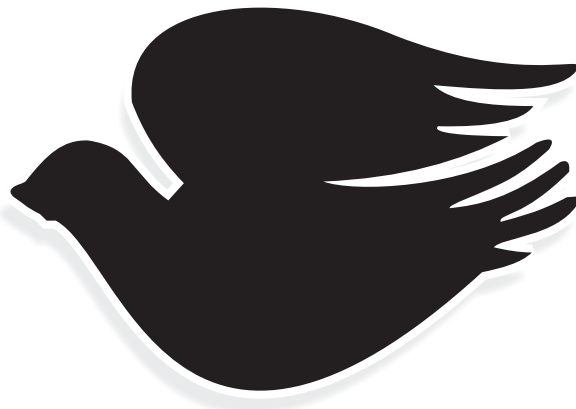


OSWAL

LEASING LIMITED



36th ANNUAL REPORT

2019-2020

OSWAL LEASING LIMITED

BOARD OF DIRECTORS

Sh. Kamal Oswal
Sh. Dinesh Gogna
Smt. Monica Oswal
Sh. Vijay Kumar Gupta
Sh. Navdeep Sharma

DESIGNATION

Chairman and Director
Director
Director
Independent Director
Independent Director

KEY MANAGERIAL PERSONNEL

Ms. Surbhi Arora (resigned w.e.f. 31.07.2020)
Ms. Palak Narang

Manager Cum Chief Financial Officer
Company Secretary

STATUTORY AUDITORS

Ashish Sunil Jain & Co.
Chartered Accountants
4th Floor, Nego Complex, Opp. Green Florists,
Pakhawal Road, Gurdev Nagar, Ludhiana-141002

BANKER

Indian Bank

SECRETARIAL AUDITORS

M.G. Jindal & Associates
SCO 7-8, 4th Floor, Jandu Tower, G.T. Road,
Miller Ganj, Ludhiana-141 003, Punjab

REGISTRAR AND SHARE TRANSFER AGENT

Alankit Assignments Limited
Alankit House, 4E/2, Jhandewalan Extension,
New Delhi – 110 055

REGISTERED OFFICE

105, Ashoka Estate, 24, Barakhamba Road,
New Delhi-110 001

ADMINISTRATIVE OFFICE

Premises Oswal Woollen Mills Limited, G.T. Road,
Sherpur, Ludhiana-141 003, Punjab

36TH ANNUAL GENERAL MEETING

DAY: Saturday

DATE: 26th September, 2020

TIME: 11:00 A.M.

through Video Conferencing (VC)/

Other Audio Visual Means (OAVM)

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OSWAL LEASING LIMITED

Registered Office: 105, Ashoka Estate, 24, Barakhamba Road, New Delhi-110001
CIN: L65910DL1983PLC016036 Phone: 011-23722935 Fax: 011-23316374
Email: oswal_leasing@owmnahar.com Website: www.owmnahar.com

NOTICE OF 36TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 36th Annual General Meeting of the Members of **OSWAL LEASING LIMITED** will be held on Saturday, the 26th day of September, 2020 at 11:00 A.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Directors and Auditors thereon;
2. To appoint a Director in place of **Sh. Kamal Oswal (DIN: 00493213)**, who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Ms. Harasees Kaur as Manager of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of the Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other approval as may be required, consent of the Members of the Company be and is hereby accorded to appoint Ms. Harasees Kaur, as Manager Cum Chief Financial Officer (Key Managerial Personnel) of the Company, to hold office for a term of 3 (three) consecutive years w.e.f. August 01, 2020, on a total remuneration of Rs. 23,800/- per month and on the terms and conditions embodied in the terms of appointment, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors in its meeting held on July 31, 2020.

RESOLVED FURTHER THAT in case Company has no profit or inadequacy of profit in any financial year during the currency of tenure of her appointment commencing from August 01, 2020, the payment of abovementioned total remuneration, shall be governed by the ceiling limits as specified under Section II of the Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limit as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee of the Board, if any, be and is hereby authorized to alter, amend, vary the terms and conditions of appointment including remuneration as may be agreed between the Board of Directors and Ms. Harasees Kaur, subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) or subject to such approval as may be required.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and



Remuneration Committee) be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By Order of the Board of Directors
For Oswal Leasing Limited**

**Place: New Delhi
Date : 31.07.2020**

**(Palak Narang)
Company Secretary**

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 ('the Act') relating to the Special Business to be transacted at the 36th Annual General Meeting (AGM) under Item No. 3, is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the 36th Annual General Meeting (AGM) is convened through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") pursuant to **General Circular numbers 14/2020, 17/2020 and 20/2020, dated April 08, 2020, April 13, 2020 and May 05, 2020 respectively, issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as 'Circulars')**, which allow the companies to hold AGM through VC/OAVM, which does not require physical presence of members at a common venue. The deemed venue for the 36th AGM shall be the Registered Office of the Company i.e. 105, Ashoka Estate, 24, Barakhamba Road, New Delhi-110 001.
3. The Company has availed the services of Central Depository Services Limited (CDSL), Depository Participant, as the authorized agency for conducting the AGM through VC/OAVM and providing remote e-voting and e-voting facility during the AGM.
4. **Pursuant to MCA General Circular No. 14/2020 dated April 08, 2020, read with MCA General Circular No. 20/2020 dated May 05, 2020**, the facility to appoint proxy to attend and cast vote for the members is not available for this 36th AGM as the AGM is convened through VC / OAVM. However, in pursuance of Section 113 of the Companies Act, 2013, representatives of the members such as body corporate can attend the 36th AGM through VC/OAVM and cast their votes through e-voting.
5. Corporate members intending to appoint authorised representative(s) to attend the AGM through VC/OAVM and vote on their behalf at the 36th AGM are requested to send to the Company a scanned certified true copy of the resolution of the Board of Directors (PDF Format) authorising their representative(s) to attend and vote along with specimen signature of the duly authorised representative(s) by e-mail to oswal_leasing@owmnahar.com before the commencement of the 36th AGM.
6. In case of joint holders only such joint holder who is higher in the order of names will be entitled to vote during the meeting, provided the votes are not already cast by remote e-voting.
7. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42(5) of the SEBI (Listing Obligations and



Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, September 19, 2020 to Saturday, September 26, 2020** (both days inclusive) for AGM purpose.

8. In accordance with MCA Circulars dated April 08, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020 due to COVID-19 pandemic, the Notice of 36th AGM along with the Annual Report for the financial year 2019-2020 is being sent only through electronic mode to those Members, whose E-mail addresses are registered with the Company/ Company's Registrar and Share Transfer Agents, Alankit Assignments Limited (RTA) / Depositories. Members may also note that the Notice of 36th AGM along with the Annual Report for the financial year 2019-2020 has been uploaded on the Company's website at www.ownnabar.com and also on the website of the Stock Exchange where the shares of the Company have been listed viz., BSE Limited - www.bseindia.com. The Notice of the 36th AGM may also be accessed by the members from the website of CDSL i.e. evotingindia.com
9. As a part of the green initiatives and for receiving all communication (including Notice and Annual Report) from the Company electronically:
 - A) Members holding shares in physical mode and who have not registered/ updated their email addresses with the Company/ RTA are requested to register/ update the same by writing to the Company/ RTA with details of folio number and attaching a self-attested copy of the PAN Card at oswal_leasing@ownnabar.com or to the Company's RTA at rta@alankit.com.
 - B) Members holding shares in dematerialised mode are requested to register/ update their email addresses with the relevant Depositories.Upon such Registration, all communication from the Company/ RTA will be sent to the registered E-mail address.
10. Members attending the AGM through VC / OAVM shall be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
11. The information about the Director and Manager seeking appointment / re-appointment in the Annual General Meeting as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and Secretarial Standard-2 on General Meetings issued by ICSI is annexed herewith as **Annexure-A**.
12. Members holding shares in physical form are requested to notify change in their address, if any, along with the self-attested copy of address proof i.e., Aadhaar Card / Electricity Bill / Telephone Bill / Driving License / Passport / Bank Passbook particulars to the Company/ Registrar and Transfer Agent of the Company. However, members holding equity shares in dematerialized form may notify the change in their address, if any, to their respective Depository Participants, as the case may be.
13. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in demat form, the nomination form may be filed with the respective DP.
14. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated to all the members who holds securities of the Company in physical form, to furnish to the Company / its Registrar and Transfer Agent (RTA) of the Company M/s Alankit Assignments Limited, (Unit: Oswal Leasing Limited), Alankit House 4E/2, Jhandewalan Extension, New Delhi – 110055, the



details of their valid Permanent Account Number (PAN) and Bank Account details. In this regard, the Members are requested to submit a duly signed letter along with self-attested copy of PAN Card(s) of all the registered Members (including joint holders) along with original cancelled cheque/ a copy of Bank Passbook duly attested by the Bank, not being a date earlier than one month bearing the name of the sole / first holder. Members holding shares in demat form are requested to submit the aforesaid documents to their respective Depository Participant (s).

15. SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 and as per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. However, it is clarified that, members can continue holding shares in physical form. Transfer of shares in demat form will facilitate convenience and ensure safety of transactions for investors.

Members holding shares in physical form are requested to consider converting their holdings in the dematerialised form to eliminate the risk of associated with physical shares. The Members who are desirous to convert their physical holdings into dematerialised form, may contract the Depository Participant of their choice. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s)/ Nominee(s).

16. The Register of Directors and KMP and their shareholding, Register of contracts or arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 and Register of Members as maintained by RTA, respectively will be available electronically for inspection by the members at the AGM.
17. All the documents referred to in the Notice of the Meeting will be available for electronic inspection for Members on all working days (except holiday) between 10:00 AM to 1:00 PM upto the date of Annual General Meeting. Members seeking to inspect such documents can send an E-mail to oswal_leasing@owmnahar.com
18. Members seeking any information with regard to annual accounts at the time of meeting are requested to send their queries to the Company via E-mail to oswal_leasing@owmnahar.com at least seven days before the date of meeting so as to enable the management to keep the relevant information ready.
19. The members / investors may send their complaints/ queries, if any to the Company's RTA at rta@alankit.com or to the Company at oswal_leasing@owmnahar.com
20. Since the 36th AGM being held through VC/OAVM in compliance with the provisions of the Companies Act, 2013 read with MCA circulars and SEBI Circular, the Route Map, Attendance Slip, ballot form and proxy form are not attached to this Notice.
21. **PROCEDURE FOR REMOTE E-VOTING, E-VOTING DURING THE AGM AND ATTENDING THE 36TH AGM THROUGH VC/OAVM:**

THE INSTRUCTIONS FOR MEMBERS ATTENDING THE 36TH AGM OF THE COMPANY THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under



shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN **200819017** of the Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. The Members can join the 36th AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 250 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.
7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request in advance atleast **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at oswal_leasing@owmnahar.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [oswal_leasing @owmnahar.com](mailto:oswal_leasing@owmnahar.com). These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars and SEBI Circular, the Company is providing facility of remote e-voting and through e-voting system to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has engaged the services of Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- i. The remote e-voting period begins on **Wednesday, September 23, 2020 at 09.00 A.M. and ends on**



Friday, September 25, 2020 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e., **Friday, September 18, 2020**, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote again at the meeting venue.
- iii. The shareholders should log on to the e-voting website www.evotingindia.com
- iv. Click on “Shareholders/Members” module.
- v. 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.

OR

 - d. Alternatively, if you are registered for CDSL’s EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. 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
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).



- ix. After entering these details appropriately, click on “SUBMIT” tab.
- x. 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN **200819017** for the relevant **Oswal Leasing Limited** on which you choose to vote.
- xiii. 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.
- xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xviii. If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Shareholders can also cast their vote using CDSLs mobile app “m-Voting available” for android, Apple and Windows based mobiles. The m- Voting app can be downloaded from Google Play Store, App Store and the Windows Phone store respectively. Please follow the instructions as prompted by the mobile app while Remote E-voting on your mobile.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE 36TH AGM ARE AS UNDER:

- 1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting since the Meeting is being held through VC/OAVM.
- 2. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.
- 3. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- 4. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- 5. Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.



PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. **For Physical shareholders-** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company email id at oswal_leasing@owmnahar.com/RTA email id at rta@alankit.com.
2. **For Demat shareholders** - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company email id at oswal_leasing@owmnahar.com /RTA email id at rta@alankit.com.
3. The Company Secretary shall co-ordinate with CDSL and provides the login credentials to the abovementioned shareholders.

xx. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts Linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; oswal_leasing@owmnahar.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

xxi. Members who have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr.Nitin Kunder (022-23058738) or Mr.Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542) or Toll Free No.: 1800-200-5533.

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

xxiii. Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the remote e-voting:



Ms. Palak Narang,
Company Secretary and Compliance Officer
105, Ashoka Estate, 24, Barakhamba Road, New Delhi-110 001
Ph. 011-23722935, E-mail Id: oswal_leasing@owmnahar.com.

22. Other instructions:

- i. Vote on a resolution, once cast, cannot be changed subsequently.
- ii. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cutoff date i.e. **Friday, September 18, 2020.**
- iii. Any person, who acquires shares of the Company and becomes Member of the Company after the Notice is sent and holding shares as on the cut-off date i.e. **Friday, September 18, 2020** may follow the same instructions as mentioned above for e-Voting and remote e-voting.
- iv. The persons who have acquired shares of the Company and become members of the Company after the Notice is sent may send a request to the Company Secretary via e-mail at oswal_leasing@owmnahar.com for a copy of the Annual Report.
- v. The Board of Directors has appointed Sh. Madan Gopal Jindal of M/s. M. G. Jindal & Associates, Practicing Company Secretaries (C.P. No. 2712), as the Scrutinizer to the remote e-voting and e-voting process at the AGM in a fair and transparent manner.
- vi. The Scrutinizer shall immediately after the conclusion of Annual General Meeting start scrutinizing the votes cast at the meeting through e-voting system and the votes cast through remote e-voting and not later than 48 hours from the conclusion of the meeting, submit a Consolidated Scrutinizer's Report of the total votes cast in the favour or against, if any, forthwith to the Chairman or person authorised by the Chairman in writing for counter signature.
- vii. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.owmnahar.com and on the website of CDSL i.e. www.evotingindia.com. The results shall simultaneously be communicated to the BSE Limited where the shares of the Company are listed for placing the same in their website at www.bseindia.com.
- viii. A person who is not a Member as on the cutoff date i.e. **Friday, September 18, 2020** should treat this Notice for information purposes only.
- ix. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the 36th Annual General Meeting i.e. **September 26, 2020.**

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 3

The Board of Directors in its meeting held on July 31, 2020 on the recommendation of the Nomination and Remuneration Committee appointed Ms. Harasees Kaur as Manager Cum Chief Financial Officer (Key Managerial Personnel) of the Company for a period of 3 (three) consecutive years w.e.f. August 01, 2020.

Ms. Harasees Kaur, aged 24 years. She holds Bachelor's Degree in Commerce and Master of Business Administration from Panjab University, Chandigarh. She is having experience in the field of Management and Finance. She has worked with Oswal Woollen Mills Limited as a Management Trainee for 1 year.



Further, the Board has also proposed to pay the remuneration as specified in the abovesaid special resolution, in the case of no profit or inadequate profit of Company in any financial year during the currency of tenure of her appointment commencing from August 01, 2020, which is subject to the approval of Members.

Relevant details relating to appointment of Ms. Harasees Kaur as required by the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standard-2 on General Meetings are provided as an “**Annexure A**” to this Notice.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives except Ms. Harasees Kaur, are in any way concerned or interested, financially or otherwise, in the proposed resolution as set out at Item No. 3 of the notice with regard to her appointment.

The Board of Directors recommends the Special Resolution set out at Item No. 3 of the accompanying Notice for approval by the Members.

Statement as required under Section II of the Part II of the Schedule V of the Companies Act, 2013 with reference to the Special Resolution set out at Item No. 3 of the Notice.

I. General Information:

- 1. Nature of industry:** Oswal Leasing Limited ('Company') is mainly engaged in the business of financing and investment activities.
- 2. Date or expected date of commencement of commercial production:** The Company was incorporated in 1983 and is working since then.
- 3. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- 4. Financial performance based on given Indicators:**

(Amount in Rs.)

Particulars	For the Year ended 31.03.2020	For the Year ended 31.03.2019
Total Revenue	1,706,936	7,358,685
Profit/(Loss) before Tax	53,756	1,048,152
Profit/(Loss) after Tax	40,056	795,892

- 5. Foreign investment or collaborators, if any:** Nil

II. Information about the appointee:

- 1. Background details:** Ms. Harasees Kaur, aged 24 years. She holds Bachelor's Degree in Commerce and Master of Business Administration from Panjab University, Chandigarh. She is having experience in the field of Management and Finance. She has worked with Oswal Woollen Mills Limited as a Management Trainee for 1 year.
- 2. Past remuneration:** N.A.
- 3. Recognition or awards:** Nil
- 4. Job profile and suitability:** Ms. Harasees Kaur is overall responsible for operations of the Company under the supervision of the Board of Directors. Seeing her leadership qualities, the Board appointed her as Manager of the Company w.e.f. August 01, 2020.



5. **Remuneration proposed:** The remuneration is as described in Special Resolution at Item No. 3 of the Notice and in case of no profit or inadequate profit in any Financial Year during the currency of tenure of her appointment commencing from August 01, 2020, the remuneration as proposed in the said Special Resolution, shall be governed by the limits prescribed under Schedule V of the Companies Act, 2013.
6. **Comparative remuneration profile with respect to industry size of the Company, profile of the position and person (in expatriates, the relevant details would be w.r.t. the country of origin):** Considering the size of the Company, the profile of Ms. Harasees Kaur, the responsibilities shouldered by her, the remuneration proposed to be paid to her, commensurate with the remuneration packages paid to persons appointed at similar level in other companies.
7. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:** Ms. Harasees Kaur, has no pecuniary relationship directly or indirectly with the Company other than the remuneration drawn in the capacity of Manager cum Chief Financial Officer of the Company.

III. Other Information:

1. **Reasons for loss or inadequate profits:** Presently, the Company does not have any reason for inadequate profits for the purpose of payment of Remuneration. However, because of economic situations the profitability of the Company may vary up and down. Thus the proposed resolution is to take the approval for minimum remuneration to Manager.
2. **Steps taken or proposed to be taken for improvement:** Not applicable.
3. **Expected increase in productivity and profits in measurable terms:** The Company is expecting the normal increase in productivity and profits.

**By Order of the Board of Directors
For Oswal Leasing Limited**

**Place: New Delhi
Date : 31.07.2020**

**(Palak Narang)
Company Secretary**



ANNEXURE-A

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings regarding Director and Manager seeking appointment/re-appointment as set out in this notice furnished below:

Particulars	Retire by Rotation	Appointment
Name	Sh. Kamal Oswal (DIN: 00493213)	Ms. Harasees Kaur
Designation	Chairman and Director	Manager Cum Chief Financial Officer
Date of Birth and Age	22/09/1962 57 years	06/05/1996 24 years
Qualification	B.Com.	B.Com and MBA
Experience	Having business experience of more than 38 years in the industry	Experience of 1 year in the field of Management and Finance.
Date of Appointment	12/08/1983	01/08/2020
Terms of Appointment	Liable to retire by rotation	3 years w.e.f. August 01, 2020
Remuneration for the Financial Year 2019-2020	Rs. 10,000/- (Rupees Ten Thousand only)(Sitting Fee)	N.A.
No. of Equity Shares held in the Company	1	Nil
No. of Meetings of the Board attended during the year	4 out of 5	Nil
Disclosure of Relationship:	Brother of Smt. Monica Oswal	None
List of Directorships of other Board	1. Nahar Industrial Enterprises Limited 2. Nahar Spinning Mills Limited 3. Nahar Poly Films Limited 4. Nahar Capital and Financial Services Limited 5. Oswal Woollen Mills Limited 6. Nahar Industrial Infrastructure Corporation Limited 7. Cotton County Retail Limited 8. Sankheshwar Holding Company Limited 9. Vardhman Investments Ltd 10. Abhilash Growth Fund Private Limited 11. Nahar Growth Fund Private Limited	Nil
List of Memberships/ Chairmanships of Committees of other Board	1. Nahar Industrial Enterprises Ltd. Stakeholder Relationship Committee - Member Corporate Social Responsibility Committee - Chairman 2. Cotton County Retail Ltd. Nomination and Remuneration Committee - Chairman 3. Abhilash Growth Fund Private Limited Corporate Social Responsibility Committee - Member	Nil

**By Order of the Board of Directors
For Oswal Leasing Limited**

Place: New Delhi
Date : 31.07.2020

(Palak Narang)
Company Secretary



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty Sixth (36th) Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended March 31, 2020. Your Company is a Non-Banking Financial Company (Non- public deposit taking company) and registered under Reserve Bank of India ("RBI") vide registration number 14.00489 dated March 19, 1998.

FINANCIAL PERFORMANCE:

A summary of the Company's Financial Performance for the Financial Year 2019-2020 is as under:

(Amount in Rs.)

PARTICULARS	Financial year ended on March 31, 2020	Financial year ended on March 31, 2019
Revenue from operations	1,706,936	1,634,772
Other Income	-	5,723,913
Total income	1,706,936	7,358,685
Profit before tax	53,756	1,048,152
Less: Tax- Current Tax	13,700	252,260
Profit after tax	40,056	795,892
Other Comprehensive Income	630,063	207,228
Total Comprehensive Income	670,119	1,003,121

INDIAN ACCOUNTING STANDARDS:

As per the road map notified by the Ministry of Corporate Affairs (MCA), the Company has adopted Indian Accounting Standards (Ind-AS) w.e.f. financial year 2019-2020 and accordingly, the transition date is 1st April, 2018. The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs (MCA) under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and applicable guidelines issued by the Reserve Bank of India (RBI). The financial statements have been prepared in accordance with the format prescribed for a Non-Banking Financial Company (NBFC) in compliance of the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification No. GSR 1022 (E) dated October 11, 2018, issued by the Ministry of Corporate Affairs. The Reconciliation and the effect of the transition as per GAAP vis a vis Ind AS has been provided in Note No. 30 of notes to the Financial Statements.

IMPACT OF COVID-19 OUTBREAK:

The Company had temporarily closed its office from March 23, 2020 to prevent the spread of Novel Coronavirus ("Covid-19"). The Company post receipt of approval from concerned authorities in the NCT of Delhi and subject to fulfillment of certain conditions has opened its office in May, 2020, in-line with the Government's safety and security norms from Covid-19. The Company has taken various measures to take care of the livelihoods of its employees and their safety and security. The steps include providing masks, hand sanitizers, disinfectants, conducting regular temperature checks and being very vigilant on employees and essential visitors at our office.



The COVID-19 pandemic followed by the nation-wide lockdown announced by the Government has significantly impacted the Social and Economic activity and also fall in valuation of securities in stock markets but Stock Exchange and other Financial Markets remain operational and in compliance with the lockdown instructions issued by the Centre and State Governments, the Company has adjusted its investment/financial activity in digital mode as permitted. The Company is mainly doing the Business with long term perspective and hence temporary volatility in the financial markets will have little impact.

FINANCIAL PERFORMANCE REVIEW AND STATE OF COMPANY AFFAIRS:

We would like to inform you that the Company's activities can be classified under one segment namely; Investment/Financial Activities. The Interest income earned during the year was Rs.1,706,936/- (Previous Year Rs.1,579,772/-). The dividend income earned during the year was Rs. Nil (Previous Year Rs. 55,000/-). The profit of the Company before tax is Rs. 53,756/- out of which Rs.13,700/- has been provided towards tax liability of the Company. The Net Profit for the year stood at Rs. 40,056/- as compared to Net Profit of Rs. 795,892/- reported in the Previous Year.

TRANSFER TO RESERVE:

During the year under review, the Company has not transferred any amount to the General Reserve. The General Reserve of the Company stood at Rs. 235,625/- as at 31.03.2020 and a sum of Rs. 9,000/- has been appropriated towards Statutory Reserve Account in compliance to Section 45 IC of the Reserve Bank of India Act and the balance amount of Rs.13,042,728/- is carried over to the Balance Sheet.

DIVIDEND:

During the year under review, your directors do not recommend dividend due to conservation of profits and continued investment in the business.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

CHANGE IN THE NATURE OF BUSINESS:-

During the year under review, there was no change in the nature of the business of the Company.

SHARE CAPITAL:

The paid up Equity Share Capital as at March 31, 2020 stood at Rs. 5,000,000/-. During the year under review, there was no change in the Company's Issued, Subscribed and Paid-up Equity Share Capital. The Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2020, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

REPORTING OF FRAUDS:

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors presently consists of 5 (Five) Directors i.e. 3 (Three) Non-Executive Directors and 2 (Two) Non-Executive Independent Directors.

Woman Director:

In terms of the provisions of Section 149 of the Companies Act, 2013, your Company has Smt. Monica Oswal as Woman Director on the Board.



Retirement by Rotation:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Sh. Kamal Oswal (DIN: 00493213), Director of the Company, shall retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment, on the same terms and conditions on which he was appointed/ re-appointed.

In compliance with Regulation 36(3) of Listing Regulations and Secretarial Standards information about the Director proposed to be appointed / re-appointed is attached along with the Notice calling the ensuing Annual General Meeting.

Statement of Declaration from Independent Directors:

In terms of Section 149(7) of the Companies Act, 2013, the Company has received necessary declaration from all the Independent Directors of the Company. All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

Key Managerial Personnel:

The following persons are the Key Managerial Personnel (KMP's) as on March 31, 2020 in accordance with the provision of Section 203 of Companies Act, 2013 and rules made there under:

Names of KMP's	Designation
Ms. Surbhi Arora ¹	Manager Cum Chief Financial Officer
Ms. Palak Narang ²	Company Secretary

1. Ms. Surbhi Arora has been appointed as Manager Cum Chief Financial Officer w.e.f. April 25, 2019 in the Board Meeting held on April 25, 2019 for a term of 3 consecutive years subject to the approval of members and members of the Company at their 35th Annual General Meeting held on September 30, 2019 had approved the appointment of Ms. Surbhi Arora as Manager of the Company. Ms. Surbhi Arora has resigned from the post of Manager Cum Chief Financial Officer with effect from July 31, 2020 and in her place Ms. Harasees Kaur is appointed by the Board of Directors as Manager Cum Chief Financial Officer of the Company with effect from August 01, 2020 in the Board Meeting held on July 31, 2020 for a term of 3 consecutive years subject to the approval of members. Accordingly, she is proposed to be appointed as Manager of the Company in the ensuing Annual General Meeting of the Company by way of Special Resolution.

In compliance with Regulation 36(3) of Listing Regulations and Secretarial Standards information about the Manager proposed to be appointed / re-appointed is attached along with the Notice calling the ensuing Annual General Meeting.

2. Ms. Palak Narang has been appointed as Company Secretary and Compliance Officer of the Company w.e.f. April 25, 2019 in the Board Meeting held on April 25, 2019.

NUMBER OF BOARD MEETINGS HELD:

The Board meets at regular intervals to discuss and decide on policy and strategy apart from other business discussions. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) through circulation, as permitted by law, which is confirmed in the subsequent Board Meeting.



During the year under review, the Board of Directors duly met on Five (5) occasions viz. April 25, 2019; May 29, 2019; August 12, 2019; November 11, 2019 and February 11, 2020 in respect of which proper notices were given and the proceedings were properly recorded. The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

COMMITTEES OF THE BOARD:

The Board has constituted the following committees in compliance with the Companies Act, 2013:

1. AUDIT COMMITTEE

The Audit Committee of the Company consists of Sh. Vijay Kumar Gupta as Chairman, Sh. Navdeep Sharma and Smt. Monica Oswal as Members. The Composition and Terms of Reference of the Audit Committee are in line with Section 177 of the Companies Act, 2013 and rules made thereunder.

During the year under review, the Audit Committee met on four (4) occasions viz. May 29, 2019; August 12, 2019; November 11, 2019 and February 11, 2020 to deliberate on various matters. The members of the Committee are the persons with ability to read, understand the Financial Statement. Not more than 120 days lapsed between any two consecutive meetings of the Audit Committee during the year. There have been no instances, where the Board has not accepted any recommendation of the Committee. The necessary quorum was present at all the Meetings.

2. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company consists of Sh. Navdeep Sharma as Chairman, Sh. Vijay Kumar Gupta and Smt. Monica Oswal as Members. The Composition and Terms of Reference of the Stakeholders Relationship Committee are in line with Section 178 of the Companies Act, 2013 and rules made thereunder.

During the year under review, the Stakeholders Relationship Committee met on four (4) occasions viz. May 29, 2019; August 12, 2019; November 11, 2019 and February 11, 2020. The members of the Committee are effectively address shareholders grievances. The necessary quorum was present at all the meetings. No complaints remained unattended/ pending for more than thirty days. The Company has no share transfers/ transmission pending as on 31st March, 2020. Further, no shareholders complaint/ grievance were received under 'SCORES' during the Financial Year 2019-2020.

3. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company consists of Sh. Navdeep Sharma as Chairman, Sh. Vijay Kumar Gupta and Smt. Monica Oswal as Members. The Composition and Terms of Reference of the Nomination and Remuneration Committee are in line with Section 178 of the Companies Act, 2013 and rules made thereunder.

During the year under review, the Nomination and Remuneration Committee met on two (2) occasions viz. April 25, 2019 and August 12, 2019. The necessary quorum was present at all the meetings.

Apart from the aforesaid Committees of the Board, the Board has constituted Share Transfer Committee to expedite and streamline the process of transfer/ transmission/ Dematerialization/ Re-materialization of Equity Shares. The Share Transfer Committee of the Company consists of Sh. Navdeep Sharma as Chairman, Sh. Vijay Kumar Gupta and Smt. Monica Oswal as Members.

During the year under review, the Share Transfer Committee met on four (4) occasions viz. May 29, 2019; August 12, 2019; November 11, 2019 and February 11, 2020. The necessary quorum was present at all the meetings.



The Company also obtains a Certificate of Compliance with the share transfer formalities from a Practicing Company Secretary as required under Regulation 40(9) of Listing Regulations and has submitted a copy of the said certificate with the Stock Exchange on half yearly basis.

Attendance Details of Board and Committee Meetings held during the Financial Year ended March 31, 2020:

The details of meetings attended by the Members of Board as well as Committees are as follows:

Name of Directors	Category	No. of Board Meetings attended	No. of Committee Meetings Attended			
			Audit	Stake-holders Relation-ship	Nomination and Remune-ration	Share Transfer
Sh. Kamal Oswal	Chairman & Director	4 out of 5	-	-	-	-
Sh. Dinesh Gogna	Director	4 out of 5	-	-	-	-
Smt. Monica Oswal	Director	5 out of 5	4 out of 4	4 out of 4	2 out of 2	4 out of 4
Sh. Vijay Kumar Gupta	Independent Director	5 out of 5	4 out of 4	4 out of 4	2 out of 2	4 out of 4
Sh. Navdeep Sharma	Independent Director	5 out of 5	4 out of 4	4 out of 4	2 out of 2	4 out of 4

ANNUAL RETURN:

The Extract of Annual Return of the Company, pursuant to sub-section 3 (a) of Section 134 and the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2019-20 in the Form MGT-9 has been uploaded on Company's website and the web link for the same is http://www.ownnagar.com/leasing_ltd/pdf/Extract_of_Annual_Return_MGT-9_2019-2020.pdf as the requirement of attaching the extract of Annual Return with Board's Report has been done away by Section 36 of Companies (Amendment) Act, 2017 notified by Ministry of Corporate Affairs, New Delhi, vide its Notification dated 31 July, 2018.

SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS BY THE COMPANY:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements forming a part of this Annual Report. The Company being a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, thus the provisions of Section 186 (except Sub Section 1) of the Companies Act, 2013 in respect of lending and investment activities, are not applicable to the Company.

PARTICULARS OF CONTRACTS AND ARRANGEMENT MADE WITH RELATED PARTIES:

During the year under review, No Related Party transactions entered into with Group Companies/ Related Parties as per given at Note No. 26 to the Financial Statements. No any contract or arrangement was entered into with the Related Parties as per Section 188(1) of the Companies Act, 2013 during the financial



year ended March 31, 2020. Thus, the requirement for disclosure as required under Section 134(3)(n) of the Companies Act, 2013 for particulars of contracts or arrangement with related parties referred to in Section 188(1) is not applicable to the Company. We would like to inform you that during the year, no material related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company in accordance with Section 177 (9) of the Companies Act, 2013 has established a Vigil Mechanism/Whistle Blower Policy to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of Company's code of conduct or grievances & to provide adequate safeguards against victimization of persons who may use such mechanism. The mechanism provides for direct access to the Chairman of the Audit Committee in exceptional circumstances. The Audit Committee reviews and ensures the adequacy of the system laid down by the Company for the said purpose and no concern was reported during the financial year ended March 31, 2020. The Vigil Mechanism/Whistle Blower Policy is posted on the website of the Company and the web link for the same is http://www.ownahar.com/leasing_ltd/pdf/Vigil-Mechanism_Whistle-Blower-Policy.pdf

NOMINATION AND REMUNERATION POLICY:

The Nomination and Remuneration Committee recommends to the Board, the Company's policy on Directors', Key Managerial Personnel and Senior Management appointment and remuneration including criteria for determining qualifications, positive attributes, independence of director and other matters as per Section 178(3) of the Companies Act, 2013. The Nomination and Remuneration Policy is available on the Company's website and the web link for the same is http://www.ownahar.com/leasing_ltd/pdf/Nomination-and-Remuneration-Policy.pdf

POLICY FOR PRESERVATION OF DOCUMENTS:

In accordance with regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has adopted a policy for preservation of documents and the same is also available on the Company's website and the web link for the same is http://www.ownahar.com/leasing_ltd/pdf/Policy-on-Preservation-of-Documents.pdf

POLICY FOR DETERMINATION OF MATERIALITY OF THE DISCLOSURE OF EVENTS & INFORMATION:

In accordance with regulation 30 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a policy has been adopted regarding disclosures of any events or information which, in the opinion of the board of directors is material and the same is also available on the Company's website and the web link for the same is http://www.ownahar.com/leasing_ltd/pdf/Policy-for-Determination-of-Materiality-of-Events-or-Information.pdf

ARCHIVAL POLICY:

In accordance with regulation 30 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 an archival policy has been adopted by the Board. The Archival Policy is available on the Company's website and the web link for the same is http://www.ownahar.com/leasing_ltd/pdf/Policy-on-Archival-of-Documents.pdf

OTHER POLICIES:

Your Company has also framed the Policies (i) the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and (ii) the Code of Conduct as required under SEBI (Prohibition of



Insider Trading) Regulations, 2015 and the same is available on the website of Company at www.ownmahar.com.

FORMAL ANNUAL/BOARD EVALUATION:

Pursuant to the Section 134(3) of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, performance of its Committees as well as directors individually. Further, the Independent Directors of the Company met once during the year on February 11, 2020 to review the performance of the Non-Independent Directors, Chairman of the Company and performance of the Board as a whole, review the performance of the Chairperson of the Company taking into account the views of non-executive directors, Composition of Board / Committees, Quality and timely flow of information that is necessary for the Board to effectively and reasonable perform their duties, frequency of meetings, and level of participation in discussions were some of the parameters considered during the evaluation process and to take note of amendments and legal updates related to independent directors.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company is maintaining an efficient and effective system of Internal Financial Control for the facilitation of speedy and accurate compilation of financial statements. The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations and procedures. Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has also appointed M/s. Raj Gupta & Co., Chartered Accountants as an Internal Auditor of the Company. The Company has in place adequate internal financial control systems with reference to the Financial Statements. The Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. During the year, Company's Internal Controls were tested and no reportable weakness in the system was observed.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is not covered under the purview of the requirements of Section 135 of the Companies Act, 2013 and the rules made thereon. Hence it is not applicable to the Company.

BUSINESS RISK MANAGEMENT:

The Company is mainly engaged in the business of financing and investment activities, its main sources of income is interest income on loans and advances and dividend/income receivable on investments in Equity Shares/Debentures/Bonds made and held by it in other companies. The financial business is always prone to risks of capital market fluctuations and economic cycle. Your management at regular intervals evaluates various risks faced by the Company which could affect its business operations or threaten its existence. Major risks identified by the businesses and functions from time to time are systematically addressed through mitigating actions on a continuing basis.

MATERIAL CHANGES OR COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY:

There were no material changes or commitments, affecting the financial position of the company which have occurred between the end of Financial Year March 31, 2020 and the date of this report.

PUBLIC DEPOSIT:

The Company is registered as Non-deposit taking Non-Banking Financial Company with RBI. The Company has not accepted any Public Deposit within the meaning of Section 73 of the Companies Act, 2013 and the Rules made there under. There is no outstanding/unclaimed deposit from the public. However, the information as required under Rule 8 of the Companies (Accounts) Rules, 2014 is given hereunder:-



- (i) Deposits accepted during the year: Nil
- (ii) Deposits remained unpaid or unclaimed as at the end of the year: Nil
- (iii) Default in repayment of deposits and deposits which are not in compliance with the Requirements of Chapter V of the Companies Act, 2013: N.A

DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- a) That in the preparation of the annual accounts for the year ended on March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the company for that period;
- c) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) That the directors have prepared the annual accounts on a going concern basis;
- e) That the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively and
- f) That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

The Company has zero tolerance for sexual harassment for women at workplace and has adopted a policy against sexual harassment in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2019-2020, the Company has not received any complaint on sexual harassment and hence no complaint remains pending as of March 31, 2020.

CORPORATE GOVERNANCE:

Pursuant to provisions of Regulation 15(2) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the compliance with the Corporate Governance provisions as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not be applicable to the Company as the paid up equity share capital of the Company is Rs. 50,00,000/- (Rupees Fifty Lakhs) and net worth of the Company is Rs. 2,78,49,892/- (Rupees Two Crores Seventy Eight Lakhs Forty Nine Thousand Eight Hundred and Ninety Two) as on the last day of the previous financial year i.e. March 31, 2020 which is not exceeding Rs. 10 Crores and Rs. 25 Crores, respectively as per the latest audited Financial Statements as at March 31, 2020.

Whenever this regulation becomes applicable to the company at a later date, the Company shall comply with requirements of this regulation within six months from the date on which such provisions became applicable to the Company.



AUDITORS AND THEIR REPORT:

(a) STATUTORY AUDITORS

We would like to inform you that in compliance with the provisions of Section 139 of Companies Act, 2013, M/s Ashish Sunil Jain & Co., Chartered Accountants, Ludhiana (Firm Registration No. 025047N) having their Office at 4th Floor, Nego Complex, Opp. Green Florists, Pakhowal Road, Gurdev Nagar, Ludhiana-141002, were appointed as Statutory Auditors of the Company in the 35th Annual General Meeting to hold office for a term of five consecutive years from the conclusion of the 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the year 2024.

The Statutory Auditors of the Company have submitted the Auditor's Report on the Financial Statements of the Company for the Financial Year ended March 31, 2020. The Auditor's Report is self-explanatory and requires no comments. Further, there are no adverse remarks or qualification in the Report that calls for Board's explanation. During the year under review, there were no frauds reported by Auditors under Section 143(12) of Companies Act, 2013.

(b) SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s M.G. Jindal & Associates, Company Secretaries in Practice (C.P. No. 2712) to undertake the Secretarial Audit of the Company for the financial year 2020-2021. M/s M.G. Jindal & Associates, Practicing Company Secretaries have carried out the Secretarial Audit for the financial year ended March 31, 2020.

There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in his Report for the year under review and therefore, does not call for any further comments. During the year under review, the Company has appointed Qualified Company Secretary as Compliance Officer w.e.f. April 25, 2019 on a regular roll and the Company could not appoint Company Secretary before the aforesaid date, because of non –availability of suitable candidate. In this regard, the Company paid fine of Rs. 2,43,080/- imposed by the BSE Limited, Stock Exchange for non-appointment of Qualified Company Secretary as Compliance Officer as per Regulation 6(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report in the Form No. MR-3 which is annexed herewith as **Annexure 1** and forms an integral part of this report.

(c) INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of Directors of the Company has appointed M/s. Raj Gupta & Co., Chartered Accountants to conduct the internal audit of the Company for the financial year 2020-2021. M/s. Raj Gupta & Co., Chartered Accountants performs the duties of internal auditors of the Company and their report is reviewed by the audit committee.

MAINTENANCE OF COST RECORDS AND COST AUDIT:

The maintenance of Cost Records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company as such the Cost Audit is also not applicable to the Company as the Company is a Non-Banking Financial Company.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES AND HOLDING COMPANIES:

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



on March 31, 2020.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There is no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

DISCLOSURE OF REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY:

The information required pursuant to the provisions of Section 197 (12) read with rule 5 (1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as **Annexure- 2** and forms part of this report.

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

Particulars with respect to the Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, are not applicable, as the Company is a Non-Banking Financial Company. Hence, no disclosure is required.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report as required under Regulation 34(3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report.

GREEN INITIATIVE:

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies. Further, as per the provisions of Companies Act, 2013, the Company may send financial statements and other documents by electronic mode to its members. Your Company has decided to join the MCA in its environmental friendly initiative. Accordingly, henceforth Company propose to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at oswal_leasing@owmnahar.com. We solicit your valuable co-operation and support in our endeavor to contribute our bit to the environment.

LISTING OF SECURITIES, LISTING FEES AND ANNUAL CUSTODY FEES:

The Securities of the Company are listed on BSE Limited (Scrip Code: 509099), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. The Company has paid the listing fee to the BSE Limited for the financial year 2020-2021. The Company has also made the payment of Annual Custody fee to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2020-2021.

DEMATERIALISATION OF SECURITIES:

Your Company has already established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate the holding and trading of securities in electronic form. The shareholders, who have not gone in for dematerialization of shares till date, are requested to opt for dematerialization of the shares at the earliest.

As per notification issued by the Securities and Exchange Board of India (SEBI), with effect from June 08,



2018 and further amended on November 30, 2018, the shares of the Company can be transferred only in dematerialized form. Members are advised to dematerialized share(s) in the Company to facilitate transfer of share(s). The ISIN of the company is INE811Q01018. Accordingly all the shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of Share Transfer, Demat/Rematand Change of Address etc. to our Registrar and Share Transfer Agent at below mentioned address:

M/s Alankit Assignments Limited (Unit: Oswal Leasing Limited)
Alankit House, 4E/2, Jhandewalan Extension, New Delhi – 110055
Email Address: rta@alankit.com
Website: www.alankit.com

In case of any query/complaint remains unresolved with our Registrar and Share Transfer Agent of the Company please write to Company Secretary at the registered office of the Company.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT :

- (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil
- (c) number of shareholders to whom shares were transferred from suspense account during the year: Nil
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The Industrial Relations remained cordial throughout the year. A detailed section on Human Resources/Industrial Relations is provided in the Management Discussion and Analysis Report, which forms part of this Annual Report.

ACKNOWLEDGEMENT:

The Board of Directors of the Company wish to place on record their sincere thanks to the shareholders for their co-operation, faith and confidence in the management of the Company. The Company's endeavor would be to merit the confidence reposed in it by its stake holders. Your Board acknowledges support and cooperation received from all the regulatory authorities of the Central Government and State Government respectively. It also express its sincere appreciation of the employees at all levels for being encouraged to meet several challenges encountered and look forward to their valuable support and commitment in the times ahead.

**For and on behalf of the Board
For Oswal Leasing Limited**

**Place : New Delhi
Date : 31.07.2020**

**(Vijay Kumar Gupta)
Director
DIN: 00506399**

**(Navdeep Sharma)
Director
DIN: 00454285**



ANNEXURE-1 TO THE DIRECTORS' REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
Oswal Leasing Limited
(CIN: L65910DL1983PLC016036)
105, Ashoka Estate, 24, Barakhamba
Road, New Delhi- 110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Oswal Leasing Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ 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 covering the financial year ended on 31st March, 2020 ('Audit Period') 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 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made there under were not attracted during the audit period as there was no instance of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings as informed to us.

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)



Regulations, 2018;

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - (i) SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015.
- vi) Reserve Bank of India Act, 1934 and Guidelines made there under. The Company is registered with Reserve Bank of India as a Non-Banking Financial Company (Non - Deposit taking Non-Systematically Important) vide Registration number: 14.00489. Further regarding compliance to Para 84 of Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016, the management of the Company explained that this Para 84 of master direction is not applicable to the Company as the Company had given the loan & advances only to its group companies and does not have any customer interface.

We have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with BSE Limited, read with SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015. The Company has paid a fine of Rs. 2,43,080/- during the audit period, as imposed by the BSE Limited, Stock Exchange for non-appointment of Qualified Company Secretary as Compliance Officer as per Regulation 6(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has appointed a Qualified Company Secretary as the Compliance Officer of the Company pursuant to Regulation 6(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.e.f. 25.04.2019.

During the period under review the Company has generally 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 Non-Executive and Independent Directors. The changes in the composition of the Board of Directors/ KMP that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with



the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: New Delhi
Dated: 31.07.2020

For M.G. Jindal & Associates
Company Secretaries

Sd/-
(Madan Gopal Jindal)
Company Secretary in whole time practice
M. No.: 2725
C.P. No.: 2712
UDIN: F002725B000539272

NOTE:- This report is to be read with our letter of even date which is annexed as “ANNEXURE-A” and forms an integral part of this report.

“ANNEXURE-A”

To,
The Members,
Oswal Leasing Limited
(CIN: L65910DL1983PLC016036)
105, Ashoka Estate, 24, Barakhamba
Road, New Delhi- 110001

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

1. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
3. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
4. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: New Delhi
Dated: 31.07.2020

For M.G. Jindal & Associates
Company Secretaries

Sd/-
(Madan Gopal Jindal)
Company Secretary in whole time practice
M. No.: 2725
C.P. No.: 2712
UDIN: F002725B000539272



ANNEXURE-2 TO THE DIRECTORS' REPORT

Disclosure in the Boards' Report under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager during the Financial Year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-2020.

Sr. No.	Name & Designation of Director/KMP	Remuneration for F.Y. 2019-2020 (in Rs.)	% age increase in remuneration in the F.Y. 2019-2020	Ratio of Remuneration of each director to median remuneration of employees
1.	Sh. Kamal Oswal Chairman & Non-Executive Director	10,000/-	\$	0.03
2.	Sh. Dinesh Gogna Non-Executive Director	10,000/-	\$	0.03
3.	Smt. Monica Oswal Non-Executive Director	12,500/-	\$	0.04
4.	Sh. Vijay Kumar Gupta Independent Director	12,500/-	\$	0.04
5.	Sh. Navdeep Sharma Independent Director	12,500/-	\$	0.04
6.	Ms. Surbhi Arora Manager Cum Chief Financial Officer	204,000/-	@	0.68
7.	Ms. Palak Narang Company Secretary	393,167/-	@	1.32

\$ Details not given as the sitting fees has remained constant at Rs. 2,500/- per Board Meeting.

@ Not Applicable as both Ms. Surbhi Arora and Ms. Palak Narang were appointed during the year under review.

- The median remuneration of employees of the Company during the financial year was Rs. 298,583.50.
- In the financial year, there was no any increase of percentage in the median remuneration of employees.
- There were 2 permanent employees on the rolls of Company as on March 31, 2020.
- There was no average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year 2019-2020 and there was no percentile increase in the managerial remuneration.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.



Details of Top ten employees of the Company in terms of salary drawn as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name & Designation	Remuneration Received (in Rs.)	Nature of Employment	Qualification and Experience	Date of commencement of employment	Age (in years)	Last employment held	% age of equity shares held	Whether relative of any director or manager
1.	Ms. Palak Narang (Company Secretary)	393,167/-	Full-time	B.Com and Company Secretary 4 years	25.04.2019	26	Himachal Fibres Limited	Nil	No
2.	Ms. Surbhi Arora (Manager Cum Chief Financial Officer)	204,000/-	Full-time	B.Com and M. Com (B.E.) 1 year	25.04.2019	24	-	Nil	No

Note:

1. The above information is as on 31-03-2020.
2. During the Financial Year 2019-2020, there was no employee who, if employed throughout the financial year, was in receipt of remuneration in the aggregate, not less than one crore and two lakh rupees.
3. During the Financial Year 2019-2020, there was no employee who, if employed for a part of the financial year, was in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand Rupees per month.
4. During the Financial Year 2019-2020, there was no employee who, if employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

**For and on behalf of the Board
For Oswal Leasing Limited**

**Place : New Delhi
Date : 31.07.2020**

**(Vijay Kumar Gupta)
Director
DIN: 00506399**

**(Navdeep Sharma)
Director
DIN: 00454285**



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW:

The financial year 2019-20 began with formation of new government, which took a strong stance on economic development, with the aspiration to reach a \$5 trillion economy by 2024. The Economic Survey published in July 2019 with the theme of wealth creation, pro-business policies and corporate tax rate cuts of September 2019 were in line with the aspirations. At the end of August 2019, the Ministry of Finance announced that 10 Public Sector Banks were to be merged into 4. Meanwhile, RBI systematically reduced the repo policy rates over the course of the year, from 6.25% at the end of FY19 to 4.40% at the end of FY20. Despite these interventions, FY20 showed a slowdown in growth from the previous year. Implied real GDP growth was estimated at 5% down from FY19 figure of 6.1%.

THE COVID-19 OUTBREAK:

In March 2020, World Health Organization (WHO) had declared the outbreak of Novel Coronavirus “COVID-19” as a pandemic. The COVID-19 pandemic has caused a huge disruption creating an unprecedented impact on the financial well-being of nations, corporations and individuals. The COVID-19 pandemic followed by the nation-wide lockdown announced by the Government of India has significantly impacted businesses around the globe. Many companies in India temporarily suspended or significantly reduced operations. This has resulted in a sudden fall in the valuation of securities traded in the bourses. *The impact of COVID-19 outbreak on the Company's business has already been discussed in the Directors' Report hence the same is not mentioned here for the sake of brevity.*

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Non-Banking Financial Institutions (NBFI)s are an important alternative channel of finance in India's bank dominated financial sector. NBFCs supplement banks by providing the infrastructure to allocate surplus resources to individuals and companies. Additionally, NBFCs also introduces competition in the provision of financial services. While banks may offer a set of financial services as a packed deal, NBFCs unbundle and tailor these services to meet the needs of specific clients. NBFCs provide multiple alternatives to transform an economy's savings into capital investment.

Recent developments in the Non-Banking Financial Companies (NBFC) sector have brought the sector under greater market discipline. India has a lot of un-banked and under banked consumers and businesses. Hence, there is a lot of potential for NBFCs to tap that area. The NBFCs are being recognized as being vital for economic growth.

Pursuant to RBI's regulatory framework, your Company is a “Non- Banking Financial Company Non-Systemically Important (Non- public deposit taking company) (NBFCs-ND-NSI) registered under Reserve Bank of India (“RBI”) vide registration number 14.00489 dated March 19, 1998 and involved in the activities of Investment in shares as well as financing activities.

OPPORTUNITIES AND THREATS:

During the financial year 2019-2020, your Company changed the pattern of allocation of funds. Company also increased lending to known Business associates and Group Companies for safety and higher returns. Company is hopeful that revised allocation will help in better Asset Portfolio Management to get the better returns with safety.

Your Company foresees and is cautious of all the economic and financial threats while making new



investments and also aware of the fact that change in Government policies and rate of interest revisions will affect the valuation of investments made by Company.

FUTURE OUTLOOK:

The Government of India announced the “Atma Nirbhar Bharat Abhiyan” so as to revive every sphere of the economy from demand, supply to manufacturing, and make India self-reliant to sustain and tackle any Black Swan event in the future. The Indian government’s decision to remove most of the restrictions has provided much-needed relief to businesses, large and small. Despite this, the demand scenario is expected to remain weak for most of the current financial year but it could make a comeback in forthcoming years. The resumption of normal economic activity will drive much of the growth. As soon as the business activities normalize, we may see implementation of pending capital investments.

The Company also intends to continue focusing on diversifying its business into new avenues of Investment/financial deals with lower risk to earn reasonable returns and making its best efforts to utilize the available opportunities with caution and emerge as fully Integrated Financial Company.

RISK AND CONCERNS:

As a NBFC, the Company is exposed to market risk, global risk, regulatory risk, credit risk, liquidity risk, competition risk and interest rate risk etc. which can affect the return on investments and financial business in unexpected way. Sustained efforts to strengthen the risk framework and portfolio quality have yielded consistently better outcomes for the Company.

FINANCIAL/OPERATIONAL PERFORMANCE:

The Company has performed remarkably well during the year under review. The Company achieved an income of Rs. 1,706,936/- with profit before tax of Rs. 53,756/-. The detailed performance has already been discussed in the Directors’ Report under the column ‘Financial Performance’.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company is maintaining an efficient and effective system of Internal Financial Control for the facilitation of speedy and accurate compilation of financial statements. The Company’s internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations and procedures. Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has also appointed M/s. Raj Gupta & Co., Chartered Accountants as an Internal Auditor of the Company. The Company has in place adequate internal financial control systems with reference to the Financial Statements. The Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. During the year, Company’s Internal Controls were tested and no reportable weakness in the system was observed.

Apart from this, an Audit Committee consisting of three Non-Executive Directors has been constituted. All the significant audit observations and follow up actions thereon are taken care of by the Audit Committee. The Committee oversees the adequacy of Internal Control. The Audit Committee met four times during the financial year under review. The Company has also established a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company have two employees except Directors during the year under review. Here, our people feel respected and valued, creativity and excellence are encouraged.



The Industrial relations remained cordial throughout the year and the board records its appreciation for the contribution of all employees towards the growth of the company without which the achievements made would not have been possible.

In response to COVID-19 pandemic, the Company has taken various measures duly taking care of livelihoods of its employees, their safety and security. The steps include providing masks, hand sanitizers, disinfectants, conducting regular temperature checks and being very vigilant on employees and essential visitors at our office.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to provide details of significant changes (change of 25% or more as compared to immediately previous financial year) in key financial ratios. Accordingly, the Company has identified the following ratios as key financial ratios:-

Ratio	31.03.2019	31.03.2020	% Change
PBT/Total Income	3.15	14.24	(11.09)
Financial Assets to Total Assets	93.17	90.47	2.70
Financial Income/Total Income	100	22.22	77.78
Return on Net Worth	0.14	2.93	(2.78)

EXPLANATION FOR CHANGE OF 25% OR MORE IN KEY FINANCIAL RATIOS:

Financial Income/Total Income is increased by 77.78% due to reversal of Diminution in Permanent Nature Written Back during the financial year 2018-19.

CAUTIONARY STATEMENT:

Though the statement and views expressed in the above said report are on the basis of best judgment but the actual future results might differ from whatever is stated in the report.

For and on behalf of the Board
For Oswal Leasing Limited

Place : New Delhi
Date : 31.07.2020

(Vijay Kumar Gupta)
Director
DIN: 00506399

(Navdeep Sharma)
Director
DIN: 00454285



INDEPENDENT AUDITOR'S REPORT

**To the Members of
Oswal Leasing Limited,**

Report on the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying standalone IND AS financial statements of Oswal Leasing Limited ('the Company'), which comprise the balance sheet as at 31st March 2020, the statement of profit and loss [including other comprehensive income], the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone Ind AS financial statements").

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 Companies Act 2013 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 31 March, 2020, and its Profit and Loss (including other comprehensive income), Cash Flow Statement and its statement of changes in equity for the year ended.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have not come with any key audit matter during the audit.

Emphasis of Matters

We draw attention to Note 26(a) of the statement, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our conclusion on the Statement is not modified in respect of this matter.

Information other than the financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information



and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management and Those Charged with Governance's Responsibility for the Standalone Ind AS financial statements

The management and company's board of directors is responsible for the matters specified 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 the accounting principles generally accepted in India, including the Indian accounting standards [Ind AS] prescribed under section 133 of the Act, read with companies (Indian Accounting Standards) rules 2015.

This responsibility also includes the 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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.

Auditor's Responsibility

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 Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in exercise of powers conferred by sub section (11) of section 143 of the act, we give in annexure A, a statement on the matters specified in paragraph 3 & 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 [including other comprehensive income], the



cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the relevant books of account;

- (d) In our opinion, the aforesaid standalone IND AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the relevant rules there under;
- (e) On the basis of the written representations received from the directors as on 31st March 2020 and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the company's internal financial controls over financial reporting; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not have any pending litigations which would impact its financial position.
 - ii. The company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has not been an occasion in case of Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For Ashish Sunil Jain & Co.
Chartered Accountants
Firm's Registration Number: 025047N

(Ashish Jain)
Partner
Membership Number: 098908
UDIN: 20098908AAAABI5842

Place : New Delhi
Date : JUNE 25, 2020



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone INDAS financial statements for the year ended 31st March 2020.

- I. **In respect of fixed assets:** the company does not have any Fixed assets. Hence the requirement of this clause is not applicable on this company.
- II. **In respect of inventories:** the nature of business of the Company does not require it to have any inventory. Hence the requirement of this clause is not applicable on this company.
- III. The company, during the year, has granted unsecured loans to company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). The company has an outstanding unsecured loan to Oswal Woollen Mills Ltd being related party covered covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount outstanding during the period was Rs. 1,89,00,000 and the period-end balance of such loans was Rs. 1,89,00,000.
 - a. In our opinion the terms & conditions of the grant of such loan was not prima facie prejudicial to the company's interest.
 - b. In the case of loans granted, the borrower has been regular in the repayment of the principal and interest as stipulated.
- IV. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security.
- V. Since the company has not accepted any deposit from public, the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from the public are not applicable.
- VI. The requirement of maintenance of cost records as prescribed by Central Government under section (1) of section 148 of the Companies Act is not applicable to the company.
- VII. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Services Tax and other statutory dues with appropriate authorities during the year ended 31st March 2020.
(b) According to the information and explanation given to us, and as per our verification of records of the company examined by us, there are no statutory dues which have not been deposited on account of any disputes.
- VIII. According to the records of the Company examined by us and the information and explanations given to us, the Company has not availed of any loans from any financial institutions or banks and also has not issued debentures.
- IX. According to the information and explanations given to us, and as per our verification of the records of the company, the company, during the year, has not raised moneys by way of initial public offer or further public offer (Including debt instruments).



- X. According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the Year ended 31st March 2020.
- XI. According to the information and explanations give to us and based on our examination of the records of the company, the company has not paid/provided for managerial remuneration in the books of accounts.
- XII. In our opinion, and according to the information and explanations given to us, the company is not a Nidhi company. Therefore, the provisions of Clause 3 (xii) of the Order are not applicable to the company.
- XIII. According to the information and explanations given to us and as per our verification of the records of the company all transactions with the related parties are in compliance with the Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the IND AS financial statements as required by the applicable accounting standards.
- XIV. According to the information and explanations given to us and as per our verification of the records of the company, the company has not made any preferential allotment of shares. Or partly paid convertible debentures and hence reporting under clause 3(xiv) of the order is not applicable.
- XV. According to the information and explanations given to us, and as per our verification of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Clause 3 (xv) of the order are not applicable to the company.
- XVI. The company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Ashish Sunil Jain & Co.
Chartered Accountants
Firm's Registration Number: 025047N

(Ashish Jain)
Partner
Membership Number: 098908

Place : New Delhi
Date: JUNE 25, 2020



ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") of Oswal Leasing Limited

We have audited the internal financial controls over financial reporting of Oswal Leasing Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the standalone IND AS financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The management and company's board of directors are 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 ("the Guidance Note"). 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 standalone IND AS financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, 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 31st March 2020, 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 Ashish Sunil Jain & Co.
Chartered Accountants
Firm's Registration Number: 025047N

(Ashish Jain)
Partner
Membership Number: 098908

Place : New Delhi
Date : JUNE 25, 2020



Balance Sheet as at 31st March, 2020

(All amounts in rupees, unless otherwise stated)

Particulars		As at 31-Mar-20	As at 31-Mar-19	As at 1-Apr-18
ASSETS				
Financial Assets				
Cash & Cash Equivalents	3	164,987	378,495	164,983
Loans	4	18,900,000	18,750,000	17,990,000
Investments	5	7,319,538	6,689,475	7,708,334
Other financial assets	6	1,532,624	1,416,549	347,629
Total Financial Assets		27,917,149	27,234,519	26,210,947
Non-financial Assets				
Current tax assets (Net)	7	210,592	31,043	50,337
Other non-financial assets	8	14,234	64,574	15,722
Total Non-Financial Assets		224,826	95,617	66,059
TOTAL		28,141,975	27,330,136	26,277,004
LIABILITIES & EQUITY				
LIABILITIES				
Financial Liabilities				
Other financial liabilities	9	227,194	80,921	32,161
Total Financial Liabilities		227,194	80,921	32,161
Non-financial Liabilities				
Provisions	10	47,250	46,875	44,975
Other non-financial Liabilities	11	17,639	17,245	17,900
Total Non-Financial Liabilities		64,889	64,120	62,875
Total Liabilities		292,083	145,041	95,036
EQUITY				
Equity Share Capital	12	5,000,000	5,000,000	5,000,000
Other Equity	13	22,849,892	22,185,096	21,181,968
Total Equity		27,849,892	27,185,096	26,181,968
TOTAL		28,141,975	27,330,136	26,277,004

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

As per our report of even date attached
For Ashish Sunil Jain & Co.
Chartered Accountants
FRN: 025047N

For and on behalf of the board,
For Oswal Leasing Limited

(Ashish Jain)
Partner
Membership No. 098908
UDIN: 20098908AAAABI5842

(Vijay Kumar Gupta)
Director
DIN: 00506399

(Navdeep Sharma)
Director
DIN: 00454285

Place : New Delhi
Date : 25/06/2020

(Surbhi Arora)
Manager cum CFO

(Palak Narang)
Company Secretary



Statement of Profit & Loss for the year ended 31st March, 2020

(All amounts in rupees, unless otherwise stated)

Particulars		For the year ended 31-Mar-20	For the year ended 31-Mar-19
INCOME			
Revenue from operations			
Interest Income	14	1,706,936	1,579,772
Dividend Income	15	-	55,000
Total Revenue from operations		1,706,936	1,634,772
Other Income	16	-	5,723,913
Total Income		1,706,936	7,358,685
EXPENSES			
Finance costs	17	915	1,000
Employee benefits expenses	18	597,167	-
Loss on sale of Investments	19	-	5,699,000
Other expenses	20	1,055,098	610,533
Total Expenses		1,653,180	6,310,533
Profit / Loss before tax		53,756	1,048,152
Tax expense:			
Current tax	21	13,700	252,260
Profit / Loss for the Year		40,056	795,892
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or (Loss)		630,063	207,228
(ii) Income tax relating to items that will not be reclassified to Profit or (Loss)		-	-
Sub Total (A)		630,063	207,228
(i) Items that will be reclassified to Profit or (Loss)		-	-
(ii) Income tax relating to items that will be reclassified to Profit or (Loss)		-	-
Sub Total (B)		-	-
Other Comprehensive Income (A+B)		630,063	207,228
Total Comprehensive Income (VI+VII)		670,119	1,003,121
Earning per equity share:	22		
(1) Basic		0.07	1.59
(2) Diluted		0.07	1.59

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

As per our report of even date attached
For Ashish Sunil Jain & Co.
Chartered Accountants
FRN: 025047N

For and on behalf of the board,
For Oswal Leasing Limited

(Ashish Jain)
Partner
Membership No. 098908
UDIN: 20098908AAAABI5842

(Vijay Kumar Gupta)
Director
DIN: 00506399

(Navdeep Sharma)
Director
DIN: 00454285

Place : New Delhi
Date : 25/06/2020

(Surbhi Arora)
Manager cum CFO

(Palak Narang)
Company Secretary



Cash Flow Statement for the year ended 31st March, 2020

(All amounts in rupees, unless otherwise stated)

	Year ended 31st March, 2020 (Rs.)	Year ended 31st March, 2019 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	53,756	1,048,152
	53,756	1,048,152
<u>Adjustments for:</u>		
Statutory provision	375	1,900
Permanent Diminution/ Increase in Value of Investments	630,063	(5,723,913)
Profit on sale of Share	-	5,699,000
Opreating profits before working capital changes	684,194	1,025,139
Adjustments for Working Capital changes :		
Changes in Other Current Liabilities	147,042	48,105
Changes in short Term Loan & Advances & other current Assets	(834,077)	(1,828,920)
Cash generated from Operations	(2,841)	(755,676)
Taxes Paid (Net)	(210,667)	(281,813)
NET CASH GENERATED FROM OPERATING ACTIVITIES	(213,508)	(1,037,489)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investments	-	1,251,000
	-	1,251,000
C. CASH FLOW FROM FINANCING ACTIVITIES		
	-	-
	-	-
D. NET INCREASE IN CASH AND BANK EQUIVALENTS	(213,508)	213,511
CASH AND BANK EQVIVALENTS (OPENING BALANCE)	378,495	164,983
CASH AND BANK EQUIVALENTS (CLOSING BALANCE)	164,987	378,495

As per our report of even date attached
For Ashish Sunil Jain & Co.
Chartered Accountants
FRN: 025047N

(Ashish Jain)
Partner
Membership No. 098908
UDIN: 20098908AAAABI5842

(Vijay Kumar Gupta)
Director
DIN: 00506399

(Navdeep Sharma)
Director
DIN: 00454285

For and on behalf of the board,
For Oswal Leasing Limited

Place : New Delhi
Date : 25/06/2020

(Surbhi Arora)
Manager cum CFO

(Palak Narang)
Company Secretary



Notes forming part of financial statements for the year ending March 31, 2020

(All amounts in rupees, unless otherwise stated)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2020

1. Company overview/Corporate information

Oswal Leasing Limited ('the Company') is a public limited company and incorporated under the provisions of Companies Act on 30.06.1983. The Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-deposit taking Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ("RBI") in March 1998. The Company has been categorized as Non-Systematically Important Non Deposit Taking Non-banking Financial Company (NBFCs-ND-NSI) as per Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms Directions, 2007 of Reserve Bank of India. The company is domiciled in India and has its registered office at New Delhi, India. The CIN of the Company is L65910DL1983PLC016036 and RBI Registration no is 14.00489 dated 19.03.1998. The Company has its primary listings on the BSE Limited.

2. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarized as below. These policies are applied consistently for all the periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

a) Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These standalone financial statements ("the Financial Statements") have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in this financial statements.

The financial statements for the year ended March 31, 2020 are the first financial statements which has been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India ('RBI').

The financial statements up to and for the year ended March 31, 2019 were prepared in accordance with the accounting standard notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP) and other applicable guidelines issued by the RBI, which have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS.

As these are the Company's first financial statements prepared in accordance with Ind AS, the Company has applied, First-time Adoption Standard (Ind AS 101) of Indian Accounting Standards. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 33.

The financial statements for the year ended March 31, 2020 were authorized and approved for issue by the Board of Directors on 25th June 2020.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting



principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

b) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. Depreciation on property, plant and equipment is provided on the straight-line basis as per the rates specified in Schedule II of the Companies Act, 2013.

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

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

The Company fully depreciates the assets having individual value of Rs. 5,000 or less in the year of acquisition.

De-recognition

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 de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and advances paid to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

c) Investment Property

Properties held to earn rentals or / and for capital appreciation or both but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes, are categorized as investment properties. These are measured initially at cost of acquisition, including transaction costs and other direct costs attributable to bringing asset to its working condition for intended use. Subsequent to initial recognition, investment properties are



stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost shall also include borrowing cost if the recognition criteria are met. Said assets are depreciated on straight line basis based on expected life span of assets which is in accordance with Schedule II of the Act. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date.

d) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Intangible assets are amortised over a period of 3 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

e) Revenue recognition

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method. Additional interest/overdue interest/penal charges, if any, are recognised only when it is reasonable certain that the ultimate collection will be made.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date. Profit/Loss on Sale of investments is considered at the time of sale/redemption.

Brokerage income

Brokerage income is recorded on accrual basis.

Capital Gain/Profit on Sale of Investment

Gain/Loss on sale of Investment is considered at the time of Sale / Redemption.

Other income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

f) Borrowing costs

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such qualifying assets become ready for its intended use sale, are capitalised. Borrowing costs consists of interest and other cost that the Company incurred in connection with the borrowing of funds. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred basis the effective interest rate method.

g) Taxation

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any



adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. 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).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. 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.

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. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

h) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, if any, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other long term employee benefit obligations:

The liabilities, if any, which needs to be settled after 12 months from the end of the period in which the employees render the related services are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.



i) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.



j) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

k) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

l) 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.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. Financial assets carried at amortised cost – a financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in interest income in the Statement of Profit and Loss.

ii. Investments in equity instruments – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other



comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. Investments in mutual funds/venture capital funds/alternative investment funds (AIF) – Investments in mutual funds, venture capital funds and AIF are measured at fair value through profit and loss (FVTPL).

iv. Investments held for trading purposes – The Company has investments in equity instruments, mutual funds, debentures, bonds etc. which are held for trading purposes and therefore, classified as at fair value through profit or loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or 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 de-recognition 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 and Loss.

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.

m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



n) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly by the executive committee ('chief operating decision maker') in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

o) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.



Notes forming part of financial statements for the year ending March 31, 2020

(All amounts in rupees, unless otherwise stated)

	As at 31-Mar-20	As at 31-Mar-19	As at 1-Apr-18
Note:3 Cash & Cash Equivalents			
(i) Cash on Hand	2,534	2,843	5,070
(ii) Balance with Banks:			
In Current Account	162,453	375,652	159,913
	164,987	378,495	164,983
Note:4 Loans			
A Loans repayable on demand	18,900,000	18,750,000	17,990,000
B Unsecured	18,900,000	18,750,000	17,990,000
C Loans in India	18,900,000	18,750,000	17,990,000
Note: 5 Investments			
Investment at Fair value Through OCI			
Other Investments:			
<u>Unquoted fully paid-up Equity Shares: (Valuation as per level 3)</u>			
Vanaik Spinning Mills Ltd	7,319,538	6,689,475	6,482,247
11000 (11000) shares of the face value of Rs 10/- each			
Hug Foods Pvt Ltd			
695000(695000) shares of face value of Rs 10/- each	-	-	6,950,000
Less: Permanent Diminution in Value of Investment	-	-	(5,723,913)
	7,319,538	6,689,475	7,708,334
Note:6 Other Financial Assets			
Interest receivable	1,532,624	1,415,469	347,629
Impression Vibgyor Pvt Ltd	-	1,080	
	1,532,624	1,416,549	347,629
Note:7 Current Tax Assets (Net)			
Advance tax & TDS	224,292	283,303	266,872
Provision for Income Tax	13,700	252,260	216,535
	210,592	31,043	50,337
Note:8 Other Non-Financial Assets (Net)			
Income tax receivable	14,234	64,574	15,722
Prepaid Expenses	-	-	-
	14,234	64,574	15,722
Note: 9 Other Financial Liabilities			
Expenses Payable	111,302	17,700	9,440
Others Payables:			
Others Payables	11,471	11,471	11,471
Director Sitting Fees Payable	51,750	-	11,250
Cheque Issued But Not Presented for Payment	52,671	51,750	-
	227,194	80,921	32,161
Note: 10 Short -Term Provisions			
Provisions against Standard assets	47,250	46,875	44,975
	47,250	46,875	44,975
Note: 11 Other Non-Financial Liabilities			
Statutory Remittances:			
TDS Payable	7,289	6,895	8,000
CGST 9% Payable	5,175	5,175	4,950
SGST 9% Payable	5,175	5,175	4,950
	17,639	17,245	17,900



Note: 12 Equity Share Capital

AUTHORISED SHARE CAPITAL :

3500000 (Previous year:3500000) Equity Shares of Rs. 10/- each

ISSUED ,SUBSCRIBED & PAID UP CAPITAL :

500000 (Previous year:500000) Equity Shares of Rs 10/- each
fully paid up in Cash

As at 31-Mar-20	As at 31-Mar-19	As at 1-Apr-18
35,000,000	35,000,000	35,000,000
5,000,000	5,000,000	5,000,000
5,000,000	5,000,000	5,000,000

12.1 Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-each. Each equity shareholder is entitled to one vote per share.

12.2 The detail of shareholders holding more than 5 percent shares

Name of the Shareholder	As at 31.03.2020		As at 31.03.2019	
	No of shares	% of Holding	No of shares	% of Holding
Nagdevi Trading & Investment Co Ltd	39,050	7.81	39,050	7.81
Sankheshwar Holding Co Ltd	63,500	12.70	63,500	12.70

12.3 The reconciliation of number of shares outstanding is set out below

Particulars	As at 31.03.2020 No of shares	As at 31.03.2019 No of shares	As at 01.04.2018 No of shares
Shares outstanding at the beginning of the year	500,000	500,000	500,000
Shares issued during the year	-	-	-
Shares bought back during the year	-	-	-
Shares outstanding at the end of the year	500,000	500,000	500,000

Note : 13 Other Equity

Particulars	Reserve & Surplus			Equity Instruments through Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Statutory Reserve		
Balance as at April 1, 2018	12,381,096	235,625	3,682,000	4,883,247	21,181,968
Profit for the year	795,899	-	-	207,228	1,003,128
Transfer from Retained Earnings	(160,000)	-	160,000	-	-
Balance as at March 31, 2019	13,016,995	235,625	3,842,000	5,090,475	22,185,096

Particulars	Reserve & Surplus			Equity Instruments through Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Statutory Reserve		
Balance as at April 1, 2019	13,016,995	235,625	3,842,000	5,090,475	22,185,096
Profit for the year	40,056	-	-	630,063	670,119
Prior Period Tax	(5,323)	-	-	-	(5,323)
Transfer from Retained Earnings	(9,000)	-	9,000	-	-
Balance as at March 31, 2020	13,042,728	235,625	3,851,000	5,720,538	22,849,892



13.1 General reserve

The Company has transferred a portion of the net profit of the group before declaring dividend to general reserve pursuant to the earlier provision of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

13.2 Retained earnings

All the profits made by the Company are transferred to retained earnings from statement of profit and loss.

13.3 Reserve Fund u/s 45-IC of RBI Act 1934

The Company creates a reserve fund in accordance with the provisions of section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount of equal to/more than twenty per cent of its net profit of the year, before declaration of dividend. Accordingly, during the year, the Company has created Statutory Reserve Fund amounting to Rs. 0.09 Lakhs (March 31, 2019: Rs.1.60 Lakhs).

13.4 Other comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Note: 14 Interest Income		
Interest on loans	1,706,936	1,579,772
	1,706,936	1,579,772
Note: 15 Dividend Income		
Dividend	-	55,000
	-	55,000
Note: 16 Other Income		
Permanent Diminution in Value of Investments written back	-	5,723,913
	-	5,723,913
Note: 17 Finance Cost		
Bank Charges and commission	915	1,000
	915	1,000
Note: 18 Employee benefit expense		
Salaries	597,167	-
	597,167	-
Note: 19 Loss on sale of investments		
Loss on sale of Investments	-	5,699,000
	-	5,699,000



Note: 20 Other Expenses

	For the year ended 31-Mar-20	For the year ended 31-Mar-19
Advertisement expenses	69,676	27,134
AGM Exps	25,242	27,610
Director Sitting fees	57,500	57,500
Fees and Taxes	623,360	343,142
Interest Expense	-	65
Legal & Professional charges	167,130	51,200
Misc Exps	4,014	436
Postage/Courier expenses	29,990	27,063
Printing & Stationery	51,792	54,632
Provision for Standard Assets	375	1,900
Travelling Exps	8,319	1,797
<u>Payment to Auditors:</u>		
- For Statutory Auditor	17,700	17,700
- Certification Charges	-	354
	1,055,098	610,533

Note: 21 Tax expense

Current Tax	13,700	252,260
	13,700	252,260

Note: 22 Earning Per Share

Profit after Tax after prior tax adjustment (Rs)	34,733	795,899
Weighted average no.of ordinary shares	500,000	500,000
Weighted average no.of diluted shares	500,000	500,000
Nominal Value of ordinary share (Rs)	10	10
Basic Earning Per Share (Rs)	0.07	1.59
Diluted Earning Per Share (Rs)	0.07	1.59

Note: 23 A statement of disclosure in terms of paragraph 18 of Non-Banking Finance Companies (Non-deposit accepting or holding) Prudential Norms (Reserve Bank) Directions 2016 is annexed.

Note: 24 Provision for Standard assets

In terms of the Reserve Bank Of India Notification RBI/2014-15/299 DNBR (PD) CC.No. 002/03.10.001/2014-15, The Company has made a general provision of 0.25% on its outstanding Standard Assets as on 31.03.2020.

Note: 25 Segment Reporting

Company has only one Segment.

Note: 26 Related party disclosures

In accordance with the requirements of Indian Accounting Standard – 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:



Note: 26.1 List of related parties and disclosures

Description of relationship	Names of related parties
Subsidiaries	Nil
Associate	Nil

Note: 26.2 Key managerial personnel and their relatives:

Name of key managerial personnel	Designation
Sh. Kamal Oswal	Director
Sh. Navdeep Sharma	Independent Director
Sh. Vijay Kumar Gupta	Independent Director
Smt. Monica Oswal	Director
Sh. Dinesh Gogna	Director
Ms. Surbhi Arora	Manager cum CFO
Ms. Palak Narang	Company Secretary

Note: 26.3 Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:

NIL

Note: 26.4 Details of transactions with related parties carried out in the ordinary course of business:

Name of related party	As at 31.03.2020	As at 31.03.19
NIL	-	-

Note: 26.5 Key management personnel remuneration includes the following expenses:

Name of the party	Nature of Relationship	Nature of Transaction	Current Year	Previous Year
Sh Kamal Oswal	KMP	Sitting Fee	10,000	10,000
Sh Dinesh Gogna	KMP	Sitting Fee	10,000	12,500
Sh Navdeep Sharma	KMP	Sitting Fee	12,500	12,500
Sh Vijay Kumar Gupta	KMP	Sitting Fee	12,500	12,500
Smt. Monica Oswal	KMP	Sitting Fee	12,500	10,000

Note : 26 (a)

In March 2020, World Health organization (WHO) had declared the outbreak of Novel Coronavirus "Covid-19" as a pandemic. This pandemic has severely Impacted businesses around the globe and also fall in valuation of securities in Stock markets. However. Stock Exchanges and other Financial Markets remain operational and in compliance with the lockdown instructions issued by the Centre and State governments, the company has been doing investment activity in digital mode etc. as permitted by Financial Institutions. Company is mainly doing investment business with long term perspective and hence temporary volatility in the financial markets will have little impact. The Company is monitoring the situation closely and the overall impact on the business of the Company will depend on future developments which cannot be reliably



predicted. Given the uncertainty of quick turnaround to normalcy, post lifting of the lock down, the Company has carried out a comprehensive assessment of possible impact on the company's operations, capital and financial resources. profitability, liquidity and other financial arrangements, assets. based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. Pursuant to the relaxed guidelines, the stock markets in Globally including India have recovered substantially and the Company has resumed its operations as allowed in Keeping with Government advisories. Since the situations are continuously evolving, the Impact assessed may be different from the estimates made as at the date of approval of these financial results and management will continue to monitor any material changes arising due to the Impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the Situation.

Note No. 27 Financial Instruments

A) Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	Note	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Financial assets measured at fair value				
Investments measured at				
(i) Fair value through other comprehensive income	Note-5	7,319,538.44	6,689,475.37	7,708,334.13
Financial assets measured at amortised cost				
Cash and cash equivalents	Note-3	164,986.50	378,494.78	164,983.48
Loans	Note-4	18,900,000.00	18,750,000.00	17,990,000.00
Other financial assets	Note-6	1,532,624.00	1,416,549.00	347,629.00
Total		27,917,148.94	27,234,519.15	26,210,946.61
Financial liabilities measured at amortised cost				
Other financial liabilities	Note-9	227,194.00	80,921.00	32,161.00
Total		227,194.00	80,921.00	32,161.00

B) Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs).



B.1) Financial assets and liabilities measured at fair value -recurring fair value measurements

As on 31 March 2020	level 1	level 2	level 3	Total
Assets				
Investments at fair value through other comprehensive income				
Quoted equity investments	-	-	-	-
Un quoted equity investments	-	-	7,319,538.44	7,319,538.44
As on 31 March 2019	level 1	level 2	level 3	Total
Assets				
Investments at fair value through other comprehensive income				
Quoted equity investments	-	-	-	-
Un quoted equity investments	-	-	6,689,475.37	6,689,475.37
As on 1 April 2018	level 1	level 2	level 3	Total
Assets				
Investments at fair value through other comprehensive income				
Quoted equity investments	-	-	-	-
Un quoted equity investments	-	-	7,708,334.13	7,708,334.13

Financial assets and Liabilities measured at amortised cost for which fair values are disclosed

As at 31 March, 2020	Level 1	Level 2	Level 3
Assets			
Financial assets and Liabilities measured at amortised cost for which fair values are disclosed			
As at 31 March, 2020			
Investments	-	-	7,319,538
Loans	-	-	18,900,000
Cash and Cash Equivalent	-	-	164,987
Other Financial Assets	-	-	1,532,624
Total Financial Assets	-	-	27,917,148.94
As at 31 March, 2019	Level 1	Level 2	Level 3
Investments			6,689,475
Loans			18,750,000
Cash and Cash Equivalent	-	-	378,495
Other Financial Assets			1,416,549
Total Financial Assets			27,234,519
As at 31 March, 2018	Level 1	Level 2	Level 3
Investments			7,708,334
Loans			17,990,000
Cash and Cash Equivalent	-	-	164,983
Other Financial Assets	-	-	347,629
Total Financial Assets	-	-	26,210,947



As at 31 March, 2020	Level 1	Level 2	Level 3
Liabilities			
As at 31 March, 2020			
Other Financial Liabilities	-	-	227,194
Total Financial Liabilities	-	-	227,194
As at 31 March, 2019	-	-	80,921
Other Financial Liabilities	-	-	145,041
Total Financial Liabilities	-	-	225,962
As at 31 March, 2018			
Other Financial Liabilities	-	-	32,161
Total Financial Liabilities	-	-	32,161

Valuation Techniques for fair value disclosures (Level 1 , Level 2 and Level 3)

- Investment in Quoted Equity Investments - Level 1 - Investment in listed equity instruments are measured at their readily available quoted price in the market.
- Investment in Unquoted Equity Investments - Level 3 - the Company has used earning capitalisation method (fair value approach) discounted at a rate to reflect the risk involved in the business.

Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs.

	Carrying Value	Fair value	Carrying Value	Fair value	Carrying Value	Fair value
Financial Assets						
Cash & Cash Equivalents	164,987	164,987	378,495	378,495	164,983	164,983
Loans	18,900,000	18,900,000	18,750,000	18,750,000	17,990,000	17,990,000
Investments	-	-	-	-	-	-
Other Financial Assets	1,532,624	1,532,624	1,416,549	1,416,549	347,629	347,629
Total	20,597,611	20,597,611	20,545,044	20,545,044	18,502,612	18,502,612
Financial Liabilities						
Other Financial Liabilities	227,194	227,194	80,921	80,921	32,161	32,161
Total	227,194	227,194	80,921	80,921	32,161	32,161

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables:

Financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such



instruments include: cash and balances, balances other than cash and cash equivalents, loans, investments and other financial assets

Note No. 28 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investment loans, trade other receivables, cash & cash equivalents and other bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

No borrowings has been taken by the company. Accordingly, no such risks exists.

b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in Trade payables denominated in foreign currency. The Company is not restricting its exposure of risk in change in exchange rates.

The company has no foreign exposure. Accordingly, no such risks exists.

B) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal



credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on reporting date
- (ii) Moderate credit risk
- (iii) High credit risk

Financial assets that expose the entity to credit risk:

Particulars	As At 31st March, 2020	As At 31st March, 2019	As At 31st March, 2018
Low credit risk on reporting date			
Loans(non-current)	18,900,000	18,750,000	17,990,000
Cash and Cash Equivalent	164,987	378,495	378,495
Other Financial Asset	1,532,624	1,416,549	1,416,549
Total	20,597,611	20,545,044	19,785,044
Moderate credit risk on reporting date			
High credit risk on reporting date			
Investments	7,319,538	6,689,475	7,708,334

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

Credit risk related to borrower's are mitigated by considering collateral's/bank guarantees/letter of credit, from borrower's. The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become one year past due.

C) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders.

The company is not subject to any liquidity risk

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.



	March 31, 2020		March 31, 2019		March 31, 2018	
	Within 12 Months	More than 12 Months	Within 12 Months	More than 12 Months	Within 12 Months	More than 12 Months
ASSETS						
Financial Assets						
Cash & Cash Equivalents	164,987	-	378,495	-	164,983	-
Bank Balances other than above	-	-	-	-	-	-
Loans	18,900,000	-	18,750,000	-	17,990,000	-
Investments	-	7,319,538	-	6,689,475	-	7,708,334
Other Financial Assets	1,532,624	-	1,416,549	-	347,629	-
	20,597,611	7,319,538	20,545,044	6,689,475	18,502,612	7,708,334
Non - Financial Assets						
Current Tax Assets (Net)	224,826	-	95,617	-	66,059	-
Other Non Financial Assets	-	-	-	-	-	-
	224,826	-	95,617	-	66,059	-
TOTAL	20,822,437	7,319,538	20,640,661	6,689,475	18,568,671	7,708,334
EQUITY and Liabilities						
LIABILITIES						
Financial Liabilities						
Other Financial Liabilities	227,194	-	80,921	-	32,161	-
	227,194	-	80,921	-	32,161	-
Non Financial Liabilities						
Provisions	47,250	-	46,875	-	44,975	-
Other Non Financial Liabilities	17,639	-	17,245	-	17,900	-
	64,889	-	64,120	-	62,875	-
TOTAL	292,083	-	145,041	-	95,036	-
NET	20,530,354	7,319,538	20,495,620	6,689,475	18,473,635	7,708,334

Note No. 29 Capital management

The Company's capital management objectives are

- : to ensure the Company's ability to continue as a going concern
- : to comply with externally imposed capital requirement and maintain strong credit ratings
- : to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet

Note No. 30 First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31 March 2020, the comparative information presented in these financial statements for the year ended 31 March 2019. An explanation of how the transition from previous GAAP to Ind AS has



affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

(a) Designation of previously recognised financial instruments

Ind AS 101 permits a first-time adopter to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

(b) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2018 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

(i) Investment in equity instruments carried at FVOCI

(c) Reconciliations between Ind AS and I-GAAP

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.

1. Reconciliation of other equity as at March 31, 2019

	March 31, 2019	April 1, 2018
Total equity (shareholder's funds) as per Previous GAAP		
Adjustments:		
Fair valuation of Investments	17,094,620	16,298,721
	-	-
Total other equity as per Ind AS	17,094,620	16,298,721

2. Reconciliation of total comprehensive income for the year ended March 31, 2019

	March 31, 2019
Profit after tax as per Previous GAAP	795,892
Valuation of investments through OCI	207,228
Total comprehensive income as per Ind AS for the year ended March 31, 2019	1,003,120

3. Impact of Ind AS adoption on the Statement of cash flows for the year ended March 31, 2019.



4. Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at March 31, 2019 is as follows:

Particulars	As at March 31, 2019		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Assets			
Non-Current assets			
(a) Financial Assets			
Investments	1,599,000	5,090,475	6,689,475
Total Non- Current Assets			
Current assets			
(a) Financial Assets			
Cash & Cash Equivalents	378,495	-	378,495
Loans	18,750,000	-	18,750,000
Other financial assets	1,416,549	-	1,416,549
(b) Current tax assets (Net)	95,617	-	95,617
(c) Other Current assets	-	-	-
Total Current Assets	20,640,661	-	20,640,661
Total Assets	22,239,661		27,330,136
Equity Share Capital	5,000,000	-	5,000,000
Other Equity	17,094,620	5,090,475	22,185,095
Total Equity	22,094,620	5,090,475	27,185,095
LIABILITIES			
Current Liabilities			
Financial Liabilities			
Current Liabilities			
(a) Financial Liabilities			
Other financial liabilities	80,921	-	80,921
(b) Provisions	46,875	-	46,875
(c) Other Current Liabilities	17,245	-	17,245
Total Current Liabilities	145,041	-	145,041
Total Liabilities	22,239,661		27,330,136

5. Reconciliation of the assets and liabilities presented in the balance sheet prepared as per Previous GAAP and as per Ind AS as at April 1, 2018 is as follows:

Particulars	As at April 1, 2018		
	Previous GAAP*	Effect of transition to Ind AS	Ind AS
Assets			
Non-Current assets			
(a) Financial Assets			
Investments	2,825,087	4,883,247	7,708,334
Total Non- Current Assets	2,825,087	4,883,247	7,708,334
Current assets			
(a) Financial Assets			
Cash & Cash Equivalents	164,983	-	164,983
Loans	17,990,000	-	17,990,000
Other financial assets	347,629	-	347,629
(b) Current tax assets (Net)	66,059	-	66,059
(c) Other Current assets	-	-	-
Total Current Assets	18,568,671	-	18,568,671
Total Assets	21,393,758	4,883,247	26,277,004



LIABILITIES & EQUITY			
EQUITY			
Equity Share Capital	5,000,000	-	5,000,000
Other Equity	16,298,721	4,883,247	21,181,968
Total Equity	21,298,721	4,883,247	26,181,968
LIABILITIES			
Current Liabilities			
(a) Financial Liabilities			
Other financial liabilities	32,161	-	32,161
(b) Provisions	44,975	-	44,975
(c) Other Current Liabilities	17,900	-	17,900
Total Current Liabilities	95,036		95,036
Total Liabilities	21,393,757	4,883,247	26,277,004

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.

6. Reconciliation of the income and expenses presented in the statement of profit and loss prepared as per Indian GAAP and as per Ind AS as at March 31, 2019 is as follows:

Particulars	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
INCOME			
Revenue from operations			
Interest Income	1,579,772	-	55,000
Dividend Income	55,000	-	1,579,772
Total Revenue from operations	1,634,772	-	1,634,772
Other Income	5,723,913	-	5,723,913
Total Income	7,358,685	-	7,358,685
EXPENSES			
Finance costs	1,000	-	1,000
Employee benefits expenses	-	-	-
Loss on sale of Investments	5,699,000	-	5,699,000
Other expenses	610,533	-	610,533
Total Expenses	6,310,533		6,310,533
Profit before Tax	1,048,152	-	1,048,152
Tax expense :			
Less : Current tax	252,260	-	252,260
Profit after Tax (A)	795,892	-	795,892
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
: Changes in fair value of FVOCI equity instruments	-	207,228	207,228
Other Comprehensive income (B)	-	207,228	207,228
Total Comprehensive Income (A+B)	795,892	207,228	1,003,120

*The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements i.e. basis Division III of Schedule III for the purpose of this note. After reclassification, effect has been given for transition adjustments.



Note : 31 GENERAL

In the opinion of the Board, the value of Current Assets, Loans and Advances have a value in the ordinary course of business at least equal to that stated in the Balance Sheet except in case of those shown as doubtful.

Note : 32 The Computation of net profit under section 198 of the Companies Act, 2013, for the purpose of remuneration payable to Manager, are given below :

Particulars	Current Year	Previous Year
Net Profit Before Taxation	53,756.00	1,048,152.30
Add: Managerial Remuneration	204,000.00	-
Net Profit U/S 198 of the Companies Act, 2013	257,756.00	1,048,152.30
Managerial Remuneration @ 11% of the above	28,353.16	115,296.75
Managerial Remuneration paid to Manager		
Salary Income	204,000.00	-
Other Perquisites	-	-
	204,000.00	-

Note No. 33 Disclosure pursuant to IndAS 101 “First time adoption of Ind AS”

Notes forming part of Financial Statements for the year ending 31 March 2020

Explanation of major impact on adoption on Ind AS on the reported standalone financial statements of the Company as on the date of transition is as under:

(a) Financial instruments carried at fair value through other comprehensive income

"Under previous GAAP, investments in long-term equity instrument were carried at cost and tested for other than temporary diminution. Under Ind AS, such investments are carried at fair value through other comprehensive income (FVOCI)

(b) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but are shown in the statement of profit and loss as 'other comprehensive income' includes FVOCI Equity Instruments. The concept of other comprehensive income did not exist under previous GAAP.

As per our report of even date attached
For Ashish Sunil Jain & Co.
Chartered Accountants
FRN: 025047N

For and on behalf of the board,
For Oswal Leasing Limited

(Ashish Jain)
Partner
Membership No. 098908
UDIN: 20098908AAAABI5842

(Vijay Kumar Gupta)
Director
DIN: 00506399

(Navdeep Sharma)
Director
DIN: 00454285

Place : New Delhi
Date : 25/06/2020

(Surbhi Arora)
Manager cum CFO

(Palak Narang)
Company Secretary



ANNEXURE OF NOTE NO. 23

Disclosure of details as required in terms of paragraph 18 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

(Amount in Rs.)

Particulars Liabilities side	Current Year		Previous Year	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :				
(a) Debentures : Secured	-	-	-	-
: Unsecured (other than falling within the meaning of public deposits*)	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits*	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
*Please see Note 1 below				
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other Public Deposits	-	-	-	-
*Please see Note 1 below				
Assets side	Amount outstanding		Amount outstanding	
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :				
(a) Secured	-		-	
(b) Unsecured	18,900,000		18,750,000	
4 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities				
(i) Lease assets including lease rentals under sundry debtors:				
(a) Financial lease	-		-	
(b) Operating lease	-		-	
(ii) Stock on hire including hire charges under sundry debtors:				
(a) Assets on hire	-		-	
(b) Repossessed Assets	-		-	
(iii) Other loans counting towards AFC activities				
(a) Loans where assets have been repossessed	-		-	
(b) Loans other than (a) above	-		-	



5 Break-up of Investments

Current Investments

1 Quoted

(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

2 Unquoted

(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

Long Term Investments

1 Quoted

(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

2 Unquoted

(i) Shares		
(a) Equity	7,319,538	6,689,475
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-



6. Borrower group-wise classification of assets financed as in (3) and (4) above:

Please see Note 2 below

Category			Amount net of provisions				
			Current Year		Total	Previous Year	
Secured	Unsecured	Secured	Unsecured				
1	Related Parties						
	(a)	Subsidiaries	-	-	-	-	-
	(b)	Companies in the same group	-	-	-	-	-
	(c)	Other related parties	-	18,900,000	18,900,000	-	18,750,000
2	Other than related parties		-	-	-	-	-
	Total		-	18,900,000	18,900,000	-	18,750,000

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

Category		Current Year		Previous Year	
		Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties				
(a)	Subsidiaries	-	-	-	-
(b)	Companies in the same group	-	-	-	-
(c)	Other related parties	7,319,538	7,319,538	6,689,475	6,689,475
2	Other than related parties	-	-	-	-
	Total	7,319,538	7,319,538	6,689,475	6,689,475

8 Other information

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

Notes:

- As defined in point xix of paragraph 3 of Chapter 2 of these Directions.
- Provisioning norms shall be applicable as prescribed in these Directions.



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