Member**

#### **Nomination and Remuneration Committee:**

- **Mr. Sanjay Mehrotra – Chairman**
- **Mr. Sushil Kumar Mohanty – Member**
- **Ms. Madhu Rani – Member**

#### **Stakeholder Relationship Committee:**

- **Mr. Sanjay Mehrotra – Chairman**
- **Mr. Sushil Kumar Mohanty – Member**
- **Mr. Anil Kumar Sharma – Member**

# SHREEVATSAA FINANCE AND LEASING LIMITED

Reg. Off: 120/500 (10), LAJPAT NAGAR, KANPUR-208005

CIN: L45201UP1986PLC008364

Telephone No.: 0512-2530991/96, Fax: 0512-2532554

E-mail: [investors.svfl@rediffmail.com](mailto:investors.svfl@rediffmail.com), Website: [www.svfl.in](http://www.svfl.in)

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## NOTICE

Notice is hereby given that the 33<sup>rd</sup> ANNUAL GENERAL MEETING of **SHREEVATSAA FINANCE AND LEASING LIMITED** will be held at the registered office of the company situated at 120/500(10), Lajpat Nagar, Kanpur, Uttar Pradesh-208005 on **Thursday, 26<sup>th</sup> September, 2019 at 11:00 A.M.** to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2019 including audited Balance Sheet as on 31<sup>st</sup> March, 2019 and Statement of Profit and Loss for the financial year ended on that date and report of Directors and Auditors' thereon.
2. To re-appoint Ms. Madhu Rani (DIN: 08025773), Director of the Company, who retires by rotation and is eligible for re-appointment.

By the Order of the Board

Date: 29.08.2019

Place: Kanpur

Anil Kumar Sharma

(Managing Director)

DIN: 02463893

Add: House No. B - 18,  
Pandit Mohalla, Badkhal,  
Faridabad, Haryana – 121001

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member. The instrument of Proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/authority, as applicable.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 19<sup>th</sup> September, 2019 to Thursday, 26<sup>th</sup> September, 2019 (both days inclusive).
3. Members holding shares in physical form are requested to advise any change of address, bank details etc. immediately to the Company's Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Private Limited.

#### 4. Process and manner for Members opting to vote through electronic means:

In Compliance with the provision of Section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company is pleased to provide to the members the facility to exercise their right to vote at the 33<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through the e-voting services provided by Central Depository Securities Limited.

The voting period begins on 22.09.2019 from 09:00 A.M. and ends on 25.09.2019 till 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19.09.2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The facility for voting through ballot paper / polling paper shall be made available at the AGM and the members as on the "cut-off date" i.e. record date, attending the meeting who has not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting through ballot paper / polling paper.

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders)</p> <p>☐ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>☐ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your Demat account or in the company records for the said Demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.</p> <p>☐ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (vii).</p>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
  - (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
  - (x) Click on the EVSN for the relevant **SHREEVATSAA FINANCE AND LEASING LIMITED** on which you choose to vote.
  - (xi) On the voting page, you will see "**RESOLUTION DESCRIPTION**" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xvi) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
  - (xvii) Note for Institutional Shareholders
    - ❖ Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
    - ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - ❖ After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - ❖ The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
6. The Shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 19<sup>th</sup> September, 2019. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.

7. Mr. Rabindra Kumar Satapathy, Practicing Company Secretary (Membership No. 8282) of M/s. Rabi Satapathy & Associates, New Delhi has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two (2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
8. The results shall be declared on or after the AGM, but not later than three days from the conclusion of the date of the AGM. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within and will be communicated to the Stock Exchange where the Company's shares are listed, i.e. Bombay Stock Exchange and Ahmedabad Stock Exchange.

By the Order of the Board

Date: 29.08.2019  
Place: Kanpur

**Anil Kumar Sharma**  
(Managing Director)  
DIN: 02463893

Add: House No. B - 18,  
Pandit Mohalla, Badkhal,  
Faridabad, Haryana – 121001



Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the brief profile of Director eligible for re-appointment vide item no. 2 is as follows:

Name	Ms. Madhu Rani
DIN	08025773
Date of Birth	05.09.1994
Date of Appointment	24.07.2018
Qualifications	Graduate
Experience in specific functional areas	2 years experience in Real Estate Sector and NBFC Companies
Directorship held in other listed entities	Nil
Number of shares held in the company	Nil
Relationship with any Director(s) of the Company	N/A
Membership/Chairmanship of Committees of listed entities (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil

# SHREEVATSAA FINANCE & LEASING LIMITED

Reg. Off: 120/500 (10), LAJPAT NAGAR, KANPUR-208005

CIN: L45201UP1986PLC008364

Telephone No.: 0512-2530991/96, Fax: 0512-2532554

E-mail: [investors.svfl@rediffmail.com](mailto:investors.svfl@rediffmail.com), Website: [www.svfl.in](http://www.svfl.in)

## DIRECTORS' REPORT

To,

The Members,

Your Directors have immense pleasure in presenting their 33<sup>rd</sup> Annual Report on the business and operations of the Company together with the Annual Financial Statements for the Financial Year ended March 31, 2019.

### FINANCIAL PERFORMANCE (STANDALONE)

The Company has earned a net Profit After Tax (PAT) of Rs. 2,504,824/- (Rupees Twenty Five Lakhs Four Thousand Eight Hundred and Twenty Four). A Summary of the Financial position is mentioned herein below:-.

(Amount in Rupees)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
<b>Profit Before Tax and Depreciation</b>	5,357,063.00	3,173,810.03
Depreciation	-	-
<b>Profit Before Tax</b>	5,357,063.00	3,173,810.03
Current Tax	907,210.00	819,500.00
Less: MAT Credit Entitlement	-	-
Net Current Tax	907,210.00	819,500.00
Deferred Tax written Back	-	-
<b>Profit after Tax</b>	2,504,824.00	2,354,310.03

### OPERATIONS

During the year under review the overall performance of the Company was steady and satisfactory. The Company has been mainly carrying on the business of sale and purchase of shares, securities and units.

The Company continues to focus its main attention on cost reduction, Assets/Liability – Management and collection. Your company managed to carry out all its business and commercial obligations in time and with dignity.

Your Directors shall continue to put in all efforts to increase the business of the company and are confident of even better and brighter prospects of the Company.

The Company is considering various possibilities for optimizing the present business activities and also other business proposals, keeping in view the profitability and stability of business of the Company. The Company is also pursuing the possibility into other related activities.

### DIVIDEND

With a view to provide a cushion for any financial contingencies in the future and to strengthen the financial position of the Company, your Directors have decided not to recommend any dividend for the period under review.

## GENERAL RESERVES

During the year under review, 2,504,824/- (Rupees Twenty Five Lakhs Four Thousand Eight Hundred and Twenty Four) was transferred to General Reserves.

## DEPOSITS

The details in regard to deposits, covered under Chapter V of the Companies Act, 2013 are mentioned hereunder;

a) Amount accepted during the year	Nil
b) Amount remained unpaid or unclaimed as at the end of the year	Nil
c) Default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:	
i) at the beginning of the year	-N/A-
ii) maximum during the year	-N/A-
iii) at the end of the year	-N/A-

The company does not have deposits which are in contradiction of Chapter V of the Act.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture and Associate Company

## LISTING

The equity shares of your Company are listed with Bombay Stock Exchange and Ahmedabad Stock Exchange.

## NBFC STATUS

The Company is duly registered with Reserve Bank of India as an NBFC, not accepting public deposits. Since the Company has neither accepted any deposit nor it intends to accept any deposit hence it has duly been passing appropriate resolution in each financial year.

## MATTERS RELATED TO DIRECTORS AND KEY MANGERIAL PERSONNEL

Ms. Madhu Rani was appointed as Non-Executive Non-Independent Director in the last Annual General Meeting of the Company held on 24<sup>th</sup> September, 2018.

Mr. Anil Kumar Sharma was appointed as Managing Director of the Company for a period of 5 (Five) years by passing a ordinary resolution in the last Annual General Meeting of the Company held on 24<sup>th</sup> September, 2018.

Mr. Praveen Kumar Arora, has resigned from the post of Managing Director w.e.f. 24<sup>th</sup> September, 2018.

Mrs. Vrsha Arora has resigned from the Board w.e.f. 26<sup>th</sup> September, 2018.

None of the appointed Directors are disqualified from appointment under Section 164 of the Companies Act 2013.

## DECLARATIONS BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

## **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, Nomination and Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

## **NUMBER OF BOARD MEETING**

During the year under review, 9 (Nine) Board Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The details of the Board Meeting are set out in the Corporate Governance Report which forms part of this Report.

## **PARTICULARS OF EMPLOYEES**

Your Directors appreciate the significant contribution made by the employees to the operations of your Company during the period.

The information required on particulars of employees under Section 134(3) (g) and Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in a separate **Annexure I** to this Directors' Report.

## **CHANGE IN THE NATURE OF THE COMPANY'S BUSINESS ETC**

There has not been any change in the nature of the Company's business or in the class of the business in which the company has an interest. Company has no subsidiary.

## **EXTRACT OF ANNUAL RETURN**

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT 9 as a part of this Annual Report as **Annexure II**.

## **STATUTORY AUDITORS**

The Company has appointed M/s. R. Mohla & Co., Chartered Accountants (Firm Registration No. 003716C) as Statutory Auditors of the Company for a term of 05 years from the conclusion of 31<sup>st</sup> AGM until the conclusion of 36<sup>th</sup> AGM to be held in the year 2022.

## **EXPLANATION TO AUDITORS REMARKS**

The Auditor's Report does not contain any qualification, reservation, remarks or disclaimer and therefore does not call for any further comments or explanations.

## **SECRETARIAL AUDIT REPORT**

In terms of Section 204 of the Act and Rules made there under, Mr. Rabindra Kumar Satapathy, Practicing Company Secretary (Membership No. 8282) of M/s. Rabi Satapathy & Associates, New Delhi have been appointed Secretarial Auditor of the Company.

The report of the Secretarial Auditor is enclosed as **Annexure III** to this report. The report is self-explanatory and does not call for any further comments.

## **MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and the date of this report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES**

All contracts or arrangements or transactions entered into by the company with its related parties during the financial year were on arms-length basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

Suitable disclosure as required by the Accounting Standards-18 has been made in the notes to the Financial Statement. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 forms part of this Report in Form AOC-2 as [Annexure IV](#).

Your Directors also draw attention of the members to Note No. 24 of the financial statements, which set out related party disclosure.

## **PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186**

As Company is a Non-Banking Financial Company therefore, it is specifically exempted under the provisions of the Section 186 of Companies Act, 2013.

## **DISCLOSURE RELATING TO SWEAT EQUITY SHARES**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

## **DISCLOSURE RELATING TO EMPLOYEE STOCK OPTION SCHEME AND EMPLOYEE STOCK PURCHASE SCHEME**

The Company has not issued any employee stock option scheme and employee stock purchase scheme and hence no information as provisions of Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and SEBI (Employee Share Based Employee Benefits) Regulations, 2014, has been furnished.

## **AUDIT COMMITTEE**

Details pertaining to composition of Audit Committee as per Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 are included in the report on Corporate Governance. All the recommendations made by Audit Committee were accepted by Board.

## **NOMINATION & REMUNERATION COMMITTEE**

Details pertaining to composition of Nomination & Remuneration Committee as per Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 are included in the report on Corporate Governance.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Details pertaining to composition of Nomination & Remuneration Committee as per Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 are included in the report on Corporate Governance.

## **VIGIL MECHANISM**

In pursuant to the provisions of Section 177(9) & (10) read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees of the Company to report genuine concerns has been established.

## **REMUNERATION POLICY**

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

## **CORPORATE GOVERNANCE**

As per the requirement of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has to necessarily comply with the Corporate Governance norms. Accordingly the company has duly complied with the Corporate Governance norms to the extent and in the manner as set out in the Report on Corporate Governance annexed herewith which forms part of this report.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, Foreign exchange earnings and outgo and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the year under review. However the following information is being set out under this head:

The operations of the Company are not energy intensive yet, but all possible measures shall be taken to conserve the energy in all related areas.

### **(i) CONSERVATION OF ENERGY:**

The operations of the Company are not energy intensive yet, but besides that all possible measures shall be taken to conserve the energy in all related areas.

### **(ii) TECHNOLOGY ABSORPTION & RESEARCH AND DEVELOPMENT:**

The Company has not imported any technology and has not established any separated research and development unit, however the Company shall always kept itself updated with latest technological innovations by way of constant communications and personal discussions with the experts.

### **(iii) FOREIGN EXCHANGE EARNING AND OUTGO:**

During the year under review there was no a foreign exchange earnings or outgo.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has zero tolerance for sexual harassment at workplace and has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

## **DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of provisions 134(3) (c) of the Companies Act, 2013, your Directors further confirm as under:

- ✚ That in preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ✚ That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of Financial period and of Profit or Loss of the Company for that period;
- ✚ That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- ✚ That the Directors have prepared annual accounts of the Company on a going concern basis;
- ✚ That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- ✚ That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

### **RISK MANAGEMENT POLICY**

Your company has developed and implemented a Risk Management Policy in various functional departments which covers identification of elements of risk, if any, which according to the Board of Directors is necessary for prevention of operations of the Company.

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their appreciation and thanks for the cooperation, support and assistance extended by shareholders, employees, associates, customers, Bankers, Government Agencies and all other concerns.

**For and on behalf of the Board of Directors**

Date: 29.08.2019  
Place: Kanpur

**Anil Kumar Sharma**  
(Managing Director)  
DIN: 02463893

Add: House No. B - 18,  
Pandit Mohalla, Badkhal,  
Faridabad, Haryana – 121001

**ANNEXURES OF DIRECTORS' REPORT**

**ANNEXURE –I**

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3) (q) AND SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

<b>Requirements of Rule 5(1)</b>	<b>Details</b>
<b>(i)</b> The ratio of the remuneration of each Director to median remuneration of the employees of the Company for the financial year	31:20
<b>(ii)</b> The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manger, if any in the Financial year;	<p><b>Directors</b>                      Mr. Praveen Kumar Arora (Managing Director) - No increment (Resigned w.e.f. 26<sup>th</sup> Sept, 2018)                      Mr. Anil Kumar Sharma (Managing Director) - No increment (Appointed w.e.f. 24<sup>th</sup> July, 2018)</p> <p><b>Key Managerial Personnel</b>                      Mr. Rajesh Mahuley (CFO) - No increment                      Mr. Ashish Thakur (CS) - No increment</p>
<b>(iii)</b> The percentage increase in the median remuneration of employees in the financial year;	Nil
<b>(iv)</b> The number of permanent employees on the rolls of the company	4 Employees
<b>(v)</b> Average percentile increase already made in salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	<p>Average percentile increase in salary of employees other than key remuneration personnel is Nil</p> <p>Average percentile increase in salary of key managerial personnel and other than key managerial personnel is Nil.</p> <p>The difference between average percentile increase in salary of key managerial personnel and other than key managerial personnel is Nil.</p>
<b>(vi)</b> The Key parameters for any variable component of remuneration availed by the directors;	-
<b>(vii)</b> Affirmation that the remuneration is as per the remuneration policy of the company.	As per the Remuneration Policy of the Company.



**ANNEXURE-II**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2019**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014**

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>									
1	CIN	L45201UP1986PLC008364							
2	Registration Date	19/11/1986							
3	Name of the Company	SHREEVATSAA FINANCE AND LEASING LIMITED							
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY							
5	Address of the Registered office & contact details	120/500 (10), Lajpat Nagar, Kanpur, Uttar Pradesh-208005 Telephone No.0512-2530991							
6	Whether listed company	Yes							
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Private Limited, 23, R N Mukherjee Road, 5 <sup>th</sup> Floor, Kolkata-700001 Telephone No. 033-22435029/22482248							
<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>									
(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	Management of Other Investment Funds	66309	100						
<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>									
S.NO	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section				
-	-	-	-	-	-				
<b>IV. SHARE HOLDING PATTERN</b>									
(Equity share capital breakup as percentage of total equity)									
<b>(i) Category-wise Share Holding</b>									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	6525700	-	6525700	64.6109	7575000	-	7575000	75%	10.3891
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1049300	-	1049300	10.3891	0	-	0	0	(10.3891)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-

<b>Sub Total (A) (1)</b>	<b>7575000</b>	<b>-</b>	<b>7575000</b>	<b>75.00%</b>	<b>7575000</b>	<b>-</b>	<b>7575000</b>	<b>75.00%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A)</b>	<b>7575000</b>	<b>-</b>	<b>7575000</b>	<b>75.00%</b>	<b>7575000</b>	<b>-</b>	<b>7575000</b>	<b>75.00%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	1003417	663680	1667097	16.5059	1104075	663680	1767755	17.5025	0.9966
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	121742	58820	180562	1.7877	113374	58820	172194	1.7049	-0.0828
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	241999	326200	568199	5.6257	254332	326200	580532	5.7478	0.1221
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	25	0	25	0.0002	25	0	25	0.0002	0.0000
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	109117	0	109117	1.0804	4494	0	4494	0.0445	-1.0359
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>1476300</b>	<b>1048700</b>	<b>2525000</b>	<b>24.9999</b>	<b>1476300</b>	<b>1048700</b>	<b>2525000</b>	<b>24.9999</b>	<b>0.0000</b>
<b>Total Public (B)</b>	<b>1476300</b>	<b>1048700</b>	<b>2525000</b>	<b>24.9999</b>	<b>1476300</b>	<b>1048700</b>	<b>2525000</b>	<b>24.9999</b>	<b>0.0000</b>
<b>C. Shares held by</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Custodian for GDRs & ADRs										
<b>Grand Total (A+B+C)</b>		9051300	1048700	10100000	100.0000	9051300	1048700	10100000	100.0000	0.0000
<b>(ii) Shareholding of Promoter</b>										
S N		Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year		
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares			
1	Praveen Kumar Arora	6525700	64.6109	-	7575000	75	-	10.3891		
2	Agarni Leasing and Finance Pvt. Ltd.	1049300	10.3891	-	0	0	-	(10.3891)		
	<b>Total</b>	<b>7575000</b>	<b>75.00</b>	<b>-</b>	<b>7575000</b>	<b>75.00</b>	<b>-</b>	<b>0.00%</b>		
<b>(iii) Change in promoter's shareholding</b>										
S.No.	Name	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					
1	Agarni Leasing and Finance Pvt. Ltd.									
	At the beginning of the year	1049300	10.3891	-	-					
	Changes during the year	(1049300)	(10.3891)	-	-					
	At the end of the year	-	-	-	-					
2	Praveen Kumar Arora									
	At the beginning of the year	6525700	64.6109	-	-					
	Changes during the year	1049300	10.3891	-	-					
	At the end of the year	7575000	75	7575000	75					
<b>(iv) Shareholding Pattern of top ten Shareholders</b>										
<i>(Other than Directors, Promoters and Holders of GDRs and ADRs):</i>										
SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning (01/04/2018)/ end of the year 31/03/2019		Cumulative Shareholding during the year (01/04/2018 to 31/03/2019)				
				No. of shares	% of total shares	No. of shares	% of total shares			
1	K B Agarwal									
	At the beginning of the year			190000	1.8812	-	-			
	Changes during the year			-	-	-	-			
	At the end of the year			190000	1.8812	190000	1.8812			
2	Saral Vanijya Pvt. Ltd.									
	At the beginning of the year			80000	0.7921	-	-			
	Changes during the year			-	-	-	-			
	At the end of the year			80000	0.7921	80000	0.7921			

3	Matchless Securities Ltd. *						
	At the beginning of the year			72280	0.7156	-	-
	Changes during the year			-	-	-	-
	At the end of the year			72280	0.7156	72280	0.7156
4	SNT Securities Ltd.						
	At the beginning of the year			256200	2.5366	-	-
	Changes during the year			-	-	-	-
	At the end of the year			256200	2.5366	256200	2.5366
5	Garlon Finance & Leasing Pvt. Ltd.						
	At the beginning of the year			100500	0.9950	-	-
	Changes during the year			-	-	-	-
	At the end of the year			100500	0.9950	100500	0.9950
6	D N Garg *						
	At the beginning of the year			59200	0.5861	-	-
	Changes during the year			-	-	-	-
	At the end of the year			59200	0.5861	59200	0.5861
7	CIL Financial Services Ltd. #						
	At the beginning of the year			88400	0.8752	-	-
	Changes during the year	30.06.2018	Transfer	(88400)	(0.8752)	-	-
	At the end of the year			0	0	-	-
8	Decent Financial Services Pvt Ltd.						
	At the beginning of the year			100714	0.9972	-	-
	Changes during the year	30.06.2018	Transfer	208275	2.0621	308989	3.0593
	At the end of the year			308989	3.0593	308989	3.0593
9	Duddu Fin lease Ltd.						
	At the beginning of the year			232800	2.3050	-	-
	Changes during the year	30.06.2018	Transfer	(7800)	0.00772	225000	2.2277
	At the end of the year			225000	2.2277	225000	2.2277
10	Nishu Finlease Private Limited *						
	At the beginning of the year			-	-	-	-

	Changes during the year	30.06.2018	Transfer	17500	0.1733	17500	0.1733
	Changes during the year	29.09.2018	Transfer	259402	2.5683	276902	2.7416
	At the end of the year			276902	2.7416	276902	2.7416
<b>11</b>	<b>Karuna Financial Services Pvt. Ltd. #</b>						
	At the beginning of the year			100800	0.9980	-	-
	Changes during the year	30.06.2018	Transfer	(100800)	(0.9980)	-	-
	At the end of the year			0	0	-	-
<b>12</b>	<b>Shristi Investments Pvt. Ltd. #</b>						
	At the beginning of the year			171554	1.6986	-	-
	Changes during the year	29.09.2018	Transfer	(171554)	(1.6986)	-	-
	At the end of the year			0	0	-	-
<b>13</b>	<b>Amit Auto Credit Company Pvt. Ltd.</b>						
	At the beginning of the year			179278	1.7750	-	-
	Changes during the year			-	-	-	-
	At the end of the year			179278	1.7750	179278	1.7750
*	Not in the list of Top 10 shareholders as on 01/04/2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2019.						
#	Ceased to be in the List of Top 10 shareholders as on 31/03/2019. The same is reflected above since the shareholder was one of the Top shareholders as on 01/04/2018.						
<b>v) Shareholding of Directors and Key Managerial Personnel:</b>							
SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>PRAVEEN KUMAR ARORA (resigned 26.08.2019)</b>						
	At the beginning of the year			6525700	64.6109	-	-
	Changes during the year	02.11.2018	Transfer	1049300	10.3891	7575000	75
	At the end of the year			7575000	75	7575000	75
<b>V. INDEBTEDNESS</b>							
Indebtedness of the Company including interest outstanding/accrued but not due for payment.							
							(Amt. Rs./Lacs)
Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness		
<b>Indebtedness at the beginning of the financial year</b>							
i) Principal Amount		-	-	-	-		
ii) Interest due but not paid		-	-	-	-		
iii) Interest accrued but not due		-	-	-	-		
<b>Total (i+ii+iii)</b>		-	-	-	-		

Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:				
SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (in Rs)
	Name	PRAVEEN KUMAR ARORA	ANIL KUMAR SHARMA	
	Designation	MANAGING DIRECTOR	MANAGING DIRECTOR	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5,86,667	93,387	6,80,054
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	5,86,667	93,387	6,80,054
	Ceiling as per the Act			
B. Remuneration to other Directors				
SN.	Particulars of Remuneration	Name of Directors		Total Amount (in Rs)
1	Independent Directors	Sanjay Mehrotra	Sushil Kumar Mohanty	
	Fee for attending board and committee meetings	30,000	30,000	60,000
	Commission	-	-	-
	Others, please specify			-
	Total (1)	-	-	-
2	Other Non-Executive Directors	-	-	-
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-

	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act	-	-	-

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (in Rs)
		Name	Mr. Rajesh Mahuley	Mr. Ashish Thakur	
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	5,34,000	9,00,000	14,34,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	5,34,000	9,00,000	14,34,000

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

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

## ANNEXURE –III

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2019

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

To,  
The Members,  
**Shreevatsaa Finance and Leasing Limited**  
120/500(10), Lajpat Nagar,  
Kanpur,  
Uttar Pradesh-208005

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shreevatsaa Finance and Leasing Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct /statutory compliances and expressing my opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder, as applicable;
- (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 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') to the extent applicable to the Company:
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - **Not applicable as the Company did not issue any security during the financial year under review;**
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and Exchange Board of India (Share Based Employee Benefits)



Regulations, 2014 (effective 28<sup>th</sup> October 2014) - **Not applicable as the Company did not granted any options to its employees during the financial year under review;**

- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities Regulations, 2008 – **Not applicable as the Company has not issued any debt securities during the financial year under review;**
- g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the financial year under review;**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review;**
- i) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 – **Not applicable as the Company has not bought back any of its securities during the financial year under review;**

We have also examined compliances with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

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

We 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. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act;

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the Minutes.

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

We further report that during the audit period, no specific events / actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **RABI SATAPATHY & ASSOCIATES**

Company Secretaries

**(R. K. Satapathy)**

Membership No.: FCS 8282

CP No: 4270

Date: 29.08.2019

Place: Kanpur

**Annexure-IV**

**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 arms length transactions under third proviso thereto**

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

There were no contracts or arrangements or transactions not at arm's length basis entered into by the Company during the year ended 31st March, 2019.

**2. (I). Details of material contracts or arrangement or transactions at arm's length basis:**

There were no contracts or arrangements or transactions at arm's length basis entered into by the Company during the year ended 31st March, 2019.

**By the Order of the Board**

Date: 29.08.2019

Place: Kanpur

**Anil Kumar Sharma**

(Managing Director)

DIN: 02463893

Add: House No. B - 18,  
Pandit Mohalla, Badkhal,  
Faridabad, Haryana - 121001

## RELATED PARTY DISCLOSURE

### Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount

The Company has made the following transactions with the related parties:

Name of the Party	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
<b>(a) Shine Buildcon Pvt. Ltd.</b>		
Opening Balance (Dr.)	34,003,140.00	32,261,043.00
Loan Given (Dr.)	-	-
Interest on Loan (Dr.)	2,040,188.00	1,935,663.00
TDS Deducted (Dr.)	204,019.00	193,566.00
Loan Repaid (Cr.)	-	-
<b>Closing Balance (Dr.)</b>	<b>35,839,309.00</b>	<b>34,003,140.00</b>
<b>(b) Tapasya Infotech Pvt. Ltd.</b>		
Opening Balance (Dr.)	8,850,000.00	8,850,000.00
Loan Given (Dr.)	-	-
Loan Repaid (Cr.)	-	-
<b>Closing Balance (Dr)</b>	<b>8,850,000.00</b>	<b>8,850,000.00</b>
<b>(c) Guruansh Infotech Pvt. Ltd.</b>		
Opening Balance (Dr.)	15,461,745.00	14,470,205.00
Loan Given (Dr.)	-	200,000.00
Interest on Loan (Dr.)	928,790.00	879,489.00
TDS Deducted (Dr.)	92,879.00	87,949.00
Loan Repaid (Cr.)	-	-
<b>Closing Balance (Dr)</b>	<b>13,347,656.00</b>	<b>15,461,745.00</b>

### OVERVIEW

SVFL is a Non-Deposit accepting NBFC with a record of consistent growth and profitability. This Management Discussion and Analysis Report have to be read in conjunction with the Company's financial statements, which follows this section. The Financial Statements have been prepared in compliance with the requirements of the Companies Act, 2013, and Generally Accepted Accounting Principles (GAAP) in India and the directions issued by Reserve Bank of India for Non-Banking Financial Companies from time to time, wherever applicable. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the Company's state of affairs and profits for the year. The following discussion may include forward looking statements which may involve risks and uncertainties, including but not limited to the risks inherent to Company's growth strategy, change in regulatory norms, economic conditions and other incidental factors. Actual results could differ materially.

### NON-BANKING FINANCE COMPANY (NBFC) OUTLOOK

For several years, NBFCs have rapidly emerged as an important segment of the Indian Financial System. The sector is now being recognized as complementary to the banking sector due to the implementation of innovative marketing strategies, introduction of tailor made products, customer-oriented services and attractive rates of return and simplified procedures. NBFCs have emerged as a powerful force for financial inclusion in India, serving the bottom of the pyramid rural clients. NBFCs are characterized by their ability to provide niche financial services in the Indian economy. Because of their relative organizational flexibility leading to a better response mechanism, they are often able to provide tailor-made services relatively faster than banks. NBFC's are governed and are required to be registered with RBI, follow stringent prudential norms prescribed by RBI in the matters of capital adequacy, credit investment norms, asset-liability management, income recognition, accounting standards, asset classification, provisioning for NPA and several disclosure requirements. Besides this, RBI also supervises the functioning of NBFCs by conducting annual on-site audits through its officials. Such a rigorous regulatory framework ensures that NBFCs function properly and follow all the guidelines of RBI. Thus in all respect the monitoring of NBFCs is similar to banks.

### STRENGTH, WEAKNESS, OPPORTUNITY, THREATS

#### STRENGTHS

- ✚ Able to generate higher yield on assets
- ✚ Strong financial track record
- ✚ Experienced and stable management team
- ✚ Strong relationships with public as well as private banks, institutions and investors

#### WEAKNESSES

- ✚ The Company's business and its growth are directly linked to the GDP growth of the country
- ✚ Higher regulatory restrictions

#### OPPORTUNITIES

- ✚ Loans for working capital requirements
- ✚ New opportunities in credit card, personal finance, home equity, etc.

#### THREATS

- ✚ Regulatory changes in the NBFC and ancillary sectors
- ✚ High cost of funds

## **RISK MANGEMENT**

Enterprise Risk Management (ERM) at SVFL encompasses practice relating to identification, evaluation, monitoring and mitigation of various key risks towards the achievement of the key business objectives. It helps to minimize adverse impact of risks and also enable to leverage market opportunities. Risk management practices seek to sustain and enhance short & long term competitive advantage to the Company. It is integral to our business model, described as the “Practicable, Sustainable, Profitable and De-risked” (PSPD) model. Our core values and ethics provide the platform for our risk management practices.

## **RISK MANAGEMENT & GOVERNANCE**

- ✚ Responsible for managing overall ERM, Internal Control, Compliance and Assurance activities.
- ✚ Co-ordinating with Internal Auditors & Functional Head for timely execution of Audit & compliance of Audit observation.
- ✚ Work with Business Management Group (BMG) of respective locations for process efficiency & productivity improvements.
- ✚ Ensure effective implementation of Standard Operating Procedure & Policies.
- ✚ Conducting management Audit & Special Audit as assigned by the Management/Audit Committee.
- ✚ Conducting Self Assessment Survey for all Business Verticals.

## **INTERNAL CONTROL SYSTEM**

SVFL has an adequate internal control system in place to safeguard assets and protect against losses from any unauthorized use or disposition. The system authorizes records and reports transactions and ensures that recorded data are reliable to prepare financial information and to maintain accountability of assets. The Company's internal controls are supplemented by an extensive programme of internal audits, review by the management, and documented policies, guidelines and procedures.

## REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholders' value and discharge of social responsibility. The Corporate Governance structure in the company assigns responsibilities and entrust authority among different participants in the organisation viz. the Board of Directors, Senior Management, Employees, etc. The Company has adopted Corporate Governance and disclosure practices even before these were mandated legislations.

The philosophy of Corporate Governance is a principle based approach as mentioned in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 encompassing the fundamentals of rights and roles of various stakeholders of the Company, disclosure, transparency and board responsibility.

Keeping in view the Company's corporate traditions, we are fully committed to follow the procedures and practices in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

Your Directors present the Company's report on Corporate Governance as under:-

### **Mandatory Requirements**

#### **COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE**

The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the company continuously endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements. Our philosophy on Corporate Governance envisages attainment of absolute transparency, accountability and equity in all facets of its operations and in all its interactions with shareholders, employees and Government departments.

#### **COMPOSITION OF BOARD OF DIRECTORS**

The Company has optimum combination of Executive, Non-executive Directors and Independent Directors in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is no relationship between the Directors of the Company.

The Board comprises of 4 (Four) Directors, which include 1 (One) Executive Director and 3 (Three) Non-Executive Directors (including Woman Director) out of which 2 (Two) Directors are Independent Directors.

As per the declarations received by the Company from each of the Directors, none of them are disqualified under Section 164(2) of the Companies Act, 2013. The Independent Directors of the Company are in compliance with the Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, disclosures have been made by the Directors regarding their Chairmanships/Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The functions of the Board include formulation of strategic business plans, budgets, setting up of goals and evaluation of performance, approving corporate philosophy and mission, monitoring corporate performance against strategic business plans, overseeing operations, recruitment of senior management personnel, review of material investment and fixed assets transactions, ensuring compliance with laws and regulations, keeping shareholders informed regarding plans, strategies and performance of the Company and other important matters.

Name	Designation	Category	Attendance of Board Meeting		Directorships (A)/Mandatory committee (B) Memberships		
			Held	Attend	No. of Directorship held in all Companies #	No. of Board Committees membership held in all Companies @	No. of Board Committees Chairmanship held in all public Companies @
<b>Mr. Praveen Kumar Arora</b> (Resigned w.e.f. 26 <sup>th</sup> September 2018)	<b>Managing Director</b>	<b>Executive Director</b>	9	5	10	2	-
<b>Mr. Anil Kumar Sharma</b> (Appointed w.e.f. 24 <sup>th</sup> July 2018 and at Current Designation from 24 <sup>th</sup> September 2018)	<b>Managing Director</b>	<b>Executive Director</b>	9	6	3	2	-
<b>Mrs. Vrsha Arora</b> (Resigned w.e.f. 26 <sup>th</sup> July 2018)	<b>Director</b>	<b>Non-Executive Non Independent Director</b>	9	3	7	-	-
<b>Ms. Madhu Rani</b> (Appointed w.e.f. 24 <sup>th</sup> July 2018)	<b>Director</b>	<b>Non-Executive Non Independent Director</b>	9	6	1	-	-
<b>Mr. Sanjay Mehrotra</b>	<b>Director</b>	<b>Non-Executive Independent Director</b>	9	9	17	4	4
<b>Mr. Sushil Kumar Mohanty</b>	<b>Director</b>	<b>Non-Executive Independent Director</b>	9	9	6	4	-

# including Shreevatsaa Finance and Leasing Limited

@ Board Committees, for this purpose include Audit Committee and Stakeholder Relationship Committee

## BOARD MEETING

09 (Nine) Meetings of the Board of Directors were held during the year:

- (a) 02<sup>th</sup> April, 2018
- (b) 29<sup>th</sup> May, 2018
- (c) 24<sup>th</sup> July, 2018
- (d) 02<sup>nd</sup> August, 2018
- (e) 29<sup>th</sup> August, 2018
- (f) 21<sup>st</sup> October, 2018
- (g) 13<sup>th</sup> November, 2018
- (h) 31<sup>st</sup> January, 2019
- (i) 08<sup>th</sup> February, 2019

Notice, Agenda and Notes on Agenda were circulated to the Directors in advance for each meeting. All relevant information as required under was placed before the Board from time to time.

Also, a separate meeting of Independent Directors was held on March 20, 2019, which was attended by the following Independent Directors:

1. Mr. Sanjay Mehrotra
2. Mr. Sushil Kumar Mohanty

As stipulated by the Code of Independent Directors under Companies Act, 2013 and the Listing Regulations, 2015 a separate meeting of the Independent Directors of the Company was held to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its committees which is necessary to effectively and reasonably perform and discharge their duties. The Independent Directors found the performance of Non-Independent Directors (Including Chairman) and the Board as well as flow of Information between the Management and the Board to be Satisfactory. All Independent directors were present in the meeting.

## COMMITTEES

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted an Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. The functioning of each of these Committees is regulated by the specific terms of reference, roles and responsibilities and powers detailed in their respective Charters.

The Minutes of the meetings of all these Committees were placed before the Board for discussions/noting. None of the Directors is a member of more than ten committees or Chairman of more than five committees across all companies in which they are Directors.

## AUDIT COMMITTEE

The Audit Committee comprises of 2 (Two) Non-Executive (Independent) Directors and 1 (One) Executive Director having expertise in the field of Financial Management. Sanjay Mehrotra was elected as Chairman of committee by the members.

4 (Four) meetings of the Audit Committee were held during the year viz. on 29<sup>th</sup> May, 2018, 02<sup>nd</sup> August, 2018, 13<sup>th</sup> November, 2018 and 08<sup>th</sup> February, 2019.

### Meeting and Attendance during the year:

Name of the Member	Attendance of Audit Committee Meeting	
	Held	Attend
Mr. Praveen Kumar Arora (Resigned w.e.f. 26 <sup>th</sup> September, 2018)	4	2
Mr. Anil Kumar Sharma (Became member w.e.f. 26 <sup>th</sup> September, 2018)	4	2
Mr. Sanjay Mehrotra	4	4
Mr. Sushil Kumar Mohanty	4	4

### Composition:

The Audit Committee consists of following members as under:

Name of Member	Designation	Category
Mr. Sanjay Mehrotra	Chairman	Independent Director, Non-Executive Director
Mr. Sushil Kumar Mohanty	Member	Independent Director, Non-Executive Director
Mr. Anil Kumar Sharma (Became member w.e.f. 26 <sup>th</sup> September, 2018)	Member	Managing Director, Executive Director



Mr. Praveen Kumar Arora (Resigned w.e.f. 26 <sup>th</sup> September, 2018)	Member	Managing Director, Executive Director
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### Terms of reference:

The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors, the performance of internal auditors and the Company's risk management policies. The terms of reference of Audit Committee cover the areas mentioned under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013.

The Audit Committee will also be responsible for holding discussions with Auditors periodically about:

- ✚ Internal control system and compliance thereof.
- ✚ Scope of audit including observations of the auditors.
- ✚ Review of the quarterly, half yearly and annual financial statements before submission to the Board.
- ✚ Any other matter as may be referred by the Board.

The Audit Committee is further responsible for: -

- ✚ Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- ✚ Reviewing with the management the annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and guidelines of stock exchange(s), major accounting entries, qualifications in draft audit reports, related party transactions & the going concern assumption.
- ✚ Holding discussions with external auditors to ascertain any area(s) of concern.
- ✚ Reviewing the Company's financial and risk management strategies.
- ✚ The statutory auditors of the Company are invited to attend the meetings whereas the Audit committee holds discussion with the statutory auditors on the quarterly account subjected to their Limited Review, yearly audit plan, matters relating to compliance with Accounting standards, their observations on matter arising out of annual audit and other related.

### NOMINATION AND REMUNERATION COMMITTEE

#### Meeting and Attendance during the year:

The Remuneration Committee met once during the year on 29<sup>th</sup> August, 2018 to discuss the Appointment of Mr. Anil Kumar Sharma as Managing Director.

#### Composition:

The Nomination and Remuneration Committee consists of following members as under:

Name of Member	Designation	Category
Mr. Sanjay Mehrotra	Chairman	Independent Director, Non-Executive Director
Mr. Sushil Kumar Mohanty	Member	Independent Director, Non-Executive Director
Mrs. Vrsha Arora (Resigned w.e.f. 26 <sup>th</sup> July 2018)	Member	Non-Independent Director, Non-Executive Director
Ms. Madhu Rani (Became Member w.e.f. 26 <sup>th</sup> July 2018)	Member	Non-Independent Director, Non-Executive Director

## Terms of reference:

The Board has framed Nomination and Remuneration policy, which is generally in line with the existing industry practice and applicable laws. The object of formulating Nomination and Remuneration Committee is as follows:

- ✚ To formulate the criteria for determining the qualifications, positive attributes and independence of Directors and recommend to the Board their a policy related to appointment;
- ✚ To review and approve the Executive Directors' remuneration on behalf of the Board, subject to the approval of the Shareholders, as follows:
  - Elements of the remuneration package that is salary, perquisites, retirement benefits, separation compensation and the structure of the remuneration package viz. the proportion of fixed and variable component;
  - Changes in the remuneration package, terms of appointment, notice period, severance fees, recruitment, retention and termination policies and procedures;
  - Key performance indicators, the actual performance vis-à-vis the key performance indicators and amount of the annual performance linked incentive;
- ✚ To recommend to the Board a policy, relating to the remuneration of the Executive Directors, Key Managerial personnel and other employees;
- ✚ To formulate the criteria for evaluation of Independent Directors and the Board.

## STAKEHOLDER RELATIONSHIP COMMITTEE

Section 178(5) of the Companies Act, 2013 requires every listed company to constitute a 'Stakeholders Relationship Committee'. Accordingly, during the year under review, the name of the Shareholders'/ Investors' Grievance Committee was changed to 'Stakeholders Relationship Committee'.

The Committee has been constituted to specifically look into the matter of the redressed of stakeholders', security holders' and investors' complaints and grievances, including but not limited to transfer/transmission of shares, non-receipt of dividends, non-receipt of Annual Report and any other grievance that a shareholder or investor may have against the Company.

### Meeting and Attendance during the year:

No meeting was held during the year under review.

### Composition:

The Stakeholder Relationship Committee consists of following members as under:

Name of Member	Designation	Category
Mr. Sanjay Mehrotra	Chairman	Independent Director, Non-Executive Director
Mr. Sushil Kumar Mohanty	Member	Independent Director, Non-Executive Director
Mr. Anil Kumar Sharma (Became member w.e.f. 26 <sup>th</sup> September, 2018)	Member	Managing Director, Executive Director
Mr. Praveen Kumar Arora (Resigned w.e.f. 26 <sup>th</sup> September, 2018)	Member	Managing Director, Executive Director

**Name and Designation of Compliance officer:** Mr. Ashish Thakur, Company Secretary

**Number of Shareholder's complaints received:** Nil

**Number of complaints not solved to the satisfaction of shareholder:** N.A.

**Number of pending complaints:** Nil

#### **DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE YEAR 2018-19**

Mr. Praveen Kumar Arora, Managing Director, was paid a salary of Rs. 5,86,667/- (Rupees Five Lakhs Eighty Six Thousand Six Hundred Sixty Seven only) during the Year 2018-19 for the period 01<sup>st</sup> April, 2018 to 26<sup>th</sup> September, 2018 and Mr. Anil Kumar Sharma, Managing Director was a paid a salary of Rs. 26,613/- (Rupees Twenty Six Thousand Six Hundred Thirteen) as Executive Director and Rs. 93,387 (Rupees Ninty Three Thousand Three Hundred Eighty Seven Only) as Managing Director and no other remuneration was paid to any other Non-Executive Director.

#### **REMUNERATION POLICY**

Remuneration of employees consists of basic salary and perquisites. Remuneration to employees is based on their qualification, experience, responsibilities held and their performance.

The objective of the remuneration policy is to motivate employees to excel in their Performance, recognize their contribution, retain talent in the organization and reward Merits.

#### **Remuneration Policy for Board Members, Key Managerial Personnel and other Employees:**

##### **A. Objective**

Nomination and Remuneration Committee of the Board shall recommend this Policy to the Board, relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The objective of this policy is to ensure that:

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors,
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

##### **B. Remuneration to Executive Directors**

The Remuneration to be paid to Executive Directors shall be governed as per provisions of the Companies Act, 2013 and Rules made there under. The same shall be determined by the Committee and recommended to Board for approval.

1. Remuneration structure of the Executive Directors shall include following components:
  - a. Fixed Pay
  - b. Perquisites and allowances
  - c. Commission
2. The Committee may recommend an increase in existing remuneration structure to the Board, within the limits as approved by shareholders.
3. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of Schedule V of the Act.

## **C. Remuneration to Non-Executive/Independent Directors**

The Remuneration to Non-Executive/Independent Directors shall be governed as per provisions of the Companies Act, 2013 and Rules made there under. The same shall be determined by the Committee and recommended to Board for approval.

### **1. Commission-based payment**

Non-Executive/Independent Directors of the Company may be paid an amount not exceeding one percent of the net profits of the Company in terms of provisions of the Companies Act, 2013 and Rules made thereunder as amended from time to time, and as approved by the shareholders.

### **2. Sitting fee**

Non-Executive/Independent Directors of the Company shall be paid a sitting fee for attending the Board as well as the Committee meetings as per the Companies Act, 2013 and Rules made thereunder as amended from time to time.

### **3. Employee Stock Options (ESOP)**

An Independent Director shall not be entitled to any stock option of the Company.

### **4. Pension**

The Board of Directors of the Company are not covered by any pension scheme or any defined benefit pension scheme.

### **5. Reimbursement of expenses**

The Company shall reimburse the Directors all traveling, hotel, and other incidental expenses properly and reasonably incurred by them in the performance of duties as per provisions of the Companies Act, 2013 in conjunction with the Company rules and policies.

## **D. Remuneration of Key Managerial Personnel (KMP) and Senior Management Personnel**

Remuneration of KMP's (excluding the Managing Director and Executive Director, which is already covered above) and senior management personnel shall be reviewed /decided on an annual basis, or earlier if deemed necessary, by the Nomination and Remuneration Committee.

The Remuneration shall consist of the following components:

- Fixed remuneration
- Variable pay
- Incentives if any
- Employee Stock Options (ESOP)
- Reimbursement of expenses

### **Policy Review**

This Policy is purely at the discretion of the Nomination and Remuneration Committee and it reserves its right to recommend modifications in this Policy to the Board, as per applicable laws and regulations, at any time without assigning any reason whatsoever.

### **GENERAL BODY MEETINGS:**

Details of location, time and date of the General Body Meetings held during the last three years is as follows:

Date of AGM	Time	Venue	Special Resolution passed, if any
24 <sup>th</sup> September, 2018	01:00 P.M	120/500 (10), Lajpat Nagar, Kanpur-208005	None
18 <sup>th</sup> September, 2017	11:30 A.M	120/500 (10), Lajpat Nagar, Kanpur-208005	None
30 <sup>th</sup> September, 2016	11:30 A.M	120/500 (10), Lajpat Nagar, Kanpur-208005	None

No special resolution was passed in the previous three Annual General Meetings.

No special resolution has been passed through postal ballot.

#### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

A certificate has been received from Mr. Rabindra Kumar Satapathy, Practicing Company Secretary (Membership No. 8282) of M/s. Rabi Satapathy & Associates, New Delhi, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such statutory authority. The same has been annexed to the said Corporate Governance Report.

#### **DETAIL OF ATTENDANCE AT THE AGM HELD FOR FY 17-18**

AGM Date:	Mr. Praveen Kumar Arora	Mr. Sushil Kumar Mohanty	Mr. Sanjay Mehrotra	Mr. Anil Kumar Sharma	Ms. Madhu Rani
24 <sup>th</sup> September, 2018	Yes	Yes	Yes	Yes	Yes

#### **DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS UNDER REGULATIONS 17 TO 27 AND REGULATION 46(2) (B) TO (I) OF SEBI (LODR), REGULATIONS, 2015**

All complied with except Regulation 24 as it is not applicable to the Company.

#### **DISCLOSURES**

**Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large:**

All transactions with related parties were in the ordinary course of business. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

#### **Web link for policy on related party transactions**

The Link for policy on dealing with related party transactions is available on website of the Company at [www.svfl.in](http://www.svfl.in).

#### **Details of non-compliance and penalties imposed by Stock Exchange/Statutory Authority:**

The Company has complied with all the provisions & regulations; hence, no penalty has been imposed by Stock Exchange/Statutory Authority.

#### **Compliance with Accounting Standards**

In the preparation of financial statements there is no deviation from the prescribed Accounting Standards.

### **Compliance Certificate from the auditors**

Certificate from the Statutory Auditors of the Company confirming compliance with the provisions of Corporate Governance as stipulated under Listing Regulations, 2015 is annexed to the said Corporate Governance Report.

### **Committees and policies as per Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The company complies with the following committees and policies as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

#### **(a) Nomination and Remuneration Committee**

The Board has constituted a remuneration committee consisting of 3 (Three) Directors including 2 (Two) Non- Executive Independent Directors, 1 (One) Non- Executive Non-Independent Director and the Chairman of the committee being an Independent Director. The nomination and remuneration committee recommends/reviews remuneration of the Directors.

#### **(b) Vigil Mechanism/Whistle blower policy**

The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons.

The reports received from any employee will be reviewed by the committee. It is affirmed that no person has been denied access to the audit committee in this respect. The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

#### **(c) Risk Management**

Your Company has a comprehensive risk management policy. Your Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls the risks through properly defined framework.

The Audit Committee, has been designated by the Board for reviewing the adequacy of the risk management framework of the Company, the key risks associated with the businesses of the Company and the measures are taken in place to minimize the same and thereafter the details are presented to and discussed at the Board meeting.

### **CFO CERTIFICATION**

The Chief Financial Officer of the Company has certified to the Board with regard to the financial statements and other matters as required SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Certificate forms a part of this Annual Report.

### **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading as well as a Code of Corporate Disclosure Practices (Code), as prescribed by the SEBI Regulations in this regard. The Compliance Officer is responsible for monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information, pre-clearance of trades, monitoring of trades and implementation of the Code for trading in Company's securities, under the overall supervision of the Board. All Directors and employees, who could be privy to the Unpublished Price Sensitive Information of the Company, are governed by this Code.

### **CODE OF CONDUCT FOR BOARD OF DIRECTORS**

The Board is responsible for ensuring that rules are in place to avoid conflicts of interest by members of the Board. The Company has adopted a code of conduct for members of the Board and senior management personnel as required under

the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Board and senior management personnel have affirmed their compliance with the code.

## MEANS OF COMMUNICATION

The Company ensures that its quarterly and annual financial results are sent to the concerned Stock Exchange immediately after the same have been considered and taken on record by the Board of Directors. The company also ensures that its quarterly financial results are normally published in **Hindustan Times** and **Swatantra Bharat**. **The financial results of the company are also available at the website of the Company at [www.svfl.in](http://www.svfl.in).**

## GENERAL SHAREHOLDERS' INFORMATION

### (i) Annual General Meeting to be held:

*Day: Thursday*

*Date: 26<sup>th</sup> September, 2019*

*Time: 11:00 A.M.*

*Venue: 120/500(10), Lajpat Nagar, Kanpur-208005*

**(ii) Financial Year:** 1st April, 2018 to 31st March, 2019

**(iii) Dividend payment:** No dividend was declared during the year.

**(iv) Date of Book Closure:** 19<sup>th</sup> September, 2019 to 26<sup>th</sup> September, 2019 (both days inclusive)

## STOCK EXCHANGES ON WHICH THE COMPANY'S SHARES ARE LISTED

### **BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400001

### **Ahmedabad Stock Exchange Limited**

Kamdheni Complex,  
Opp. Sahjanand College  
Panjarapole,  
Ahmedabad-380015

## STOCK CODE

ISIN under depository system: INE981C01019

Bombay Stock Exchange: 532007

Ahmedabad Stock Exchange: 52476

## SHARE TRANSFER SYSTEM

M/s. Maheshwari Datamatics Private Limited is acting as the Registrar and Transfer Agent of the Company. Share transfer requests are processed within 30 days of receipt by Registrar and Transfer Agent.

In compliance with the listing guidelines, every six months, the share transfer system is audited by a practicing Company Secretary and certificates to that effect are issued by him.

## DISTRIBUTION OF SHAREHOLDING

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
Upto 5000	68	39.7661	124920	0.1237
5001-10000	39	22.8070	371500	0.3678
10001-20000	7	4.0936	118120	0.1170
20001-30000	4	2.3392	102200	0.1012
30001- 40000	1	0.5848	35000	0.0347
40001-50000	12	7.0175	588000	0.5822
50001-100000	6	3.5088	442400	0.4380
Above 100000	34	19.8830	99217860	98.2355
<b>Grand Total</b>	171	100.0000	101000000	100.0000

## DEMATERIALIZATION

The Company has entered into necessary agreements with NSDL and CDSL (Depositories) for dematerialization of shares held by the investors.

Demat ISIN No. in NSDL & CDSL: Equity Shares – INE98IC01019

As on 31<sup>st</sup> March 2018, 89.61% shares are dematerialized.

## ADDRESS FOR CORRESPONDENCE

Company Office

Mr. Ashish Thakur  
Company Secretary & Compliance Officer  
120/500 (10), Lajpat Nagar,  
Kanpur-208005  
Email: [investors.svfl@rediffmail.com](mailto:investors.svfl@rediffmail.com)

Registrar & Transfer Agent

Maheshwari Datamatics Private Limited  
23, R N Mukherjee Road, 5<sup>th</sup> Floor,  
Kolkata -700001  
Email: [info@mdpl.in](mailto:info@mdpl.in)



## ANNEXURE TO THE DIRECTORS' REPORT

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To the members of Shreevatsaa Finance & Leasing Limited,**

We have examined the compliance conditions of Corporate Governance by Shreevatsaa Finance and Leasing Limited for the financial year ended March 31, 2019 as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said company with Stock Exchanges.

The Compliance with the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedure and implementation thereof, adopted by the company for ensuring compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For R. Mohla & Co.**

Chartered Accountants

FRN: 003716C

**Shalini Anshwani**

(Partner)

M. No. 424005

**Place: Kanpur**

**Date: 29.08.2019**

## CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

To,

The Members,

**Shreevatsaa Finance & Leasing Limited**

### **Declaration by Managing Director of the Company on code of conduct as prescribed under Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

In accordance with Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchange(s), the Board Members and Senior Management personnel of the Company have confirmed compliance with the code of conduct for the financial year ended March 31, 2019.

For and on behalf of the Board

Date: 29.08.2019

Place: Kanpur

**Anil Kumar Sharma**

(Managing Director)

DIN: 02463893

Add: House No. B - 18,  
Pandit Mohalla, Badkhal,  
Faridabad, Haryana - 121001

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
**Shreevatsaa Finance and Leasing Limited**  
120/500(10), Lajpat Nagar,  
Kanpur, Uttar Pradesh-208005

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shreevatsaa Finance and Leasing Limited** having CIN **L45201UP1986PLC008364** and having registered office at 120/500(10), Lajpat Nagar, Kanpur, Uttar Pradesh-208005 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Anil Kumar Sharma	02463893	24/07/2018
2	Mr. Sushil Kumar Mohanty	06878840	13/05/2017
3	Mr. Sanjay Mehrotra	05252155	06/03/2013
4	Ms. Madhu Rani	08025773	24/07/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate 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 **RABI SATAPATHY & ASSOCIATES**  
Company Secretaries

**(R. K. Satapathy)**  
Membership No.: FCS 8282  
CP No: 4270

Date: 29.08.2019  
Place: Kanpur

## CEO and CFO CERTIFICATION

### (Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Managing Director and Chief Financial Officer of the Company have certified to the Board that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2019 and that to the best of our knowledge and belief:
  - 1) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violate of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operation of internal controls, if any, of which we are aware and the steps have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee that:
  - 1) There have not been any significant changes in internal control over financial reporting during the year under reference.
  - 2) There have not been any significant changes in accounting policies and the same have been disclosed in the notes to the financial statements; and
  - 3) We are not aware of any material instances during the year of significant fraud 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

Date: 29.08.2019

Place: Kanpur

**Rajesh Mahuley**  
**(Chief Financial Officer)**  
**PAN: AKFPM1243G**

**Anil Kumar Sharma**  
**(Managing Director)**  
**DIN: 02463893**

## **INDEPENDENT AUDITOR'S REPORT**

To,  
The Members,  
Shreevatsaa Finance & Leasing Limited.,

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS financial statements 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, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit, and its cash flows for the year ended on that date.

#### **Basis for Opinion**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial.

position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read

with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

report. However, future events or conditions may cause the company to cease to continue as a going concern.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements.**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure -A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The company does not have any pending litigation which would impact its financial position;
- ii) The company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses.
- iii) There were no amounts which required to be transferred to the investor education and protection fund by the company.

**For R Mohla& Co**  
**Chartered Accountants**  
**FRN: 003716C**

**Shalini Answani**  
**(Partner)**  
**M No.424005**  
**Date: 29.05.2019**  
**Place: Kanpur**



**SHREEVATSAA FINANCE AND LEASING LIMITED**  
**FINANCIAL YEAR- 2018-19**

**ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT**

[Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date]

**(i) In respect of its Property, Plant & Equipment :**

- a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us all fixed assets have been physically verified by the management at reasonable intervals, having regard to the size of the company and nature of its assets and no discrepancies were noticed on such physical verification.
- c) As per the records produced before us and explanations provided to us the company does not own any immovable property.

**(ii) In respect of its inventories:**

- a) As explained to us the company is dealing in shares and securities which has been verified by the management from time to time from the Demat account and other records of the company. In our opinion and on the basis of our examination of the records, the company is maintaining proper records of inventory and no material discrepancies were noticed on the verification between the physical stocks and the book records.
- (iii) The company has granted loans to parties covered in the register maintained under section 189 of the Companies Act, 2013,
- a) In our opinion, the rate of interest and other terms and condition on which the loans had been granted to the parties listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the company
  - b) The loans so granted are re-payable on demand and there is no stipulated schedule of re-payment of the principle amount. However, interest, wherever applicable, is credited by the parties, to the account of the company as at the year end on pro-rata basis.
  - c) There are no overdue amounts in respect of the loan granted to a bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the company being a Non Banking Financial Company has granted loan to corporate bodies in normal course of business and has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 with respect of loans, investments made.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records in respect of the Company, under section 148 (1) of the Companies Act, 2013.

(vii) In respect of Statutory dues:

- a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, goods & services tax, custom duty, cess and other material statutory dues applicable to it. No such dues were in arrears, as at 31.03.2019 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no dues outstanding against the company owing to any dispute with respect to income tax, custom duty, goods and services tax and cess.
- (viii) In our opinion and according to the information and explanations given to us, the company has not taken any loan from the financial institution, bank and government or has not issued any debentures during the year.
- (ix) As explained to us and as per the records, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, provisions of clause (ix) of para 3 of Companies (Auditor's Report) Order, 2016 is not applicable.
- (x) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company has paid/provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with the Schedule V to the Act.
- (xii) Since, the company is not a nidhi company, therefore provisions of clause (xii) of para 3 of Companies (Auditor's Report) Order, 2016 is not applicable.
- (xiii) As explained to us, and as per the records of the company, the transactions with the related party have been made in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by applicable accounting standards.
- (xiv) As explained to us and as per the records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) As explained to us and as per the records, the company has not entered into any non cash transactions with directors or persons connected with him during the year under review.

(xvi) As explained to us and as per the records, the company is required to and has been registered under section 45-IA of the Reserve Bank of India Act, 1934 vide registration no. 12.00050 dated 27.02.1998.

**For R Mohla & Co**  
**Chartered Accountants**  
**FRN: 003716C**

**Shalini Answani**  
**(Partner)**  
**M No.424005**  
**Date: 29.05.2019**  
**Place: Kanpur**

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Shreevatsaa Finance & Leasing Ltd.  
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 Shreevatsaa Finance & Leasing Ltd. (“the Company”) as of March 31, 2019 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial 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 March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For R Mohla & Co**  
**Chartered Accountants**  
**FRN: 003716C**

**Shalini Answani**  
**(Partner)**  
**M No. 424005**  
**Date: 29.05.2019**  
**Place: Kanpur**

**AUDITOR'S REPORT**

{Pursuant to the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016}

To,  
The Board of Directors  
Shreevatsaa Finance & Leasing Limited  
Kanpur,

1. We have audited the accompanying financial statements of Shreevatsaa Finance & Leasing Limited, ("the company"), which comprise the Balance sheet as at 31.03.2019, the Statement of Profit & Loss, Cash Flow Statement and Statement of Change In Equity for the year then ended, and summary of significant accounting policies and other explanatory information and have issued an unqualified opinion vide our report dated 29.05.2019.
2. As required by the paragraphs 3 and 4 of Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, Issued by the Reserve Bank of India ("the RBI") vide Direction No. DNBS.PPD..03/66.15.001/2016-17 and based on our audit, we report on the matters specified in the paragraphs 3 and 4 of the said directions:
  - a. The Company is engaged in the business of Non-Banking Financial Institution (without accepting or holding public deposits) and pursuant to the provisions of section 45(1A) of the Reserve Bank of the India Act, 1934 (as amended) it has obtained a certificate of registration vide certificate No. 12.00050 Date 27.02.1998.
  - b. In our opinion, and in terms of the Company's asset and income pattern for the year ended and as at 31st March, 2019, the company is entitled to continue to hold the certificate of registration issued by the RBI.
  - c. The Company is not an asset finance company as defined under the Non-Banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions 1998.
  - d. The Board of Directors of the company in their meeting held on 02nd April, 2019 has passed a resolution for non acceptance of any public deposit during the year ended 31st March 2019.
  - e. The Company has not accepted any public deposit during the year ended 31st March, 2019.

- f. In our Opinion and to the best of our information and according to the explanations given to us, the company has complied with the prudential norms issued by the RBI in relation to recognition of income, accounting standards, asset classification and provisioning for the bad and doubtful debts as applicable to it.
- g. The Company is not a Systematically Important Non-Deposit Taking NBFC as defined in “Systemically Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2015.

**For R Mohla & CO**  
**Chartered Accountants**  
**FRN: 003716C**

**(Shalini Anshwani)**  
**Partner**  
**M. No. 424005**  
**Place: Kanpur**  
**Date: 29.05.2019**

**SHREEVATSAA FINANCE AND LEASING LIMITED**

**Balance Sheet as at March 31, 2019**

(Amount in Rs.)

Particulars	Note No.	As at		
		March 31, 2019	March 31, 2018	April 01, 2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	6	12,022	12,022	12,022
(b) Financial Assets				
(i) Investments	7	-	-	7,398,900
(ii) Loans	7	187,466,753	184,475,411	180,490,038
(c) Other non-current Assets	8	7,208,660	7,204,218	7,255,783
		<b>194,687,435</b>	<b>191,691,651</b>	<b>195,156,743</b>
<b>Current Assets</b>				
(a) Inventories	9	8,341,573	8,737,821	910,043
(b) Financial Assets				
(i) Trade Receivables	7	1,015	25,452	629,151
(ii) Cash & Cash Equivalents	10	498,224	546,923	2,282,941
(c) Other Current Assets	8	6,120	18,652	18,652
		<b>8,846,932</b>	<b>9,328,849</b>	<b>3,840,787</b>
<b>Total Assets</b>		<b>203,534,367</b>	<b>201,020,500</b>	<b>198,997,530</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	11	100,950,000	100,950,000	100,950,000
(b) Other Equity	12	100,722,532	98,225,186	95,880,840
<b>Total Equity</b>		<b>201,672,532</b>	<b>199,175,186</b>	<b>196,830,840</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Long Term Provisions	13	468,667	461,189	451,225
		<b>468,667</b>	<b>461,189</b>	<b>451,225</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Other Financial Liabilities	14	485,958	564,625	544,305
(b) Provisions	15	907,210	819,500	1,171,160
		<b>1,393,168</b>	<b>1,384,125</b>	<b>1,715,465</b>
<b>Total Equity and Liabilities</b>		<b>203,534,367</b>	<b>201,020,500</b>	<b>198,997,530</b>

Summary of significant accounting policies

5

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

This is the balance sheet referred to in our report of even date.

For R. Mohla & Co.  
Chartered Accountants  
(FRN-003716C)

For and on behalf of the Board of Directors  
For Shreevatsaa Finance and Leasing Ltd.

Shalini Anshwani  
Partner  
M. No. : 424005

Anil Kumar Sharma      Madhu Rani  
Managing Director      Director  
(DIN:02463893)      (DIN:08025773)

Place : Kanpur  
Dated : 29-05-2019

Sanjay Mehrotra      Sushil Kumar Mohanty  
Director      Director  
(DIN:05252155)      (DIN:06878840)

Ashish Thakur      Rajesh Mahuley  
Company Secretary      Chief Financial Officer  
M No. F8453



**SHREEVATSAA FINANCE AND LEASING LIMITED**  
**Statement of Profit and Loss for the year ended March 31, 2019**

(Amount in Rs.)

Particulars	Note No.	For the year ended	
		March 31, 2019	March 31, 2018
<b>Income</b>			
a) Revenue From Operations	16	8,762,409	15,226,289
b) Other Income	17	6,688	12,395
<b>Total Income</b>		<b>8,769,097</b>	<b>15,238,684</b>
<b>Expenses</b>			
a) Purchase of Stock in trade	18	542,796	15,563,816
b) Changes in inventories of finished goods, stock in trade and work in progress	19	396,248	(7,827,778.75)
c) Employees' Benefit Expenses	20	2,725,029	3,312,490
d) Other expenses	21	1,692,990	1,016,346
<b>Total Expenses</b>		<b>5,357,063</b>	<b>12,064,873</b>
<b>Profit/ (Loss) before tax</b>		<b>3,412,034</b>	<b>3,173,810</b>
<b>Tax Expense</b>			
(i) Current tax		907,210	819,500
(ii) Minimum Alternate Tax Credit Utilization		-	-
(ii) Deferred tax		-	-
(iv) Excess/ Short Provision Income Tax		-	-
<b>Profit/(loss) after Tax from continuing operations</b>		<b>2,504,824</b>	<b>2,354,310</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income Tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income Tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the period</b>		<b>2,504,824</b>	<b>2,354,310</b>
<b>Earnings per equity share :</b>	22		
a) Basic (Rs.)		0.25	0.23
b) Diluted (Rs.)		0.25	0.23

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

This is the balance sheet referred to in our report of even date.

For R. Mohla & Co.

Chartered Accountants

(FRN-003716C)

For and on behalf of the Board of Directors

For Shreevatsaa Finance and Leasing Ltd.

Anil Kumar Sharma  
 Managing Director  
 (DIN:02463893)

Madhu Rani  
 Director  
 (DIN:08025773)

Shalini Anshwani  
 Partner

M. No. : 424005

Place : Kanpur

Dated : 29-05-2019

Sanjay Mehrotra  
 Director  
 (DIN:05252155)

Sushil Kumar Mohanty  
 Director  
 (DIN:06878840)

Ashish Thakur  
 Company Secretary  
 M No. F8453

Rajesh Mahuley  
 Chief Financial Officer

# SHREEVATSAA FINANCE AND LEASING LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### 1 **General information**

Shreevatsaa Finance and Leasing Limited (the company) is a public limited company domiciled and incorporated in India. The registered office of the Company is located at Lajpat Nagar, Kanpur.

The Financial Statements were authorised for issue by the Company's Board of Directors on 29th May, 2019.

### 2 **Statement of Compliance**

The financial statements comply in all material aspects with Indian Accounting Standard (Ind AS) notified under the Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act

### 3 **Recent accounting pronouncement**

#### **Standard issued but not yet effective**

In March 2018, the ministry of Corporate affairs (MCA) issued Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, Revenue from Contract with Customers. The amendments are in line with recent amendments made by International Accounting Standard Board (IASB). The amendment is applicable to the Company from 1 April 2018. The Company will be adopting the amendments from their effective date.

Ind AS 115 supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue, Ind AS 155 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract from customers. The principle of Ind AS 115 is that entity should recognise revenue that demonstrates the transfer of promised goods and services to the customer at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard can be applied either retrospectively to each prior period presented or can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of standard.

Based on the preliminary assessment performed by the Company, the impact of application of the standard is not expected to be material.

### 4 **First Time Adoption of Ind AS**

These financial statements, for the year ended 31 March 2019, are the first the Company has prepared in accordance with Ind AS. For periods upto and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2019, together with the comparative period data as at and for the year ended 31 March 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2017, the Company's date of transition to Ind AS.

This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2017, and the financial statements as at and for the year ended 31 March 2018.

## SHREEVATSAA FINANCE AND LEASING LIMITED

### **Exemptions Applied:-**

Ind AS 101, First-Time Adoption of Indian Accounting Standards allows first-time adopters certain exemptions from retrospective application of certain Ind AS.

The Company has applied for the following exemptions:

#### **Property, Plant and Equipment**

Plant and equipment, office equipment, computers, furniture and fixtures and were carried in the balance sheet prepared in accordance with Previous GAAP on the basis of its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The Company has elected to regard those values of assets as deemed cost at the transition date.

### **Following mandatory exceptions have been applied:**

The company's estimates in accordance with Ind ASs at the date of transition to Ind ASs are consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

Ind AS 101 treats the information received after the date of transition to Ind AS as non-adjusting events. The entity shall not reflect that new information in its opening Ind AS Balance Sheet (unless the estimates need adjustment for any differences in accounting policies or there is objective evidence that the estimates were in error).

## **5 Summary of Significant Accounting Policies**

### **(a) Basis of preparation**

The financial statements of the Company have been prepared on going concern basis in accordance with recognition and measurement principles prescribed under Section 133 of the Companies Act, 2013 read with the rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 issued thereunder and other accounting principles generally accepted in India.

The management believes that it is appropriate to prepare these financial statements on a going concern basis considering available resources, current level of operations of the Company, and those projected foreseeable future.

For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2019 are the first financial statements which the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value.

Management of the Company's has prepared the Ind AS Financial Statements which comprise the Balance Sheet as at 1 April 2016, 31 March 2017 and 31 March 2018, the Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity for the year ended 31 March 2017 and 31 March 2018 and a summary of the significant accounting policies and other explanatory information.

Management has prepared Financial Statements to depict the historical financial information of the Company except for Investments forming part of financial assets which have been measured at fair value.

## SHREEVATSAA FINANCE AND LEASING LIMITED

### (b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognized prospectively in current and future periods.

#### Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Assessment of useful life of Property, plant and equipment
- Assessment of useful life of Intangible assets
- Provisions and contingent liabilities
- Income taxes
- Lease classification indicating whether an arrangement contains a lease
- Inventory valuation

#### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant impact on the financial statements are as mentioned below:

- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Impairment of financial assets
- Fair value measurement
- Recognition of deferred tax assets: Availability of future taxable profits against which such Deferred tax assets can be adjusted.

### (c) Current versus non-current classification

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company and other criteria set out in the Act. Deferred tax asset and liabilities are classified as non-current assets and non-current liabilities as the case may be.

### (d) Property, plant and equipment

Under the previous GAAP (Indian GAAP), Property, plant and equipment (PPE) were carried in the balance sheet at their respective carrying value. Using the deemed cost exemption available as per Ind AS 101, the company has elected to carry forward the carrying value of PPE under Indian GAAP as on 31 March 2018 as book value of such assets under Ind AS at the transition date ("1 April 2017").

Capital work-in-progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

## SHREEVATSAA FINANCE AND LEASING LIMITED

### **Subsequent Costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in Statement of Profit and Loss as and when incurred.

As permitted by Ind AS 101 First-time Adoption of Indian Accounting Standards, the company has continued to apply paragraph 46A of AS 11 The Effects of changes in Foreign Exchange Rates under Indian GAAP.

Accordingly, the company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period) pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the company do not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### **Derecognition**

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **(e) Depreciation/amortization of fixed assets**

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as follows:

	<b>Years</b>
• Plant and equipment	12
• Office equipment	5
• Furniture & fixture	10
• Computers	3
• Vehicles	8
• Computer Software	6

Fixed assets having value less than INR 5,000 are fully depreciated in the year in which it is put to use.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

### **(f) Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which asset belongs is less than its carrying amount, the carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognised are accordingly reversed in the statement of profit or loss.

## SHREEVATSAA FINANCE AND LEASING LIMITED

### (g) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider -

- i) All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### Trade Receivables

The Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires lifetime expected credit losses to be recognised from the date of initial recognition of receivables.

#### Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

### (h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds (this cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs).

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are amortised basis the Effective Interest Rate (EIR) method over the term of the loan. The EIR amortisation is recognised under finance costs in the Statement of Profit or Loss. The amount amortized for the period from disbursement of borrowed funds upto the date of capitalization of the qualifying assets is added to cost of the qualifying assets.

### (i) Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issue data later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

## SHREEVATSAA FINANCE AND LEASING LIMITED

### (j) Income taxes

#### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate .

Current income tax assets and liabilities are offset if a legally enforceable right exists to set off these.

#### **Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In situations where company is entitled to a tax holiday under the Income-tax Act, 1961, enacted in India, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period.

Deferred taxes in respect of temporary differences which reverse after the tax holiday period are recognized in the year in which the temporary differences originate.

However, the company restricts the recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **Minimum Alternate Tax**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

### (k) Contingent liabilities and assets

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent assets are disclosed where an inflow of economic benefits is probable.

## SHREEVATSAA FINANCE AND LEASING LIMITED

### (l) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

### (m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **Financial assets**

##### ***Initial recognition and measurement***

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### **Investments in mutual funds & Shares**

Investment in shares & mutual funds are measured at fair value through FVTOCI.

##### ***Subsequent measurement***

For purposes of subsequent measurement, financial assets are classified in four categories:

##### **Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 (Business Combinations) applies are classified as at FVTPL. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVOCI category are measured at fair value with all changes recognized in the P&L.



## SHREEVATSAA FINANCE AND LEASING LIMITED

### ***Derecognition***

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

The rights to receive cash flows from the asset have expired, or

The respective company has transferred their rights to receive cash flows from the asset or have assumed the obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement ; And

Either the Company:

(a) has transferred substantially all the risks and rewards of the asset, or

(b) has neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the continuing involvement of Company. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

### **Financial liabilities**

#### ***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The financial liabilities of the company include trade and other payables, loans and borrowings including bank overdraft.

#### ***Subsequent measurement***

The measurement of financial liabilities depends on their classification as discussed below:-

#### ***Loans and borrowings***

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

The company perform quantitative analysis to determine whether an exchange or a modification is to be accounted for as an extinguishment. If the change in discounted cash flows (calculated on the basis of EIR) of the revised loans as compared with the original loan is less than 10%, the exchange or modification is not accounted for as an extinguishment and the unamortised loan origination costs in respect of the original financial liability are carried forward and amortised over the life of the modified loan facility. However, if the impact on cash flows due to modification is equal to or more than 10%, the unamortised loan origination costs of the initial loan facility are directly taken to the Statement of Profit and Loss as finance costs in the same year.

## SHREEVATSAA FINANCE AND LEASING LIMITED

### ***Derecognition***

A financial liability is derecognised when the obligation under the liability is discharged/ cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### ***Reclassification of financial assets and liabilities***

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

### ***Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **(n) Fair value measurement**

The Company measures financial instruments, at fair value at each balance sheet date.

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

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

## SHREEVATSAA FINANCE AND LEASING LIMITED

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

At each reporting date, the management of the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies of the Company.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

This note summarises the accounting policy for determination of fair value. Other fair value related disclosures are given in the relevant notes as following:

- Disclosures for significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

### (o) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Operating incomes are exclusive of any rates, taxes and duties payable to government.

Dividend income is recognised on receipt basis.

Interest income is accounted for on accrual basis.

### (p) Exceptional Items

Exceptional items refer to items of income or expense within the income statement from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the company.

### (q) Inventories

Inventories of the company consisting of Mutual Funds are valued by the management at lower of cost or market value of their acquisition. The valuation is based upon the Net Asset Value of schemes declared by the Mutual Fund Houses. The valuation is done by comparing the total cost and market value of each category of the mutual funds.

### (r) Cash and Cash-Equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and cash in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Cash and cash equivalents includes bank overdrafts are form an integral part of Company's cash management.

### (s) Events occurring after the Balance Sheet date

Impact of events occurring after the balance sheet date that provide additional information materially effecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

### Functional Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates. The functional currency of the Company is Indian Rupee.

**SHREEVATSAA FINANCE AND LEASING LIMITED**  
**Statement of Changes in Equity for the year ended March 31, 2019**

(Amount in Rs.)

Description	Equity share capital (A)	Other equity				Total other equity (B)	Total Equity(A+B)
		Reserves and Surplus		Other comprehensive income (OCI)			
		Special reserve as per RBI	Retained earnings (Surplus)	FVTOCI reserve	Other items of OCI		
<b>As at April 01, 2017</b>	<b>100,950,000</b>	<b>22,874,440</b>	<b>73,006,400</b>	-	-	<b>95,880,840</b>	<b>196,830,840</b>
Profit for the year	-	-	2,354,310	-	-	2,354,310	2,354,310
Appropriations out of profit & loss A/c	-	470,862	470,862	-	-	-	-
Contingent provision against Standard Assets	-	-	9,964	-	-	9,964	9,964
OCI reclassified to retained earnings	-	-	-	-	-	-	-
OCI not reclassified to retained earnings	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>100,950,000</b>	<b>23,345,302</b>	<b>74,879,884</b>	-	-	<b>98,225,186</b>	<b>199,195,114</b>
Profit for the year	-	-	2,504,824	-	-	2,504,824	2,504,824
Appropriations out of profit & loss A/c	-	500,965	500,965	-	-	-	-
Contingent provision against Standard Assets	-	-	7,478	-	-	7,478	7,478
OCI reclassified to retained earnings	-	-	-	-	-	-	-
OCI not reclassified to retained earnings	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>100,950,000</b>	<b>23,846,267</b>	<b>76,876,265</b>	-	-	<b>100,722,532</b>	<b>201,707,415</b>

The accompanying notes form an integral part of the financial statements.  
This is the statement of changes in equity referred to in our report of even date.  
For R Mohla & company  
Chartered Accountants  
(FRN-003716C)

Shalini Anshwani  
Partner  
M. No. : 424005  
Place : Kanpur  
Dated : 29-05-2019

For and on behalf of the Board of Directors  
For Shreevatsaa Finance and Leasing Ltd.

Anil Kumar Sharma     Madhu Rani  
Managing Director     Director  
(DIN:02463893)     (DIN:08025773)

Sanjay Mehrotra     Sushil Kumar Mohanty  
Director     Director  
(DIN:05252155)     (DIN:06878840)

Ashish Thakur     Rajesh Mahuley  
Company Secretary     Chief Financial Officer  
M No. F8453

**SHREEVATSAA FINANCE AND LEASING LIMITED****Notes to Financial Statements for the year ended March 31, 2019****Note No. 6 - Property, plant and equipment****(Amount in Rs.)**

<b>Particulars</b>	<b>Assets</b>	<b>Total</b>
<b>Gross carrying amount</b>		
<b>Deemed cost as at April 01, 2017</b>	416,116	416,116
Additions	-	-
Disposals	-	-
Other Adjustments	-	-
<b>At March 31, 2018</b>	<b>416,116</b>	<b>416,116</b>
Additions	-	-
Disposals	-	-
Other Adjustments	-	-
<b>At March 31, 2019</b>	<b>416,116</b>	<b>416,116</b>
<b>Accumulated Depreciation</b>		
<b>At April 01, 2017</b>	404,094	404,094
Charge for the year	-	-
Disposals	-	-
Other Adjustments	-	-
<b>At March 31, 2018</b>	<b>404,094</b>	<b>404,094</b>
Charge for the year	-	-
Disposals	-	-
Other Adjustments	-	-
<b>At March 31, 2019</b>	<b>404,094</b>	<b>404,094</b>
<b>Net book value</b>		
<b>At April 01, 2017*</b>	<b>12,022</b>	<b>12,022</b>
<b>At March 31, 2018</b>	<b>12,022</b>	<b>12,022</b>
<b>At March 31, 2019</b>	<b>12,022</b>	<b>12,022</b>

\*Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purposes of better understanding of the original cost of assets.

# SHREEVATSAA LEASING AND FINANCE LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### Note No. 7 - Financial Assets

(Amount in Rs.)

Particulars	At March 31, 2019		At March 31, 2018		At April 01, 2017	
<b>Non-current (unsecured, considered good unless otherwise stated)</b>						
<b>Investments (Non - Current)</b>						
<b>Unquoted Investments in Shares</b>	<b>Quantity(Nos.)</b>	<b>Amount(In Rs.)</b>	<b>Quantity(Nos.)</b>	<b>Amount(In Rs.)</b>	<b>Quantity(Nos.)</b>	<b>Amount(In Rs.)</b>
<b>In Equity Shares, Each, Fully Paid-up</b>						
Adonis Travels Pvt Ltd of Rs.10/-	-	-	-	-	19,650	196,500
Tapasya Projects Ltd. of Rs.10/-	-	-	-	-	507,800	4,662,400
Wellgrow Infotech Pvt. Ltd. of Rs. 10/-	-	-	-	-	254,000	2,540,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>781,450.00</b>	<b>7,398,900</b>
<b>Loans (Non - Current)</b>						
<b>Unsecured considered good, unless otherwise stated</b>						
Loans & Advances to related parties Considered Good (Refer Note 24 (b))		61,036,965		58,314,885		55,581,248
<b>Others Loans &amp; Advances</b>						
Advances recoverable in cash or kind Considered good		126,429,788		126,160,526		124,908,790
<b>Total</b>		<b>187,466,753</b>		<b>184,475,411</b>		<b>180,490,038</b>
<b>Current (Unsecured, considered good unless otherwise stated)</b>						
Trade Receivables		1,015.22		25,452.02		629,150.52
<b>Total</b>		<b>1,015.22</b>		<b>25,452.02</b>		<b>629,150.52</b>

**SHREEVATSAA FINANCE AND LEASING LIMITED****Notes to Financial Statements for the year ended March 31, 2019**

Note No. 8 - Other assets

(Amount in Rs.)

Particulars	At March 31, 2019	At March 31, 2018	At April 01, 2017
<b>Non-current (unsecured, considered good unless otherwise stated)</b>			
<b>Advances other than Capital Advances</b>			
<b>Other Advances</b>			
Balances with Statutory Authorities	1,798,389	1,221,198	1,473,701
MAT credit entitlement	5,410,271	5,983,020	5,782,082
<b>Total</b>	<b>7,208,660</b>	<b>7,204,218</b>	<b>7,255,783</b>
<b>Current (Unsecured, considered good unless otherwise stated)</b>			
<b>Advances other than Capital Advances</b>			
<b>Other Advances</b>			
- Other recoverables	6,120	18,652	18,652
<b>Total</b>	<b>6,120</b>	<b>18,652</b>	<b>18,652</b>

# SHREEVATSAA FINANCE AND LEASING LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### Note No. 9 - Inventories

(Amount in Rs.)

Particulars	At March 31, 2019	At March 31, 2018	At April 01, 2017
Trading Items( Shares) (At lower of cost and market value whichever is lower)	8,341,573	8,737,821	910,043
<b>Total</b>	<b>8,341,573</b>	<b>8,737,821</b>	<b>910,043</b>

### Note No. 10 - Cash and cash equivalents

(Amount in Rs.)

Particulars	At March 31, 2019	At March 31, 2018	At April 01, 2017
Balance with bank :- In current accounts Axis Bank- Govt. Dues Axis Bank Ltd. - O.R.N.	- 376,324	19,101 381,803	31,611 2,043,313
Cash in hand	121,900	146,019	208,017
<b>Total</b>	<b>498,224</b>	<b>546,923</b>	<b>2,282,941</b>

### Note No. 11 - Equity Share Capital

(Amount in Rs.)

Particulars	At March 31, 2019	At March 31, 2018	At April 01, 2017
Authorized 10900000 Equity Shares of Rs.10 each 10000 Preference Shares of Rs. 100 each	109,000,000 1,000,000	109,000,000 1,000,000	109,000,000 1,000,000
<b>Total</b>	<b>110,000,000</b>	<b>110,000,000</b>	<b>110,000,000</b>
Issued, subscribed and fully paid 10100000 Equity Shares of Rs.10 each	101,000,000	101,000,000	101,000,000
Less: Calls in Arrears	50,000	50,000	50,000
<b>Total</b>	<b>100,950,000</b>	<b>100,950,000</b>	<b>100,950,000</b>

#### (a) Terms/Rights attached to Equity Shares

The company has only one class of equity shares having par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held.

In the event of liquidation of the company the holders of equity share will be entitled to receive the assets in proportion to the number of equity shares held by each of them.

#### (b) Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period

Particulars	No. of Shares	
<b>At the April 1, 2017</b>	10,100,000	101,000,000
Add: Issued during the year	-	-
Less:- Shares bought back during the year	-	-
<b>At the March 31, 2018</b>	10,100,000	101,000,000
Add: Issued during the year	-	-
Less:- Shares bought back during the year	-	-
<b>At the March 31, 2019</b>	10,100,000	101,000,000



## SHREEVATSAA FINANCE AND LEASING LIMITED

### (c) Details of shareholders holding more than 5% of the equity shares in the Company

Particulars	At March 31, 2019	At March 31, 2018	At April 01, 2017
Mr. Praveen Kumar Arora 75,75,000 (March 31, 2018: 65,25,700 April 01, 2017: 65,25,700), No. of Equity Shares.	75.00%	64.61%	64.61%
Agarni Leasing & Finance Private Limited Nil (March 31, 2018: 10,49,300 April 01, 2017: 10,49,300), No. of Equity Shares.	0.00%	10.39%	10.39%

### Note No 12 - Other Equity

#### Retained Earnings

At 1 April 2017	<b>95,880,840</b>
Profit for the year	2,354,310
Less : Appropriations	9,964
At 31 March 2018	<b>98,225,186</b>
Statement of Profit & Loss	2,504,824
Less : Appropriations	7,478
At 31 March 2019	<b>100,722,532</b>

### Note No. 13 - Long Term Provisions

(Amount in Rs.)

Particulars	At March 31, 2019	At March 31, 2018	At April 01, 2017
Contingent Provision against Standard Assets [see note (a) & (b)]	468,666.53	461,188.53	451,225.00
<b>TOTAL</b>	<b>468,666.53</b>	<b>461,188.53</b>	<b>451,225.00</b>

A contingent provision against standard assets has been created at 0.25% of the outstanding standard assets in terms of the RBI circular.

Movement in contingent provision against standard assets during the year is as under:			
Opening Balance	461,188.53	451,225.00	440,584.00
(+) Additions during the year	7,478.00	9,963.53	10,641.00
<b>CLOSING BALANCE</b>	<b>468,666.53</b>	<b>461,188.53</b>	<b>451,225.00</b>

### Disclosures under Micro, Small and Medium Enterprises Act, 2006

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as micro, small or medium enterprises. Consequently, the information required to be furnished in terms of para 6, after sub-para F of Part I of Schedule III to the Companies Act, 2013 with respect to the amount unpaid as at the year end to such enterprises together with the interest paid/payable to such parties has not been disclosed.

Further, in the absence of such information being available in respect of MSME as above, the "total outstanding dues of micro enterprises and small enterprises" as required to be disclosed vide para 4 (b) of Part I of Schedule III to the Companies Act, 2013 has been disclosed as nil on the face of the Balance Sheet. As a consequence, the total amount payable to suppliers as at the year end has been classified as "total outstanding dues of creditors other than Micro enterprises and small enterprises" under Trade Payables in the Balance Sheet."

## SHREEVATSAA FINANCE AND LEASING LIMITED

Particulars	At March 31, 2019	At March 31, 2018	At April 01, 2017
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil	Nil
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil	Nil

### Note No. 14 - Other Financial liabilities - Current

(Amount in Rs.)

Particulars	At March 31, 2019	At March 31, 2018	At April 01, 2017
TDS Payable	6,504	37,200.00	23,967
Audit fees Payable	64,900	32,450.00	31,625
Employee benefits payable	177,420	258,200	241,733
Outstanding liability for Expenses	237,134	236,775	246,980
<b>Total</b>	<b>485,958</b>	<b>564,625</b>	<b>544,305</b>

### Note No. 15 - Provisions

(Amount in Rs.)

Particulars	At March 31, 2019	At March 31, 2018	At April 01, 2017
Provision for Tax	907,210	819,500	1,171,160
<b>Total</b>	<b>907,210</b>	<b>819,500</b>	<b>1,171,160</b>

**SHREEVATSAA FINANCE AND LEASING LIMITED****Notes to Financial Statements for the year ended March 31, 2019**

<b>Note 16- Revenue From Operations</b> (Amount in Rs.)		
<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Sale of Products		
Shares	480,000.00	3,975,910
Mutual Funds	42,995	3,599,965
Interest Earned on Loans & Advances	8,239,414	7,650,414
<b>Total</b>	<b>8,762,409</b>	<b>15,226,289</b>
<b>Note 17 - Other income</b> (Amount in Rs.)		
<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Dividend Income	6,687.50	825.00
Interest Received on Income Tax Refund	-	11,570.00
<b>Total</b>	<b>6,688</b>	<b>12,395</b>
<b>Note 18 - Purchase of Stock-in-Trade</b> (Amount in Rs.)		
<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Purchase of Shares	499,791.25	11,963,745.00
Purchase of Mutual Fund	43,004.30	3,600,071.19
<b>Total</b>	<b>542,795.55</b>	<b>15,563,816.19</b>
<b>Note 19 - Changes in Inventory</b> (Amount in Rs.)		
<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
<b>Opening Balance</b>		
Trading Items - Shares	8,737,821	910,043
<b>Closing Balance</b>		
Trading Items - Shares	8,341,573	8,737,821
<b>Total changes in inventory</b>	<b>396,248</b>	<b>-7,827,779</b>
<b>Note 20 - Employees' Benefit Expenses</b> (Amount in Rs.)		
<b>Particulars</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Salary to Staff	1,950,000	2,028,900
Director's Remuneration	706,667	1,200,000
Director Sitting Fee	60,000	60,000
Staff Welfare	8,362	23,590
<b>Total</b>	<b>2,725,029</b>	<b>3,312,490</b>

## SHREEVATSAA FINANCE AND LEASING LIMITED

### Note 21 - Other Expenses

(Amount in Rs.)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Other Expenses</b>		
Advertisement	88,807	74,812
Auditor's Remuneration	32,450	32,450
Bank Charges	1,239	6,097
Books & Periodicals	7,592	10,028
D-Mat Charges	1,666	2,040
Interest Charges	967	396
Interest on TDS	6	45
IGST Centrum	538	4,384
Fees and Subscription	-	10,000
Legal Expenses	19,690	22,258
Listing Fees	378,200	408,316
Miscellaneous Expenses	24,442	12,371
Office Maintenance	6,935	24,725
Other Expenses	3,004	1,145
Printing & Stationery	7,565	24,105
Postage & Telegram	6,480	2,521
Professional Charges	432,428	372,108
Security Transaction Tax	981	8,539
SEBI Fee	680,000	-
Sundry Balance Written Off	-	6
<b>Total</b>	<b>1,692,990</b>	<b>1,016,346</b>

### Note 22 - Earnings Per Share

The following reflects the profit and share data used for the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Net Profit for calculation of basic EPS	2,504,824	2,354,310
Weighted average number of equity shares for calculating basic EPS	10,100,000	10,100,000
Nominal Value of Equity Share (in Rs.)	10.00	10.00
<b>Basic Earning per Share</b>	<b>0.25</b>	<b>0.23</b>
Net Profit for calculation of diluted EPS	2,504,824	2,354,310
Weighted average number of equity shares for calculating diluted EPS	10,100,000	10,100,000
Nominal Value of Equity Share (in Rs.)	10	10
<b>Diluted Earning per Share</b>	<b>0.25</b>	<b>0.23</b>

**SHREEVATSAA FINANCE AND LEASING LIMITED**

Note No. 23

**Segment wise Revenue, Results, Assets and Liabilities for the year ended 31st March 2019**

The company is predominantly engaged in the NBFC business(Operating segment). There is no other business or Geographical segment with in the meaning of IND AS 108 issued by Institute of Chartered accountants of India. Under its operating segment company is engaged in 2 operating activities.

Particulars		For the year ended 31st March 2019	For the year ended 31st March 2018
<b>1</b>	<b>Segment Revenue</b>		
	Revenue from Operations		
	a) Trading activity	522,995	7,575,875
	b) Financing activity	8,239,414	7,650,414
	<b>Net Sales/Income from operations</b>	<b>8,762,409</b>	<b>15,226,289</b>
<b>2</b>	<b>Segment Results</b>		
	Profit/(Loss) Before Finance Cost & Tax		
	a) Trading activity	-	-
	b) Finance activity	-	-
	<b>Total</b>		
	Less :		
	i) Finance Cost		
	ii) Unallocable Expenses Net of Unallocable Income	-	-
	<b>Profit/(Loss) Before Tax</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Segment Assets</b>		
	a) Trading activity	-	-
	b) Finance activity	-	-
	c) Unallocable Liabilities	-	-
	<b>Total Segment Assets</b>	<b>-</b>	<b>-</b>
<b>4</b>	<b>Segment Liabilities</b>		
	a) Trading activity	-	-
	b) Finance activity	-	-
	c) Unallocable Liabilities	-	-
	<b>Total Segment Liabilities</b>	<b>-</b>	<b>-</b>

**SHREEVATSAA FINANCE AND LEASING LIMITED****Notes to Financial Statements for the year ended 31 March 2019****Note 24 Related Party Disclosures****a) Names of related parties and related party relationship**

The names of related parties where control exists and/or with whom transactions have taken place during the period and description of relationship as identified by the management are:

**I. Holding Company :**

None

**II. Key management personnel & their Relatives :****Nature of Relationship**

Mr. Praveen Kumar Arora	Managing Director, Key Managerial Personnel (Resigned w.e.f. 24.09.2018)
Mr. Rajesh Mahuley	Chief Financial Officer, Key Managerial Personnel
Mr. Ashish Thakur	Company Secretary, Key Managerial Personnel
Mr. Anil Kumar Sharma	Managing Director, Key Managerial Personnel (Appointed w.e.f. 24.09.2018)
Mr. Raj Kumar arora	
Mr. Som Arora	Relative of Managing Director, Key Managerial Personnel
Ms. Tapasya Arora	

**III. Enterprise owned or significantly influenced by key management personnel or their relatives**

Guruansh Infotech Pvt. Ltd.

Shine Buildcon Pvt. Ltd.

Tapasya Infotech Pvt. Ltd.

**IV. Remuneration to key managerial personnel:**

Short term employee benefits

Post-employment gratuity and medical benefits

Termination benefits

Share-based payment transactions

Total compensation paid to key management persone

Personnel	31-Mar-19	31-Mar-18
Mr. Praveen Kumar Arora	586,667.00	1,200,000.00
Mr. Anil Kumar Sharma	120,000.00	-
Mr. Rajesh Mahuley	534,000.00	534,000.00
Mr. Ashish Thakur	900,000.00	900,000.00

**SHREEVATSAA FINANCE AND LEASING LIMITED****b) Transactions and balances with enterprises owned or significantly influenced by key management personnel or their relatives**

For the year ended 31 March 2019:

Sl. No.	Name of Company/ Person	Nature of relationship	Nature of Transaction	Amount of Transaction	Closing Balance (Dr)
1	Guruansh Infotech Pvt. Ltd.	Enterprise owned or significantly influenced by key management personnel or their	Financial Assets - Loans (Non-Current)	8,85,911	1,63,47,656 (1,54,61,745)
2	Shine Buildcon Pvt. Ltd.	Enterprise owned or significantly influenced by key management personnel or their	Financial Assets - Loans (Non-Current)	18,36,169	3,58,39,309 (3,40,03,140)
3	Tapasya Infotech Pvt. Ltd.	Enterprise owned or significantly influenced by key management personnel or their	Financial Assets - Loans (Non-Current)	Nil	88,50,000 (88,50,000)

Note: Figures in Brackets relate to the previous year.

**SHREEVATSAA FINANCE AND LEASING LIMITED**

**Notes to Financial Statements for the year ended March 31, 2019**

**Note No 25 - Financial instruments -Fair values and accounting classifications**

(Amount in Rs.)

Set out below, are the fair values of the financial instruments of the Company, including their accounting classifications:

Particulars	March 31, 2019		March 31, 2018		April 01, 2017	
	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI	Amortised Cost	FVTOCI
<b>Financial assets</b>						
<b>Loans - Non Current</b>						
Loans & Advances to related parties	61,036,965	-	58,314,885	-	55,581,248	-
<b>TOTAL</b>	<b>61,036,965</b>	<b>-</b>	<b>58,314,885</b>	<b>-</b>	<b>55,581,248</b>	<b>-</b>
<b>Others Loans &amp; Advances - Non Current</b>						
Advance recoverable in cash or kind	126,429,788	-	126,160,526	-	124,908,790	-
<b>TOTAL</b>	<b>126,429,788</b>	<b>-</b>	<b>126,160,526</b>	<b>-</b>	<b>124,908,790</b>	<b>-</b>
<b>Cash &amp; Cash Equivalents</b>						
	498,224	-	546,923	-	2,282,941	-
<b>TOTAL</b>	<b>15,662,416</b>	<b>-</b>	<b>41,851,989</b>	<b>-</b>	<b>42,804,618</b>	<b>-</b>
<b>Trade Receivables</b>						
	1,015	-	25,452	-	629,151	-
<b>TOTAL</b>	<b>1,015</b>	<b>-</b>	<b>25,452</b>	<b>-</b>	<b>629,151</b>	<b>-</b>

**The following methods and assumptions were used to estimate the fair values:**

i) The fair value of investments in mutual funds is determined using the quoted NAV at the reporting date.

**Note No 26 - Financial instruments- Fair value hierarchy**

The Company categorizes financial assets and financial liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- i) Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- ii) Level 2 - Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the financial asset or financial liability.
- iii) Level 3 - Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.



**SHREEVATSAA FINANCE AND LEASING LIMITED****Note No. 27 - Auditors Remuneration Excluding Goods and Services Tax (Included on Legal and Professional Fees)**

(Amount in Rs)

Particulars	For the Year	For the Year
	Ended	Ended
	31 March 2019	31 March 2018
Payment to Auditors for:		
- Statutory Audit	16,500	16,500
- Tax Audit	5,500	5,500
- Other Matters	5,500	5,500
	<b>27,500</b>	<b>27,500</b>

**Note No 28 - Commitments and Contingencies**

The Company has contingent liability to the extent of INR Nil (31 March 2018: Nil ; 1 April 2017: INR Nil) as guarantee given against credit facilities/financial assistance availed by related parties

Capital Commitments:

There are no capital commitment as at 31 March 2019, 31 March 2018 and 1 April 2017.

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

For R Mohla & Company  
Chartered Accountants  
( FRN-003716C)

For and on behalf of the Board of Directors  
For Shreevatsaa Finance and Leasing Ltd.

Anil Kumar Sharma      Madhu Rani  
Managing Director      Director  
(DIN:02463893)      (DIN:08025773)

Shalini Anshwani  
Partner  
M. No. : 424005

Sanjay Mehrotra      Sushil Kumar Mohanty  
Director      Director  
(DIN:05252155)      (DIN:06878840)

Place : Kanpur  
Dated : 29-05-2019

Ashish Thakur      Rajesh Mahuley  
Company Secretary      Chief Financial Officer  
M No. F8453

**SHREEVATSAA FINANCE AND LEASING LIMITED**

**Statement of Cash Flows for the year ended March 31, 2019**

(Amount in Rs.)

Particulars	For the year ended 31st March 2019	For the year ended 31st March 2018
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before taxation and extraordinary items	3,412,034	3,173,810
Adjustments for :		
Interest Income	-	-
Dividend Income	-	-
Profit on Sale of Investments	-	-
<b>Operating Profit before Working Capital changes</b>	<b>3,412,034</b>	<b>3,173,810</b>
<b>Changes in Working Capital</b>		
(Increase)/Decrease in Other Current Assets	12,532	-
(Increase)/Decrease in Other Financial Assets	(269,262)	(1,251,736)
(Increase)/Decrease in Other Non Current Assets	(4,442)	51,565
(Decrease)/Increase in Trade payable	-	-
(Decrease)/Increase in Other Financial Liabilities	(78,667)	20,320
(Decrease)/Increase in Current Provisions	-	-
(Increase)/Decrease in Other Non Current Liabilities	-	-
(Increase)/Decrease in Trade Receivables	24,437	603,699
(Increase)/Decrease in Inventories	396,248	(7,827,779)
<b>Changes in Working Capital</b>	<b>80,846</b>	<b>(8,403,931)</b>
<b>Cash generated / (used) in Operating Activities</b>	<b>3,492,880</b>	<b>(5,230,121)</b>
<b>Current Tax Expenses</b>	819,500	1,171,160
<b>Excess Provision for Income Tax</b>	-	-
	<b>819,500</b>	<b>1,171,160</b>
<b>Net Cash generated / (used) in Operating Activities (A)</b>	<b>2,673,380</b>	<b>(6,401,281)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	-	-
Proceeds From Investments	-	-
Purchase of Investment	-	7,398,900
<b>Net Cash generated / (used) from Investing Activities (B)</b>	<b>-</b>	<b>7,398,900</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Loan		
Loan to Related Parties	(2,722,080)	(2,733,637)
Finance Cost		
<b>Net Cash generated / (used) from Financing Activities (C)</b>	<b>(2,722,080)</b>	<b>(2,733,637)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(48,700)</b>	<b>(1,736,018)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>546,923</b>	<b>2,282,941</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>498,224</b>	<b>546,923</b>
<b>Components of Cash and cash equivalents</b>		
Cash in hand	121,900	146,019
Balance with banks :		
In current accounts	376,324	400,904
<b>Total cash and cash equivalents (Note 10)</b>	<b>498,224</b>	<b>546,923</b>

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

This is the statement of cash flow referred to in our report of even date.

For R Mohla & Company  
Chartered Accountants  
(FRN-003716C)

For and on behalf of the Board of Directors  
For Shreevatsaa Finance and Leasing Ltd.

Anil Kumar Sharma  
Managing Director  
(DIN:02463893)

Madhu Rani  
Director  
(DIN:08025773)

Shalini Anshwani  
Partner  
M. No. : 424005

Sanjay Mehrotra  
Director  
(DIN:05252155)

Sushil Kumar Mohanty  
Director  
(DIN:06878840)

Place : Kanpur  
Dated :29.05.2019

Ashish Thakur  
Company Secretary  
M No. F8453

Rajesh Mahuley  
Chief Financial Officer

**ATTENDANCE SLIP**

**SHREEVATSAA FINANCE AND LEASING LIMITED**  
**Regd. Office: 120/500(10), Lajpat Nagar, Kanpur, Uttar Pradesh- 208005**  
**CIN: L45201UP1986PLC008364**

33<sup>rd</sup> Annual General Meeting on 26<sup>th</sup> September, 2019

Name of the Member attending meeting	
Registered Address	
Reg. Folio/DP & Client No.	
No. of Shares held	

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the 33<sup>rd</sup> Annual General Meeting of the Company held on Thursday, 26<sup>th</sup> September, 2019 at 11:00 A.M. at 120/500 (10), Lajpat Nagar, Kanpur-208005.

Members' Name \_\_\_\_\_ Proxy's Name \_\_\_\_\_

Members'/Proxy Signatures \_\_\_\_\_

Note:

- 1) Please fill this attendance slip and hand it over at the entrance of the premises.
- 2) The Proxy, to be effective should be deposited at the registered office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

**Form No. MGT-11 (Proxy Form)**

[Pursuant to Sec 105(6) of the Companies Act, 2013 & rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**SHREEVATSAA FINANCE AND LEASING LIMITED**  
 Regd. Office: 120/500(10), Lajpat Nagar, Kanpur, Uttar Pradesh- 208005  
 CIN: L45201UP1986PLC008364

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No /Client ID	
DP ID	

I/We, being the member(s) holding \_\_\_\_\_ shares of the above named Company, hereby appoint

Name :	E-mail Id:
Address:	
Signature , or failing him/her	

Name :	E-mail Id:
Address:	
Signature , or failing him/her	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33<sup>rd</sup> Annual General Meeting of the company, to be held on Thursday, 26<sup>th</sup> September, 2019 at 11:00 A.M. at 120/500(10), Lajpat Nagar, Kanpur-208005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution	Vote	
		For	Against
<b>Ordinary Business</b>			
1.	Adoption of Balance Sheet, statement of Profit & Loss, Report of the Board of Directors and Auditors for the Financial Year ended March 31, 2019.		
2.	To re-appoint Ms. Madhu Rani who retires by rotation and being eligible, offer himself for reappointment.		

Signed this \_\_\_\_ day of \_\_\_\_ 2019

Affix Revenue Stamps of Rs. 1/-
--

Signature of Shareholder

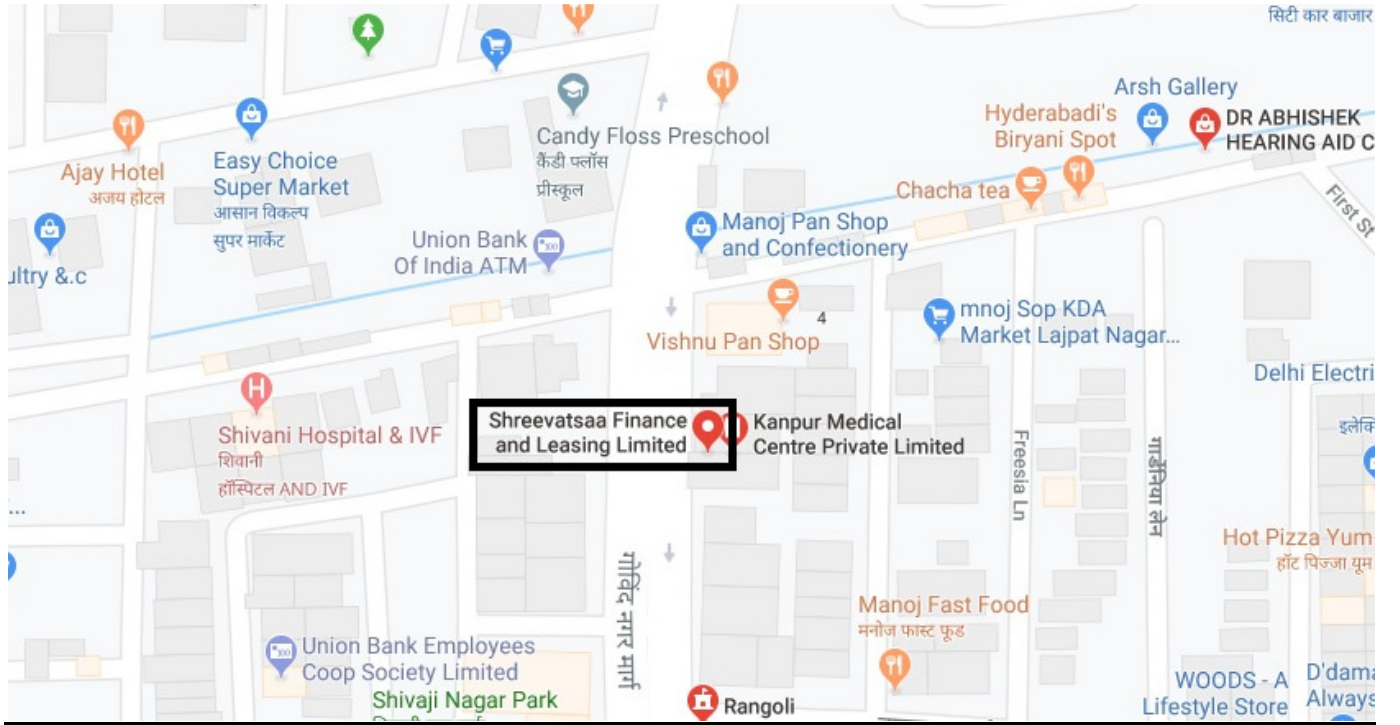
Signature of Proxy holder

Signature of the shareholder across Revenue Stamp

Note:

- 1) 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.
- 2) The proxy need not be a member of the company.

## Route Map for easy location of venue of the Annual General Meeting



## Shreevatsaa Finance and Leasing Limited

CIN: L45201UP1986PLC008364

Regd. Office: 120/500(10), Lajpat Nagar,  
Kanpur, Uttar Pradesh- 208005

E-mail: [investors.svfl@rediffmail.com](mailto:investors.svfl@rediffmail.com)

Website: [www.svfl.in](http://www.svfl.in)