

29th

Annual

Report

2021-2022

**LEAD FINANCIAL
SERVICES LIMITED**

LEAD FINANCIAL SERVICES LIMITED

BOARD OF DIRECTORS

Padam Chandra Bindal
Chairman

Suman Bindal
Director

Pradeep Kumar Jain
Director

Jitender Kumar Sharma
Director

BANKERS

Punjab National Bank, Gurudwara
Road, Karol Bagh, New Delhi-110005

STATUTORY AUDITORS

B G G & Associates
Chartered Accountants, New Delhi

REGISTERED OFFICE

Lead Financial Services Limited
CIN: L74140DL1993PLC053485
101, Sita Ram Mansion, 718/21, Joshi Road, Karol Bagh,
New Delhi-110005 Tel. 23549822
E-mail: lead_financial@rediffmail.com
Website: www.leadfinancialservices.in

REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services Private
Limited, Beetal House, 3rd Floor, 99,
Madangir, Behind LSC Near Dada
Harsukhdas Mandir, New Delhi-110062
Tel: 011-29961281, 29961282, Fax: 011-29961284,
E-Mail ID: beetalrta@gmail.com,
Website: www.beetalfinancial.com

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NOTICE OF 29TH ANNUAL GENERAL MEETING

Notice is hereby given that the 29th Annual General Meeting of the members of **Lead Financial Services Limited (hereinafter referred as “the Company”)** will be held on Monday, the 26th day of September, 2022 at 11:00 a.m. through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Reports of the Auditors and Board of Directors thereon and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2022 together with the Reports of the Auditors and Board of Directors thereon, as circulated to the members, be and are hereby received, considered and adopted.”

2. To consider the appoint director in place of Mr. Padam Chandra Bindal (DIN: 00004769), who retires by rotation and being eligible, offers himself for re-appointment and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Padam Chandra Bindal (DIN: 00004769), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. **Re-Appointment of Auditors and to fix their Remuneration**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, **M/s B G G & Associates**, Chartered Accountants (Firm Registration No. 016874N), be and is hereby re-appointed as Statuary Auditors of the Company,

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to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the 34th AGM to be held in the year 2027, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

By Order of the Board of Directors
For Lead Financial Services Limited

Padam Chandra Bindal
(Chairman)
DIN: 00004769

Place: New Delhi

Date: 20/08/2022

NOTES:

1. The Ministry of Corporate Affairs, Government of India (the “MCA”) vide its General Circulars No. 14/2020, No. 17/2020, No. 20/2020, No. 02/2021 and No. 02/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021 and May 5, 2022, respectively (hereinafter, collectively referred as the “MCA Circulars”) read with the SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 and No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 12, 2020, January 15, 2021 and May 13, 2022, respectively, (hereinafter, collectively referred as the “SEBI Circulars” and together with the MCA Circulars referred as the “Circulars”) has allowed companies to conduct their annual general meetings through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), thereby, dispensing with the requirement of physical attendance of the members at their AGMs and accordingly, the **29th Annual General Meeting** (the “AGM” or the “29th AGM” or the “Meeting”) of **Lead Financial Services Limited** will be held through VC or OAVM in compliance with the Circulars, the relevant provisions of the Companies Act, 2013 (as amended) (the “Act”) and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (“SEBI Listing Regulations”).
2. Members attending the AGM through VC or OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. The registered office of the Company shall be deemed to be the venue for the AGM.

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3. Keeping the convenience of the Members who may be positioned in different time zones, the Meeting has been scheduled at 11:00 a.m. (IST). The Company has enabled the Members to participate at the 29th AGM through VC/ OAVM facility. The instructions for participation by Members are given in the subsequent pages. Participation at the AGM through VC/ OAVM shall be allowed on a first-come-first-served basis.
4. In terms of the circulars, the requirement of sending proxy forms to holders of securities as per provisions of Section 105 of the act read with Regulation 44(4) of the SEBI Listing Regulations, has been dispensed with. Therefore, the facility to appoint proxy by the members will not be available and consequently, the proxy form and attendance slip are not annexed to this notice convening the 29th AGM (the “notice”).

However, in pursuance of Section 113 of the Act and Rules framed thereunder, the corporate members are entitled to appoint authorized representatives for the purpose of voting through remote e-Voting or for the participation and e-Voting during the AGM, through VC or OAVM. Institutional Shareholders (i.e, other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution / Power of Attorney / appropriate Authorization Letter together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, through e-mail at lead_financial@rediffmail.com. Further details in this regard are also given separately and form part of this Notice.

5. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
6. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote-voting and e-voting during the AGM. The process and instructions for remote e-voting are provided in the subsequent paragraphs. Such remote e-voting facility is in addition to e-voting that will take place at the 29th AGM being held through VC/ OAVM.
7. The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 20th September, 2022 to Monday, 26th September, 2022 (both days inclusive).
8. In line with the MCA and SEBI Circulars, the notice of the 29th AGM along with the Annual Report 2021-22 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2021-22 will also be available on the Company’s website at www.leadfinancialservices.in, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com.

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9. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form, by email to the Company's Registrar and Share Transfer Agent **beetalrta@gmail.com** or to the company at **lead_financial@rediffmail.com**.
10. In order to enhance the ease of doing business for investors in the securities market, SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, read together with the SEBI Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 (hereinafter, collectively referred as the "SEBI KYC Circulars") mandated furnishing of PAN, full KYC details and Nomination by the holders of physical securities. In view of the same, the concerned shareholders are requested to furnish the requisite documents/ information at the earliest. Any service request can be processed only after receiving PAN, KYC and nomination details from holder(s)/ claimant(s).

Further, Non-availability of the same on or after April 1, 2023 will result in freezing of the folios of such shareholders pursuant to the aforesaid SEBI KYC circular and after December 31, 2025, the securities continue to remain frozen will be referred by the RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/ or Prevention of Money Laundering Act, 2002. Accordingly, Members are hereby requested to comply with the SEBI KYC Circulars.

11. Pursuant to Regulation 40 of the SEBI Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode w.e.f. April 1, 2019, except in case of transmission or transposition of securities. In this regard, it has been clarified by SEBI that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after April 1, 2019. However, any investor desirous of transferring shares which are held in physical mode after April 1, 2019 could do so only after the shares are dematerialized.

Further, As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, listed companies shall issue the securities in dematerialized form only, while processing investor service request pertaining to issuance of duplicate share certificate, claim from Unclaimed Suspense Account, renewal/exchange of securities certificates, endorsement, sub-division /splitting/ consolidation of share certificates, transmission and transposition. The securities holder/claimant are, accordingly, required to submit duly filled-up Form ISR-4 which can be downloaded from the Company's website, i.e. www.leadfinancialservices.in and on the website of the Company's Registrar and Share Transfer Agent.

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In view of above, members holding shares in physical form are requested to consider converting their holding to dematerialized form.

12. The Information pursuant to regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **and pursuant to Clause 1.2.5 of the Secretarial Standards on General Meetings (SS-2)** and the provisions of Companies Act, 2013, of the person seeking appointment/re-appointment/change in terms, are as under:

Particulars	Name of Directors
	Mr. Padam Chandra Bindal
Date of Birth	05/06/1960
Date of first Appointment on Board	28/11/1994
Age	62 Years
Brief Profile/ Experience/Expertise in specific functional area	Mr. Padam Chandra Bindal has more than three decades of experience in finance, capital markets and administration.
Qualifications	M.Com., FCA
Equity Shares hold in the Company as on 31.03.2022 • Number of Shares • Percentage	-195200 -5.92%
Other Directorships held in other Company (including listed as well as unlisted entities).	-Bindal Corporate Advisory Services Private Limited -Privy Capital Limited
Membership/ Chairmanship of committees of other companies (including listed as well as unlisted entities).	Nil
Terms and conditions of appointment/re-appointment	Terms and Conditions of appointment are as per the Remuneration and Nomination Policy of the Company
Remuneration last drawn, if any	NIL
Number of Board meetings attended during the year ended 31.03.2022	7
Inter se relationship with other	Mr. Padam Chandra Bindal and Mrs. Suman Bindal are

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Directors or KMP (as defined under the Companies Act and Rules thereunder)	relatives.
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13. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to and during the AGM. Members seeking to inspect such documents can send an email to **lead_financial@rediffmail.com** from their registered e-mail addresses mentioning their names and folio numbers /demat account numbers.
14. The Registers maintained under section 170 and 189 as per the provisions of the Companies Act 2013 shall be available for inspection electronically by members during the AGM. The members seeking to inspect such documents may send an email to the Company at **lead_financial@rediffmail.com**.
15. In case of joint holders attending the AGM, the Member whose name appears as the first holder/higher in the order of names as per the Register of Members of the Company will be entitled to vote.
16. The Company has availed the services of Beetal Financial & Computer Services (P) Limited, Registrar and Share Transfer Agent as the authorized agency for conducting of the AGM through VC/ OAVM including e-voting facility and Central Depository Services (India) Limited (“CDSL”) to provide remote e-voting and e-voting facilities, for security and enabling the members to cast their vote in a secure manner.
17. The Company has, in compliance with Rule 20 of the Companies (Management and Administration) Rules, 2014, appointed M/s Pooja Anand & Associates, Company Secretaries in practice, as Scrutinizer (as consented to be appointed as scrutinizer) for conducting the remote e-voting and e-voting Process in a fair and transparent manner.
18. The Scrutinizer, immediately after the conclusion of voting at the AGM, unblock the votes cast through e-voting (votes cast through remote e-voting and votes cast through e-voting during the AGM) and shall, within two working days from conclusion of the AGM, make a consolidated scrutinizer’s report of the votes cast in favour or against, if any, and submit the same to the Chairman of the meeting or a person authorized by him in writing, who shall counter sign the same.

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19. The Chairman or the authorized person shall declare the results. The results declared shall be available on the website of the Company and shall simultaneously be communicated to the Stock Exchange.
20. Members are requested to intimate immediately any change in their address/email Id or other mandates to their Depository Participants with whom they are maintaining their Demat accounts. The Company or its Registrar and Transfer Agent cannot change mandates for shares in electronic form.
21. Non-resident Indian Members are requested to inform Registrar and Share Transfer Agent or the concerned Depository Participant immediately for the change in the residential status on return to India for permanent settlement and the particulars of the NRE account with a bank in India, if not furnished the details earlier.
22. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Company's Registrar and Share Transfer Agent.
23. Shareholders seeking any information or clarification on the accounts are requested to send written queries to the Company through email i.e. lead_financial@rediffmail.com, at least 7 days before the date of the meeting, to enable the management to keep the required information available at the meeting.

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

A. Voting through electronic means:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 and Circular No. 02/2022 dated May 5, 2022 (hereinafter, collectively referred as the "MCA Circulars") read with the SEBI Circulars No. SEBI/HO/CFD/CMD1/CIR/P/2020/79, No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 and No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 12, 2020, January 15, 2021 and May 13, 2022, respectively, (hereinafter, collectively referred as the "SEBI Circulars" and together with the MCA Circulars referred as the "Circulars"). The forthcoming 29th AGM will thus be held through video

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conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. 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 applicable Circulars the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with 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.
3. The Members can join the 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 at least 1000 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with MCA Circulars the Notice calling the 29th AGM has been uploaded on the website of the Company at **www.leadfinancialservices.in**. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

7. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 Circular No. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated 8th December, 2021, General Circular No. 21/2021 dated 14th December, 2021 and General Circular No. 02/2022 dated 5th May, 2022 and after due examination, it has been decided by MCA to allow companies whose AGMs were due to be held in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 5th May, 2020.
8. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with the abovesaid MCA Circulars.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:

- (i) The voting period begins on <9.00 a.m. of September 23rd 2022, Friday> and ends on <5.00 p.m. of September 25th 2022, Sunday>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <September 19th 2022, Monday> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circulars No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities 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 shareholders/retail shareholders 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 shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided by relevant authorities 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. Accordingly, demat account holders would be able to cast their vote without having to register again with the ESPs,

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thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020 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. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circulars, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode CDSL/NSDL is given below:

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none">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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 & 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.3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the

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	<p>user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 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: https://eservices.nsd.com 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 & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ 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 & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode)</p>	<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-</p>

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login through their Depository Participants (DP)	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 & voting during the meeting.
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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 Shareholders holding securities in demat mode for any technical issues/ queries related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in 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

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
 - 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

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	For Physical shareholders and other than individual shareholders holding shares in Demat.
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"> 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.
Dividend Bank Details OR 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"> 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.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <LEAD FINANCIAL SERVICES LIMITED> on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

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- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login 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 mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz lead_financial@rediffmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

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3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance **at least 7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at lead_financial@rediffmail.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 lead_financial@rediffmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORY

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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 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, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

By Order of the Board of Directors
For Lead Financial Services Limited

Place: New Delhi

Date: 20/08/2022

Padam Chandra Bindal
(Chairman)
DIN: 00004769

BOARD'S REPORT

To,

The Members

Lead Financial Services Limited

The Board of Directors hereby submits the 29th Board's Report ("Report") of the business and operations of, **Lead Financial Services Limited** ("the Company") together with the Audited Financial Statements for the financial year ended March 31, 2022.

1. Financial Performance

The Financial results of the Company during the period ended on 31st March, 2022 are as under:

(Rs in Lakhs except EPS)

PARTICULARS		CURRENT YEAR	PREVIOUS YEAR
		(2021-22)	(2020-21)
1.	Total Income	430.59	6.06
	Less: i) Operating, Administrative & other Exp.	418.95	19.65
2.	Earnings before interest and depreciation		
	Less: i) Interest	0.67	0.87
	ii) Depreciation		
3.	Profit/(Loss) before Extra-ordinary item	10.97	(14.46)
	Add: Extra-ordinary item	-	-
4.	Profit/(Loss) before Tax	10.97	(14.46)
	Less: provision for Tax		
	i) Current Tax		-
	ii) Deferred Tax	0.63	(3.76)
5.	Profit/(Loss) after Tax	10.34	(10.70)
	Add: Other Comprehensive Income (OCI) (Net of Tax)	0.23	0.84
6.	Total Comprehensive Income	10.57	(9.86)
7.	Equity Capital	330.00	330.00
8.	Earnings Per Share-Basic & Diluted	0.31	(0.32)

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2. State of Affairs:

The Company is engaged in the business of Non - Banking Financial institution (Non Deposit Accepting) and registered with Reserve Bank of India (RBI) as specified in section 45-IA of the RBI Act 1934. During the Financial year under review, your company achieved Total Income of Rs. 430.59 Lacs as compared to Rs. 6.06 Lacs in the previous year. Net Profit (after tax) for the year is Rs. 10.34 Lacs as compared to Net loss (after tax) of Rs. 10.70 Lacs in the previous year.

3. Dividend

Your Directors regret their inability to recommend any dividend in view of requirement of funds during the financial year under review.

4. Reserves and Surplus/ other Equity

Reserves and Surplus / Other Equity as at 31st March, 2022 is Rs.222.06 lacs. The Company has transferred Rs. 2.07 lacs to the Statutory Reserve.

Further, the details of amount transferred to other reserves, if any, forms part of the financial statements provided as the part of the annual report.

5. Management Discussion and Analysis

Management Discussion and Analysis Report for the financial year 2021-22 as stipulated under SEBI Listing Regulations forms an integral part of the Annual Report as covered in the head 'Management Discussion and Analysis' ("MD &A") and annexed as Annexure A..

6. Material Changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report

There are no material changes and commitments, affecting the financial position of the company between the end of financial year of the Company to which the financial year relates and the date of Board's Report.

7. Change in the nature of business

There was no change in the nature of business of the Company during the financial year ended 31st March 2022.

8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements:

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The Company has in place adequate internal financial controls with reference to financial statements. During the Financial year, such controls were checked and no reportable material weaknesses were observed.

9. Details of Subsidiary/Joint Ventures/Associate Companies

The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year.	Not Applicable
Performance & Financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.	Not Applicable

10. Deposits

The Company did not hold any public deposits at the beginning of the year nor accepted any public deposit within the meaning of Section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014, during the year under review.

11. Auditors

➤ STATUTORY AUDITORS

M/s B G G & Associates, Chartered Accountant (ICAI Firm Registration Number: 016874N), New Delhi, was appointed as statutory auditors of the company to hold office for a period of 5 years, commencing from the conclusion of the 24th Annual General Meeting ("AGM") held on 28th September, 2017 till the conclusion of the 29th AGM of the Company to be held in the year 2022, subject to ratification of their appointment by the Members at every AGM, as may be applicable. The tenure of the said Auditors will be completed at the conclusion of ensuing AGM.

Accordingly, the Board of Directors recommends the re-appointment of M/s. B G G & Associates (Registration No. 016874N), Chartered Accountants, as the Statutory Auditor of the Company for a term of consecutive five years commencing from the conclusion of this AGM till the conclusion of 34th AGM of the company to be held in year 2027, for the approval of the members of the Company at the ensuing AGM.

Further, B G G & Associates, Chartered Accountant have given a confirmation to the effect that they are eligible to continue with their appointment and that they are not disqualified in any manner from continuing as Statutory Auditors.

➤ **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Pooja Anand & Associates, Company Secretaries to undertake the Secretarial Audit of the company.

➤ **Internal Auditors**

Mr. PL Verma, Chartered Accountant, performs the duties of internal auditor of the Company for the financial year ended on 31st March, 2022. The report given by the internal auditor has been reviewed by the audit committee from time to time.

Further, the Mr. PL Verma, Chartered Accountant has resigned as the internal auditor of the Company w.e.f 5th August, 2022 and on the basis of recommendation of the Audit Committee the Board of Directors at its meeting held on 6th August, 2022 has approved the appointment of Mr Shanker Mishra as the Internal Auditor of the Company.

12. Statutory Auditor's Report

The reports given by the Statutory Auditors on the Financial Statements of the Company for the financial year ended March 31, 2022, form part of the Annual Report. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report.

13. Secretarial Audit Report

The Secretarial Audit Report for the financial year ended 31st March, 2022 as submitted by Secretarial Auditor in Form MR-3 is annexed to this Report as **Annexure B**.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Secretarial Auditors in the Secretarial Audit Report that require any explanation from the Directors.

14. Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors, Secretarial Auditors, Internal Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

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15. Directors, Key Managerial Personnel and Management:

(i) Composition

At the end of year, the Board consisted of optimum combination of Executive & Non-Executive Directors. Mr. Padam Chandra Bindal, Promoter and Director of the Company is a Non-Executive Chairman.

S.No.	Name of the Director	Designation	Category	Original Date of appointment
1	Padam Chandra Bindal	Chairman and Director	Non-Executive, Non-Independent	28/11/1994
2	Suman Bindal	Director	Non-Executive, Non-Independent	29/06/2020
3	Pradeep Kumar Jain	Director	Non-Executive, Independent	10/03/2007
4	Jitender Kumar Sharma	Director	Non-Executive, Independent	29/09/2018

A) Changes in Directors

- Mr. Padam Chandra Bindal (DIN: 00004769), Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the Annual General Meeting.

B) Changes in Key Managerial Personnel

- There were no changes in Key Managerial Personnel during the financial year under review. Further, the changes in Key Managerial Personnel after the end of the financial year are as follows:
- Ms. Komal has resigned from the post of Company Secretary of the Company w.e.f. 15/06/2022.

(ii) Declaration by Independent Director(s)

The Independent Directors have submitted their declaration of Independence, stating that:

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- a. they continue to fulfill the criteria of independence as required pursuant to Section 149(6) read with Schedule IV of the Companies Act, 2013 and Regulation 16 and 25 of the SEBI Listing Regulations;
- b. they are not debarred from holding the office of Director pursuant to any SEBI order or order of any such authority; and
- c. there has been no change in the circumstances affecting their status as Independent Director of the Company.

The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct. In terms of Section 150 of the Act and rules framed thereunder, the Independent Directors have also confirmed their registration (including renewal of applicable tenure) and compliance of the online proficiency self-assessment test (unless exempted) with the Indian Institute of Corporate Affairs (IICA).

All Independent Directors have also affirmed compliance to the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Companies Act, 2013.

The Board opined and confirmed, in terms of Rule 8 of the Companies (Accounts) Rules, 2014, that the Independent Directors are persons of high repute, integrity and possessed with the relevant expertise and experience in their respective fields.

(iii) Evaluation of the Board, Its Committees and Individual Directors

The Companies Act, 2013 and SEBI Listing Regulations contain provisions for the evaluation of the performance of:

- (i) the Board as a whole,
- (ii) the individual directors (including independent directors and Chairperson) and
- (iii) various Committees of the Board.

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and Individual Directors pursuant to requirements of the provisions of Section 178 of the Companies Act, 2013 and all other applicable provisions of the SEBI Listing Regulations. The key objectives of conducting the Board Evaluation process were to ensure that the Board and various Committees of the Board have appropriate composition and they have been functioning collectively to achieve common business goals of the Company. Similarly, the key objectives of conducting performance evaluation of the Directors through individual assessment and peer assessment were to ascertain if the Directors actively participate in the Board / Committee Meetings and contribute to achieve the common business goals of the Company.

The evaluation was carried out by way of internal assessments done based on the factors

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prescribed under the Policy adopted by the Company. Consequently, the Company is required to disclose the manner of formal annual evaluation.

Performance evaluation of the Board and Committees

The performance of the Board was evaluated by the Board Members after considering inputs from all the Directors primarily on:

- Board composition and quality with emphasis on its size, skill, experience and knowledge of members;
- Abreast with latest developments in the regulatory environment, industry and the market;
- Regular monitor and evaluation of progress towards strategic goals and assesses operational performance;
- Understanding key risks faced by business and its mitigation plan(s)
- Engagement in ethics and compliance with the Company's code of conduct.

The Board evaluated the performance of the Committees on the parameters including the following:

- Appropriateness of size and composition;
- Clarity of mandate and well-defined strategy;
- Reporting to the Board on the Committee's activities;
- Availability of appropriate and updated internal and external support or resources to the Committees.

Performance Evaluation of Individual Directors

The performance evaluation of the Individual Directors were carried out by the Board and other Individual Directors, considering the aspects including:

- Sufficient knowledge of Company strategy and objective, Director comes well prepared and informed for the Board/ committee meeting(s);
- Director demonstrates a willingness to devote time and effort to understand the Company and its business
- Director has ability to remain focused at a governance level in Board/ Committee meetings.
- Adequate and productive use of knowledge and experience of the Independent Directors for the functioning of Board;
- Director understands regulatory, financial, fiduciary and ethical requirements of the Board /

committee;

- Ask questions/ critique proposals with confidence and is able to present his/ her views convincingly;
- Open and effective participation in Board discussions;
- Keep stakeholder interest as the touchstone in endorsing decisions and behave in accordance with Company's values and beliefs.

Performance Evaluation of Chairman

- Display of effective leadership qualities and skill;
- Implementation of observations/ recommendations of Board Members;
- Effective and timely resolution of grievances of Board Members;
- Ability to bring convergence in case of divergent views and conflict of interest situation tabled at Board Meetings;

The evaluation brought to notice that the sharing of information with the Board, its timeliness, the drafting of agenda notes and the content thereof as well as the drafting of the minutes were found to be satisfactory. Therefore, the outcome of the performance evaluation for the period under report, was satisfactory and reflects how well the directors, Board and Committees are carrying their respective activities.

The independent directors in its separate meeting without the attendance of non-independent directors and members of management, reviewed -

- (a) the performance of non-independent directors and the Board as a whole;
- (b) the performance of the Chairman of the company, taking into account the views of executive directors and non-executive directors;
- (c) the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Subsequently, it was reviewed at the Nomination and Remuneration Committee Meeting. The Nomination and Remuneration Committee forwarded their recommendation based on such Performance Evaluation Process to the Board.

After completion of internal evaluation process, the Board also reviewed the Performance Evaluation of the Board, its committees and individual directors. The Performance Evaluation of the Independent Directors of the Company was done by the Board, excluding the Independent Directors being evaluated. Further, the Board, excluding the Independent Directors being

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evaluated, also carried out evaluation of fulfillment of the independence criteria as specified in applicable SEBI Listing Regulations, by the Independent Directors of the Company and their independence from the management of the Company. The Board expressed its satisfaction with the evaluation process and results thereof.

16. Number of meetings of the Board of Directors

During the financial year ended March 31, 2022, 7 (Seven) meetings of the Board were held, as follows:

S. No.	Dates of Board Meeting	Board Strength	No. of directors present
01.	June 08, 2021	4	4
02.	June 22, 2021	4	4
03.	August 10, 2021	4	4
04.	August 21, 2021	4	4
05.	November 13, 2021	4	4
06.	January 27, 2022	4	4
07.	March 25, 2022	4	4

The intervening gap between the two consecutive Board meetings was within the period prescribed period of 120 days as specified under the provisions of Section 173 of the Companies Act 2013 and SEBI Listing Regulations.

17. Committee of the Board

The Board has constituted three Committees of the Board;

- (1) Audit Committee,
- (2) Nomination and Remuneration Committee,
- (3) Stakeholders' Relationship Committee.

The composition of above mentioned Committees including the number of the meetings held during the financial year are as follows:

A Audit Committee

The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and applicable provisions of SEBI Listing Regulations.

The Audit Committee is responsible for the effective supervision of the financial reporting process, reviewing with the management the financial statements and ensuring their compliance

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with accounting standards, Listing Regulations and other legal requirements and ensuring compliance with internal controls; reviewing finding of internal audit and ensuring follow up action on significant findings and reviewing quarterly, half yearly and annual accounts. All the recommendations made by the Audit Committee were accepted by the Board.

Five meetings of Audit Committee were held during the financial year 2021-22 on June 22, 2021, August 10, 2021, August 21, 2021, November 13, 2021 and January 27, 2022.

The composition of Audit Committee as on March 31, 2022 including the attendance of the committee members at the meetings held during financial year is as follows:

Name of Members	Category	Designation	Number of Meetings during the FY2021-22	
			Held during tenure of Member/Chairman	Attended
Mr. Pradeep Kumar Jain	Independent Director	Chairman	5	5
Mr. Jitender Kumar Sharma	Independent Director	Member	5	5
Mr. Padam Chandra Bindal	Non-Executive Director	Member	5	5

B. Nomination & Remuneration Committee

The Nomination and Remuneration Committee (N & R Committee) of the Company is constituted in line with the Section 178 of the Companies Act, 2013 and applicable provisions of SEBI Listing Regulations.

The Nomination and Remuneration Committee of the Board, inter alia, recommends to the Board of Directors, the compensation terms of Executive Director/ Manager. It also recommends successions and appointments for the membership of the Board and the senior management.

Nomination and Remuneration Policy

The Company's Nomination and Remuneration Policy is driven by the success and performance of the individual employee and the Company. Through its compensation program, the Company endeavours to attract, retain, develop and motivate a high performance workforce. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

The Company firmly believes in attracting and retaining high caliber talent. The Nomination and remuneration policy, therefore, takes into account the competitive circumstances so as to attract

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& retain quality talent. As per the provisions of Section 178(3) of the Companies Act, 2013, on the recommendation of the Nomination & Remuneration Committee of the Company, the Board of Directors has approved a policy which lays down a framework in relation to appointment and remuneration of Directors, Key Managerial Personnel/ Senior Management and their remuneration including criteria for determining qualifications, positive attributes, independence etc.

The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Directors, Key Managerial Personnel, and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management while making selection of the candidates. Pursuant to Section 134(3) of the Companies Act, 2013, the nomination and remuneration policy of the Company is available on the website of the Company at www.leadfinancialservices.in

One meeting of N & R Committee was held during the year 2021-22 on June 22, 2021.

The composition of Nomination & Remuneration Committee as on March 31, 2022 including the attendance of the committee members at the meeting held during financial year is as follows:

Name of Members	Category	Designation	Number of Meetings during the FY2021-22	
			Held during tenure of Member/Chairman	Attended
Mr. Jitender Kumar Sharma	Independent Director	Chairman	1	1
Mr. Pradeep Kumar Jain	Independent Director	Member	1	1
Mr. Padam Chandra Bindal	Non-Executive Director	Member	1	1

c. Stakeholder Relationship Committee

The Stakeholder Relationship committee of the Company is constituted in line with the Section 178 of the Companies Act, 2013 and applicable provisions of SEBI Listing Regulations.

The Stakeholder's Relationship Committee is primarily responsible to review all matters connected with the Company's transfer/transmission of securities and redressal of shareholder's / investor's / security holder's complaints transposition, issue of duplicate share certificates,

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approval of demat/remat of share certificates, issue of duplicate share/debenture certificates and services being rendered by the Registrar & Share Transfer Agent.

Four meetings of Stakeholder's Relationship Committee were held during the financial year 2021-22 on June 22, 2021, August 10, 2021, November 13, 2021 and January 27, 2022.

The composition of Stakeholder Relationship Committee as on March 31, 2022 including the attendance of the committee members at the meeting held during financial year is as follows:

Name of Members	Category	Designation	Number of Meetings during the FY2021-22	
			Held during tenure of Member/Chairman	Attended
Mr. Jitender Kumar Sharma	Independent Director	Chairman	4	4
Mr. Pradeep Kumar Jain	Independent Director	Member	4	4
Mr. Padam Chandra Bindal	Non-Executive Director	Member	4	4

During the year under review no investor grievance was received or was pending with the Company (including in the SCORES account of the Company).

18. Vigil Mechanism and Whistle Blower Policy:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Chairman of the Audit Committee. During the financial year, no employee was denied access to the Audit Committee.

19. Particulars of Loans, Guarantees or Investments under section 186 of the Companies Act 2013

The provisions of Section 186 of the Act pertaining to granting of loans to any persons or bodies corporate and giving of guarantees or providing security in connection with the loan to any other bodies corporate or persons are not applicable to the Company, as the Company is a Non-Banking Financial Company.

20. Corporate Social Responsibility (CSR)

Section 135 of the Companies Act, 2013 related to Corporate Social Responsibility, is not applicable to

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the company.

21. Related Party Transactions:

Particulars of Contracts or Arrangements with related parties referred to in Section 188(1) are mentioned in Form AOC- 2 as annexed in **Annexure C**.

Further, all related party transactions are mentioned in Note of the Financial Statements forming part of the Annual Report.

22. Share Capital

The Authorized Share Capital of the Company was Rs. 35,000,000/- divided into 3,500,000 Equity Shares having face value of Rs.10/- each and the Issued, Subscribed and Paid up Equity Share Capital of the Company was Rs. 33,000,000/- divided into 33,00,000 equity shares having face value of Rs. 10/- each as on March 31, 2022.

There was no change in Authorized, Issued, Subscribed and Paid up Equity Share Capital during the financial year 2021-22.

23. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

In compliance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

- (i) The step taken or impact on conservation of energy; N.A.
- (ii) The step taken by the company for utilizing alternate sources of energy; N.A.
- (iii) the capital investment on energy conservation equipments; N.A.

B) Technology absorption:

- (i) the efforts made towards technology absorption; N.A.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; N.A.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- N.A.
 - (a) the details of technology imported; N.A.
 - (b) the year of import; N.A.

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- (c) whether the technology been fully absorbed; N.A.
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and N.A.
- (iv) the expenditure incurred on Research and Development. N.A.

C) Foreign exchange earnings and Outgo:

1. Total foreign exchange used and earned. The information of foreign exchange earnings and outflow is furnished in notes to accounts.

24. Extract of the annual return

Pursuant to the provisions of the Sections 92(3) and 134(3)(a) of the Companies Act 2013, the Annual Return of the Company for financial year 2021-22 is available on the website of the Company at www.leadfinancialservices.in.

25. Significant/material orders passed by the regulators:

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

26. Managerial/ Employee Remuneration:

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is mentioned in **Annexure D**.

No employees is in receipt of remuneration as specified under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Accordingly, Statement of particulars of Employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 (as amended) read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended) for the financial year ended March 31, 2022, is not required.

27. Corporate Governance:

Since, the paid-up capital of the Company is less than Rs10 Crores and Net worth is less than Rs 25 Crores, the provisions of the Corporate Governance (specified in the regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V) as stipulated

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under Regulation 15(2) of SEBI Listing Regulations are not applicable to the Company. Hence, no separate report on Corporate Governance Report has been given.

However, the Company is complying and doing every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served. It has always been the Company's endeavor to excel through better Corporate Governance and fair & transparent practices, many of which have already been in place even before they were mandated by the law of land.

28. Director's Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, confirm that :-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) 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) the directors have prepared the annual accounts on going concern basis; and
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. Maintenance of Cost Records

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.

30. Risk Management and Policy

As a NBFC, the Company has laid down a well-defined risk management framework to identify, assess and monitor risk and strengthen controls to mitigate risk. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status. The Risk management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement

LEAD FINANCIAL SERVICES LIMITED

of its objectives. Further, it is embedded across all the major functions and revolves around the goals and objectives of the Company.

The Company has a strong risk management framework to identify, monitor and minimize risk and also identify business opportunities.

31. Listing on Stock Exchange (s)

The Equity shares of the Company listed on the stock exchange at:

BSE Limited (BSE)

Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400 001

Listing fees including for the year 2022-23 has been paid within due date to the respective Stock Exchange.

32. Registrar & Share Transfer Agent

The company has appointed Registrar and Share Transfer Agent. The shareholders are advised to approach Registrar and Share Transfer Agent on the following address for any share & demat related queries and problem.

Name	Beetal Financial & Computer Services Private Limited
Address	Beetal House, 3rd Floor, 99, Madangir, Behind LSC Near Dada Harsukhdas Mandir, New Delhi-11006
Telephone No.	011-29961281, 29961282
FAX No.	011-29961284
E-mail Address	beetalrta@gmail.com
Website	www.beetalfinancial.com

33. Transfer System

During the year, shares in physical form were processed by the Registrar and Share Transfer Agent within 15 days from the date of receipt, provided the documents are valid and complete in all respects. Beetal Financial and Computer Services (P) Limited, Share Transfer Agent of the Company, is authorized to sign the share certificates on behalf of the Company for expeditious disposal of transfer requests.

Pursuant to Regulation 40 of the SEBI Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode w.e.f. April 1, 2019, except in case of transmission or

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transposition of securities. In this regard, it has been clarified by SEBI that the said amendments do not prohibit an investor from holding the shares in physical mode and the investor has the option of holding shares in physical mode even after April 1, 2019. However, any investor desirous of transferring shares which are held in physical mode after April 1, 2019 could do so only after the shares are dematerialized.

Further, As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, listed companies shall issue the securities in dematerialized form only, while processing investor service request pertaining to issuance of duplicate share certificate, claim from Unclaimed Suspense Account, renewal/ exchange of securities certificates, endorsement, sub-division/ splitting/ consolidation of share certificates, transmission and transposition. The securities holder/claimant are, accordingly, required to submit duly filled-up Form ISR-4 which can be downloaded from the Company's website, i.e www.leadfinancialservices.in and on the website of the Company's Registrar and Transfer Agent.

In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

34. Dematerialization of Shares

The company's equity shares are eligible for dematerialization. The company has signed agreements with both the depositories namely NSDL and CDSL. The shareholders may therefore hold company's shares in electronic mode.

The company's ISIN No. for both the depositories is INE531D01010. Stock Code for the Equity Shares of the Company at BSE Ltd. is: 531288

As on 31st March 2022, 53.50 % and 4.98 % of the Equity Shares of the Company are held in dematerialized form with NSDL and CDSL respectively.

35. Disclosure under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace with a mechanism of lodging complaints. There is an Internal Complaints Mechanism wherein any wrongful conduct as regards sexual harassment or any discrimination can be reported. The following is a summary of sexual harassment complaints received and disposed of during the year under review-

- No. of complaints received: Nil
- No. of complaints disposed of: N.A.
- No. of complaints pending: Nil

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36. Compliance with Secretarial Standards

The Company has duly followed the applicable Secretarial standards, relating to Meeting of the Board of Directors (SS-1) and General Meeting (SS-2), issued by the Institute of Company Secretaries of India (ICSI).

37. Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account:

The Company does not have any shares in the demat suspense account or unclaimed suspense account and the following details as mentioned below:

(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.	NIL

38. Other Disclosures

- During the financial year 2021-22, the Company has not made any application and no such proceeding is pending under the Insolvency and Bankruptcy code, 2016.
- There were no instances where the Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.
- The Company has not issued shares with differential voting rights and sweat equity shares during the year under review.

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39. Acknowledgement

We thank our clients, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. We thank the Government of India particularly the Reserve Bank of India, the Securities and Exchange Board of India (SEBI), Stock Exchange(s), and other government agencies/authorities for their support, and look forward to their continued support in future.

Your Company's employees are the keys for its attaining new heights. Your Directors place on record their deep appreciation of the commitment and professionalism displayed by them.

We also value the support provided by the Company's Shareholders and we look forward to your continuing future support.

**For and on behalf of the Board
For Lead Financial Services Limited**

Place : New Delhi
Date : **20/08/2022**

Padam Chandra Bindal
Chairman
DIN: 00004769

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report (MDA) is an integrated part of Company's Annual Report. The purpose of the MDA is to provide a narrative explanation, through the eyes of management, of how the Company has performed in the past and its future prospects. This report contains a description of the year gone by and some of the key factors that influenced the business of the Company during the year, as well as a fair and unbiased overview of the Company's future. These are forward looking statements mentioned in this report which may involve risks and uncertainties, including but not limited to the risk inherent to the Company's growth strategy, change in regulatory norms, economic conditions and other incidental factors. Actual results could differ materially from those expressed or implied.

Industry Overview

The beginning of financial year 2021-22 was once again dominated by the COVID-19 pandemic as new waves of infection swept across the world. In India, the second wave proved far more lethal than the first that struck in 2020. After a shaky start in some places, the global economy recovered strongly in FY 2021-22 even though new variants of the COVID-19 virus fueled additional waves of the pandemic. NBFCs played an important role in the Indian financial intermediation space by complementing bank credit, undertaking niche financing and promoting financial inclusion. NBFC Sector had witnessed a favorable operating environment since the end of the global financial crisis in previous year. The Government and RBI also took significant measures to improve the NBFCs' access to funding such as the partial credit guarantee mechanism to facilitate securitization transactions.

NBFCs are now placed for strong revival in the coming year. Recovery in the economy and economic activities are picking up and showing unshaped recovery in businesses. The risk of high NPAs is also going down with business activities going up. Additionally disbursements are improving and likely to return to pre-covid levels. On the liability side NBFCs are well placed and bank borrowing has significantly gone up, in the last few months. NBFCs dependence on short term borrowing and market borrowing has gone down. Bank borrowing share in NBFCs have also increased.

Opportunities and threats**❖ Opportunities**

NBFCs have served the unbanked customers by pioneering into retail asset-backed lending, lending against securities and microfinance. In order to revive the economy, the Reserve Bank of India had announced numerous measures to inject liquidity and keep the cost of funds begin to

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increase credit off take and promote economic growth. The Regulator has increased the credit off take to Micro, Small & Medium enterprises and Consumer segments. This sector has witnessed moderate consolidation activities in recent years, a trend expected to continue in the near future; New RBI guidelines on NBFCs with regard to capital requirements, provisioning norms & enhanced disclosure requirements are expected to benefit the sector in the long run and create a new wave of entrepreneurship with new demand for capital and financial services from NBFCs.

❖ Threats

Being an NBFC, the Company has to face various threats as under mentioned;

- High cost of funds and competition;
- Financial services companies often compete on the basis of offering lower financing rates, higher deposit rates and investment services;
- Stringent regulatory norms prevent new entrants;
- RBI could apply more restrictive approach, which might impact liquidity for NBFC sector

Segment wise Performance:

The Company is a Non-Banking Finance Company (NBFC). It operates only in one segment. Hence, the results for the year under review pertain to only financial activity.

Outlook, Risk and Concern

We are committed to identification of risks to our business, and place in robust risk management mechanisms that enable us to achieve our company's mission and vision. In today's complex business environment, almost every business decision requires executives and managers to balance risk and rewards. Effective risk management is therefore critical to an organisation's success. Globalisation with increasing integration of markets, newer and more complex products and transactions and an increasingly stringent regulatory framework has exposed organisations making them take an integrated approach to risk management.

The possibility of direct or indirect loss as a result of system, personnel, or process failures, or as a result of external occurrences, downward fluctuation, market fluctuation etc are some of the potential risk for the Company. Except for some unforeseen and extreme event, the Company is well placed on the liquidity front and appropriate policies exist for underwriting the impending risk. The Company endeavors to continuously learn and modifies its policies to manage the aforementioned risks. Timely and effective risk management is of prime importance to our continued success. The sustainability of the business is derived from the following:

- Identification of the diverse risks faced by the Company.
- The evolution of appropriate systems and processes to measure and monitor them.

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- Risk management through appropriate mitigation strategies within the appropriate framework.
- Monitoring the progress of the implication of such strategies and subjecting them to periodical audit and review.
- Reporting these risk mitigation results to the appropriate managerial levels.

Adequacy of Internal Control System

The Company maintains a system of internal controls designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

The Company has put in place adequate systems to ensure that assets are safeguarded against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported. The Company has an internal audit function which continuously evaluates the adequacy of, and compliance with, policies, plans, regulatory and statutory requirements. Risk based approach is adopted while carrying out the audits. Internal audit also evaluates and suggests improvement in effectiveness of risk management, control and governance process. The Audit Committee of the Board provides necessary oversight and directions to the internal audit function and periodically reviews the findings and ensures corrective measures are taken.

Performance Review

During the Financial year under review, your company achieved Total Income of Rs. 430.59 Lacs as compared to Rs. 6.06 Lacs in the previous year. Net profit (after tax) for the year is Rs. 10.34 Lacs as compared to Net loss (after tax) of Rs. 10.70 Lacs in the previous year. Your directors are exploring new initiatives for long term growth of the Company.

Material developments in Human Resources / Industrial Relations front, including number of people employed.

The Company believes in recognizing and appreciating employees for their valuable contribution and loyalty and recognizes people as its most valuable asset. It has built an open, transparent and meritocratic culture to nurture this asset. Employees are central as well as critical to the Company as they are the real assets of the organization. The Company believes in retaining high caliber employees while engaging and nurturing them to achieve great heights in the area of operations.

We have also been going through some of the toughest challenges ever faced by humanity owing to the out break of Covid 19. Your Company continues to support all its employees in all possible ways and means in these tough times. The employee relationship with the company remained harmonious throughout the year.

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The Company had 3 permanent employees on the rolls of the Company as at March 31, 2022.

Details of changes in key financial ratios

Ratio	FY 2021-22	FY 2020-21
Debtors Turnover Ratio	0.52	0
Inventory Turnover Ratio	0.42	0.003
Interest Coverage Ratio	17.49	-15.70
Current Ratio	69.25	0.30
Debt Equity Ratio	0.81	0.83
Operating profit Margin	6.09%	-79.10%
Net profit Margin	2.92%	-176.47%
Return on Net Worth	2.10%	-1.98%

**For and on behalf of the Board
For Lead Financial Services Limited**

Place: New Delhi

Date: 20.08.2022

Padam Chandra Bindal

Chairman

DIN: 00004769

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED March 31, 2022

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

To,
The Members,
Lead Financial Services Limited

CIN: L74140DL1993PLC053485

101, Sitaram Mansion, 718/21, Joshi Road, Karol Bagh

New Delhi 110005

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Lead Financial Services Limited (hereinafter referred as the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our 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 March 31, 2022, 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 March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder including amendments thereof;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not applicable to the Company during the Audit Period);
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, as applicable;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial

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- Borrowings (Not applicable to the Company during the Audit Period);
- (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 to the Company during the Audit Period);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (up to August 12, 2021) and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from August 13, 2021) (Not applicable to the Company during the Audit Period);
 - e) 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;
 - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period); and
 - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
 - h) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015
 - i) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 (Not applicable to the Company during the Audit Period);
 - j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (vi) The laws relating to Non-Banking Financial Companies to the extent applicable to the Company as per the representations made by the Company.

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;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Further there is no observation during the year under review.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors along with the woman director during the financial year ended 31.03.2022. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all the directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance or at shorter notice, and a system exists for

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seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decision are carried unanimously and recorded as part of the minutes.

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 Pooja Anand & Associates
Company Secretaries
Firm Registration No. P2003DE054000
PR No. : 1391/2021**

Date: 18/08/2022

Place: New Delhi

**Mukul Tyagi
Partner
M. No.: F9973
CP No.: 16631
UDIN: F009973D000812082**

Note: This report is to read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

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Annexure- 1

To,
The Members,
Lead Financial Services Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. Further, we have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. 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 Pooja Anand & Associates
Company Secretaries
Firm Registration No. P2003DE054000
PR No. : 1391/2021

Mukul Tyagi
Partner
M. No.: F9973
CP No.: 16631
UDIN:F009973D000812082

Date: 18/08/2022
Place: New Delhi

FORM NO.AOC.2

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

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

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

Name of the Related Party and Nature of Relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date (s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

2) Detailsofmaterialcontractsorarrangementortransactionsatarm'slengthbasis

Name of the Related Party and Nature of Relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, (in Rs)	Date (s) of approval by the Board	Amount paid as advances, if any
Privy Capital Advisors Private Limited (Entities in which KMP or Relatives have significant Influence)	Sale of Services	12 Months	Both the parties shall diligently perform their duties/obligation, provide the services in timely manner and shall comply with the requirements of applicable laws and Regulations. For value of the transactions refer Related Party Disclosure in the financial statements, which are part of the annual report.	22.06.2021	NIL

**For and on behalf of the Board
For Lead Financial Services Limited**

**Padam Chandra Bindal
Chairman
DIN: 00004769**

Place : New Delhi
Date : 20/08/2022

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Annexure-D

MANAGERIAL REMUNERATION:

Information pursuant to Section 197 (12) of the Companies Act, 2013 (as amended) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014(amended)

- I. The ratio of the remuneration of each director to the median remuneration of the employees of the company and percentage increase in remuneration of each director and key managerial remuneration (KMP) in the financial year 2021-22:

(Amount in Rupees)

Sr. No	Name	Designation	Remuneration paid/payable to Director/KMPs in 2021-22	Remuneration of Directors/KMPs in 2020-21	% Increase/(decrease) in Remuneration	Ratio of Remuneration to Median of remuneration of employee
Non-Executive Director						
1.	Mr. Padam Chandra Bindal	Director	NIL	NIL	NIL	NA
2.	Ms. Suman Bindal	Director	NIL	NIL	NIL	NA
Executive Director						
1.	-	NA	NA	NA	NA	NA
Independent Directors						
1.	Mr. Pradeep Kumar Jain	Director	NIL	NIL	NIL	NA
2.	Mr. Jitender Kumar Sharma	Director	NIL	NIL	NIL	NA
Key Managerial Personnel other than Executive Directors						
1	Mr. Sudesh Gupta	CEO	380500	284550	7.93%	NA
2	Mr. Atul Vaibhav	CFO	180000	180000	NIL	NA
*3	Ms. Suman	CS	NA	304838	NA	NA
**4	Ms. Komal	CS	304200	19161	11.11%	NA

* Ms. Suman has resigned as a Company Secretary of the company w.e.f 06.03.2021.

**Ms. Komal was appointed as a Company Secretary of the company w.e.f 10.03.2021

- II. The percentage increase in the median remuneration of the employees in the financial year:
NIL

- III. The number of permanent employees on the rolls of the Company: There were 03(Three) employees (KMP) on the rolls of the Company as on March 31, 2022.

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- IV. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Not applicable
- V. Affirmation that the remuneration is as per the remuneration policy of the Company:** The remuneration of KMPs of the company during the financial year ended on March 31, 2022, was as per the Nomination and Remuneration Policy of the Company.

**For and on behalf of the Board
For Lead Financial Services Limited**

Place : New Delhi
Date : 20/08/2022

**Padam Chandra Bindal
Chairman
DIN: 00004769**

LEAD FINANCIAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT

To the Members of LEAD FINANCIAL SERVICES LIMITED Report on the audit of financial statements

Opinion

We have audited the accompanying financial statements of **LEAD FINANCIAL SERVICES LIMITED** (the 'Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and the notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, 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 audit opinion on the financial statements.

Emphasis of matter

We draw your attention to Note 40 to the financial statements relating to carrying value of Loans and Investments as at March 31, 2022. As described in the Note, the carrying value of such Loans and Investments is subject to uncertainties related to the impact of Covid-19 pandemic. Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report and Management Discussion & Analysis, 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

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information, we are required to communicate the matter to those charged with governance and describe necessary actions required as per applicable laws and regulations.

We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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:

- i. 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.
- ii. Obtain an understanding of internal financial 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.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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

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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.

- v. 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 for the financial year ended 31 March 2022 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 in terms of Section 143(11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 197(16) of the Act, we report that the Company has not paid any remuneration to its directors during the current year.
- 3) 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 appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flow 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 financial statements comply with the accounting standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

LEAD FINANCIAL SERVICES LIMITED

- (e) On the basis of written representations received from the directors as on 31 March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2022, from being appointed as a director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- (g) With respect to the other matters included in the Auditor's Report and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. – Refer Note 28 to the financial statements;
 - b. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company;
 - d. (i) The Management has represented that, to the best of its knowledge and belief, no funds 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.
(ii) The Management has represented, that, to the best of its knowledge and belief, no funds 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.
(iii) 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 (i) and (ii) above, contain any material misstatement.
- e. During the year the Company has not declared or paid any dividend.

For B G G & Associates
Chartered Accountants
F R N. 016874N

Place of Signature: New Delhi
Date: 30th May 2022

CA. Alok Kumar Bansal
Partner
M. No. 092854
UDIN: 22092854AJWUXG1992

ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of LEAD FINANCIAL SERVICES LIMITED (“the Company”) of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

1)

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situations of Property, Plant and Equipment (‘PPE’).

(B) The Company doesn’t have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable.

b) As per the information and explanations given to us and on the basis of our examination of the records of the Company, the PPE have been physically verified by the management, at regular intervals, which in our opinion is reasonable, having regard to the size of Company and nature of its business. In our opinion, and according to the information and explanations given to us, no discrepancies were noticed on such verification.

c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its PPE during the year. The Company doesn’t have any right-of-use assets or intangible assets.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2)

a) As informed, the inventories of the Company have been physically verified by the management during the year. In our opinion and according to the information and explanations given to us, the coverage and procedures of such verification as followed by the management are appropriate having regard to the size of the Company and nature of its operations. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from any banks on the basis of security of current assets.

3)

a) The Company is a Non-Banking Finance Company registered with the Reserve Bank of India

LEAD FINANCIAL SERVICES LIMITED

- and engaged in providing loans and making investments. Accordingly, clause 3(iii) (a) of the Order is not applicable.
- b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the Company's interest.
 - c) The Company, being a Non-Banking Finance Company, registered under provisions of RBI Act, 1934 and rules made thereunder, in pursuance of its compliance with provisions of the said Act/Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors repayments of principal and payment of interest by its customers as stipulated. In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 7 to the Financial Statements for summarized details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are being taken by the Company for recovery thereof.
 - d) As mentioned above, the Company, in pursuance of its compliance with provisions of the RBI Act, 1934 /Rules, particularly, the Income Recognition, Asset Classification and Provisioning Norms, monitors and report total amount overdue including principal and/or payment of interest by its customers for more than 90 days. In cases where repayment of principal and payment of interest is not received as stipulated, the cognizance thereof is taken by the Company in course of its periodic regulatory reporting. Refer note 7 to the Financial Statements for summarized details of such loans/advances which are not repaid by borrowers as per stipulations. According to the information and explanation made available to us, reasonable steps are being taken by the Company for recovery thereof.
 - e) The Company's principal business is to provide loans and make investments. Accordingly, clause 3(iii) (e) of the Order is not applicable.
 - f) According to the information and explanations given to us and examination of books of account, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- 4) In our opinion and according to information and explanations given to us the Company has, in respect of loans, investments, guarantees, and security, complied with the provisions of section 185 and 186 of the Act.
 - 5) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act.
 - 6) To the best of our knowledge and explanation given to us, the Central Government has not prescribed maintenance of cost records under clause of sub section (1) of section 148 of the Companies Act, 2013 for any of the services rendered by the Company. Hence, the provisions of clause 3(vi) of the Order are not applicable.
- 7)
 - a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the undisputed statutory dues including Goods and Services Tax,

LEAD FINANCIAL SERVICES LIMITED

provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that there are no statutory dues which have not been deposited with the appropriate authority on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9)
- a) In our opinion and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender, as applicable.
 - b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
 - c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans, during the year.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - e) According to the information and explanations given to us and procedures performed by us, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates or joint ventures. Accordingly, clause 3(ix)(e) of the Order is not applicable.
 - f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates or joint ventures. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- 10)
- a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
 - b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.

LEAD FINANCIAL SERVICES LIMITED

- 11)**
- a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
 - b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c) According to the information and explanations given to us, no whistle blower complaints have been received by the Company during the year.
- 12)** The Company is not a Nidhi Company. Hence, clause 3(xii) of the Order is not applicable to the Company.
- 13)** According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards
- 14)**
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - b) We have considered, during the course of our audit, the reports of the internal auditor(s) for the period under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 15)** According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors. Accordingly, clause 3(xv) of the Order is not applicable to the Company.
- 16)**
- a) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the Company has obtained the required registration.
 - b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
 - c) According to the information and explanations given to us, the Company is not a Core Investment Company (“CIC”) as defined in the regulations made by Reserve Bank of India.
 - d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 (as amended). Accordingly, the requirements of clause 3(xvi)(d) of the Order are not applicable.
- 17)** The Company has not incurred cash losses during the financial year covered by our audit. The Company has however incurred cash losses of Rs. 14.46 Lakhs in the immediately preceding financial year.
- 18)** There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable
- 19)** According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial

LEAD FINANCIAL SERVICES LIMITED

liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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.

- 20) According to the information and explanations given to us and our examination of the records of the Company, the provisions of section 135 of the Act are not applicable to the Company and accordingly, clause 3(xx) of the Order is not applicable.

For B G G & Associates
Chartered Accountants
F R N. 016874N

Place of Signature: New Delhi
Date: 30th May 2022

CA. Alok Kumar Bansal
Partner
M. No. 092854
UDIN: 22092854AJWUXG1992

LEAD FINANCIAL SERVICES LIMITED

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 3 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of LEAD FINANCIAL SERVICES LIMITED (“the Company”) of even date).

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

We have audited the internal financial controls over financial reporting of LEAD FINANCIAL SERVICES LIMITED (“the Company”) as of 31 March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

LEAD FINANCIAL SERVICES LIMITED

company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 B G G & Associates
Chartered Accountants
F R N. 016874N

Place of Signature: New Delhi
Date: 30th May 2022

CA. Alok Kumar Bansal
Partner
M. No. 092854
UDIN: 22092854AJWUXG1992

LEAD FINANCIAL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Lead Financial Services Limited Additional Report as per Direction of RBI

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, (the Directions) issued by the Reserve Bank of India in terms of sub-section (1A) of section 45MA of the Reserve Bank of India Act, 1934, we give the following statements on the matters specified in paragraphs 3 and 4 of the Directions-

1. The Company is engaged in the business of Non - Banking Financial institution as defined in section 45-I (a) of the RBI Act and meeting the Principal Business Criteria (Financial asset/ Income pattern) as laid down vide the Bank's press release dated April 08, 1999, and directions issued by DNBR. The Company has obtained a Certificate of Registration (CoR) from the Bank.
2. The Company is entitled to hold such CoR in terms of Principal Business Criteria (Financial asset/ Income pattern) as on March 31, 2022.
3. The Company is meeting the required net owned fund requirement as laid down in Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016.
4. The Board of Directors has passed a resolution for non - acceptance of any public deposits.
5. The Company has not received any public deposits during the financial year 2021-22.
6. The Company has duly complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company - Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016.

For B G G & Associates
Chartered Accountants
F R N. 016874N

Place of Signature: New Delhi
Date: 30th May 2022

CA. Alok Kumar Bansal
Partner
M. No. 092854
UDIN: 22092854AJWUXG1992

LEAD FINANCIAL SERVICES LIMITED

CIN: L74140DL1993PLC053485

BALANCE SHEET AS AT MARCH 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note	As at 31st March, 2022	As at March, 2021	31st
I. ASSETS				
(1) Financial Assets				
(a) Cash & Cash Equivalents	5	1.47		0.88
(b) Trade Receivables	6	417.08		-
(c) Loans	7	297.59		317.36
(d) Securities for Trade	8	60.20		455.90
(e) Investments	9	2.92		2.61
	(A)	779.26		776.75
(2) Non-Financial Assets				
(a) Current Tax Assets (Net)		3.08		2.21
(b) Deferred Tax Assets (Net)	10(a)	15.68		16.38
(c) Investment Property	11	210.20		210.20
(d) Property, Plant & Equipment	12	0.57		0.57
(e) Other Non-Financial Assets	13	0.71		1.80
	(B)	230.24		231.16
Total Assets		1,009.50		1,007.91
II. LIABILITIES AND EQUITY				
Liabilities				
(1) Financial Liabilities				
(a) Borrowings	14	4.40		13.28
(b) Other Financial Liabilities	15	2.56		2.71
	(A)	6.96		15.99
(2) Non-Financial Liabilities				
(a) Other Non-Financial Liabilities	16	450.48		450.45
	(B)	450.48		450.45
(3) Equity				
(a) Equity Share Capital	17	330.00		330.00
(b) Other Equity	18	222.06		211.48
	(C)	552.06		541.48
Total Equity & Liabilities		1,009.50		1,007.91
Summary of significant accounting policies	4			
The accompanying notes are an integral part of the financial statements				
As per our report of even date				
For B G G & Associates		On behalf of the Board of Directors		
Chartered Accountants				
Firm Registration No. 016874N				
(CA. Alok Kumar Bansal)		P.C. Bindal	Sudesh Gupta	
Partner		Chairman	Chief Executive	
M.No. 092854		DIN: 00004769	Officer	
Place : New Delhi		Atul Vaibhav	Komal	
Date: 30th May 2022		Chief Financial	Company	
		Officer	Secretary	

LEAD FINANCIAL SERVICES LIMITED

CIN: L74140DL1993PLC053485

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year Ended 31.03.2022	Year Ended 31.03.2021
Revenue from Operations			
(i) Interest Income	19	2.43	6.00
(ii) Dividend Income		0.08	0.06
(iii) Sale of Shares	20	416.00	-
(iv) Sale of Services	21	12.00	-
(I) Total revenue from Operations		430.51	6.06
(II) Other Income	22	0.08	-
(III) Total Income (I+II)		430.59	6.06
Expenses			
(i) Finance Costs	23	0.67	0.87
(ii) Impairment on financial instruments	24	4.44	0.00
(iii) Changes in Inventories of Stock-in-Trade	25	395.70	2.02
(iv) Employee Benefit Expense	26	8.68	7.97
(v) Depreciation and amortisation expense	12	-	-
(vi) Other Expenses	27	10.13	9.66
(IV) Total Expenses		419.62	20.52
(V) Profit/(loss) before tax (III-IV)		10.97	(14.46)
(VI) Tax Expense			
(a) Current Tax		-	-
(b) Deferred Tax		0.63	(3.76)
(VII) Profit/ (loss) after tax (V-VI)		10.34	(10.70)
(VIII) Other Comprehensive Income (OCI)			
(i) Items that will not be reclassified to Profit or Loss			
Change in fair value of FVOCI equity instruments		0.31	1.14
Tax impact on above		(0.08)	(0.30)
(ii) Items that will be reclassified to Profit or Loss		-	-
Other Comprehensive Income (net of tax)		0.23	0.84
Total Comprehensive Income (VII+VIII)		10.57	(9.86)
Earnings Per Equity Share:			
(par value Rs.10 per share)			
Basic & Diluted	32	0.31	(0.32)

Summary of significant accounting policies 4

The accompanying notes are an integral part of the financial statements

As per our report of even date

For B G G & Associates
Chartered Accountants
Firm Registration No. 016874N

(CA. Alok Kumar Bansal)
Partner
M.No. 092854

Place : New Delhi
Date: 30th May 2022

On behalf of the Board of Directors

P.C. Bindal
Chairman
DIN: 00004769

Sudesh Gupta
Chief Executive
Officer

Atul Vaibhav
Chief Financial
Officer

Komal
Company
Secretary

LEAD FINANCIAL SERVICES LIMITED

CIN: L74140DL1993PLC053485

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
Cash Flow from Operating Activities		
Profit before Tax	10.97	(14.46)
<i>Adjustments for:</i>		
- Finance Charges	0.67	0.87
Operating profit/ (loss) before Working Capital changes	11.64	(13.59)
Changes in Working Capital:		
Decrease/ (Increase) in Securities for Trade	395.71	2.02
Decrease/ (Increase) in Trade Receivables	(417.08)	-
Decrease/ (Increase) in Loans	19.77	(0.06)
Decrease/ (Increase) in Other Non-Financial Assets	1.09	(0.91)
(Decrease)/ Increase in Other Financial Liabilities	(0.15)	(1.27)
(Decrease)/ Increase in Other Non-Financial Liabilities	0.03	0.02
Cash generated from /(used in) Operations	11.01	(13.79)
Income Tax Paid	(0.88)	(0.46)
Cash generated from /(used in) Operating Activities (A)	10.13	(14.25)
Cash Flow from Investing Activities		
Proceeds from Sale of Investments	-	-
Cash generated from /(used in) Investing Activities (B)	-	-
Cash Flow from Financing Activities		
Proceeds/(Repayment) from Short Term Borrowings	(8.87)	13.28
Finance Charges	(0.67)	(0.87)
Cash generated from /(used in) Financing Activities (C)	(9.54)	12.41
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	0.59	(1.84)
Cash & Cash Equivalents at the beginning of year	0.88	2.72
Cash & Cash Equivalents at the end of year (Note No.5)	1.47	0.88

• The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

• Previous year figures have been regrouped/ reclassified wherever necessary to conform to the current year classification.

Summary of significant accounting policies

4

The accompanying notes are an integral part of the financial statements

As per our report of even date

For B G G & Associates
Chartered Accountants
Firm Registration No. 016874N

(CA. Alok Kumar Bansal)
Partner
M.No. 092854

On behalf of the Board of Directors

P.C. Bindal
Chairman
DIN: 00004769

Sudesh Gupta
Chief Executive
Officer

Place : New Delhi
Date: 30th May 2022

Atul Vaibhav
Chief Financial
Officer

Komal
Company
Secretary

(a) Equity Share Capital

For the Financial Year Ended March 31, 2022

Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in Equity Share Capital during the year	Balance at the end of the reporting period
330.00	-	330.00	-	330.00

For the Financial Year Ended March 31, 2021

Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the reporting period	Changes in Equity Share Capital during the year	Balance at the end of the reporting period
330.00	-	330.00	-	330.00

(b) Other Equity

For the Financial Year Ended March 31, 2022

	Reserves and Surplus			Other Comprehensive Income	Total
	General Reserve	Reserve Fund as per RBI Act	Retained Earnings	Equity Instruments through Other Comprehensive Income	
Balance at the beginning of the financial year	0.63	41.18	166.98	2.69	211.48
Profit/ [Loss] for the year	-	-	10.34	-	10.34
Other Comprehensive Income/[Loss] for the year	-	-	-	0.23	0.23
Transfer to Reserve Fund in terms of RBI Act	-	2.07	-2.07	-	-
Balance at the end of the financial year	0.63	43.25	175.26	2.92	222.06

For the Financial Year Ended March 31, 2021

	Reserves and Surplus			Other Comprehensive Income	Total
	General Reserves	Reserve Fund as per RBI Act	Retained Earnings	Equity Instruments through Other Comprehensive Income	
Balance at the beginning of the financial year	0.63	41.18	177.68	1.84	221.33
Profit/ [Loss] for the year	-	-	-10.70	-	-10.70
Other Comprehensive Income/[Loss] for the year	-	-	-	0.84	0.84
Transfer to Reserve Fund in terms of RBI Act	-	-	-	-	-
Balance at the end of the financial year	0.63	41.18	166.98	2.69	211.48

Summary of significant accounting policies

4

The accompanying notes are an integral part of the financial statements

As per our report of even date

For B G G & Associates
Chartered Accountants
Firm Registration No. 016874N

On behalf of the Board of Directors

(CA. Alok Kumar Bansal)
Partner
M.No. 092854

P.C. Bindal
Chairman
DIN: 00004769

Sudesh Gupta
Chief Executive
Officer

Place: New Delhi
Date: 30th May 2022

Atul Vaibhav
Chief Financial
Officer

Komal
Company
Secretary

Notes to the financial statements for the year ended 31 March 2022

1. Corporate Information

Lead Financial Services Limited (“the Company”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a Non-Banking Finance Company registered with Reserve Bank of India and engaged in (i) providing loans and various financial services to its clients and (ii) making investments.

The registered office of the Company is located at 101 Sitaram Mansion, 718/21 Joshi Road, Karol Bagh, New Delhi-110005.

2. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (‘the NBFC Master Directions’) and notification for Implementation of Indian Accounting Standards vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 (‘RBI Notification for Implementation of Ind AS’) issued by RBI.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and financial liabilities which are measured at fair value/ amortized cost (Refer accounting policy regarding financial instruments).

Accounting policies have been consistently applied except where newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company’s financial statements are presented in Indian Rupees, which is also its functional currency and values are rounded to nearest lakhs, except when otherwise indicated.

These financial statements are approved for issue by the Board of Directors on May 30, 2022.

3. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the reporting period. The actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The Company makes certain judgments and estimates for valuation and impairment of financial instruments, useful life of property, plant and equipment and investment property and deferred taxes. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

4. Significant Accounting Policies

a. Property, Plant & Equipment

Property plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount.

All property, plant and equipment are initially recorded at cost. Cost comprises acquisition cost, borrowing cost if capitalization criteria are met, and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefit associated with these will flow with the Company and the cost of the item can be measured reliably.

Depreciation on property, plant and equipment is provided on written down value basis over the estimated useful life as prescribed in Schedule II of the Companies Act, 2013. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate.

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

b. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and wherever applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Depreciation on investment properties is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

c. Revenue Recognition

(i) Under Ind AS 109, Interest Income is recorded using the Effective Interest Rate (EIR) method for all financial instruments measured at amortised cost, debt instruments measured at fair value through other comprehensive Income (FVOCI) and debt instruments designated at fair value through profit & loss (FVTPL). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying

amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

(ii) Income from trading in securities comprises profit/ loss on sale of securities held as stock in trade. Profit/ loss on sale of securities is determined based on the First-in-First-Out ('FIFO') cost of the securities sold and are accounted for on the trade date of transaction.

(iii) Income from sale of services is accounted using cost plus mark-up as and when the service is rendered, provided there is reasonable certainty of its ultimate realisation.

(iv) Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

(v) Other income and expenses are accounted for on accrual basis.

d. Securities for trade

Securities for trade are classified as financial assets in accordance with Ind AS on Financial Instruments, hence recognized and measured at fair value (FVTPL) with the corresponding debit/ credit in Statement of Profit & Loss.

e. Borrowings

Borrowings are initially recognized at net of transaction costs incurred and measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the Effective Interest Rate (EIR) method.

f. Provisions

Provision is recognized when an enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at the balance sheet date and adjusted to reflect the current management estimates.

g. Borrowing Costs

Borrowing costs include interest expense as per the EIR and other costs incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of those property, plant & equipment which necessarily take a substantial period of time to get ready for their intended use are capitalized. Other borrowing costs are recognized as an expense in the year in which they are incurred.

h. Operating Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense over the lease term.

As a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms.

i. Tax Expenses

Income Taxes

The income tax expense comprises current and deferred tax incurred by the Company. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity or OCI, in which case the tax effect is recognized in equity or OCI. Income tax payable on profits is based on the applicable tax laws in each tax jurisdiction and is recognized as an expense in the period in which profit arises.

Current Income Tax

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts for tax purposes.

Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized, for all deductible temporary differences, to the extent it is probable that future taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The tax effects of income tax losses, available for carry forward, are recognized as deferred tax asset, when it is probable that future taxable profits will be available against which these losses can be set-off.

j. Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

i. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset that 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 amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

ii. Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

iv. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's combined balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Debt investment securities; and
- Trade and other receivables.

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently for credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12 month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade and other payables, etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

i. Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

ii. Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

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

k. Impairment of Non-Financial Assets

The Company assesses at the reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognised in statement of profit and loss.

l. Cash & Cash Equivalents

For the purpose of presentation in statement of cash flow, cash and cash equivalents include cash on hand, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

m. Dividends

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

n. Earnings Per Share

Basic earnings per share is calculated by dividing the profit attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year. Diluted earnings per share is calculated by dividing the profit attributable to the equity shareholders of the Company (after adjusting the corresponding income/ charge for dilutive potential equity shares, if any) by the weighted average number of equity shares outstanding during the financial year plus the weighted average number of additional equity shares that would have been issued on conversion of all the dilutive potential equity shares.

LEAD FINANCIAL SERVICES LIMITED

CIN: L74140DL1993PLC053485

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

	As at 31.03.2022	As at 31.03.2021
5 Cash & Cash Equivalents		
Cash on hand	0.25	0.23
Balances with Banks in current accounts	1.21	0.65
	1.47	0.88
6 Trade Receivables		
(i) - Considered Good - Secured	-	-
- Considered Good - Un-Secured	417.08	-
- Trade Receivables which have significant increase in credit risk	-	-
- Trade Receivables- Credit Impaired	-	-
Less: Impairment Loss Allowance	-	-
	417.08	-
(ii) Ageing of Trade Receivables: Refer Annexure-I to Note No. 6		
(iii) The management expects no default in receipt of Trade Receivables; also there is no history of default observed by the management. Hence, no ECL has been recognised on Trade Receivables.		
(iv) Debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies in which any director is a partner, a director or a member	105.08	-
7 Loans (Carried at Fair Value through Amortised Cost)		
(A) Inter-Corporate Loans	17.16	32.49
Advances to Customers	285.00	285.00
Less: Impairment Loss Allowance	4.57	0.13
Total (A)	297.59	317.36
(B) Out of above		
Secured by Tangible Assets	-	-
Secured by Intangible Assets	-	-
Covered by Bank/ Government Guarantee	-	-
Unsecured	302.16	317.49
Less: Impairment Loss Allowance	4.57	0.13
Total (B)	297.59	317.36
(C) Out of above		
(i) Loans in India		
- Public Sector	-	-
- Others	302.16	317.49
Less: Impairment Loss Allowance	4.57	0.13
Sub-Total (i)	297.59	317.36
(ii) Loans Outside India	-	-
Less: Impairment Loss Allowance	-	-
Sub-Total (ii)	-	-
Total (C)	297.59	317.36

Stage-wise breakup of Loans		
Stage-1: Low Credit Risk	262.59	317.36
Stage-2: Significant Increase in Credit Risk	-	-
Stage-3: Credit Impaired	35.00	-
Total	297.59	317.36
8 Securities for Trade		
(Valued at Fair Value through Profit & Loss)		
Inventories of Shares/ Securities	60.20	455.90
	60.20	455.90
9 Investments		
(At fair value through other comprehensive income)		
- Investments in Mutual Funds	2.73	2.45
- Investments in Equity Instruments	0.18	0.16
Less: Impairment Loss Allowance	-	-
Total	2.92	2.61
Out of above		
Investments in India	2.92	2.61
Investments Outside India	-	-
Less: Impairment Loss Allowance	-	-
Total	2.92	2.61
10		
(a) Deferred Tax Assets/ (Liabilities)		
Deferred Tax Assets		
Property, plant & equipment: impact of difference between tax depreciation and depreciation for financial reporting	0.12	0.16
Brought forward losses	16.89	15.48
MAT Credit Entitlement	-	1.98
Gross Deferred Tax Assets (a)	17.00	17.63
Deferred Tax Liabilities		
Impact of Fair Value of Financial Instruments	-1.33	-1.25
Gross Deferred Tax Liabilities (b)	-1.33	-1.25
Deferred Tax Assets (Net) (a)-(b)	15.68	16.38
(b) Reconciliation of movement in Deferred Tax Assets (Net)	As at	As at
	31.03.2022	31.03.2021
Opening Deferred Tax Assets/ (Liabilities)	16.38	12.92
Deferred tax credit/ (charge) recorded in statement of profit & loss	-0.63	3.76
Deferred tax credit/ (charge) recorded in OCI	-0.08	-0.30
Closing Deferred Tax Assets/ (Liabilities)	15.68	16.38
(c) Reconciliation of Tax Expense recognised in the Statement of Profit & Loss		
	For the Year Ended	
	31.03.2022	31.03.2021
Accounting profit/ (loss) before income tax	10.97	-14.46
At India's statutory income tax rate	2.76	-3.76
Effect of non-deductible expenses	1.12	-
Tax pertaining to prior years	1.98	-
Others	-5.24	-
	0.63	-3.76
13 Other Non-Financial Assets		
Balances with statutory authorities	0.62	1.80
Others	0.09	-
	0.71	1.80

LEAD FINANCIAL SERVICES LIMITED

CIN: L74140DL1993PLC053485

Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

11 Investment Property

Particulars	
Cost as at 1st April,2020	210.20
Addition during the year	-
Deletion during the year	-
As at 31st March, 2021	210.20
Addition during the year	-
Deletion during the year	-
As at 31st March, 2022	210.20
Accumulated Depreciation	
As at 1st April,2020	-
Charge during the year	-
Disposals / adjustments during the year	-
As at 31st March, 2021	-
Charge during the year	-
Disposals / adjustments during the year	-
As at 31st March, 2022	-
Net Block Value	
As at 31st March, 2022	210.20
As at 31st March, 2021	210.20

Notes:**(i) Disclosures relating to fair valuation of Investment Property****Fair Value of Investment Property**

Particulars	
As at 31st March, 2022	450.00
As at 31st March, 2021	450.00

These values are based on valuations performed by management. Resulting fair value estimates for Investment Property are included in Level 3.

(ii) Amount recognised in Statement of Profit & Loss for Investment Property

Particulars	
Year ended 31st March, 2022	-
Year ended 31st March, 2021	-

(iii) The title deeds of immovable properties (investment property) are held in the name of the Company.

(iv) Investment property has not been revalued during the year.

(v) Investment Property has been mortgaged as security with banks against credit facilities availed by others.

(vi) Investment Property has been measured at the lower of carrying amount and fair value, and accordingly, no depreciation has been charged on such Investment Property.

12 Property, Plant & Equipment

Particulars	Computers	Furniture & Fixtures	Office Equipments	Total
Cost as at 1st April,2020	0.30	14.61	2.40	17.31
Addition during the year	-	-	-	-
Deletion during the year	-	-	-	-
As at 31st March, 2021	0.30	14.61	2.40	17.31
Addition during the year	-	-	-	-
Deletion during the year	-	-	-	-
As at 31st March, 2022	0.30	14.61	2.40	17.31
Accumulated Depreciation				
As at 1st April,2020	0.28	14.17	2.28	16.74
Charge during the year	-	-	-	-
Disposals / adjustments during the year	-	-	-	-
As at 31st March, 2021	0.28	14.17	2.28	16.74
Charge during the year	-	-	-	-
Disposals / adjustments during the year	-	-	-	-
As at 31st March, 2022	0.28	14.17	2.28	16.74
Net Block Value				
As at 31st March, 2022	0.01	0.44	0.12	0.57
As at 31st March, 2021	0.01	0.44	0.12	0.57

Notes:

(i) No depreciation has been charged during the current and previous financial year considering that the entire depreciable amount of Property, Plant & Equipment has already been charged as depreciation in earlier years.

(ii) None of the class of fixed assets are revalued during the year.

14 Borrowings# (other than debt securities)		
(I) In India		
Measured at amortised cost:		
Inter-Corporate Loans	1.53	13.28
Loan from Directors	2.88	-
	4.41	13.28
Outside India	-	-
	-	-
(II) Out of above		
Secured	-	-
Un-Secured	4.41	13.28
	4.41	13.28

The Company has not borrowed funds from banks/ financial institutions on the basis of security of current assets.

15 Other Financial Liabilities		
Expenses Payable	2.56	2.71
	2.56	2.71
16 Other Non-Financial Liabilities		
Advances Received	450.00	450.00
Statutory Liabilities	0.48	0.45
	450.48	450.45

17 Equity Share Capital		
Authorised		
35,00,000 (31 March, 2021: 35,00,000) Equity Shares of Rs.10/- each	350.00	350.00
Issued, subscribed and fully paid-up:		
33,00,000 (31 March, 2021: 33,00,000) Equity Shares of Rs.10/- each fully paid-up	330.00	330.00

(a) Reconciliation of the shares outstanding at the beginning & end of the year		
	As on 31/03/2022	
	Nos.	INR Lakhs
Equity Shares		
At the beginning of the Year	33,00,000	330.00
Issued during the Year	-	-
Outstanding at the end of the Year	33,00,000	330.00
	As on 31/03/2021	
	Nos.	INR Lakhs
Equity Shares		
At the beginning of the Year	33,00,000	330.00
Issued during the Year	-	-
Outstanding at the end of the Year	33,00,000	330.00

(b) Terms/ Rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each Holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

(c) Details of shareholders holding more than 5% shares

Equity Shares of Rs. 10 each fully paid up

Name of Shareholder	31/03/2022	
	No. of Shares	% of Total Shares
P. C. Bindal	1,95,200	5.92
Manushree Bindal	1,89,000	5.73
Privy Capital Limited	1,84,500	5.59
	5,68,700	17.23

Equity Shares of Rs. 10 each fully paid up

Name of Shareholder	31/03/2021	
	No. of Shares	% of Total Shares
P. C. Bindal	1,95,200	5.92
Manushree Bindal	1,89,000	5.73
Privy Capital Limited	1,84,500	5.59
	5,68,700	17.23

(d) Details of shareholding of Promoters

Equity Shares held by Promoters at the end of the year*

S.No.	Promoter Name	No. of Shares	% of Total Shares
1	P. C. Bindal	1,95,200	5.92
		1,95,200	5.92

* There are no changes in the shareholding of the Promoters during the year.

(e) Other details of Equity Shares for a period of five years immediately preceding 31st March 2022

The Company has not issued any bonus shares for consideration other than cash nor there been any buyback of shares during the 5 years immediately preceding 31 March 2022.

18 Other Equity *

(i) Retained Earnings	175.26	166.98
Other Reserves		
(ii) Reserve Fund as per RBI Act	43.25	41.18
(iii) General Reserve	0.63	0.63
(iv) Other Comprehensive Income	2.92	2.69
	222.06	211.48

Nature & Purpose of Other Equity

- (i) Retained Earnings : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve.
- (ii) Reserve Fund as per RBI Act: Reserve Fund is created as per the terms of section 45-IC(1) of the Reserve Bank of India Act, 1934 as a statutory reserve.
- (iii) General Reserve: Amounts set aside from retained earnings as a reserve to be utilised for permissible general purpose as per law.
- (iv) Other Comprehensive Income: Other comprehensive income consists of gain/ (loss) of equity instruments carried through FVTOCI.

* For movements during the Year, refer Statement of Changes in Equity.

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Notes to the financial statements for the year ended March 31, 2022

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Annexure-I to Note No. 6

Trade Receivables Ageing:

Particulars	As at March 31, 2022							Total
	Unbilled	Not Due For Payment	Outstanding for following periods from due date of payment					
			< 6 Months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered Good	-	-	417.08	-	-	-	-	417.08
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total	-	-	417.08	-	-	-	-	417.08

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Notes to the financial statements for the year ended March 31, 2022

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	For the Year Ended	
	31.03.2022	31.03.2021
19 Interest Income		
(on financial assets measured at amortised cost)		
Interest on Loans	2.43	6.00
	2.43	6.00
20 Sale of Shares		
Sale of Shares/ Securities	416.00	-
	416.00	-
21 Sale of Services		
Income from Services	12.00	-
	12.00	-
22 Other Income		
Interest from Banks	0.04	-
Interest on Income Tax Refund	0.04	-
	0.08	-
23 Finance Costs		
Interest Expense	0.65	0.86
Bank Charges	0.01	0.00
	0.67	0.87
24 Impairment on financial instruments		
On Loans & Advances (at Amortised Cost)	4.44	0.00
	4.44	0.00
25 Changes in Inventories of Stock-in-Trade		
<i>Inventories at the beginning of the year</i>		
Inventories of Shares/ Securities	455.90	457.92
<i>Inventories at the end of the year</i>		
Inventories of Shares/ Securities	60.20	455.90
Changes in Inventories of Stock-in-Trade	395.70	2.02
26 Employee Benefit Expense		
Salaries, wages & incentives	8.65	7.89
Staff Welfare Expenses	0.04	0.08
	8.68	7.97

27 Other Expenses

Rent	3.60	3.60
Fee & Subscription	3.56	3.48
Professional & Legal Expenses	1.57	1.36
Auditors' Remuneration@	0.25	0.25
Travelling & Conveyance	0.08	0.16
Advertisement & Business Promotion Expenses	0.51	0.58
Others	0.57	0.22
	10.13	9.66

@ Payment to auditor (net of GST ITC availed)
Audit Fees

0.25	0.25
0.25	0.25

28 Contingent Liabilities

Contingent Liabilities in respect of Guarantees given in respect of loan taken by others, is limited to investment property mortgaged having book value of Rs. 210.20 Lakhs and subject to adjustment of realizations. The proceedings in respect of matters under litigation are in early stage. Impact of the above will be considered as and when arises.

29 Capital Commitments

Estimated amount of contracts remaining to be executed on capital accounts (net of advances) Rs. NIL (31 March, 2021: Rs. NIL).

30 No provision has been made for Gratuity as no employee has completed qualifying period of service.

31 Amounts due to Micro & Small enterprises under MSMED Act, 2006 is Rs. Nil (31st March 2021: Rs. Nil). In the absence of information about registration of such enterprises under the said Act, the details of dues to Micro & Small Enterprises have been furnished to the extent such parties have been identified by the Company based on information made available by them.

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Notes to the financial statements for the year ended March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

32 Earnings Per Share

Basic earnings Per Share (EPS) is calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit/ (loss) for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

	For the Year ended	
	31st March, 2022	31st March, 2021
Net Profit/ (loss) attributable to equity shareholders		
Net profit/ (loss) for the year	10.34	(10.70)
Nominal value of equity share (INR)	10.00	10.00
Total number of equity shares outstanding at the beginning of the year	33,00,000	33,00,000
Total number of equity shares outstanding at the end of the year	33,00,000	33,00,000
Weighted average number of equity shares	33,00,000	33,00,000
Basic EPS (INR)	0.31	(0.32)
Nominal value of equity share (INR)	10.00	10.00
Weighted average number of equity shares used for calculating diluted earning per share	33,00,000	33,00,000
Diluted EPS (INR)	0.31	(0.32)

33 Segment Information

The Company is engaged primarily in NBFC business and accordingly, there are no separate reportable segments as per Ind AS 108 dealing with Operating Segments.

34 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022.

35 Leases

The Company has entered into leases with a lease term of 12 months or less, and has accordingly used the recognition and measurement exemption provided by Ind AS 116 for short-term leases (less than a year).

The lease payments associated with these leases have been recognised as an expense over the lease term.

36 Related Party Disclosures

In accordance with the requirements of Ind AS 24 'Related Party Disclosures', the names of the related parties where control exists/ able to exercise significant influence along with the aggregate transactions and year end balances with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

(a) List of Related Parties

Name of Related Party	Relationship
Mr. Atul Vaibhav	Chief Financial Officer (KMP)
Mr. Sudesh Gupta	Chief Executive Officer (KMP) (w.e.f. 29-06-2020)
Ms. Komal	Company Secretary (KMP) (w.e.f. 10-03-2021)
Ms. Suman	Company Secretary (KMP) (upto 06-03-2021)
Ms. Suman Bindal	Director (KMP) (w.e.f. 29-06-2020)
Privy Capital Limited	Entities in which KMP and their relatives have significant influence
Privy Capital Advisors Private Limited	Entities in which KMP and their relatives have significant influence
Privy Value Realty Private Limited	Entities in which KMP and their relatives have significant influence

(b) Transactions with related parties:-

Disclosure of transactions between the Company & related parties & the status of outstanding balances as on 31st March, 2022 & 31st March, 2021:

Relationship	Nature	For the Year ended	
		31st March, 2022	31st March, 2021
KMP	Remuneration	8.65	7.89
	Reimbursement of Expenses incurred on behalf of Company	0.04	0.12
	Borrowings	2.75	-
	Interest Expense	0.14	-
Entities in which KMP and their relatives have significant influence	Borrowings	3.75	12.50
	Repayment of Borrowings	14.75	-
	Interest Expense	0.50	0.86
	Sale of Services	12.00	-
	Sale of Shares	104.00	-

(c) Outstanding credit balance at the year end with related parties

KMP	3.67	0.81
Entities in which KMP and their relatives have significant influence	1.53	13.28

(d) Outstanding debit balance at the year end with related parties

Entities in which KMP and their relatives have significant influence	105.08	-
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37 Fair Value Measurement & hierarchy

(a) Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

(b) All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as whole. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used as under:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in Level 2. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Financial Instruments by category & hierarchy

Particulars	Level	As at 31st March, 2022	As at 31st March, 2021
Financial Assets			
Amortised Cost			
Cash & Cash Equivalents		1.47	0.88
Trade Receivables		417.08	-
Loans		297.59	317.36
Fair Value Through Profit & Loss			
Securities for Trade	Level -1 & Level-3	60.20	455.90
Fair Value Through OCI			
Investments	Level -1	2.92	2.61
Total		779.26	776.75
Financial Liabilities			
Amortised Cost			
Borrowings		4.40	13.28
Other Financial Liabilities		2.56	2.71
Total		6.96	15.98
Assets disclosed at fair value			
Investment Property	Level-3	210.20	210.20
Total		210.20	210.20

- (c) The carrying amounts of cash and cash equivalents, trade receivables, loans, other financial liabilities and borrowings as at 31st March, 2022 and 31st March, 2021 approximate the fair value because of their short-term nature.
During the year ending 31st March, 2022, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

38 Financial Risk Management
Financial risk management objective & policies

The Company is a Non-Banking Finance Company. Its principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include inter corporate deposits, loans, investments, cash and cash equivalents, trade and other receivables.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management looks after the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(i) **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, foreign currency risk and other price risk. Financial instruments affected by market risk include loans & borrowings, inventories & investments.

(a) **Interest Rate Risk**

Interest rate risk is the risk that the fair value of the 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 interests rate primarily relates to the Company's long-term debt obligations with floating interest rates. The Company's policy is to manage its interest cost using a mix of fixed & floating rate borrowings.

As at 31st March, 2022 & 31st March, 2021, the Company did not have any floating rate borrowings and hence, no Interest Rate Risk.

(b) **Price Risk**

The Company is mainly exposed to the price risk due to its Investments in equity instruments, preference instruments and debt instruments and classified in balance sheet at fair value through profit & loss. The price risk arises due to uncertainties about the future market values of these Instruments. The Company has laid down policies & guidelines which it adheres to in order to minimise price risk from these Instruments.

(c) **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any foreign currency exposure during the current year as well as in previous financial years and hence, no Foreign Currency Risk.

(ii) **Credit Risk**

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits. The Company also exposed to credit risk from deposits with banks and other financial instruments.

Credit risk is monitored by the management. It is their responsibility to review and manage credit risk. The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions.

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1: unimpaired and without significant increase in credit risk since initial recognition on which a 12-month allowance for ECL is recognised;

Stage 2: a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised; and

Stage 3: objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 30 days past due (DPD) or one instalment overdue on the reporting date and are accordingly transferred from stage 1 to stage 2. For stage 1, an ECL allowance is calculated based on a 12-month point in time (PIT) probability weighted probability of default (PD). For stage 2 and stage 3 assets, a lifetime ECL is calculated based on a lifetime PD.

(iii) **Liquidity Risk**

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset.

Company monitors risk of shortage of funds using cash flow forecasting models. These models consider the maturity of financial investments, committed funding and projected cash flows from operations.

The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner. A balance between continuity of funding and flexibility is maintained through the use of borrowings. The Company also monitors compliance with its debt covenants.

The tables below summarise the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31st March, 2022	Payable				
	Carrying Amount	Payable on Demand	0-1 Year	After 1 Year	Total
Borrowings	4.40	-	4.40	-	4.40
Other Financial Liabilities	2.56	-	2.56	-	2.56
	6.96	-	6.96	-	6.96

As at 31st March, 2021	Payable				
	Carrying Amount	Payable on Demand	0-1 Year	After 1 Year	Total
Borrowings	13.28	-	13.28	-	13.28
Other Financial Liabilities	2.71	-	2.71	-	2.71
	15.99	-	15.99	-	15.99

39 Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's capital management aims to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and current and non-current borrowings.

40 Given the dynamic nature of the Covid-19 pandemic situation, the carrying value of the Company's Loans and Investments as at March 31, 2022, may be affected by the severity and duration of the outbreak; however the Company believes that it has taken into account all the possible impact of known events arising out of Covid-19 pandemic in the preparation of financial statements. The extent to which Covid-19 pandemic will impact the Company's operations and financial statements is dependent on future developments, which are highly uncertain.

41 The Company has not given any loans and advances in the nature of loans and advances required to be disclosed pursuant to Regulation 53 (f) read with Para A of Schedule V to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

42 During the current financial year, Advances to Customers/ Borrowers which, in substance, form part of Company's financing activities have been classified under Loans. In the past these were classified as part of Other Financial Assets. Management believes that the re-classification results in a better presentation of the substance of these Advances and is in alignment with regulatory filings.

43 Earnings and Expenditure in Foreign Currency

	For the Year ended	
	31st March, 2022	31st March, 2021
Earnings	-	-
Expenditure	-	-

44 The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) 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, 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.

The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

45 The disclosures on the following matters required under Schedule III (as amended) not being relevant or applicable in case of the Company, same are not covered:

- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- The Company has not entered into any scheme of arrangement.
- No registration and/or satisfaction of charges are pending to be filed with ROC.
- There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- The Company does not have any relationship with companies whose names have been struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended March 31, 2022 and March 31, 2021.

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46 Schedule in terms Master Direction - Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

Particulars	Amount Outstanding	Amount Overdue
Liabilities Side		
(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :		
(a) Debentures:		
Secured	-	-
Unsecured	-	-
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans & borrowings	1.53	-
(e) Commercial Paper	-	-
(f) Public Deposits		
(g) Loan from Directors	2.88	-
(2) Break-up of (1)(f) above:	Not Applicable	
Assets Side		
(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below :]		
a) Secured		
b) Unsecured		297.59
(4) Break-up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
i) Lease assets including lease rentals under sundry debtors:		
a) Financial lease		-
b) Operating lease		-
ii) Stock on hire including hire charges under sundry debtors :		
a) Assets on hire		-
b) Repossessed assets		-
iii) Other loans counting towards asset financing 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		0.18
b) Preference		-
ii) Debentures and Bonds		-
iii) Units of mutual funds		2.73
iv) Government Securities		-
v) Others		-
2. Unquoted :		
i) Shares :		
a) Equity		-
b) Preference		-
ii) Debentures and Bonds		-
iii) Units of mutual funds		-

iv) Government Securities	-		
v) Others	-		
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	-		
2. Unquoted :			
i) Shares :			
a) Equity	-		
b) Preference	-		
ii) Debentures and Bonds	-		
iii) Units of mutual funds	-		
iv) Government Securities	-		
v) Others	-		
(6) Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties *			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2. Other than related parties	-	297.59	297.59
Total	-	297.59	297.59
(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :			
Category	Market value/ Break-up or fair value or NAV	Book value (net of provisions)	
1. Related Parties *			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	2.92	2.92	2.92
Total	2.92	2.92	2.92
(8) Other Information			
Particulars		Amount	
i) Gross Non-Performing Assets			
a) Related parties			-
b) Other than related parties			35.00
ii) Net Non-Performing Assets			
a) Related parties			-
b) Other than related parties			31.50
iii) Assets acquired in satisfaction of debt			-

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47 Analytical Ratios:

Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
Capital to risk-weighted assets ratio (CRAR)			Not Applicable			
Tier I CRAR			Not Applicable			
Tier II CRAR			Not Applicable			
Liquidity Coverage Ratio			Not Applicable			

48 Disclosures in terms of RBI Notification RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dt. March 13, 2020:

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions Required as per IRACP norms	Difference between Ind AS 109 Provisions & IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
A Performing Assets						
Standard	Stage 1	267.16	1.07	266.09	1.07	-
	Stage 2	-	-	-	-	-
Sub-Total		267.16	1.07	266.09	1.07	-
B Non-Performing Assets (NPA)						
Sub-Standard	Stage 3	35.00	3.50	31.50	3.50	-
Doubtful	Stage 3	-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Sub-Total		35.00	3.50	31.50	3.50	-
C Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub-Total		-	-	-	-	-
Total	Stage 1	267.16	1.07	266.09	1.07	-
	Stage 2	-	-	-	-	-
	Stage 3	35.00	3.50	31.50	3.50	-
	Total	302.16	4.57	297.59	4.57	-

49 Disclosures in terms of RBI Notifications - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 & RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 Dt. August 6, 2020; and RBI/2021-22/31 DOR.STR.REC,11/21.04.048/2021-22 dated 5 May 2021:

- Number of accounts where resolution plan has been implemented under this window

NIL

50 Figures are rounded off to nearest rupees in Lakhs.

51 Figures for the previous periods have been regrouped and reclassified to conform to the classification of the current period, wherever necessary.

52 The financial statements were approved for issue by the Board of Directors on May 30, 2022.

As per our report of even date

For B G G & Associates
Chartered Accountants
Firm Registration No. 016874N

(CA. Alok Kumar Bansal)
Partner
M.No. 092854

Place: New Delhi
Date: 30th May 2022

On behalf of the Board of Directors

P.C. Bindal
Chairman
DIN: 00004769

Sudesh Gupta
Chief Executive
Officer

Atul Vaibhav
Chief Financial
Officer

Komal
Company
Secretary