

# **OSWAL LEASING LIMITED**



## **38th ANNUAL REPORT**

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### **2021-22**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Sh. Kamal Oswal  
Sh. Dinesh Gogna  
Smt. Monica Oswal  
Dr. Roshan Lal Behl  
Dr. Manisha Gupta

### DESIGNATION

Chairman  
Director  
Director  
Independent Director  
Independent Director

### KEY MANAGERIAL PERSONNEL

Mr. Ravi Kumar (appointed w.e.f. 12.05.2022)  
Ms. Palak Narang

Manager Cum Chief Financial Officer  
Company Secretary and Compliance Officer

### 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, 4<sup>th</sup> 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

### 38<sup>TH</sup> ANNUAL GENERAL MEETING

**DAY :** Friday

**DATE:** 30<sup>th</sup> September, 2022

**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 38TH ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the 38<sup>th</sup> Annual General Meeting of the Members of **OSWAL LEASING LIMITED** will be held on Friday, the 30<sup>th</sup> day of September, 2022 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, 2022 together with the Reports of the Directors and Auditors thereon;
2. To appoint a Director in place of **Sh. Dinesh Gogna (DIN: 00498670)**, 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 Mr. Ravi Kumar 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 Mr. Ravi Kumar, 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. May 12, 2022, on a total remuneration of Rs. 21,500/- 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 May 12, 2022.

**RESOLVED FURTHER THAT** in case Company has no profit or inadequacy of profit in any financial year during the currency of tenure of his appointment commencing from May 12, 2022, 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 Mr. Ravi Kumar, 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 : 09.08.2022

(Palak Narang)  
Company Secretary  
Membership No. ACS 43749



## NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 ("the Act") setting out material facts concerning the Special Business to be transacted at the 38<sup>th</sup> Annual General Meeting (AGM) under Item No. 3 of the Notice, is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the 38<sup>th</sup> Annual General Meeting (AGM) is convened through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") pursuant to **General Circular numbers 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 2/2022 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022, respectively, issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars") and Circular numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "SEBI Circulars")**, which allow the companies to hold AGM through VC/OAVM, which does not require physical presence of members at a common venue.

**In compliance with the provisions of the Act, MCA Circulars and SEBI Circulars, the 38<sup>th</sup> AGM of the Company is being held through VC/OAVM on Friday, the 30<sup>th</sup> day of September, 2022 at 11:00 A.M. The deemed venue for the 38<sup>th</sup> AGM shall be the Registered Office of the Company i.e. 105, Ashoka Estate, 24, Barakhamba Road, New Delhi-110 001.**

3. **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 38<sup>th</sup> AGM as the AGM is convened through VC/OAVM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The Route Map is not required to be annexed to the Notice. However, in pursuance of Section 113 of the Companies Act, 2013, representatives of the members such as body corporate can attend the 38<sup>th</sup> AGM through VC/OAVM and cast their votes through e-voting.
4. Corporate members (i.e. other than individuals, HUF's, NRI's, etc.) intending to appoint authorised representative(s) to attend the AGM through VC/OAVM and vote on their behalf at the 38<sup>th</sup> AGM are requested to send to the Company a scanned certified true copy of the resolution of the Board of Directors (PDF/JPG Format) authorising their representative(s) to attend and vote along with specimen signature of the duly authorised representative(s) to Scrutinizer by e-mail at [mgjindal@gmail.com](mailto:mgjindal@gmail.com) and to the Company at [oswal\\_leasing@owmnahar.com](mailto:oswal_leasing@owmnahar.com) before the commencement of the 38<sup>th</sup> AGM.
5. The attendance of the 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.
6. In case of joint holders attending the AGM, 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. The Register of Directors and Key Managerial Personnels 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.
8. In terms of the provisions of Section 152 of the Companies Act, 2013, Sh. Dinesh Gogna, Non-Executive Director, retire by rotation at this Meeting and offered himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his respective re-appointment.
9. The relevant information under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") and Secretarial Standards-2 on General Meetings issued by Institute of Company Secretaries of India is annexed to this Notice regarding the Director and Manager seeking appointment/re-appointment in the Annual General Meeting, is given hereto and form part of the notice.



10. 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 Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, September 24, 2022 to Friday, September 30, 2022** (both days inclusive) for AGM purpose.
11. In accordance with MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022 and SEBI Circulars dated May 12, 2020, January 15, 2021 and May 13, 2022 due to COVID-19 pandemic, the Notice of 38<sup>th</sup> AGM along with the Annual Report for the financial year 2021-2022 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 38<sup>th</sup> AGM along with the Annual Report for the financial year 2021-2022 has been uploaded on the Company's website at [www.ownnabar.com](http://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](http://www.bseindia.com). The Notice of the 38<sup>th</sup> AGM may also be accessed by the members from the website of CDSL i.e. [evotingindia.com](http://evotingindia.com). However, hard copy of the full annual report will be sent to the shareholder who request for the same.
12. 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 SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019. 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.  
  
SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation. 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 contact Depository Participant of their choice in this regard.
13. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 read together with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/68 dated December 14, 2021 has mandated for furnishing/ updating PAN, KYC details (Name, Address, Mobile No., E-mail ID, Bank Details) and Nomination details by all the holders of physical securities in listed company in the prescribed forms i.e. ISR-1, ISR-2, SH-13/ ISR-3/ SH-14. In compliance thereof, the Company has already sent the communication alongwith prescribed forms to all the physical shareholders at their registered address. Members are requested to forward the duly filled in Forms along with the related proofs to the Company at its Registered Office at 105, Ashoka Estate, 24, Barakhamba Road, New Delhi-110 001 or Registrar and Transfer Agent at M/s. Alankit Assignments Limited, Unit: Oswal Leasing Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055. The aforesaid forms can be downloaded from the website of the Company at [http://ownnabar.com/leasing\\_ltd/kyc-updation.php](http://ownnabar.com/leasing_ltd/kyc-updation.php). Members holding shares in electronic form intimate the changes to their Depository Participants (DPs).
14. As an on-going measure to enhance ease of dealing in securities market by investors, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at [http://ownnabar.com/leasing\\_ltd/kyc-updation.php](http://ownnabar.com/leasing_ltd/kyc-updation.php). It may be noted that any service request can be processed only after the folio is KYC Compliant.
15. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 and aforesaid SEBI Circulars dated November 13, 2021 and December 14,





2021, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. If a Member desires to cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form SH-14 or Form ISR-3 as the case may be. The said forms can be downloaded from the Company's website [http://owmnahar.com/leasing\\_ltd/kyc-updation.php](http://owmnahar.com/leasing_ltd/kyc-updation.php). In respect of shares held in demat form, the nomination form may be filed with the respective DP.

16. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or M/s Alankit Assignments Ltd, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
- 17.(i) 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](mailto:oswal_leasing@owmnahar.com) by mentioning their DP ID & Client ID/ Physical Folio Number.
- (ii) 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](mailto: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.
- (iii) The members / investors may send their complaints/ queries, if any to the Company's RTA at [rta@alankit.com](mailto:rta@alankit.com) or to the Company at [oswal\\_leasing@owmnahar.com](mailto:oswal_leasing@owmnahar.com)
18. To support the 'Green Initiative' and for receiving all communication (including Notice and Annual Report) from the Company electronically, the Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with M/s Alankit Assignments Ltd in case the shares are held by them in physical form.

**PROCESS FOR THOSE MEMBERS WHOSE EMAIL IDS / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:**

- i. **For Members holding shares in physical form-** 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](mailto:oswal_leasing@owmnahar.com) /RTA email id at [rta@alankit.com](mailto:rta@alankit.com).
- ii. **For Members holding shares in Demat form-** Please update your email id & mobile no. with your respective Depository Participant (DP).
- iii. **For Individual Demat shareholders-** In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
19. Since the 38<sup>th</sup> AGM being held through VC/OAVM in compliance with the provisions of the Companies Act, 2013 read with MCA circulars and SEBI Circulars, the Route Map, Attendance Slip, ballot form and proxy form are not attached to this Notice.
20. **Instructions of shareholders for remote e-voting and joining 38<sup>th</sup> Annual General Meeting through VC/OAVM are as under:**
  - i. 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 Circulars, 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.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- ii. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date i.e. **Friday, September 23, 2022** may cast their vote electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as e-Voting during the AGM.
- iii. The remote e-voting period begins on **Tuesday, September 27, 2022 at 09:00 A.M. and ends on Thursday, September 29, 2022 at 05:00 P.M.** The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. **Friday, September 23, 2022.**
- iv. Members will be provided with the facility for voting through electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who could not cast their vote by remote e-Voting. They will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement by the Chairman. Members could have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again. **The remote e-Voting module on the day of the AGM shall be disabled by CDSL for voting 30 minutes after the conclusion of the Meeting.**
- v. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, under Regulation 44 of the SEBI Listing Regulations, Listed companies are required to provide remote e-voting facility to its shareholders in respect of all shareholders resolutions. However, it has been observed that the participation by the public non-institutional members / retail members is at a negligible level.

Currently there are multiple e-voting service providers ("ESPs") providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication, but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- vi. In terms of **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Pursuant to aforesaid SEBI Circular dated December 9, 2020, Login method for e-voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:



Type of Members	Login methods
Individual members holding shares in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.</li> </ol>
Individual members holding shares in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual member (holding shares in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>





**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual members holding shares in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual members holding shares in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual members holding shares in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

vii. Login method for e-voting and joining virtual AGM for **physical members and members other than individual members holding in demat form is as under:**

- 1) The members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- 2) Click on "Shareholders/Members" module.
- 3) 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.

viii. Next enter the Image Verification as displayed and Click on Login.

ix. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

x. If you are a first time user follow the steps given below:

	<b>For Physical members and other than individual members holding shares in demat</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	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. <ul style="list-style-type: none"> <li>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 (vii).</li> </ul>

xi. After entering these details appropriately, click on "SUBMIT" tab.

xii. 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.



- xiii. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xiv. Click on the EVSN **220810005** for the relevant **Oswal Leasing Limited** on which you choose to vote.
- xv. 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.
- xvi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xvii. 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.
- xviii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xix. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xx. 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.
- xxi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xxii. Additional Facility for Non – Individual Shareholders and Custodians- Remote Voting only:**
- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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 will be mapped automatically & can be delink in case of any wrong mapping.
  - It is mandatory that, 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 at [mgjindal@gmail.com](mailto:mgjindal@gmail.com) and to the Company at [oswal\\_leasing@owmnahar.com](mailto: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.
- xxiii. Any person, who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date i.e. **Friday, September 23, 2022** may follow the same instructions as mentioned above for e-Voting.
- 21. Instructions for members attending the AGM through VC/OAVM and e-voting during the 38<sup>th</sup> AGM are as under:**
- i. The procedure for attending AGM & e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
  - ii. The link for VC/OAVM to attend AGM will be available in shareholder/members login where the EVSN **220810005** of the Company will be displayed after successful login as per the instructions mentioned



above for remote e-voting.

- iii. Members 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.
- iv. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
- v. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi. 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.
- vii. 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 **7 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). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 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 by the Company suitably by email.
- viii. Those members 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.
- ix. Only those members, 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.
- x. 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 members attending the AGM.
- xi. The Members can login and join the 38<sup>th</sup> AGM in the VC/OAVM mode 15 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.
- xii. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited (CDSL), 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](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

- xiii. 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](mailto:oswal_leasing@owmnahar.com).



**22. Other instructions:**

- i. The Company has appointed Sh. Madan Gopal Jindal, Proprietor of M/s. M. G. Jindal & Associates, Practicing Company Secretaries (C.P. No. 2712), to act as the Scrutinizer to scrutinize the e-voting process i.e. votes cast during the AGM and votes cast through remote e-voting, in a fair and transparent manner.
- ii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/ OAVM but have not cast their votes by availing the remote e-Voting facility.
- iii. The Scrutinizer shall, immediately after the conclusion of AGM, unblock 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 AGM, submit a Consolidated Scrutinizer's Report of the total votes cast in the favour or against, if any, forthwith to the Chairman or a person authorized by the Chairman in writing for counter signature.
- iv. The results will be declared within 48 hours of conclusion of the Annual General Meeting. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. [www.ownmahar.com](http://www.ownmahar.com) and on the website of CDSL i.e. [www.evotingindia.com](http://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](http://www.bseindia.com).
- v. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the 38<sup>th</sup> Annual General Meeting i.e. **Friday, September 30, 2022.**

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

**Place: New Delhi  
Date : 09.08.2022**

**(Palak Narang)  
Company Secretary  
Membership No. ACS 43749**



## **EXPLANATORY STATEMENT PURSUANT TO 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 May 12, 2022 on the recommendation of the Nomination and Remuneration Committee appointed Mr. Ravi Kumar as Manager Cum Chief Financial Officer (Key Managerial Personnel) of the Company for a period of 3 (three) consecutive years w.e.f. May 12, 2022.

Mr. Ravi Kumar, aged about 23 years is appointed as Manager Cum Chief Financial Officer of the Company. He holds Bachelor's Degree in Commerce from Punjab University. He is having more than 4 years of experience in the field of Accounts.

Further, the Board in its Board Meeting held on August 09, 2022 has revised the remuneration and 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 his appointment commencing from May 12, 2022, which is subject to the approval of Members.

Relevant details relating to appointment of Mr. Ravi Kumar as required by the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standards-2 on General Meetings is annexed and form part of this Notice.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives except Mr. Ravi Kumar, 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 his 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:**

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

(Amt in Rs.)

Particulars	For the Year ended 31.03.2022	For the Year ended 31.03.2021
<b>Total Revenue</b>	<b>14,00,022</b>	18,79,244
<b>Profit/(Loss) before Tax</b>	<b>(1,17,960)</b>	5,81,854
<b>Profit/(Loss) after Tax</b>	<b>(1,17,960)</b>	4,34,854

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

### **II. Information about the appointee:**

- Background details:** Mr. Ravi Kumar, aged about 23 years is appointed as Manager Cum Chief Financial Officer of the Company. He holds Bachelor's Degree in Commerce from Punjab University. He is having more than 4 years of experience in the field of Accounts.
- Past remuneration:** N.A.





**3. Recognition or awards:** Nil

**4. Job profile and suitability:** Mr. Ravi Kumar is overall responsible for operations of the Company under the supervision of the Board of Directors. Seeing his leadership qualities, the Board appointed him as Manager of the Company w.e.f. May 12, 2022.

**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 his appointment commencing from May 12, 2022, 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 Mr. Ravi Kumar, the responsibilities shouldered by him, the remuneration proposed to be paid to him, 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:** Mr. Ravi Kumar, 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. He does not have any relationship with the managerial personnel.

**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.

**IV. Disclosures:**

All disclosures required under Section II of Part II of Schedule-V to the Companies Act, 2013 have been provided in the Explanatory Statement.

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

Place: New Delhi  
Date : 09.08.2022

(Palak Narang)  
Company Secretary  
Membership No. ACS 43749



**ANNEXURE TO THE NOTICE**

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
<b>Name</b>	Sh. Dinesh Gogna (DIN: 00498670)	Mr. Ravi Kumar
<b>Designation</b>	Non-Executive Director	Manager Cum Chief Financial Officer
<b>Date of Birth and Age</b>	07/07/1953 69 years	13/07/1999 23 Years
<b>Date of Appointment</b>	19.01.1984	12.05.2022
<b>Qualification</b>	B.A. and LLB	Bachelor's Degree in Commerce from Punjab University
<b>Expertise in Specific functional areas</b>	More than 42 years of experience in Corporate Experience in the field of Finance & Taxation	More than 4 years of experience in the field of Accounts.
<b>Terms of Appointment</b>	Liable to retire by rotation	3 years w.e.f. May 12, 2022.
<b>Remuneration for the Financial Year 2021-2022 (Sitting Fees)</b>	Rs. 15,000/- (Rupees Fifteen Thousand only) (Sitting Fees)	N.A.
<b>Remuneration sought to be paid</b>	Sitting Fees to be paid for Attending Meetings of the Board	Rs. 21,500/- per month
<b>Shareholding in the Company</b>	Nil Equity Shares	Nil Equity Shares
<b>Shareholding in the Company as a Beneficial Owner</b>	Nil	Nil
<b>No. of Board Meetings attended during the year</b>	4 out of 4	N.A.
<b>Disclosure of Relationship:</b>	None	None
<b>List of Other Directorships on other Board as on 31st March, 2022</b>	<b>Name of the Company</b>	<b>Status</b>
	1. Nahar Industrial Enterprises Limited	Director
	2. Nahar Spinning Mills Limited	Director
	3. Nahar Poly Films Limited	Director
	4. Nahar Capital and Financial Services Limited	Director
	5. Monte Carlo Fashions Limited	Director
	6. Oswal Woollen Mills Limited	Wholetime Director
	7. Cotton County Retail Limited	Director
	8. Girnar Investment Limited	Director



Listed entities from which the person has resigned in the past three years	Nil	Nil																																												
List of Memberships/ Chairmanships of Committees of other Board as on 31st March, 2022	<div>1. Oswal Woollen Mills Ltd.</div> <table><tr><td>Audit Committee</td><td>Member</td></tr><tr><td>Shareholders Committee</td><td>Member</td></tr></table> <div>2. Nahar Capital and Financial Services Limited</div> <table><tr><td>Share Transfer Committee</td><td>Member</td></tr><tr><td>Corporate Social Responsibility Committee</td><td>Member</td></tr><tr><td>Risk Management Committee</td><td>Member</td></tr><tr><td>Investment Committee</td><td>Member</td></tr></table> <div>3. Nahar Spinning Mills Limited</div> <table><tr><td>Audit Committee</td><td>Member</td></tr><tr><td>Share Transfer Committee</td><td>Member</td></tr><tr><td>Corporate Social Responsibility Committee</td><td>Member</td></tr></table> <div>4. Nahar Industrial Enterprises Ltd.</div> <table><tr><td>Audit Committee</td><td>Member</td></tr><tr><td>Stakeholder Relationship Committee</td><td>Chairman</td></tr><tr><td>Corporate Social Responsibility Committee</td><td>Member</td></tr></table> <div>5. Monte Carlo Fashions Limited</div> <table><tr><td>Audit Committee</td><td>Member</td></tr><tr><td>Stakeholders Relationship Committee</td><td>Chairman</td></tr><tr><td>Nomination and Remuneration Committee</td><td>Member</td></tr><tr><td>Share Transfer Committee</td><td>Member</td></tr><tr><td>Corporate Social Responsibility Committee</td><td>Member</td></tr><tr><td>Risk Management Committee</td><td>Member</td></tr></table> <div>6. Nahar Poly Films Limited</div> <table><tr><td>Audit Committee</td><td>Member</td></tr><tr><td>Share Transfer Committee</td><td>Member</td></tr><tr><td>Corporate Social Responsibility Committee</td><td>Member</td></tr><tr><td>Stakeholders Relationship Committee</td><td>Member</td></tr></table>	Audit Committee	Member	Shareholders Committee	Member	Share Transfer Committee	Member	Corporate Social Responsibility Committee	Member	Risk Management Committee	Member	Investment Committee	Member	Audit Committee	Member	Share Transfer Committee	Member	Corporate Social Responsibility Committee	Member	Audit Committee	Member	Stakeholder Relationship Committee	Chairman	Corporate Social Responsibility Committee	Member	Audit Committee	Member	Stakeholders Relationship Committee	Chairman	Nomination and Remuneration Committee	Member	Share Transfer Committee	Member	Corporate Social Responsibility Committee	Member	Risk Management Committee	Member	Audit Committee	Member	Share Transfer Committee	Member	Corporate Social Responsibility Committee	Member	Stakeholders Relationship Committee	Member	Nil
Audit Committee	Member																																													
Shareholders Committee	Member																																													
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Stakeholders Relationship Committee	Member																																													



<b>Membership/Chairmanship of the Committees of listed entities from which the person has resigned in the past three years</b>	Nil	Nil
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**By Order of the Board of Directors  
For Oswal Leasing Limited**

**Place: New Delhi  
Date : 09.08.2022**

**(Palak Narang)  
Company Secretary  
Membership No. ACS 43749**



## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty Eighth (38<sup>th</sup>) Annual Report of the Company along with the Audited Financial Statements for the Financial Year ended March 31, 2022. 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 2021-2022 is as under:

(Amt in Rs.)

PARTICULARS	Financial year ended on March 31, 2022	Financial year ended on March 31, 2021
Revenue from operations	14,00,022	18,64,401
Other Income	0	14,843
<b>Total income</b>	<b>14,00,022</b>	<b>18,79,244</b>
Profit/Loss before tax	(1,17,960)	5,81,854
Less: Tax expenses - Current Tax	0	1,47,000
<b>Profit/Loss after tax</b>	<b>(1,17,960)</b>	<b>4,34,854</b>
<b>Other Comprehensive Income</b>	<b>4,05,240</b>	<b>(6,62,778)</b>
<b>Total Comprehensive Income</b>	<b>2,87,280</b>	<b>(2,27,924)</b>
<b>Earning Per Equity Share</b>	<b>(0.24)</b>	<b>0.87</b>

### INDIAN ACCOUNTING STANDARDS:

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.

### 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. 13,78,022/- (Previous Year Rs. 15,34,401/-). The dividend income earned during the year was Rs. 22,000/- (Previous Year Rs. 3,30,000/-). The loss of the Company before tax is Rs. 1,17,960/- as compared to the profit of Rs. 5,81,854/- reported in the Previous Year. The Net Loss for the year stood at Rs. 1,17,960/- as compared to Net Profit of Rs. 4,34,854/- 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. 2,35,625/- as at 31.03.2022. The loss of the Company before tax is Rs. 1,17,960/- as on 31.03.2022 and the balance amount of Rs. 1,32,72,732/- is carried over to the Balance Sheet.





#### **DIVIDEND:**

Due to loss suffered by the Company, your directors express their inability to recommend dividend for the financial year ended on March 31, 2022.

#### **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, 2022 stood at Rs. 50,00,000/-. 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, 2022, 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:**

As on March 31, 2022, the Board of Directors consists of 5 (Five) Directors i.e. 3 (Three) Non-Executive Directors and 2 (Two) Non-Executive Independent Directors.

#### ***Appointment/Retirement of Directors***

During the year under review, the second term of appointment of Sh. Navdeep Sharma (DIN: 00454285) and Sh. Vijay Kumar Gupta (DIN: 00506399), as Independent Directors of the Company ended upon the conclusion of 37th Annual General Meeting of the Company. They ceased to be Independent Directors of the Company at the conclusion of 37th Annual General Meeting. The Board places on record its appreciation for the valuable services rendered by Sh. Navdeep Sharma (DIN: 00454285) and Sh. Vijay Kumar Gupta (DIN: 00506399) during their tenure as Independent Directors of the Company.

Further, Dr. Roshan Lal Behl (DIN: 06443747) and Dr. Manisha Gupta (DIN: 06910242) were appointed as Additional Directors of the Company in the capacity of Independent Directors on the Board of the Company for a period of five (5) consecutive years commencing with effect from August 12, 2021 upto August 11, 2026 subject to approval of shareholders of the Company and shareholders of the Company at their 37th Annual General Meeting held on September 28, 2021 had approved the appointment of Dr. Roshan Lal Behl (DIN: 06443747) and Dr. Manisha Gupta (DIN: 06910242) as Independent Directors of the Company.

#### ***Woman Director:***

In terms of the provisions of Section 149 of the Companies Act, 2013, your Company has Smt. Monica Oswal and Dr. Manisha Gupta as Woman Directors on the Board.

#### ***Retirement by Rotation:***

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Sh. Dinesh Gogna (DIN: 00498670), 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 SEBI Listing Regulations and Secretarial Standards-2 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) read with Schedule IV 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, Regulation 16(1)(b) of the Listing Regulations along with the declaration that they have registered themselves with the Independent Director's Database maintained by the IICA as provided in sub-rule (3) rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations. 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) of the Company in accordance with the provisions of Section 203 of Companies Act, 2013 and rules made there under:

Names of KMP's	Designation
Ms. Palak Narang	Company Secretary
Mr. Ravi Kumar*	Manager Cum Chief Financial Officer (appointed w.e.f. 12.05.2022)

\*During the year under review, Ms. Harasees Kaur had resigned from the post of Manager Cum Chief Financial Officer with effect from December 15, 2021 and in her place Mr. Ravi Kumar is appointed by the Board of Directors as Manager Cum Chief Financial Officer of the Company with effect from May 12, 2022 in the Board Meeting held on May 12, 2022 for a term of three (3) consecutive years subject to the approval of members, Company has proposed the Special Resolution for shareholders' approval in the accompanying Notice of 38th Annual General Meeting.

In compliance with Regulation 36(3) of SEBI Listing Regulations and Secretarial Standards-2 information about the Manager proposed to be appointed / re-appointed is attached along with the Notice calling the ensuing Annual General Meeting.

**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 Four (4) occasions viz. June 03, 2021; August 12, 2021; November 11, 2021 and February 11, 2022 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. (Due to prevailing COVID-19 pandemic, the Company has availed the relaxation provided by SEBI vide Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated April 29, 2021 and MCA vide General Circular No. 08/2021 dated May 03, 2021.)

**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 Dr. Roshan Lal Behl as Chairman, Dr. Manisha Gupta and Smt. Monica Oswal as Members as at 31.03.2022. 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. June 03, 2021; August 12, 2021; November 11, 2021 and February 11, 2022 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 Dr. Roshan Lal Behl as Chairman, Dr. Manisha Gupta and Smt. Monica Oswal as Members as at 31.03.2022. 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. June 03, 2021; August 12, 2021; November 11, 2021 and February 11, 2022. 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, 2022. Further, no shareholders complaint/ grievance were received under 'SCORES' during the Financial Year 2021-2022.

## **3. NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee of the Company consists of Dr. Roshan Lal Behl as Chairman, Dr. Manisha Gupta and Smt. Monica Oswal as Members as at 31.03.2022. 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 one (1) occasion viz. August 12, 2021. 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 Dr. Roshan Lal Behl as Chairman, Dr. Manisha Gupta and Smt. Monica Oswal as Members as at 31.03.2022.

During the year under review, the Share Transfer Committee met on four (4) occasions viz. June 03, 2021; August 12, 2021; October 01, 2021 and February 11, 2022. 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 SEBI Listing Regulations and has submitted a copy of the said certificate with the Stock Exchange on yearly basis.

### **Attendance Details of Board and Committee Meetings held during the Financial Year 2021-2022:**

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	Stakeholders Relationship	Nomination and Remuneration	Share Transfer
Sh. Kamal Oswal	Chairman & Director	3 out of 4	-	-	-	-
Sh. Dinesh Gogna	Director	4 out of 4	-	-	-	-
Smt. Monica Oswal	Director	4 out of 4	4 out of 4	4 out of 4	1 out of 1	4 out of 4
Sh. Vijay Kumar Gupta	Independent Director	2 out of 2	2 out of 2	2 out of 2	1 out of 1	2 out of 2
Sh. Navdeep Sharma	Independent Director	2 out of 2	2 out of 2	2 out of 2	1 out of 1	2 out of 2



Dr. Roshan Lal Behl	Independent Director	2 out of 2	2 out of 2	2 out of 2	-	2 out of 2
Dr. Manisha Gupta	Independent Director	2 out of 2	2 out of 2	2 out of 2	-	2 out of 2

#### **ANNUAL RETURN:**

The 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 2021-2022 in the Form MGT-7 has been uploaded on Company's website and the web link for the same is [http://owmnahar.com/leasing\\_ltd/pdf/Annual-Return-2021-22-1.pdf](http://owmnahar.com/leasing_ltd/pdf/Annual-Return-2021-22-1.pdf)

#### **COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company is in compliance with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

#### **PARTICULARS OF LOANS, GUARANTEES 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. 25 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, 2022. 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 or which warrants the approval of the shareholders.

#### **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, 2022. The Vigil Mechanism/Whistle Blower Policy is posted on the website of the Company and the web link for the same is [http://owmnahar.com/leasing\\_ltd/pdf/Vigil-Mechanism\\_Whistle-Blower-Policy-22.pdf](http://owmnahar.com/leasing_ltd/pdf/Vigil-Mechanism_Whistle-Blower-Policy-22.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://owmnahar.com/leasing\\_ltd/pdf/Nomination-and-Remuneration-Policy-22.pdf](http://owmnahar.com/leasing_ltd/pdf/Nomination-and-Remuneration-Policy-22.pdf)

As mandated by proviso to Section 178(4) of the Companies Act, 2013, salient features of Nomination and Remuneration Policy is annexed as **Annexure-3** hereto and forms part of this report.



## **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://owmnahar.com/leasing\\_ltd/pdf/Policy-on-Preservation-of-Documents-22.pdf](http://owmnahar.com/leasing_ltd/pdf/Policy-on-Preservation-of-Documents-22.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://owmnahar.com/leasing\\_ltd/pdf/Policy-for-Determination-of-Materiality-of-Events-or-Information-22.pdf](http://owmnahar.com/leasing_ltd/pdf/Policy-for-Determination-of-Materiality-of-Events-or-Information-22.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://owmnahar.com/leasing\\_ltd/pdf/Policy-on-Archival-of-Documents-2022.pdf](http://owmnahar.com/leasing_ltd/pdf/Policy-on-Archival-of-Documents-2022.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; (ii) the Code of Conduct as required under SEBI (Prohibition of Insider Trading) Regulations, 2015 and (iii) Policy on inquiry in case of leak of unpublished price sensitive information (UPSI) and the same is available on the website of Company at [www.owmnahar.com](http://www.owmnahar.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, 2022 to review the performance of the Non-Independent Directors 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. Further, the statutory auditors of the Company have verified the systems and processes and confirmed that the internal financial controls system over financial reporting is operating effectively. 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 observation and follow up action 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.

**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 has occurred between the end of Financial Year March 31, 2022 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 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, 2022, 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, 2022 and of the loss 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 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 2021-2022, the Company has not received any complaint on sexual harassment and hence no complaint remains pending as of March 31, 2022.

#### **CORPORATE GOVERNANCE:**

Pursuant to provisions of Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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) and (t) 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 Only) and net worth of the Company is Rs. 2,79,09,357/- (Rupees Two Crore Seventy Nine Lakhs Nine Thousand Three Hundred and Fifty Seven Only) as on the last day of the previous financial year i.e. March 31, 2022 which is not exceeding Rs. 10 Crores and Rs. 25 Crores, respectively as per the latest audited Financial Statements as at March 31, 2022.

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 4<sup>th</sup> Floor, Neco Complex, Opp. Green Florists, Pakhowal Road, Gurdev Nagar, Ludhiana-141002, were appointed as Statutory Auditors of the Company in the 35<sup>th</sup> Annual General Meeting to hold office for a term of five consecutive years from the conclusion of the 35<sup>th</sup> Annual General Meeting till the conclusion of the 40<sup>th</sup> 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, 2022. 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 have 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 2022-2023. The Company has received consent from M/s M.G. Jindal & Associates, Company Secretaries to act as the auditor for conducting audit of the secretarial records for the financial year ending 31st March, 2023.

M/s M.G. Jindal & Associates, Practicing Company Secretaries have carried out the Secretarial Audit for the financial year ended March 31, 2022. The Secretarial Audit Report in Form No. MR-3 for the financial year ended 31st March, 2022 under the Act, read with rules made thereunder, is annexed herewith as **Annexure 1** and forms an integral part of this report.

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.

##### **(c) INTERNAL AUDITORS**

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of Directors of the Company have appointed M/s. Raj Gupta & Co., Chartered Accountants to conduct the internal audit of the Company for the financial year 2022-2023. The Company has received consent from M/s Raj



Gupta & Co., Chartered Accountants to conduct the internal audit of the Company for the financial year ending 31st March, 2023.

M/s. Raj Gupta & Co., Chartered Accountants performs the duties of internal auditors of the Company for the financial year 2021-2022 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, 2022.

#### **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](mailto: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 2022-2023. 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 2022-2023.



#### **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 notifications and circulars issued by the Securities and Exchange Board of India (SEBI) from time to time, 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, Transmission/ Transposition, Demat/Remat and 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 – 110 055  
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.

#### **OTHER DISCLOSURES:**

- (i) No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable; and
- (ii) The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons there of, is not applicable.

#### **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 stakeholders. 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 : 09.08.2022**

**(Kamal Oswal)  
Chairman  
DIN: 00493213**





**ANNEXURE-1 TO THE DIRECTORS' REPORT**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> MARCH, 2022**

***[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 31<sup>st</sup> March, 2022 ('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 31<sup>st</sup> March, 2022 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; Not applicable as the company has not issued any securities during the audit period;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (up to 12<sup>th</sup> August, 2021) and The Securities and Exchange Board of India (Share based Employees Benefits and Sweat Equity) Regulation, 2021 (with effect from 13<sup>th</sup> August, 2021) -Not applicable to the company during the audit period.
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,



2008 (up to 16<sup>th</sup> August, 2021) and Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities), Regulation, 2021 (w.e.f.16<sup>th</sup> August, 2021)- Not applicable to the company during the audit period.

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not Applicable as the company is not registered as Registrars to an issue and share Transfer agent.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (up to 09<sup>th</sup> June, 2021) and The securities and Exchange Board of India (Delisting of equity shares) Regulation, 2021( with effect from 10<sup>th</sup> June, 2021)- Not applicable to the company during the audit period.
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- Not applicable to the company during audit period.

vi) Reserve Bank of India Act, 1934 and Guidelines made there under.

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.

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.

**For M.G. Jindal & Associates**  
**Company Secretaries**

(Madan Gopal Jindal)  
Company Secretary in whole time practice  
M. No.: FCS 2725  
C.P. No.: 2712  
Peer Review Certificate No. 1044/2020  
UDIN: F002725D000771119

Place: New Delhi  
Date: 09/08/2022

#### **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.



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.

**For M.G. Jindal & Associates**  
**Company Secretaries**

**(Madan Gopal Jindal)**  
**Company Secretary in whole time practice**  
**M. No.: FCS 2725**  
**C.P. No.: 2712**  
**Peer Review Certificate No. 1044/2020**  
**UDIN: F002725D000771119**

**Place: New Delhi**  
**Date: 09/08/2022**



**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**

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager during the Financial Year 2021-2022, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-2022.

Sr. No.	Name & Designation of Director/KMP	Remuneration for F.Y. 2021-2022 (in Rs.)	% age increase/ (decrease) in remuneration in the F.Y. 2021-2022	Ratio of Remuneration of each director to median remuneration of employees
1.	Sh. Kamal Oswal Chairman & Non-Executive Director	10,000/-	-20.00	0.04
2.	Sh. Dinesh Gogna Non-Executive Director	15,000/-	20.00	0.07
3.	Smt. Monica Oswal Non-Executive Director	15,000/-	20.00	0.07
4.	Sh. Vijay Kumar Gupta Independent Director	5,000/-	\$	0.02
5.	Sh. Navdeep Sharma Independent Director	5,000/-	\$	0.02
6.	Dr. Roshan Lal Behl Independent Director	10,000/-	@	0.04
7.	Dr. Manisha Gupta Independent Director	10,000/-	@	0.04
8.	Ms. Harasees Kaur Manager Cum Chief Financial Officer	2,27,368/-	*	1.00
9.	Ms. Palak Narang Company Secretary	4,92,000/-	34.50	2.16

\$ Not Applicable as Sh. Vijay Kumar Gupta and Sh. Navdeep Sharma, Independent Directors ceased during the year w.e.f. 28.09.2021.

@ Not Applicable as Dr. Roshan Lal Behl and Dr. Manisha Gupta, Independent Directors appointed during the year w.e.f. 12.08.2021.

\* Not Applicable as Ms. Harasees Kaur, Manager Cum Chief Financial Officer had resigned w.e.f. 15.12.2021.

2. The median remuneration of employees of the Company during the financial year was Rs. 2,27,368/-
3. In the financial year under review, there was 19.42% increase in the median remuneration of employees.
4. There were 2 permanent employees on the rolls of Company as on March 31, 2022.
5. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year 2020-2021 is not applicable and there was 81.23% average increase in the managerial remuneration.



6. It is hereby affirmed that the remuneration paid to Directors, KMP's and other employees during the year 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 for the financial year 2021-2022.**

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 and Compliance Officer)	4,92,000/-	Full-time	B.Com and Company Secretary  6 years	25.04.2019	28	Himachal Fibres Limited	Nil	No
2.	Ms. Harasees Kaur (Manager Cum Chief Financial Officer)*	2,27,368/-	Full- time	B. Com and MBA in Finance and Marketing  3 years	01.08.2020	26	-	Nil	No
3.	Mr. Ravi Kumar (Accounts Officer)	27,857/-	Full- time	B. Com  4 years	17.02.2022	23	Tushar Engineers	Nil	No

\*Ms. Harasees Kaur, Manager Cum Chief Financial Officer had resigned w.e.f. 15.12.2021.

**Note:**

- During the Financial Year 2021-2022, 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.
- During the Financial Year 2021-2022, 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.
- During the Financial Year 2021-2022, 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 : 09.08.2022**

**(Kamal Oswal)  
Chairman  
DIN: 00493213**



**ANNEXURE -3 TO THE DIRECTORS' REPORT**

**SALIENT FEATURES OF THE NOMINATION AND REMUNERATION POLICY**  
[as per proviso to section 178(4) of the Companies Act, 2013]

**APPLICABILITY**

This Policy is applicable to:

- a. Directors (Executive, Non-Executive and Independent)
- b. Key Managerial Personnel (KMP)
- c. Senior Management Personnel
- d. Other employees as may be decided by the Committee ("NRC")

**OBJECTIVE**

The Policy provides criteria for:

1. Determining qualifications, positive attributes and independence of a Director;
2. Performance evaluation of Independent Directors, non-independent Directors, Chairman and the Board;
3. Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees, as may be decided by the Committee;

**PROVISIONS RELATING TO REMUNERATION OF MANAGER, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES**

The following are the guiding factors:

- The scope of duties, the role and nature of responsibilities;
- The level of skill, knowledge, experience, local factors and expectations of individual;
- The Company's performance, long term strategy and availability of resources;
- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs, Senior Management Personnel and other employees of the quality required to run the Company successfully; and
- Relationship of remuneration to performance is clear and meets appropriate performance benchmark;

**PROVISIONS RELATING TO REMUNERATION OF NON-EXECUTIVE / INDEPENDENT DIRECTOR(S)**

The following are the guiding factors:

- The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and as decided by the Board from time to time.
- The Non-Executive/ Independent Director(s) may also receive remuneration / compensation / commission etc as per criteria/limit thereof prescribed under Companies Act, 2013 and rules made thereunder
- Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders', as may be applicable

**EVALUATION**

The evaluation will be done on following parameters:

1. Role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board;
2. Attendance and contribution at Board and Committee meetings;
3. Subject expertise, skills, behavior, experience, leadership qualities, understanding of business and strategic direction to align company's values and standards;





4. Ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders;
5. Ability to create a performance culture that drives value creation and a high quality of discussions;
6. Effective decision making ability to respond positively and constructively to implement the same to encourage more transparency;

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

**Place: New Delhi  
Date : 09.08.2022**

**(Kamal Oswal)  
Chairman  
DIN: 00493213**



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **OVERVIEW**

Oswal Leasing Limited is registered with the Reserve Bank of India ("RBI") as a Non-Deposit taking, Non-Banking Financial Company and is a Financial/Investment Company.

### **ECONOMIC OVERVIEW:**

An unprecedented scale of vaccination programme across the country along with supportive policies helped the Indian economy withstand challenges posed by the second and third wave of the pandemic. Second advance estimates by the Ministry of Statistics and Program Implementation put India's FY22 GDP growth at 8.9% as compared to 7.3% contraction in FY21, hinting at an overall recovery of economic activities to pre-pandemic levels. Growth is expected to be strong across sectors, with manufacturing and services demonstrating a strong recovery. In May 2022, the Reserve Bank of India changed the Repo Rate to 4.40% after a long time, increasing it by 40 basis points. Industry's Gross Value Added (GVA) is expected to rise by 11.8% in FY22 after contracting by 7% in FY21. The services sector, hit hardest by the pandemic, is estimated to grow 8.2% in FY22 against a contraction of 8.4% last year.

India has seen consistent supply-side reforms rather than a total reliance on demand management. Over the past few years, the government has undertaken several measures – it has deregulated several sectors, simplified processes, removed retrospective taxation, accelerated privatisation and introduced production-linked incentives, among others. Through the Production-linked Incentive (PLI) scheme, the government is trying to position India as a manufacturing hub in keeping with its vision of Aatmanirbhar Bharat. The PLI scheme is in place for 14 sectors and is being implemented for many more sectors, including electronics. High-frequency indicators monitored by the government to understand the underlying state of our economy, reflect strong recovery. Take the gross Goods and Services Tax collection for FY22, which stood at a little over Rs. 14.8 trillion, 17.5% higher than that in FY20 (pre-pandemic year). Despite supply side constraints, inflationary pressures and the impact of geopolitical tensions, India's growth story continues to remain intact.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Non-Banking Financial Institutions (NBFI) 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. To keep pace with the same, regulations have also evolved to address various accompanying risks and concerns. Accordingly, the Reserve Bank of India (RBI) vide its Circular dated October 22, 2021 introduced the scale based regulatory framework aligning it with the changing risk profile of NBFCs while addressing systemic risk issues by categorizing the NBFCs into four layers - Base Layer, Middle Layer, Upper Layer, and Top Layer w.e.f. October 01, 2022. A scale-based regulatory framework, proportionate to the systemic significance of NBFCs, will be an optimal approach where the level of regulation and supervision will be a function of the size, activity and riskiness of NBFCs.

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 2021-2022, 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. In May 2022, the Reserve Bank of India changed the Repo Rate to 4.40% after a long time, increasing it by 40 basis points followed by increase of 50 basis points in June, 2022 considering the projections of inflation to remain above the upper tolerance level of 6 per cent through the first three quarters of 2022-23 due to global growth risks and geopolitical tensions.

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:**

Global rating agencies are bullish about the country's economy, which is expected to register the fastest GDP growth in the Asia-Pacific region in FY23 (Source: S&P Global). India's GDP is estimated to grow at 7.8% for FY23 while the average GDP growth in the Asia-Pacific region is projected to be at 5.1% for 2022 and 4.5% in 2023-2025. The fast pace of the growth will be aided by an increasing number of vaccinated individuals, gains from supply-side reforms, strengthening export growth (driven by PLI scheme as well as India emerging as an alternative sourcing destination) and increasing capital spending, especially on large scale infrastructure projects.

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 consolidated Revenues was Rs. 14,00,022/- and Loss before tax and Loss after Tax was Rs. 1,17,960/- as on 31.03.2022. 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:-

<b>Ratio</b>	<b>Unit</b>	<b>F.Y. 2021-2022</b>	<b>F.Y. 2020-2021</b>	<b>% Change</b>
Capital to Risk-Weighted Assets Ratio (CRAR) %	%	99.89	101.80	-1.91
CARR - Tier I Capital (%)	%	99.89	101.80	-1.91
CARR - Tier II Capital (%)	%	-	-	-
PBT/Total Income	%	-8.43	30.96	-127.21
Financial Assets to Total Assets	%	94.08	98.51	-4.43
Financial Income to Total Income	%	100	99.20	0.80
Return on Net Worth	%	-0.42	1.57	-126.85

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

PBT/Total Income and Return on Net worth has decreased due to less dividend income received during the financial year 2021-2022.

#### **ACCOUNTING TREATMENT:**

The financial statements of the Company for financial year 2021-2022 have been prepared in accordance with the applicable accounting principles in India and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the rules made thereunder. The Company has followed accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act.

The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

#### **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 : 09.08.2022**

**(Kamal Oswal)**  
**Chairman**  
**DIN: 00493213**



## **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 31<sup>st</sup> March 2022, 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, 2022, 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.

#### **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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative





factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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, 2020 ("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 31<sup>st</sup> March 2022 and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022, 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 the requirements of section 197(16) of the Act, as amended:  
The Company has not paid any remuneration to its directors.
  - (h) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors) Rules, 2014.
    - i. The Company does not have any pending litigations which would impact its financial position.



- ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- iii. There has not been an occasion in case of the 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.
- iv.(a) The Management has represented that, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (a) and (b) above, contain any material misstatement.
- v. In our opinion & according to the information provided to us, the Company has not declared or paid any Dividend during the year. Hence this clause is not applicable to the Company.

**For Ashish Sunil Jain & Co.**  
**Chartered Accountants**  
**Firm's registration number: 025047N**

**(Ashish Jain)**  
**Partner**  
**Membership Number: 098908**  
**UDIN: 22098908AIWFRV5100**

**Place : New Delhi**  
**Dated: 12.05.2022**



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

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. The Company does not have any Property Plant and equipment or any Intangible asset. Hence this clause is not applicable on the company.
- ii. In our opinion and according to the information and explanations provided to us:
  - a. The nature of business of the Company does not require it to have any inventory. Hence this clause is not applicable on the company.
  - b. During the year, the company has not been sanctioned any working capital limits from banks on the basis of security of current assets. Hence, this clause is not applicable to the company.
- iii. According to the information and explanations given to us, during the year the company has granted loans or advances in the nature of loans, secured or unsecured to companies, firms, LLPs or any other parties. Hence this clause is applicable on the company. During the year, the company has granted loans or advances in the nature of unsecured loan to Oswal Woollen Mills Limited.
  - a. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to loan granted to Oswal Woollen Mills Limited being other than subsidiaries, joint ventures and associates was ₹1,94,00,000.
  - b. In our opinion the terms and conditions of the grant of such loan during the year are prima facie, not prejudicial to the Company's interest.
  - c. In respect of such loans granted, the borrower has been regular in the repayment of the principal and interest as stipulated.
  - d. In respect of loans granted by the Company, there is no overdue amount outstanding as at the Balance Sheet Date.
  - e. There has not been any loan or advance in the nature of loan granted which has fallen due during the year.
  - f. The Company has granted loan that is repayable on demand to Oswal Woollen Mills Limited. The aggregate amount of the loan was ₹ 1,94,00,000 as on Balance Sheet date and it constitutes 100% to the total loans granted to related parties as defined in clause (76) of section 2 of the Companies Act 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans as applicable.
- v. According to the information and explanations given to us, we are of the opinion that the company has not accepted any deposit or amounts which are deemed to be deposited in pursuance of Sections 73 to 76 of the Companies Act, 2013 and the rules frame thereunder. Accordingly, this clause is 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 on the company.
- vii. According to the information and explanations given to us, books and records as produced and examined by us in respect of Statutory dues:

The company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales- Tax, Service Tax, the duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. Further, we report that no undisputed amount payable with respect to such statutory dues was outstanding as at March 31, 2022, for a period of more than six months from the date they became payable.



- viii. In our opinion and according to the information and explanations given to us and based on the records of the company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In our opinion and according to the information and explanations given to us:
- (a) The company has not taken any loans or other Borrowings from any Lender. Hence, reporting under clause 3(ix) (a) of the Order is not applicable to the Company;
  - (b) The company has not been declared a wilful defaulter by any bank or financial institution or any other lender;
  - (c) The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year. Hence, reporting under clause 3(ix)(c) of the Order is not applicable;
  - (d) During the year, the company has not taken any funds on a short-term basis. Accordingly, this clause is not applicable;
  - (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary;
  - (f) The Company has not raised any loans on the pledge of securities held in its subsidiary during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. According to the information and explanations given to us:
- a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) of the Order is not applicable;
  - b. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year. Hence, reporting under clause 3 (x)(b) of the Order is not applicable.
- xi. In our opinion and according to the information and explanations given to us:
- a. No fraud by or on the Company has been noticed or reported during the course of our audit;
  - b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;
  - c. During the year, no whistleblower complaints have been received by the company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and requisite details have been disclosed in the Standalone Financial Statements as required by the applicable Accounting Standards.
- xiv. In our opinion and according to the information and explanations given to us:
- a. The company has an internal audit system commensurate with the size and nature of its business;
  - b. The reports of the Internal Auditor for the period under audit has been considered by us.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



- xvi.** According to the information and explanations given to us:
- a.** The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.
  - b.** The Company has not conducted any Non-Banking Financial or Housing Finance activities without a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - c.** The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and it fulfils the criteria prescribed.
  - d.** As per our Opinion, the Group has one CIC as part of the Group. The Group has one CIC's.
- xvii.** According to the records examined by us, the Company has incurred cash losses during the current financial year 2021-22 amounting to Rs. 1.18 lakhs and no cash losses in the immediately preceding financial year 2020-21.
- xviii.** There has been no resignation of the statutory auditors of the company during the financial year.
- xix.** In our opinion and according to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements we are of the opinion that no material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx.** In our opinion and according to the information and explanations given to us, the Company does not meet the criteria for the applicability under Section 135 of the Companies Act, 2013. Hence, reporting under this clause is not applicable.
- xxi.** In our opinion and according to the information and explanations given to us, the company is not required to prepare consolidated financial statement. Hence, this clause is not applicable.

**For Ashish Sunil Jain & Co.**  
**Chartered Accountants**  
**Firm's registration number: 025047N**

**(Ashish Jain)**  
**Partner**  
**Membership Number: 098908**  
**UDIN: 22098908AIWFRV510**

**Place : New Delhi**  
**Dated : 12.05.2022**



## **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 31<sup>st</sup> March 2022 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the





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

### **Opinion**

In our opinion 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 31<sup>st</sup> March 2022, 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**

**UDIN: 22098908AIWFRV5100**

**Place : New Delhi**

**Dated : 12.05.2022**



**Balance Sheet as at 31st March, 2022**

(Amt in Rs."00")

Particulars	Note No.	As at 31-Mar-22	As at 31-Mar-21
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash & Cash Equivalents	3	78.51	3,717.54
(b) Loans	4	1,94,000.00	1,90,000.00
(c) Investments	5	70,620.00	66,567.60
(d) Other financial assets	6	14,774.84	16,436.47
<b>Total Financial Assets</b>		<b>2,79,473.35</b>	<b>2,76,721.61</b>
<b>(2) Non-financial Assets</b>			
(a) Current tax assets (Net)	7(a)	1,400.02	263.84
(b) Other non-financial assets	7(b)	411.10	142.34
<b>Total Non-Financial Assets</b>		<b>1,811.12</b>	<b>406.18</b>
<b>Total Assets</b>		<b>2,81,284.47</b>	<b>2,77,127.79</b>
<b>Liabilities &amp; Equity</b>			
<b>Liabilities</b>			
<b>(1) Financial Liabilities</b>			
(a) Other financial liabilities	8	1,493.97	270.55
<b>Total Financial Liabilities</b>		<b>1,493.97</b>	<b>270.55</b>
<b>(2) Non-financial Liabilities</b>			
(a) Provisions	9	485.00	475.00
(b) Other non-financial Liabilities	10	211.94	166.38
<b>Total Non-Financial Liabilities</b>		<b>696.94</b>	<b>641.38</b>
<b>Total Liabilities</b>		<b>2,190.91</b>	<b>911.93</b>
<b>(3) Equity</b>			
(a) Equity Share Capital	11	50,000.00	50,000.00
(b) Other Equity	12	2,29,093.57	2,26,215.85
<b>Total Equity</b>		<b>2,79,093.57</b>	<b>2,76,215.85</b>
<b>Total Liabilities and Equity</b>		<b>2,81,284.47</b>	<b>2,77,127.79</b>

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:22098908AIWFRV5100

(Kamal Oswal)  
Director  
DIN: 00493213

(Roshan Lal Behl)  
Director  
DIN: 06443747

Place : New Delhi  
Date : 12/05/2022

(Ravi Kumar)  
Manager cum CFO

(Palak Narang)  
Company Secretary



**Statement of Profit & Loss for the Year ended 31st March, 2022**

Amt (in Rs."00")

Particulars	Note No.	For the year ended 31-Mar-22	For the year ended 31-Mar-21
<b>Revenue from operations</b>			
Interest Income	13	13,780.22	15,344.01
Dividend Income	14	220.00	3,300.00
<b>Total Revenue from operations</b>		<b>14,000.22</b>	<b>18,644.01</b>
<b>Other Income</b>	15	-	<b>148.43</b>
<b>Total Income</b>		<b>14,000.22</b>	<b>18,792.44</b>
<b>Expenses</b>			
Finance costs	16	3.92	6.57
Employee benefit expenses	17	7,472.25	5,954.15
Other expenses	18	7,703.65	7,013.18
<b>Total Expenses</b>		<b>15,179.82</b>	<b>12,973.90</b>
<b>Profit / Loss before tax</b>		<b>(1,179.60)</b>	<b>5,818.54</b>
<b>Tax expense:</b>			
Current tax	19	-	1,470.00
<b>Profit / Loss for the Year</b>		<b>(1,179.60)</b>	<b>4,348.54</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to Profit or (Loss)		4,052.40	(6,627.78)
(ii) Income tax relating to items that will not be reclassified to Profit or (Loss)		-	-
<b>Sub Total (A)</b>		<b>4,052.40</b>	<b>(6,627.78)</b>
(i) Items that will be reclassified to Profit or (Loss)		-	-
(ii) Income tax relating to items that will be reclassified to Profit or (Loss)		-	-
<b>Sub Total (B)</b>		<b>-</b>	<b>-</b>
<b>Other Comprehensive Income (A+B)</b>		<b>4,052.40</b>	<b>(6,627.78)</b>
<b>Total Comprehensive Income (VI+VII)</b>		<b>2,872.80</b>	<b>(2,279.24)</b>
Earning per equity share:	20		
(1) Basic		(0.24)	0.87
(2) Diluted		(0.24)	0.87

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:22098908AIWFRV5100

(Kamal Oswal)  
Director  
DIN: 00493213

(Roshan Lal Behl)  
Director  
DIN: 06443747

Place : New Delhi  
Date : 12/05/2022

(Ravi Kumar)  
Manager cum CFO

(Palak Narang)  
Company Secretary



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022**

	Amt (in Rs."00")	
	YEAR ENDED 31st March, 2022	YEAR ENDED 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax	(1,179.60)	5,818.54
	(1,179.60)	5,818.54
<u>Adjustments for:</u>		
Statutory provision	10.00	2.50
Permanent Diminution in Value of Investments	4,052.40	(6,627.78)
<b>Opreating profits before working capital changes</b>	<b>2,882.80</b>	<b>(806.74)</b>
Adjustments for Working Capital changes :		
Changes in Other Current Liabilities	1,268.97	(2,011.40)
Changes in short Term Loan & Advances & other current Assets	(6,659.53)	4,517.55
<b>Cash generated from Operations</b>	<b>(2,507.76)</b>	<b>1,699.42</b>
Taxes Paid ( Net)	(1,131.27)	368.26
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>(3,639.03)</b>	<b>2,067.68</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Investments	-	-
	-	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
	-	-
	-	-
<b>D. NET INCREASE IN CASH AND BANK EQUIVALENTS</b>	<b>(3,639.03)</b>	<b>2,067.68</b>
<b>CASH AND BANK EQUIVALENTS (OPENING BALANCE)</b>	<b>3,717.55</b>	<b>1,649.87</b>
<b>CASH AND BANK EQUIVALENTS (CLOSING BALANCE)</b>	<b>78.52</b>	<b>3,717.55</b>

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:22098908AIWFRV5100

(Kamal Oswal)  
Director  
DIN: 00493213

(Roshan Lal Behl)  
Director  
DIN: 06443747

Place : New Delhi  
Date : 12/05/2022

(Ravi Kumar)  
Manager cum CFO

(Palak Narang)  
Company Secretary



## **Notes forming part of financial statements for the year ending March 31, 2022**

*(All amounts in rupees "00", unless otherwise stated)*

### **Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022**

#### **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, 2022 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').

- a) The Financial statements of the Company have been prepared on going concern basis and historical cost basis except certain financial assets and liabilities measured at fair value and defined benefit plans assets measured at fair value.
- b) The Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy niether to in use.
- c) The financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on 12 May, 2022.

##### **(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 instrument**

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, 2022**

*(All amounts in rupees "00", unless otherwise stated)*

	As at 31-Mar-22	As at 31-Mar-21
<b>Note:3 Cash &amp; Cash Equivalents</b>		
(i) Cash on Hand	21.34	23.34
(ii) <u>Balance with Banks:</u>		
In Current Account	57.18	3,694.20
	<b>78.51</b>	<b>3,717.54</b>
<b>Note:4 Loans</b>		
Loans repayable on demand	1,94,000.00	1,90,000.00
(Unsecured)	1,94,000.00	1,90,000.00
(Loans in India)	1,94,000.00	1,90,000.00
<b>Note:5 Investments</b>		
Investment at Fair value Through OCI		
<u>Other Investments:</u>		
<u>Unquoted fully paid-up Equity Shares:</u>		
Vanaik Spinning Mills Ltd	70,620.00	66,567.60
11000 (11000) shares of the face value of Rs 10/- each		
	<b>70,620.00</b>	<b>66,567.60</b>



**Note:6 Other Financial Assets**

Amount recoverable	<b>2,360.00</b>	2,360.00
Interest receivable	<b>12,414.84</b>	14,076.47
	<b>14,774.84</b>	<b>16,436.47</b>

**Note:7(a) Current Tax Assets (Net)**

Advance tax & TDS	<b>1,400.02</b>	1,733.84
Provision for Income Tax	-	1,470.00
	<b>1,400.02</b>	<b>263.84</b>

**Note:7(b) Other Non-Financial Assets (Net)**

Income tax refund receivable	<b>411.10</b>	142.34
	<b>411.10</b>	<b>142.34</b>

**Note:8 Other Financial Liabilities**

Expenses Payable	<b>807.50</b>	252.76
<u>Others Payables:</u>		
Others Payables	<b>686.47</b>	17.79
	<b>1,493.97</b>	<b>270.55</b>

**Note:9 Provisions**

Provisions against Standard assets	<b>485.00</b>	475.00
	<b>485.00</b>	<b>475.00</b>

**Note:10 Other Non-Financial Liabilities**

Statutory Remittances:

TDS Payable	<b>85.94</b>	53.88
CGST 9% Payable	<b>63.00</b>	56.25
SGST 9% Payable	<b>63.00</b>	56.25
	<b>211.94</b>	<b>166.38</b>

**Note:11 Equity Share Capital**

AUTHORISED SHARE CAPITAL :

3500000 (3500000) Equity Shares of Rs. 10/- each	<b>3,50,000.00</b>	3,50,000.00
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ISSUED ,SUBSCRIBED & PAID UP CAPITAL :

500000 (500000) Equity Shares of Rs 10/- each	<b>50,000.00</b>	50,000.00
fully paid up in Cash	<b>50,000.00</b>	<b>50,000.00</b>

**11.1 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.





### 11.2 The detail of shareholders holding more than 5 percent shares

Name of the Shareholder	31-Mar-22		31-Mar-21	
	No of shares	% of Holding	% of Holding	No of shares
Nagdevi Trading & Investment Co Ltd	39,050	7.81	7.81	39,050
Sankheshwar Holding Co Ltd	39,000	7.80	12.70	63,500
Kovalam Investment and Trading Co. Ltd.	38,693	7.74	2.84	14,200

### 11.3 The reconciliation of number of shares outstanding is set out below:

Particulars	As at 31.03.2022 No of shares	As at 31.03.2021 No of shares
Shares outstanding at the beginning of the year	5,00,000	5,00,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	5,00,000	5,00,000

### 11.4 Shareholders holding of Promoters

Sr. No.	Name of Promoters	31-Mar-22		
		Number	Percentage	% Change during the year
1	Suvrat Trading Co. Ltd.	12,248	2.45%	0%
2	Nagdevi Trading and Investment Co. Ltd.	39,050	7.81%	0%
3	Atam Vallabh Financiers Ltd.	900	0.18%	0%
4	Sankheshwar Holding Co. Ltd.	39,000	7.80%	-4.90%
5	Kovalam Investment & Trading Co. Ltd.	38,693	7.74%	4.90%
6	Kamal Oswal	1	0.00%	0%

### Note: 12 Other Equity

Equity Share Capital	(Amount in Rs. "00")
As at April 1, 2020	50,000.00
Equity share capital issued during the year	-
As at March 31, 2021	50,000.00
Equity share capital issued during the year	-
As at March 31, 2022	50,000.00



### Other Equity

Particulars	Reserve & Surplus			Equity Instruments through Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Statutory Reserve		
Balance as at April 1, 2020	1,30,427.28	2,356.25	38,510.00	57,205.38	2,28,498.91
Profit for the year	4,348.54	-	-	-	4,348.54
Prior Period Tax	(3.82)	-	-	-	(3.82)
Transfer from Retained Earnings	(870.00)	-	870.00	(6,627.78)	(6,627.78)
Balance as at March 31, 2021	1,33,902.00	2,356.25	39,380.00	50,577.60	2,26,215.85
Balance as at April 1, 2021	1,33,902.00	2,356.25	39,380.00	50,577.60	2,26,215.85
Profit for the year	(1,179.60)	-	-	-	(1,179.60)
Prior Period Tax	4.92	-	-	-	4.92
Transfer from Retained Earnings	-	-	-	4,052.40	4,052.40
Balance as at Mar 31, 2022	1,32,727.32	2,356.25	39,380.00	54,630.00	2,29,093.57

#### 12.1 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.

#### 12.2 Retained earnings

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

#### 12.3 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.

#### 12.4 Other comprehensive income

- (i) 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.

	As at 31-Mar-22	As at 31-Mar-21
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#### Note: 13 Interest Income

Interest on loans (on financial assets measured at amortised cost)	13,780.22	15,344.01
	<b>13,780.22</b>	<b>15,344.01</b>

#### Note: 14 Dividend Income

Dividend	220.00	3,300.00
	<b>220.00</b>	<b>3,300.00</b>



	As at 31-Mar-22	As at 31-Mar-21
<b>Note: 15 Other Income</b>		
Previous year expenses written back	-	148.43
	<b>-</b>	<b>148.43</b>
<b>Note: 16 Finance costs</b>		
Bank charges and commision	3.92	6.57
	<b>3.92</b>	<b>6.57</b>
<b>Note: 17 Employee benefit expense</b>		
Salary	7,472.25	5,954.15
	<b>7,472.25</b>	<b>5,954.15</b>
<b>Note: 18 Other Expenses</b>		
Director Sitting fees	700.00	625.00
Fees and Taxes	4,090.38	3,970.11
Legal & Professional charges	2,184.63	2,022.73
Misc Exps	41.45	107.84
Postage/Courier expenses	203.28	-
Printing & Stationery	323.91	135.00
Provision for Standard Assets	10.00	2.50
<u>Payment to Auditors:</u>		
- For Statutory Auditor	150.00	150.00
	<b>7,703.65</b>	<b>7,013.18</b>
<b>Note: 19 Tax expense</b>		
Current Tax	-	1,470.00
	<b>-</b>	<b>1,470.00</b>
<b>Note: 20 Earning Per Share</b>		
Profit after Tax (Rs)	(1,17,960)	4,34,854
Weighted average no.of ordinary shares	5,00,000	5,00,000
Weighted average no.of diluted shares	5,00,000	5,00,000
Nominal Value of ordinary share (Rs)	10	10
Basic Earning Per Share (Rs)	(0.24)	0.87
Diluted Earning Per Share (Rs)	(0.24)	0.87
<b>Note: 21 Transfer to Statutory Reserve</b>		
Rs Nil amount (Previous Year Rs. 87,000/-) is transferred to Statutory Reserve in compliance with section 45(IC) of the Reserve Bank of India Act.		
<b>Note: 22</b>	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: 23 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 31.03.2022

**Note: 24 Segment Reporting**

Company has only one Segment.

**Note: 25 Related party disclosures**

Disclosure of Related Party Transactions as per Ind AS - 24 issued by the Institute of Chartered Accountants of India.

**Related Parties**

Subsidiaries None

Associate None

Key Managerial Personnel

Name of Key Managerial Personnel	Designation
Sh. Kamal Oswal	Non Executive - Non Independent Director - Chairperson
Sh. Dinesh Gogna	Non Executive Non Independent Director
Sh. Navdeep Sharma	Non Executive Independent Director(Ceased w.e.f. 28.09.2021)
Sh. Vijay Kumar Gupta	Non Executive Independent Director(Ceased w.e.f. 28.09.2021)
Smt. Monica Oswal	Non Executive Non Independent Director
Dr. Roshan Lal Behl	Non Executive Independent Director(Appointed w.e.f. 12.08.2021)
Dr. Manisha Gupta	Non Executive Independent Director(Appointed w.e.f. 12.08.2021)
Ms. Harasees Kaur	Manager cum Chief Financial Officer(Resigned w.e.f 15.12.2021)
Mr. Ravi Kumar	Manager cum Chief Financial Officer(Appointed w.e.f. 12.05.2022)
Ms. Palak Narang	Company Secretary & Compliance Officer

**Transactions with Other Related Parties/ Key Managerial Persons/ their relatives during an year**

Name of the party	Nature of Relationship	Nature of Transaction	Current Year	Previous Year
Sh. Kamal Oswal	KMP	Sitting Fee	<b>100.00</b>	125.00
Sh. Dinesh Gogna	KMP	Sitting Fee	<b>150.00</b>	125.00
Dr. Manisha Gupta	KMP	Sitting Fee	<b>100.00</b>	-
Dr. Roshan Lal Behl	KMP	Sitting Fee	<b>100.00</b>	-
Sh. Navdeep Sharma	KMP	Sitting Fee	<b>50.00</b>	125.00
Sh. Vijay Kumar Gupta	KMP	Sitting Fee	<b>50.00</b>	125.00
Smt. Monica Oswal	KMP	Sitting Fee	<b>150.00</b>	125.00

**Note: 26**

Previous year figures have been regrouped/recasted/rearranged/reclassified wherever necessary to make them comparable.

**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 31-Mar-22	As at 31-Mar-21
<b>Financial assets measured at fair value</b>			
Investments measured at			
(i)Fair value through other comprehensive income	Note-5	70,620.00	66,567.60



<b>Financial assets measured at amortised cost</b>			
Cash and cash equivalents	Note-3	78.51	3,717.54
Loans	Note-4	1,94,000.00	1,90,000.00
Other financial assets	Note-6	14,774.84	16,436.47
<b>Total</b>		<b>2,79,473.35</b>	<b>2,76,721.61</b>
<b>Financial liabilities measured at amortised cost</b>			
Other financial liabilities	Note-9	1,493.97	270.55
<b>Total</b>		<b>1,493.97</b>	<b>270.55</b>

## **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**

<b>As on 31 March 2022</b>	<b>level 1</b>	<b>level 2</b>	<b>level 3</b>	<b>Total</b>
<b>Assets</b>				
<b>Investments at fair value through other comprehensive income</b>				
Quoted equity investments	-	-	-	-
Un quoted equity investments	-	-	70,620.00	70,620.00

<b>As on 31 March 2021</b>	<b>level 1</b>	<b>level 2</b>	<b>level 3</b>	<b>Total</b>
<b>Assets</b>				
<b>Investments at fair value through other comprehensive income</b>				
Quoted equity investments	-	-	-	-
Un quoted equity investments	-	-	66,567.60	66,567.60

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

<b>As on 31 March 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Assets</b>			
<b>Financial assets and Liabilities measured at amortised cost for which fair values are disclosed</b>			
<b>As on 31 March 2022</b>			
Investments	-	-	70,620.00
Loans	-	-	1,94,000.00
Cash and Cash Equivalent	-	-	78.51
Other Financial Assets	-	-	14,774.84
<b>Total Financial Assets</b>	<b>-</b>	<b>-</b>	<b>2,79,473.35</b>



As on 31 March 2021	Level 1	Level 2	Level 3
Investments	-	-	66,567.60
Loans	-	-	1,90,000.00
Cash and Cash Equivalent	-	-	3,717.54
Other Financial Assets	-	-	16,436.47
<b>Total Financial Assets</b>	-	-	<b>2,76,721.61</b>

As on 31 March 2022	Level 1	Level 2	Level 3
<b>Liabilities</b>			
<b>As on 31 March 2022</b>			
Other Financial Liabilities	-	-	1,493.97
<b>Total Financial Liabilities</b>	-	-	<b>1,493.97</b>
<b>As on 31 March 2021</b>			
Other Financial Liabilities	-	-	270.55
<b>Total Financial Liabilities</b>	-	-	<b>270.55</b>

#### 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:

	As on 31 March 2022		As on 31 March 2021	
	Carrying Value	Fair value	Carrying Value	Fair value
<b>Financial Assets</b>				
Cash & Cash Equivalents	78.51	78.51	3,717.54	3,717.54
Loans	1,94,000.00	1,94,000.00	1,90,000.00	1,90,000.00
Investments	-	-	-	-
Other Financial Assets	14,774.84	14,774.84	16,436.47	16,436.47
<b>Total</b>	<b>2,08,853.35</b>	<b>2,08,853.35</b>	<b>2,10,154.01</b>	<b>2,10,154.01</b>
<b>Financial Liabilities</b>				
Other Financial Liabilities	1,493.97	1,493.97	270.55	270.55
<b>Total</b>	<b>1,493.97</b>	<b>1,493.97</b>	<b>270.55</b>	<b>270.55</b>

#### 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:**

<b>Particulars</b>	<b>As on 31 March 2022</b>	<b>As on 31 March 2021</b>
Low credit risk on reporting date		
Loans(non-current)	1,94,000.00	1,90,000.00
Cash and Cash Equivalent	78.51	3,717.54





Other Financial Asset	14,774.84	16,436.47
Total	2,08,853.35	2,10,154.01
Moderate credit risk on reporting date		
High credit risk on reporting date		
Investments	70,620.00	66,567.60

#### **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.

	31-Mar-22		31-Mar-21	
	Within 12 Months	More than 12 Months	Within 12 Months	More than 12 Months
<b>ASSETS</b>				
<b>Financial Assets</b>				
Cash & Cash Equivalents	78.51	-	3,717.54	-
Bank Balances other than above	-	-	-	-
Loans	1,94,000.00		1,90,000.00	
Investments	-	70,620.00	-	66,567.60
Other Financial Assets	14,774.84	-	16,436.47	-
	<b>2,08,853.35</b>	<b>70,620.00</b>	<b>2,10,154.01</b>	<b>66,567.60</b>
<b>Non - Financial Assets</b>				
Current Tax Assets (Net)	406.18	-	-	-
Other Non Financial Assets	-	-	-	-
	406.18	-	-	-
<b>TOTAL</b>	<b>2,09,259.53</b>	<b>70,620.00</b>	<b>2,10,154.01</b>	<b>66,567.60</b>
<b>EQUITY and Liabilities</b>				
<b>LIABILITIES</b>				
<b>Financial Liabilities</b>				



Other Financial Liabilities	1,493.97	-	270.55	-
	1,493.97	-	270.55	-
<b>Non Financial Liabilities</b>				
Provisions	485.00	-	475.00	-
Other Non Financial Liabilities	211.94	-	166.38	-
	696.94	-	641.38	-
<b>TOTAL</b>	<b>2,190.91</b>	<b>-</b>	<b>911.93</b>	<b>-</b>
<b>NET</b>	<b>2,07,068.63</b>	<b>70,620.00</b>	<b>2,09,242.07</b>	<b>66,567.60</b>

**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 : 30 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 : 31 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	(1,179.60)	5,818.54
Add: Managerial Remuneration	2,273.68	2,296.09
Net Profit U/S 198 of the Companies Act, 2013	1,094.08	8,114.63
Managerial Remuneration @ 11% of the above	120.35	892.61
Managerial Remuneration paid to Manager		
Salary Income	2,273.68	2,296.09
Other Perquisites	-	2,296.09
	2,273.68	2,296.09

**Note: 32**

Ratio	31.03.2022		31.03.2021
Capital to Risk-Weighted Assets Ratio (CRAR) %	99.89		101.80
CARR - Tier I Capital (%)	99.89		101.80
CARR - Tier II Capital (%)	-		-

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:22098908AIWFRV5100

(Kamal Oswal)  
Director  
DIN: 00493213

(Roshan Lal Behl)  
Director  
DIN: 06443747

Place : New Delhi  
Date : 12/05/2022

(Ravi Kumar) (Palak Narang)  
Manager cum CFO Company Secretary



**ANNEXURE OF NOTE NO. 22**

**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."00")**

Particulars	Current Year		Previous Year	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
<b>Liabilities side</b>				
<b>1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :</b>				
(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				
<b>2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>				
(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				
<b>Assets side</b>	<b>Amount outstanding</b>		<b>Amount outstanding</b>	
<b>3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>				
(a) Secured	-		-	
(b) Unsecured	1,94,000.00		1,90,000.00	
<b>4 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>				
(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	70,620.00	66,567.60
(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			Previous Year		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<b>1 Related Parties</b>						
(a) Subsidiaries						-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	1,94,000.00	1,94,000.00	-	1,90,000.00	1,90,000.00
<b>2 Other than related parties</b>	-	-	-	-	-	-
<b>Total</b>	-	1,94,000.00	1,94,000.00	-	1,90,000.00	1,90,000.00

**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)
<b>1 Related Parties</b>				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	70,620.00	70,620.00	66,567.60	66,567.60
<b>2 Other than related parties</b>	-	-	-	-
<b>Total</b>	70,620.00	70,620.00	66,567.60	66,567.60

**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:**

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





## **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@ownnahaar.com](mailto:oswal_leasing@ownnahaar.com) Website: [www.ownnahaar.com](http://www.ownnahaar.com)