

LEAD FINANCIAL SERVICES LIMITED

BOARD OF DIRECTORS

Padam Chandra Bindal
Chairman

Sanjay Kumar Agarwal
Director

Pradeep Kumar Jain
Director

Kusha Bindal
Director

Jitender Kumar Sharma
Director

BANKERS

ICICI Bank
2212/61, Gurudwara Road,
Karol Bagh, New Delhi

STATUTORY AUDITORS

B G G & Associates
Chartered Accountants
New Delhi

REGISTERED OFFICE

Lead Financial Services Limited
101, Sita Ram Mansion, 718/21, Joshi Road, Karol Bagh,
New Delhi-110005 Tel. 23549822-23 Fax. 23623829
email : lead_financial@rediffmail.com Website : www.leadfinancialservices.in
CIN : L74140DL1993PLC053485

REGISTRAR & TRANSFERS AGENTS

Beetal Financial & Computer Services Private Limited,
Beetal House, 3rd Floor, 99, Madangir,
B/4, Local Shopping Centre, New Delhi-110062
Tel: 011-29961281, 29961282, Fax: 011-29961284,
E-Mail ID: beetal @ beetalfinancial.com,
Website: www.beetalfinancial.com

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LEAD FINANCIAL SERVICES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the members of Lead Financial Services Limited will be held on Saturday, the 28th day of September, 2019 at 10:00 a.m. at Khandelwal Samaj Vikas Trust, 2C/24, New Rohtak Road, Sarai Rohilla, New Delhi-110005, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2019 together with Reports of the Board of Directors and the Auditors thereon.
2. To appoint Director in place of Ms. Kusha Bindal (DIN: 06952708) who retires by rotation and being eligible offers herself for re-appointment.

Special Business

3. Re-appointment of Mr. Pradeep Kumar Jain as an Independent Director

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 149 & 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“Listing Regulations”), (including any statutory modification or re-enactment thereon, for the time being in force) Mr. Pradeep Kumar Jain (DIN : 00303976), who was appointed as an Independent Director of the Company at 21st AGM held on 29.09.2014 and who holds office of Independent Director upto 28th September, 2019 and who being eligible for re-appointment as an Independent Director has given his consent along with a declaration that he meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a Notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 29th September, 2019 to 28th September, 2024.”

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

Place: New Delhi
Dated: 12.08.2019

Suman
Company Secretary
M. No.- A52842

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item No. 3 of the Notice, is annexed hereto.
2. The Register of Members and the Share Transfer books of the Company will remain closed from 21st day of September, 2019 to 28th day of September, 2019 (both days inclusive).
3. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the provisions of Companies Act, 2013, of the person seeking appointment/ re-appointment/change in terms, are as under:

Particulars	Name of Directors/KMP	
	Ms. Kusha Bindal	Mr. Pradeep Kumar Jain
Date of Birth	26/01/1990	20/12/1960
Date of Appointment/ re-appointment	29/09/2014	10/03/2007 (Date of first appointment as Director) 29/09/2014 (Date of appointment as Independent Director)

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Expertise in specific areas	Ms. Kusha Bindal, a commerce graduate is an Associate member of the Institute of Chartered Accountants of India. She has vast experience in the field of finance and Capital Market.	Mr. Pradeep Kumar Jain, a commerce graduate and a fellow member of the Institute of Chartered Accountants of India. He has more than 30 years of vast experience in the field of finance and Capital Market.
Qualifications	B.Com., ACA	B.Com., FCA
Shareholding in the company as on 31.03.2019	161000 (4.88%)	NIL
Inter se relationship with other Directors	Mr. P C Bindal and Ms. Kusha Bindal are relative.	NIL
Names of other Indian Public Limited Companies in which the person also holds the directorship and the membership of Committees of the board	NIL	NIL

4. Keeping in view of "Green Initiative in Corporate Governance" taken by Ministry of Corporate Affairs vide their circular no. 17/2011 dated 21/04/2011 and 18/2011 dated 29/04/2011, your Company has decided to send henceforth, all documents, required to be sent to the shareholders like General Meeting Notice (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report etc. in electronic form on the e-mail Id provided and made available to us by the Depository. In case you have not registered your E-mail ID or you desire to have different E-mail ID to be registered, please update the same with your Depository Participant and E-mail to us also at lead_financial@rediffmail.com. Members may note that this Notice and the Annual Report 2018-19 will also be available on the Company's website viz. www.leadfinancialservices.in.
5. All documents referred to in the accompanying notice and the explanatory statement are open for inspection at the registered office of the Company during working day, except Saturdays, during office hours from 10 A.M. upto 5.00 P.M.
6. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the AGM.** Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting right. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
7. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
8. Members are requested to bring their ID cards and attendance slip along with their copy of the Notice of the Meeting.
9. The notice is being sent to all the members, whose names appeared in the register of members/ Record of RTA as on the close of business hours on 17th August, 2019. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the member as on record date.
10. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. In accordance with provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the business proposed for the Annual General Meeting, may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("remote e-voting") to its members.
12. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide remote e-voting facilities and for security and enabling the members to cast their vote in a secure manner.
13. It may be noted that this remote e-voting facility is optional. The remote e-voting facility will be available at the link <https://www.evotingindia.co.in> during the following voting period.

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Commencement of remote e-voting: From 9.00 a.m. of September 25th 2019, Wednesday End of remote e-voting: at 5.00 p.m. of September 27th 2019, Friday

14. Remote e-voting shall not be allowed beyond 5.00 p.m. of **September 27th 2019, Friday**. During the remote e-voting period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The cut-off date for the limited purpose of remote e-voting is **21st September, 2019**.
15. The login ID and password for remote e-voting along with process, manner and instructions for remote e-voting is being sent to the members who have not registered their e-mail IDs with the Company along with physical copy of the notice.
16. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for remote e-voting along with process, manner and instructions by e-mail.
17. The Company has, in compliance with Rule 20 of the Companies (Management and Administration) Rules, 2014, appointed CS Mukul Tyagi, partner of M/s Pooja Anand & Associates, Company Secretaries in practice, as Scrutinizer (as consented by him to be appointed as scrutinizer) for conducting the electronic Process in a fair and transparent manner.
18. Members are requested to intimate immediately any change in their address 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.
19. Non-resident Indian Members are requested to inform Company's Share Registrar – Beetal Financial & Computer Services (P) Limited immediately for the change in the residential status on return to India for permanent settlement;
20. 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.
21. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the communication from the Company electronically.
22. Shareholders seeking any information or clarification on the accounts are requested to send written queries to the Company, at least 10 days before the date of the meeting, to enable the management to keep the required information available at the meeting.
- 23. Voting through electronic means:**

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote for the resolution proposed at the Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the remote e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **<9.00 a.m. of September 25th 2019, Wednesday > and ends on <5.00 p.m. of September 27th 2019, Friday>**. During this period the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **<21st September, 2019>**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/ Members.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in Instruction (iv)

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN of LEAD FINANCIAL SERVICES LIMITED on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) 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.

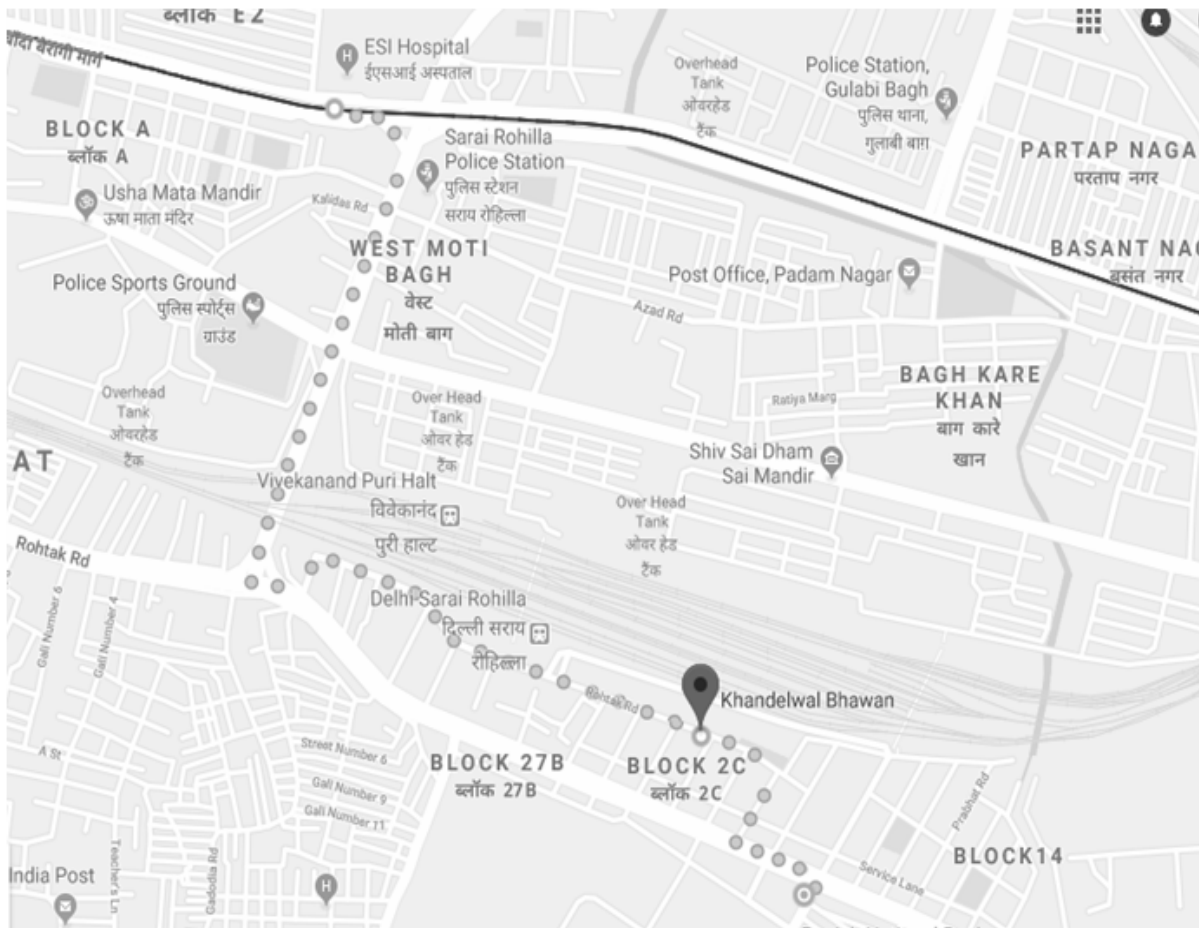
(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App store and the Window phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

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- 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.
 - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
24. The shareholders can opt for only one mode of voting, i.e. either physically by attending AGM or remote e-voting. If any shareholders opt for remote e-voting, may also attend the AGM but shall not be eligible to vote physically in the AGM again.
 25. The scrutinizer shall within a period of not exceeding three days from the conclusion of the AGM unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 26. The results of the remote e-voting along with the scrutinizer's report shall be communicated to the stock exchanges where the shares of the Company are listed.
 27. Route Map for venue of Annual General Meeting is also annexed.



LEAD FINANCIAL SERVICES LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

Re-appointment of Mr. Pradeep Kumar Jain as an Independent Director

Mr. Pradeep Kumar Jain was appointed as an Independent Director on the Board of your Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges, by the Shareholders at the 21st Annual General Meeting ("AGM") of the Company held on 29th September, 2014. He holds office as Independent Director of the Company up to 28th September, 2019 ("first term" in line with the explanation to Section 149(10) and 149(11) of the Act).

The Nomination & Remuneration Committee, on the basis of performance evaluation of Independent Director and taking into account the external business environment, the business knowledge, experience and the substantial contribution made by Mr. Pradeep Kumar Jain during his tenure, has recommended to the Board that the continued association of Mr. Pradeep Kumar Jain as Independent Director of the Company would be beneficial to the Company.

In the opinion of the Board, Mr. Pradeep Kumar Jain, fulfils the conditions for appointment as Independent Director as specified in the Companies Act, 2013 and the Listing Regulations, and Mr. Pradeep Kumar Jain is an independent of the Management.

Based on the above and the performance evaluation of Independent Director, the Board recommends the re-appointment of Mr. Pradeep Kumar Jain as Independent Director of the Company, not liable to retire by rotation, to hold office for second term of 5(five) consecutive years commencing from 29th September, 2019 to 28th September, 2024.

Mr. Pradeep Kumar Jain has confirmed that he is not disqualified from being appointed as a Director under Section 164 of the Act and the Company has received declaration from Mr. Pradeep Kumar Jain stating that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as presently applicable.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, Regulation 17 of the Listing Regulations and other applicable regulations, the proposals for re-appointment of Mr. Pradeep Kumar Jain as an Independent Director is now being placed before the Members for their approval.

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

Save and except Mr. Pradeep Kumar Jain, and his relatives to the extent of his shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

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

Place: New Delhi
Dated: 12.08.2019

Suman
Company Secretary
M. No.- A52842

LEAD FINANCIAL SERVICES LIMITED

DIRECTORS' REPORT

To,

The Members

Lead Financial Services Limited

Your Directors are presenting their 26th Annual Report on the business and operations of the Company and Audited Accounts for the Financial Year ended March 31, 2019.

1. Financial Performance

The Financial results of the Company during the period ended on 31st March, 2019 are as under:

PARTICULARS	(Rs in Lacs)	
	CURRENT YEAR (2018-19)	PREVIOUS YEAR (2017-18)
1. Total Income	17.08	119.04
Less: i) Operating, Administrative & other Exp.	22.02	42.23
2. Earnings before interest and depreciation		
Less: i) Interest	1.13	0.02
ii) Depreciation	0.11	0.42
3. Profit/(Loss) before Extra-ordinary item	(6.18)	76.37
Add: Extra-ordinary item	-	-
3. Profit/(Loss) before Tax	(6.18)	76.37
Less: provision for Tax		
i) Current	-	14.81
ii) Deferred	(1.76)	0.23
iii) Earlier year Tax	0.24	(0.03)
iv) MAT Credit	-	(0.72)
4. Profit/(Loss) after Tax	(4.67)	62.08
Add: Balance of Profit as per last Balance Sheet	184.74	135.07
Less: Adjustment of depreciation on account of change in estimated life of fixed assets	-	-
Less: Transfer to Statutory Reserve	-	(12.41)
5. Balance available for appropriation	221.88	226.55
6. Equity Capital	330.00	330.00
7. Earnings Per Share	(0.14)	1.88

2. Dividend

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

3. Reserves and surplus

Reserves and Surplus as at 31st March, 2019 is Rs. 2,21,88,150/-. The Company has not transferred any amount to the Statutory Reserve, during the year under review.

4. Management and Discussion Analysis

The Management Discussion and Analysis of financial condition and results of operation of the Company for the year under review, as required under Regulation 34 of SEBI (LODR) Regulations, 2015, is given separately under the head "Management Discussion & Analysis Report" in Annual Report as 'Annexure-1'.

5. Material Changes:

There are no material changes and commitments, affecting the financial position of the company between the end of financial year of your Company and the date of Director's Report.

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

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.

7. 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

8. Deposits

The Company did not hold any public deposits at the beginning of the year nor has it accepted any public deposits during the year under review.

9. Auditors

> STATUTORY AUDITORS

M/s B G G & Associates, Chartered Accountants (ICAI Firm Registration Number: 016874N), New Delhi, were 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.

Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending Section 139 of the Companies Act, 2013 and the applicable Rules, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence the Company has not proposed ratification of appointment of M/s B G G & Associates, Chartered Accountants, at the ensuing AGM.

The Statutory Auditors 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. The remuneration payable to the Statutory Auditors shall be determined by the Board of Directors based on the recommendation of the Audit Committee.

> 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

Ms. Seema Gupta, Chartered Accountant, performs the duties of internal auditor of the Company and her report is reviewed by the audit committee from time to time

10. Auditors' Report

The observations in the Auditor's Report are dealt in the notes forming part of accounts at appropriate places and the same being self explanatory, no further comment is considered necessary.

11. Secretarial Audit Report

A Secretarial Audit Report in Form MR-3 given by Mr. Mukul Tyagi partner of M/s Pooja Anand & Associates, Company Secretary in whole time practice is annexed with the report in 'Annexure 2'.

Regarding the remarks of Secretarial Auditor, the Company has appointed Mr. Atul Vaibhav as Chief Financial Officer (CFO) of the Company w.e.f. 22nd April, 2019, in compliance with provisions of Section 203 of Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

12. Directors:

A) Changes in Directors and Key Managerial Personnel

- > Ms. Kusha Bindal, Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment. The Board recommends her re-appointment for the consideration of the Members of the Company at the Annual General Meeting.
- > Mr. Jitender Kumar Sharma was appointed as an Independent Director for five consecutive years with effect from 29th September, 2018.

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- Mr. Vijay Kumar was re-appointed as the Manager of the Company for a period of three years with effect from 21st December, 2018 at remuneration of Rs. 20,000/- per month, with approval of shareholders in last Annual General Meeting held on 29.09.2018.
- Mr. Atul Vaibhav was appointed as Chief Financial Officer (CFO) of the Company in the Board meeting held on 22nd April, 2019.
- The Board recommends the re-appointment of Mr. Pradeep Kumar Jain as an Independent Director of the Company for a second term of five consecutive years commencing from 29th September, 2019 to 28th September, 2024.
- Mr. Sanjay Kumar Agarwal was appointed as an Independent Director of the Company to hold office upto 28th September, 2019. However, the Board did not recommend the re-appointment of Mr. Sanjay Kumar Agarwal as an Independent Director of the Company. Due to expiry of his tenure on 28.09.2019, he will ceased to be Independent Director of the Company.

B) **Declaration by an Independent Director(s)**

The Company has received necessary declaration from all the Independent Directors of the Company confirming that they fulfill the criteria of Independence as prescribed under sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

C) **Evaluation of the Board, its Committees and Individual Directors**

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

Pursuant to the provisions of the Companies Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations"), the Board has carried out an annual evaluation of its own performance, the individual Directors (including the Chairman) as well as an evaluation of the working of all Board Committees. The Board of Directors was assisted by the Nomination and Remuneration Committee. The performance evaluation was carried out by seeking inputs from all the Directors/ Members of the Committees, as the case may be and discussions with the Directors by the Chairman of the NRC.

13. **Number of meetings of the Board of Directors**

During the financial year ended March 31, 2019, 06 (Six) meetings of the Board were held, as follows:

S. No.	Dates of Board Meeting	Board Strength	No. of directors present
01.	13th April, 2018	4	4
02.	28th May, 2018	4	4
03.	13th August, 2018	4	4
04.	13th November, 2018	5	5
05.	12th February, 2019	5	5
06.	30th March, 2019	5	5

*The maximum time gap between two meetings was not more than 120 days.

14. **Committee of the Board**

The Board has constituted three Committees of the Board – the Audit Committee, the Nomination and Remuneration Committee, Stakeholders' Relationship Committee. The composition of these 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 the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015.

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 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.

Six meetings of Audit Committee were held during the year 2018-19, on 13th April, 2018, 28th May, 2018, 13th August 2018, 13th November, 2018, 12th February 2019 and 30th March, 2019.

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The composition of Audit Committee as on March 31, 2019 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 year 2018-19	
			Held during tenure of Member/Chairman	Attended
Mr. Pradeep Kumar Jain	Independent Director	Chairman	6	6
**Mr. Sanjay Kumar Agarwal	Independent Director	Member	4	4
*Mr. Jitender Kumar Sharma	Independent Director	Member	2	2
Mr. P C Bindal	Non Executive Director	Member	6	6

*Mr. Jitender Kumar Sharma was appointed as an Independent Director of the Company for a term of consecutive 5 years w.e.f. 29.09.2018. The Board of Directors in their meeting held on 12th February, 2019 has reconstituted the Audit Committee and appointed Mr. Jitender Kumar Sharma as member of Audit Committee in place of Mr. Sanjay Kumar Agarwal.

**Mr. Sanjay Kumar Agarwal ceased to be the member of Audit Committee w.e.f. 12th February, 2019.

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 as per provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 programme, the Company endeavour's 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 pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to the Executive Director, if any. Annual increments are decided by the Remuneration Committee within the salary scale approved by the members and are effective from April 1, each year. The Nomination and Remuneration Committee decides on the commission payable to the Executive Director, if any, out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 2013, and amendment thereof based on the performance of the Company as well as that of the each Executive Director.

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 & retain quality talent.

Moreover, the policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178, is available on our website i.e. www.leadfinancialservices.in.

Three meetings of N & R Committee were held during the year 2018-19, on 16th July, 2018, 13th August 2018, and 30th March, 2019.

The composition of Nomination & Remuneration Committee as on March 31, 2019 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 year 2018-19	
			Held during tenure of Member/Chairman	Attended
*Mr. Jitender Kumar Sharma	Independent Director	Chairman	1	1
**Mr. Sanjay Kumar Agarwal	Independent Director	Member	2	2
Mr. Pradeep Kumar Jain	Independent Director	Member	3	3
Mr. P C Bindal	Non Executive Director	Member	3	3

*Mr. Jitender Kumar Sharma was appointed as Independent Director of the Company for a term of consecutive 5 years w.e.f. 29.09.2018. The Board of Directors in their meeting held on 12th February, 2019 has reconstituted the Nomination

LEAD FINANCIAL SERVICES LIMITED

& Remuneration Committee and appointed Mr. Jitender Kumar Sharma as Chairman of N & R Committee in place of Mr. Sanjay Kumar Agarwal.

**Mr. Sanjay Kumar Agarwal ceased to be the Chairman of N & R Committee w.e.f. 12th February, 2019.

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 as per provisions of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Stakeholder's Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints transposition, issue of duplicate share certificates, approval of demat/ remat of share certificates, issue of duplicate share / debenture certificates. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

Seven meetings of Stakeholder's Relationship Committee were held during the year 2018-19, on 13th April, 2018, 28th May, 2018, 13th August 2018, 13th November, 2018, 26th December, 2018, 12th February 2019 and 30th March, 2019.

The composition of Stakeholder Relationship Committee as on March 31, 2019 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 year 2018-19	
			Held during tenure of Member/Chairman	Attended
*Mr. Jitender Kumar Sharma	Independent Director	Chairman	2	2
**Mr. Sanjay Kumar Agarwal	Independent Director	Member	5	5
Mr. Pradeep Kumar Jain	Independent Director	Member	7	7
Mr. P C Bindal	Non Executive Director	Member	7	7

*Mr. Jitender Kumar Sharma was appointed as Independent Director of the Company for a term of consecutive 5 years w.e.f. 29.09.2018. The Board of Directors in their meeting held on 12th February, 2019 has reconstituted the Stakeholder Relationship Committee and appointed Mr. Jitender Kumar Sharma as Chairman of Stakeholder Relationship Committee in place of Mr. Sanjay Kumar Agarwal.

**Mr. Sanjay Kumar Agarwal ceased to be the Chairman of Stakeholder Relationship Stakeholder Relationship Committee w.e.f. 12th February, 2019.

❖ During the year under review no investor grievance was received or was pending in the SCORES account of the Company. There are no pending transfers as on 31st March 2019.

15. 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.

16. Particulars of Loans, Guarantees or Investments under section 186

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.

17. Corporate Social Responsibility (CSR)

Section 135 of the Companies Act, 2013, is not applicable to the company.

18. Related Party Transactions :

Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) are mentioned in Form AOC- 2 (Annexure – 3)

19. Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2019, was Rs. 3,30,00,000/- There was no change in the Authorised or Paid-up Capital or Subscribed Capital during FY 2018-19.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

- | | |
|--|------|
| (i) the steps taken or impact on conservation of energy; | N.A. |
| (ii) the steps taken by the company for utilising 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. |
| (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. Activities relating to exports; initiative taken to increase exports; development of new export markets for products, services and export plans. | NIL |
| 2. Total foreign exchange used and earned. | NIL |
- The information of foreign exchange earnings and outflow is furnished in notes to accounts.

21. Extract of the annual return

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 is annexed (**Annexure- 4**)

22. Regulatory Action:

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 in future.

23. Managerial 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- 5**)

No employees are 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

24. 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 under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. Hence, no separate report on Corporate Governance Report has been given.

However, your 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.

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25. Directors' 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 a 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.

26. Maintenance of Cost Record

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.

27. Risk Management and policy

Your Company being a NBFC is subjected to both Business and Financial risk. While the business risk associated with operating environment, ownership structure, Management, System & Policy, the financial risk lies in Asset Quality, Liquidity, Profitability and Capital Adequacy. The company recognizes these risks and makes best effort to mitigate them in time. Risk Management is also an integral part of the Company's business strategy. Business Risk Evaluation and Management is an ongoing process within the Organization.

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

28. Listing on Stock Exchanges

Your company's shares are listed on the following stock exchanges:

- (1) BSE Ltd.
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Listing fees including for the year 2019-20 has been paid within due date to the Stock Exchange.

29. Registrar & Share Transfer Agent

The company has appointed Beetal Financial and Computer Services (P) Limited (Beetal) as its Registrar and Share Transfer Agent. The shareholders are advised to approach Beetal on the following address for any share & demat related queries and problem.

Beetal Financial & Computer Services Private Limited,
Beetal House, 3rd Floor,
99, Madangir, B/4, Local Shopping Centre, New Delhi-110062
Tel: 011-29961281, 29961282, Fax: 011-29961284,
E-Mail ID: beetal @ beetalfinancial.com, Website: www.beetalfinancial.com

30. Transfer System

During the year, shares in physical form were processed by the Registrar and Share Transfer Agents 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 Agents of the Company, is authorized to sign the share certificates on behalf of the Company for expeditious disposal of transfer requests.

SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 amended Regulation 40 of SEBI Listing Regulations which mandated transfer of securities only in dematerialised mode from 5th December, 2018. Further, as per

LEAD FINANCIAL SERVICES LIMITED

SEBI Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018, the date for transfer of securities in physical form was extended from 5th December, 2018 to 1st April, 2019. Accordingly, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with the depository, with effect from 1st April, 2019. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

31. 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, 2019, 53.54 % and 1.81 % of the Equity Shares of the Company are held in dematerialized form with NSDL and CDSL respectively.

32. 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.

33. 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: NA
- No. of complaints pending: Nil

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 Securities and Exchange Board of India (SEBI), Stock Exchanges, 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 : 12.08.2019

**PADAM CHANDRA BINDAL
CHAIRMAN
DIN: 00004769**

**KUSHA BINDAL
DIRECTOR
DIN: 06952708**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industrial Structure and Development

The NBFC sector is expected to remain at the forefront and drive new credit disbursals for India's underserved retail and MSME space. In the last five years the lending book of NBFCs has grown nearly by 18% due to a deep understanding of target consumer segments, technological advancements, lean cost structures and differential business model to reach credit-starved customer segments. The year 2018 was a year of crisis for some of the NBFCs. To occupy the space vacated by Public Sector Banks (PSBs), certain NBFCs went into a frenzy of credit expansions without considering the asset-liability scenario. This resulted in huge defaults on the part of such companies and intensified fears that the funding cost for NBFCs will zoom and result in a sharp deterioration of their margins.

However, the government took several quick measures not letting this crisis turn into a contagion and spilling over to other sectors. These measures included altering operating mechanism and making relevant changes in the risk management framework. Though the outlook for NBFCs for 2019 seems weak, a gradual improvement in the liquidity situation indicates that there could be a stabilisation in the coming days.

Indian Economy Overview

The Indian economy retained its tag of the fastest growing major economy in the world in 2018-19. However, overall growth for 2018-19 slumped to a five-year low of 6.8% compared with 7% projected in the second advance estimates released in February.

Opportunities and threats

❖ Opportunities

The NBFC sector in India is large with significant growth potential and has consistently created value for its shareholders. The NBFC sector has a double digit credit market share and has consistently gained market share from banks over the last 10 years. The growth in the sector appears sustainable as India has a low GDP to credit penetration.

The RBI constantly issues new regulations and / or modifies existing regulations endeavouring to balance the multiple objectives of financial stability, consumer and depositor protection and regulatory arbitrage concerns. The RBI, however, implements major changes in a structured manner providing companies operating in the sector adequate time to adapt and adjust.

❖ Threats

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

- High cost of funds.
- Slow industrial growth.
- Competition from other NBFCs and banks.

Segment wise Performance:

The Company is a Non Banking Finance Company (NBFC). It is engaged in the business of financing which is the only segment in the Company. Hence, the results for the year under review pertain to only financing activity

Outlook, Risk and Concern

The Outlook of the Company for the year ahead is to diversify risk and stabilize its asset quality. Credit risk, Market risk, Operational risk and Liquidity risk are the key risks faced by the Company. The Company takes risk management seriously and in process to set the procedures and policies in the area for the assessment and management of individual risk categories.

Except for some unforeseen and extreme event, the Company is well placed on the liquidity front and appropriate policies exist for underwriting credit risk. The Company endeavors to continuously learn and modifies its policies to manage the aforementioned risks.

The RBI constantly issues new regulations and / or modifies existing regulations endeavouring to balance the multiple objectives of financial stability, consumer and depositor protection and regulatory arbitrage concerns. The RBI, however, implements major changes in a structured manner providing companies operating in the sector adequate time to adapt and adjust.

Adequacy of Internal Control System

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is

LEAD FINANCIAL SERVICES LIMITED

supported by an internal audit process for reviewing the design, adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of the internal controls in the Company.

The Company's internal control system is commensurate with the size, nature and operations of the Company.

Performance Review

During the Financial year under review, your company achieved total revenue of Rs. 17.08 Lacs as compared to Rs. 119.04 Lacs in the previous year. Net Loss (after tax) for the year is Rs. 4.67 Lacs as compared to Net Profit of Rs. 62.08 Lacs in the previous year. Your directors are undertaking new initiatives for long term growth of the Company.

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

The Company recognizes people as its most valuable asset and 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. The employee relationship with the company remained harmonious throughout the year.

The Company had 3 permanent employees on the rolls of the Company as at March 31, 2019.

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

Place : New Delhi
Date : 12.08.2019

**PADAM CHANDRA BINDAL
CHAIRMAN
DIN: 00004769**

**KUSHA BINDAL
DIRECTOR
DIN: 06952708**

LEAD FINANCIAL SERVICES LIMITED

Annexure 2

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2019

[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
New Delhi

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 called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing 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 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Lead Financial Services Limited ("the Company") for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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 (Not applicable to the Company during the Audit Period);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (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; (Not applicable to the Company during the Audit Period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
 - i) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015
 - j) Securities and Exchange Board of India(Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013 (Not applicable to the Company during the Audit Period);
- (vi) The laws relating to Non Banking Financial Companies to the extent applicable to the Company as per the representations made by the Company.

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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 subject to the following observations:

- 1 Chief Financial Officer was not appointed as per provisions of Section 203 of Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, during the period under review. However, after the closure of financial year, the Company has appointed Mr. Atul Vaibhav as Chief Financial Officer (CFO) of the Company w.e.f 22nd April, 2019.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All 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

Sd/-

MUKUL TYAGI

FCS: 9973

CP No.: 16631

Date:12.08.2019

Place: New Delhi

Annexure - 3

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 arms 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) Details of material contracts or arrangement or transactions 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	Date (s) of approval by the Board	Amount paid as advances, if any
NIL					

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Annexure - 4

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	:	L74140DL1993PLC053485
2	Registration Date	:	11/05/1993
3	Name of the Company	:	Lead Financial Services Limited
4	Category/Sub-Category of the Company	:	Company Limited by Shares
5	Address of the Registered office of the Company	:	101 Sita Ram Mansion, 718/21, Joshi Road, Karol Bagh, Delhi -110005
6	Whether listed Company	:	Yes
7	Name, Address and Contact details of RTA, If any	:	Beetal Financial & Computer Services Private Limited Add: Beetal House, 3rd Floor, 99, Madangir, B/4, Local Shopping Centre, New Delhi-110062 Tel: 011-29961281, 29961282

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Interest Income, Sale of Shares, Dividend Income, Income from Investment	64990	35.60%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sr. No.	Name and Address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of No. shares Held	Applicable Section
	N.A.				

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	Physical	Demat	% of Total Shares	Physical	Demat	% of Total Shares	
A. Promoters							
(1) Indian							
a) Individual/HUF	-	356200	10.79	-	356200	10.79	-
b) Central Govt	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-
d) Bodies Corp.	-	294500	8.92	-	294500	8.92	-
e) Banks / FI	-	-	-	-	-	-	-
f) Any Other director and their relatives, societies partnership firms, RBI, Employee welfare fund, EBIP/ESOS Trusts	800	280020	8.51	-	280820	8.51	-
Sub-total (A) (1) :-	800	930720	28.23	-	931520	28.23	-

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(2) Foreigna) NRIs -Individuals	-	-	-	-	-	-	-
b) Other –Individuals	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-
Sub-total (A) (2) :-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	800	930720	28.23	-	931520	28.23	-
B. Public Shareholding							
1. Institutions							
a) Mutual Funds							
b) Banks / FI	-	17988	0.55	-	17988	0.55	-
c) Central Govt	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-
e) Venture Capital funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-
Sub-total (B)(1) :-	-	17988	0.55	-	17988	0.55	-
2. Non-Institutions							
a) Bodies Corp.	697160	2074	21.19	448760	1764	13.65	(7.54)
b) Individuals							
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	550100	100475	19.71	549400	97452	19.60	(0.11)
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	497820	394952	27.05	408320	735858	34.67	7.62
c) Others							
- NRI	67000	60	2.03	67000	360	2.04	0.01
- HUF	-	40799	1.24	-	41578	1.26	0.02
- Clearing Members	-	52	-	-	-	-	-
Sub-total (B)(2):-	1812080	538412	71.22	1473480	877012	71.22	-
Total Public Shareholding(B)=(B)(1)+(B)(2)	1812080	556400	71.77	1473480	895000	71.77	--
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-
Grand Total(A+B+C)	1812880	1487120	100.00	1473480	1826520	100.00	-

LEAD FINANCIAL SERVICES LIMITED

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Padam Chandra Bindal	195200	5.92	-	195200	5.92	-	-
2	Manushree Bindal	189000	5.73	-	189000	5.73	-	-
3	Kusha Bindal	161000	4.88	-	161000	4.88	-	-
4	D.K. Bindal	4510	0.14	-	4510	0.14	-	-
5	Privy Capital Limited	184500	5.59	-	184500	5.59	-	-
6	LFS Services Private Limited	110000	3.33	-	110000	3.33	-	-
7	K C Gupta	20810	0.63	-	20810	0.63	-	-
8	Reni Gupta	6500	0.20	-	6500	0.20	-	-
9	Suman Bindal	60000	1.82	-	60000	1.82	-	-
	Total	931520	28.23	-	931520	28.23	-	-

(iii) Change in Promoters' Shareholding (Specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	931520	28.23%	931520	28.23%
Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease		NO CHANGE		
At the End of the year	931520	28.23%	931520	28.23%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
Pack-N-Move Travels Pvt Ltd	159500	4.833	-	-	-	159500	4.833
Era Infra Engineering Ltd.	134760	4.084	-	-	-	134760	4.084
Sanjay Jasubhai Desai	131179	3.975	-	-	-	131179	3.975
Bijender Singh	82600	2.503	-	-	-	82600	2.503
Mundhwa Investment Limited	82000	2.485	-	-	-	82000	2.480
Nalini Chawla	129500	3.920	10/01/2019	(129500)	Transfer	-	-
Parnami Pump and Project Pvt. Ltd. (Formerly known as Vaibhav Metal India Pvt. Ltd.)	108400	3.285	10/01/2019	(108400)	Transfer	-	-
Vinod Chawla	103000	3.120	10/01/2019	(103000)	Transfer	-	-
Sonakshi Marketing Pvt Ltd.	100000	3.030	10/01/2019	(100000)	Transfer	-	-
Bhagwat Dass	-	-	10/01/2019	129500	Transfer	129500	3.920
Seema Bansal	-	-	10/01/2019	108400	Transfer	108400	3.285
Sudesh Gupta	-	-	10/01/2019	103000	Transfer	103000	3.120
Shalu Sharma	-	-	10/01/2019	100000	Transfer	100000	3.030
Ashish Sharma	-	-	10/01/2019	94000	Transfer	94000	2.848

LEAD FINANCIAL SERVICES LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	Mr. Padam Chandra Bindal Ms. Kusha Bindal	195200 161000	5.92 4.88	195200 161000	5.92 4.88
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease	N.A.				
At the End of the year	Mr. Padam Chandra Bindal Ms. Kusha Bindal	195200 161000	5.92 4.88	195200 161000	5.92 4.88

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	20,00,000	-	20,00,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	20,00,000	-	20,00,000
Change in Indebtedness during the financial year				
· Addition	-	15,01,420	-	15,01,420
· Reduction	-	(11,00,000)	-	(11,00,000)
Net Change	-	4,01,420	-	4,01,420
Indebtedness at the end of the financial year				
i) Principal Amount	-	24,01,420	-	24,01,420
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	24,01,420	-	24,01,420

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in Rs.)

Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
	MD	WTD	Manager Mr. Vijay Kumar	
Gross salary	---	---	2,40,000 p.a.	2,40,000 p.a.
a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	---	---	---	---
b. Value of perquisites u/s 17(2) Income-tax Act, 1961	---	---	---	---
c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	---	---	---
Stock Option	---	---	---	---
Sweat Equity	---	---	---	---
Commission-as % of profit	---	---	---	---
Total	---	---	---	---
Ceiling as per the Act(in compliance with the provision of Schedule 'V' Part II Section II(A))	---	---	2,50,000 p.m.	2,50,000 p.m.

LEAD FINANCIAL SERVICES LIMITED

B Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
	Independent Directors	---	---	---	---	---
	<ul style="list-style-type: none"> • Fee for attending board/committee meetings • Commission • Others, please specify 					
	Total (1)	---	---	---	---	---
	Other Non-Executive Directors					
	<ul style="list-style-type: none"> • Fee for attending board/committee meetings • Commission • Others, please specify 					
	Total (2)	---	---	---	---	---
	Total (B)=(1+2)	---	---	---	---	---
	Total Managerial Remuneration	---	---	---	---	---
	Overall Ceiling as per the Act	---	---	---	---	---

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD- (Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary (Ms. Suman)	CFO	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	2,77,424 p.a.	---	2,77,424 p.a.
2	Stock Option	---	---	---	---
3	Sweat Equity	---	---	---	---
4	Commission - as % of profit - others, specify...	---	---	---	---
5	Others, please Specify	---	---	---	---
	Total	---	2,77,424 p.a.	---	2,77,424 p.a.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD / NCLT/Court)	Appeal made, if any (give Details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

LEAD FINANCIAL SERVICES LIMITED

Annexure- 5

MANAGERIAL REMUNERATION:

The information required under section 197 of the Act read with rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Rule 2014 are given below :

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	N.A
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Company Secretary - 36.67%
(iii) the percentage increase in the median remuneration of employees in the financial year;	NIL
(iv) the number of permanent employees on the rolls of company;	3
(v) 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	N.A

It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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

Place : New Delhi
Date : 12.08.2019

**PADAM CHANDRA BINDAL
CHAIRMAN
DIN: 00004769**

**KUSHA BINDAL
DIRECTOR
DIN: 06952708**

LEAD FINANCIAL SERVICES LIMITED

INDEPENDENT AUDITOR'S 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 2019, the Statement of Profit and Loss, the Cash Flow Statement 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 2019, its loss, and its cash flows 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.

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 information, we are required to report that fact.

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.

LEAD FINANCIAL SERVICES LIMITED

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

Report on Other Legal and Regulatory Requirements

- 1- As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in 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.

LEAD FINANCIAL SERVICES LIMITED

- (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow 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.
- (e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 our 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 20 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. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

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

Place of Signature: New Delhi
Date: May 29, 2019

CA. Alok Kumar Bansal
Partner
M. No. 092854

Annexure “A” to Independent Auditor’s 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:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no discrepancies have been noticed on such verification.
- (c) As per the records and according to information and explanations given to us, title deeds of immovable properties are held in the name of the company.
- ii. As explained to us, inventories have been verified by the management at regular intervals during the year. No discrepancy has been noticed on verification between the statements obtained from depository participants and the books records.
- iii. According to the Information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 Companies Act 2013. Accordingly, Clauses (a), (b) and (c) of sub Para iii of paragraph 3 of the Order are not applicable.
- iv. In our opinion and according to information and explanation given to us, the Company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the Order is not applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public to which the directives issued by Reserve Bank of India and provisions of sections 73 to 76 of the Companies

LEAD FINANCIAL SERVICES LIMITED

- Act, 2013, including rules framed there under, apply. Further, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal.
- vi. The Company is a Non-Banking Finance Company hence clause (vi) of Companies (Auditors' Report) Order, 2016 regarding compliance of maintenance of cost records under clause of sub section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.
- vii. (a) According to the books and records produced before us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods & services tax, cess and any other statutory dues with the appropriate authority, as applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.
- (b) According to the books and records produced before us, there are no dues of income tax or service tax or goods & service tax or cess which have not been deposited on account of any dispute.
- viii. According to the books of accounts and records of the Company, the Company has not taken any loan from any financial institutions or banks or debenture holders. Thus, this clause is not applicable to Company.
- ix. According to the information and explanations given to us and our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or by way of term loan during the current financial year.
- x. Based on our audit procedures and on the basis of the information and explanations given to us, no fraud by the Company or by its officer or employees has been noticed or reported during the course of our audit.
- xi. According to the books of accounts and records of the company, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3 (xii) of the Order are not applicable to the Company.
- xiii. Based on our audit procedure and according to the information and explanation given to us, all transactions with the related parties are in compliance with section 177 & section 188 of Companies Act-2013 and details of the same is disclosed in the financial statement as required by the applicable accounting standards.
- xiv. Based on our audit procedures and on the basis of the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under Audit.
- xv. According to the books of accounts and records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him in compliance with provisions of Section 192 of Companies Act, 2013.
- xvi. The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934. The copy of such registration has been obtained.

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

Place of Signature: New Delhi
Date: May 29, 2019

CA. Alok Kumar Bansal
Partner
M. No. 092854

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

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

CA. Alok Kumar Bansal
Partner
M. No. 092854

Place of Signature: New Delhi
Date: May 29, 2019

LEAD FINANCIAL SERVICES LIMITED

INDEPENDENT AUDITOR'S 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, 2019.
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 2018-19.
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: May 29, 2019

CA. Alok Kumar Bansal
Partner
M. No. 092854

LEAD FINANCIAL SERVICES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

(Amount in Rs.)

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	33,000,000	33,000,000
(b) Reserves and Surplus	3	22,188,150	22,654,708
(2) Current Liabilities			
(a) Short-Term Borrowings	4	2,401,420	2,000,000
(b) Other Current Liabilities	5	45,090,658	45,256,273
(c) Short-Term Provisions	6	12,980	870,173
Total Liabilities		102,693,208	103,781,154
II. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant & Equipment	7	57,408	68,506
(b) Non-Current Investments	8	23,576,391	23,576,391
(c) Deferred Tax Assets	9	207,024	30,958
(2) Current Assets			
(a) Inventories	10	46,059,129	46,086,045
(b) Cash and Cash Equivalents	11	379,533	1,666,436
(c) Short-Term Loans and Advances	12	32,413,724	32,352,818
Total Assets		102,693,208	103,781,154

Summary of significant accounting policies 1

The accompanying notes (1-31) 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

FOR & ON BEHALF OF THE BOARD

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

P.C. Bindal
Chairman
DIN: 00004769

Kusha Bindal
Director
DIN: 06952708

Place : New Delhi
Date : May 29, 2019

Vijay Kumar
Manager

Suman
Company Secretary

LEAD FINANCIAL SERVICES LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rs.)

Particulars	Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Income			
Revenue from Operations	13	607,996	11,574,917
Other Income	14	1,100,000	329,292
Total Revenue (I)		1,707,996	11,904,209
Expenses			
Purchases of Stock-in-Trade/ Traded Goods (Increase)/ Decrease in Inventories of Traded Goods	15	-	46,000,000
Employee Benefit Expenses	16	26,916	(45,405,187)
Finance Costs	17	843,344	956,590
Depreciation	18	113,013	1,759
Other Expenses	8	11,098	41,662
	19	1,331,881	2,672,005
Total Expenses (II)		2,326,253	4,266,829
Profit/ (Loss) Before Tax		(618,257)	7,637,380
Tax Expense:			
(1) Current Tax		-	1,481,258
(2) Deferred Tax		(176,066)	23,574
(3) Earlier Year Tax		24,367	(2,874)
(4) Mat Credit Entitlement		-	(72,420)
Profit / (Loss) for the Year from Continuing Operations (A)		(466,558)	6,207,842
Profit / (Loss) for the Year from Discontinuing Operations (B)		-	-
Profit/ (Loss) for the Year (A+B)		(466,558)	6,207,842
Earnings Per Equity Share			
(1) Basic		(0.14)	1.88
(2) Diluted		(0.14)	1.88

Summary of significant accounting policies 1

The accompanying notes (1-31) 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

FOR & ON BEHALF OF THE BOARD

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

P.C. Bindal
Chairman
DIN: 00004769

Kusha Bindal
Director
DIN: 06952708

Vijay Kumar
Manager

Suman
Company Secretary

Place : New Delhi
Date : May 29, 2019

LEAD FINANCIAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards issued by the Institute of Chartered Accountants of India and the relevant requirements of the Companies Act, 2013. Significant accounting policies applied in preparing and presenting these financial Statements are set out below:

1.1. **Basis of accounting**

The financial statements are prepared on a going concern basis under the historical cost convention on the accrual basis of accounting, in accordance with the Indian Generally Accepted Accounting Principles (GAAP) and comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable, as adopted consistently by the Company.

1.2. **Revenue Recognition**

Income from operations which comprises Sale of Shares, Interest Income, Hire Charges, Lease Rentals, etc. are all accounted for on an accrual basis except for Dividend Income which is considered on receipt basis. Advisory service charges are accounted for on accrual basis.

1.3. **Property, Plant & Equipment**

Property, Plant & Equipments are recorded at Cost of acquisition. They are stated at historical cost less accumulated depreciation.

1.4. **Depreciation**

Depreciation is provided as per Written Down Value Method in accordance with the provisions of Schedule II of the Companies Act, 2013 on assets put to use. Depreciation is charged on pro-rata basis for assets purchased/ sold during the year.

1.5. **Impairment**

Impairment is recognised at each Balance Sheet date in respect of Company's Fixed assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the Net Selling Price and the Value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value, based on an appropriate discount factor.

1.6. **Investments**

Investments are classified into Current Investments and Long Term (Non-Current) Investments. Current Investments are carried at Lower of Cost or Fair Value and Provisions are made to recognize the decline in the carrying value. Long Term Investments are stated at Cost. Provision for Diminution in the value of Long Term Investments is made only if such decline is other than temporary, in the opinion of Management.

1.7. **Inventories**

Inventories or stock-in-trade is valued at lower of cost and net realizable value (on consolidated category-wise basis).

1.8. **Employee Benefits**

Gratuity is charged to the Statement of Profit & Loss through a provision of accruing liability based on assumption that such benefits are payable to all the eligible employees at the end of accounting year.

1.9. **Taxation**

Current Tax: Provision for Income Tax is made in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax: Deferred Tax is recognized on timing difference between taxable and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. The deferred tax asset is recognized and carried forward only to the extent there is reasonable certainty of its realization.

1.10. **Contingent Liabilities**

Contingent Liabilities are not provided for and generally disclosed by way of Notes to Accounts, if any.

LEAD FINANCIAL SERVICES LIMITED

Notes to the financial statements for the year ended 31st March, 2019 (Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
2. Share Capital		
Authorised Capital		
35,00,000 (31 March, 2018: 35,00,000) Equity Shares of Rs.10/- each	35,000,000	35,000,000
Issued, Subscribed and Paid up		
33,00,000 (31 March, 2018: 33,00,000) Equity Shares of Rs.10/- each, fully paid-up	33,000,000	33,000,000
	33,000,000	33,000,000

(a) Reconciliation of the shares outstanding at the beginning & end of the reporting period.

	31-Mar-19	
	No.	Amount (Rs)
Equity Shares		
At the beginning of the Year	3,300,000	33,000,000
Issued during the Year	---	---
Outstanding at the end of the Year	3,300,000	33,000,000
	31-Mar-18	
	No.	Amount (Rs)
Equity Shares		
At the beginning of the Year	3,300,000	33,000,000
Issued during the Year	---	---
Outstanding at the end of the Year	3,300,000	33,000,000

(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.

Particulars	31-Mar-19	
	No.	% holding in the class
Equity Shares of Rs. 10 each fully paid up		
P. C. Bindal	195,200	5.92
Manushree Bindal	189,000	5.73
Privy Capital Ltd.	184,500	5.59
	568,700	17.23
Particulars	31-Mar-18	
	No.	% holding in the class
Equity Shares of Rs. 10 each fully paid up		
P. C. Bindal	195,200	5.92
Manushree Bindal	189,000	5.73
Privy Capital Ltd.	184,500	5.59
	568,700	17.23

LEAD FINANCIAL SERVICES LIMITED

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
3. Reserves and Surplus		
(a) General Reserve		
As per last Balance Sheet	63,000	63,000
Addition during the year	---	---
Closing Balance	63,000	63,000
(b) Statutory Reserve*		
As per last Balance Sheet	4,117,954	2,876,384
Addition during the year	-	1,241,570
Closing Balance	4,117,954	4,117,954
* Reserve created as per the Guidelines issued by the Reserve Bank of India.		
(c) Surplus i.e. Balance in the Statement of Profit & Loss		
As per last Balance Sheet	18,473,754	13,507,482
Addition during the year	(466,558)	6,207,842
Transfer to Statutory Reserve	-	(1,241,570)
Closing Balance	18,007,196	18,473,754
	22,188,150	22,654,708
4 Short-Term Borrowings		
Loans Repayable on Demand		
- from Inter Corporate Deposit	2,401,420	2,000,000
	2,401,420	2,000,000
The above amount includes		
- Secured Borrowings	-	-
- Unsecured Borrowings	2,401,420	2,000,000
5 Other Current Liabilities		
Advances Received	45,000,000	45,000,000
Expenses Payable	88,500	130,273
Statutory Liabilities	2,158	126,000
	45,090,658	45,256,273
6 Short-Term Provisions		
Provision for Taxes (net of Prepaid Taxes)	-	857,193
Contingent Provisions against Standard Assets	12,980	12,980
	12,980	870,173

7. Property, Plant & Equipment

S. No.	Particulars	Gross Block				Depreciation Block				Net Block	
		Cost as on 01.04.2018	Additions during the year	Sale/ Disposal/ Transfer during the year	Total as on 31.03.2019	Upto 01.04.2018	For the year	Adjustment	Upto 31.03.2019	Net Carrying amount as on 31.03.2019	Net Carrying amount as on 31.03.2018
1	Furniture & Fixtures	1,461,325	-	-	1,461,325	1,417,411	-	-	1,417,411	43,914	43,914
2	Office Equipments	240,375	-	-	240,375	228,356	-	-	228,356	12,019	12,019
3	Computer	29,500	-	-	29,500	16,927	11,098	-	28,025	1,475	12,573
	TOTAL	1,731,200	-	-	1,731,200	1,662,694	11,098	-	1,673,792	57,408	68,506
	Previous Year	2,220,200	29,500	518,500	1,731,200	2,077,524	41,662	456,492	1,662,694	68,506	142,676

Note: In respect of Furniture & Fixtures and Office Equipments, no depreciation has been charged during the year considering that the entire depreciable amount of these assets has already been charged as depreciation in earlier years.

LEAD FINANCIAL SERVICES LIMITED

(Amount in Rs.)

Particulars	As at 31st March, 2019	As at 31st March, 2018
8 Non-Current Investments		
TRADE INVESTMENTS (Valued at Cost)		
Investment in Quoted Equity Instruments		
663 (31 March 2018: 663) Equity Shares of Rs 10 each fully paid up in NHPC Ltd.	12,829	12,829
1,641.185 (31 March 2018: 6,257) Units of UTI Equity Fund (Previously UTI Mutual Fund-Leadership Equity Fund)*	24,000	24,000
* UTI Mutual Fund-Leadership Equity Fund merged into UTI Equity Fund	<u>36,829</u>	<u>36,829</u>
Investment in Unquoted Equity Instruments		
1,20,000 (31 March 2018:1,20,000) Equity Shares of Rs 10 each fully paid up in SLS Stock & Share Brokers Ltd.	1,200,000	1,200,000
82,000 (31 March 2018: 82,000) Equity Shares of Rs 10 each fully paid up in Indraprastha Commodity Trading Pvt. Ltd.	820,000	820,000
1,000 (31 March 2018: 1000) Equity Shares of Rs 10 each fully paid up in Privy Capital Advisors Pvt. Ltd.	500,000	500,000
	<u>2,520,000</u>	<u>2,520,000</u>
Building at Sector 62 Noida	<u>21,019,562</u>	<u>21,019,562</u>
	<u>23,576,391</u>	<u>23,576,391</u>
Aggregate Amount of Quoted Investments	36,829	36,829
Aggregate Amount of Unquoted Investments	2,520,000	4,223,743
Aggregate Amount of Land & Building	21,019,562	21,019,562
Market Value of Quoted Investments as on 31 March, 19 is Rs. 1,90,063 (31 March 2018: Rs. 42,332)		
9 Deferred Tax Assets		
Deferred tax assets relate to the following:		
Property, plant & equipment: impact of difference between tax depreciation and depreciation/ amortisation for financial reporting	26,693	30,958
Carried forward losses and unabsorbed depreciation	180,331	-
Deferred Tax Assets	<u>207,024</u>	<u>30,958</u>
10 Inventories (Valued at lower of cost and net realizable value)		
Stock-in-Trade/ Traded Goods	46,059,129	46,086,045
	<u>46,059,129</u>	<u>46,086,045</u>
11 Cash and Cash Equivalents		
Balance with Banks in Current Accounts	299,870	1,538,978
Cash on Hand	79,664	127,458
	<u>379,533</u>	<u>1,666,436</u>
12 Short-Term Loans and Advances		
Advances against Assets	28,500,000	28,500,000
Other Loans & Advances	3,243,000	3,243,577
Mat Credit Entitlement	198,404	198,404
Income Tax Refund Due	463,039	408,598
Recoverable in Cash/Kind	9,281	2,239
	<u>32,413,724</u>	<u>32,352,818</u>

LEAD FINANCIAL SERVICES LIMITED

(Amount in Rs.)

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
13 Revenue from Operations		
Interest Income	602,493	8,705,249
Income from Trading in Securities	-	611,364
Dividend Income	5,503	53,475
Capital Gain	-	2,204,829
	607,996	11,574,917
14 Other Income		
Bank Interest	-	179,290
Profit on Sale of Property, Plant & Equipment	-	69,992
Others	1,100,000	80,010
	1,100,000	329,292
15 Purchases of Stock-in-Trade/ Traded Goods		
Shares of Companies	-	46,000,000
	-	46,000,000
16 (Increase)/ Decrease in Inventories		
<i>Inventories at the beginning of the year</i>		
Traded Goods (Shares of Companies)	46,086,045	680,858
<i>Inventories at the end of the year</i>		
Traded Goods (Shares of Companies)	46,059,129	46,086,045
(Increase)/ Decrease in Inventories	26,916	(45,405,187)
17 Employee Benefit Expenses		
Establishment Expenses	824,424	949,600
Staff Welfare Expenses	18,920	6,990
	843,344	956,590
18 Finance Costs		
Interest Expense	111,945	255
Bank Charges	1,068	1,504
	113,013	1,759
19 Other Expenses		
Rent	360,000	360,000
Repair & Maintenance	173,480	81,868
Communication Expenses	4,505	7,089
Printing and Stationery	15,072	15,122
Fee & Subscription	323,320	333,105
Professional & Legal Expenses	336,219	693,617
Management & Consultancy Charges	-	960,000
Auditors' Remuneration	25,000	41,300
Travelling & Conveyance	12,533	44,934
Demat Charges	-	6,198
Interest paid on TDS	-	1,078
Insurance Charges	2,239	8,751
Advertisement & Business Promotion Expenses	53,695	56,928
General and Miscellaneous Expenses	10,159	6,500
Bad debts / Balance written off	5,559	55,515
Donation	10,100	-
	1,331,881	2,672,005

LEAD FINANCIAL SERVICES LIMITED

20 Contingent Liabilities

Contingent Liabilities in respect of Guarantees given in respect of loan taken by others, is limited to immovable property mortgaged having book value of Rs. 210.20 Lakhs only 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.

21 Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Accounts & Others (net of advances) Rs. 6,65,00,000 (31 March, 2018: Rs. 6,65,00,000)

22 Segment Reporting

The company is a Non Banking Financial Company. Since there is only one segment in which company is operating, Segment Reporting as required under Accounting Standard-17 notified by the Companies (Accounting Standards) Rules, 2006 (as amended) is not applicable.

23 Related Party Disclosures

23.1 Related Party Relationships

Related Parties with whom transactions have taken place during the year

- Key Managerial Personnel

Mr. Vijay Kumar, Manager

Ms. Suman, Company Secretary

23.2 Related Party Transactions

	31.03.2019	31.3.2018
Key Managerial Personnel		
Remuneration	517,424	378,600

24 Earnings Per Share

Particulars	31.03.2019	31.3.2018
Opening Number of Equity Shares	3,300,000	3,300,000
Allotted during the Year	-	-
Outstanding Number of Shares at the year end.	3,300,000	3,300,000
Weighted number of Shares	(A) <u>3,300,000</u>	<u>3,300,000</u>
Net Profit/ (Loss) after Tax	(B) <u>(466,558)</u>	<u>6,207,842</u>
Earning Per Share (Rs.) - Basic & Diluted	(B/A) (0.14)	1.88

25 Payment to Auditor

Particulars	31.03.2019	31.3.2018
Audit Fees	21,186	35,000
Service Tax	3,814	6,300

26 The company has not given any loans and advances in the nature of loan 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), Regulation, 2015.

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

28 In the opinion of Board of Directors, all the current assets, loan & advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, except those stated otherwise and that all known liabilities relating to the year have been provided for.

LEAD FINANCIAL SERVICES LIMITED

29	Particulars	31.03.2019	31.3.2018
	Earning in Foreign Currency	-	-
	Expenditure in Foreign Exchange	-	-
30	The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no amounts payable to Micro and Small Enterprises as at 31 March 2019 and 31 March 2018.		
31	Previous Year's Figures Previous period figures have been regrouped /recast to conform the current year classifications.		

As per our report of even date

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

FOR & ON BEHALF OF THE BOARD

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

P.C. Bindal
Chairman
DIN: 00004769

Kusha Bindal
Director
DIN: 06952708

Place : New Delhi
Date : May 29, 2019

Vijay Kumar
Manager

Suman
Company Secretary

LEAD FINANCIAL SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

(Amount in Rs.)

Particulars	2018-2019	2017-2018
Profit/(Loss) before Tax	(618,275)	7,637,380
Non Cash Adjustment:		
- Depreciation	11,098	41,662
- Provisions Created/ (Written Back)	-	(80,011)
- Capital Gain on Sale of Investment	-	(2,204,829)
- Loss/(Profit) on Sale of Property, Plant & Equipment	-	(69,991)
- Finance Charges	113,013	1,759
Operating profit before Working Capital changes	(494,146)	5,325,970
Changes in Working Capital:		
Decrease/ (Increase) in Inventories	26,916	(45,405,187)
Decrease/ (Increase) in Short/ Long Term Loans and Advances	(60,905)	(1,599,212)
(Decrease)/ Increase in Other Current Liabilities	(165,615)	41,128
Cash generated from /(used in) Operations	(693,751)	(41,637,301)
Income Tax Paid	(881,560)	(621,191)
Cash generated from /(used in) Operating Activities (A)	(1,575,311)	(42,258,492)
Cash Flow from Investing Activities		
Net Proceeds from Sale of Investments	-	36,349,848
Proceeds from Sale of Property, Plant & Equipment	-	132,000
Purchase of Property, Plant & Equipment	-	(29,500)
Cash generated from /(used in) Investing Activities (B)	-	36,452,348
Cash Flow from Financing Activities		
Proceeds/(Repayment) from Short Term Borrowings	401,420	687,483
Interest paid	(113,013)	(1,760)
Cash generated from / (used in) Financing Activities (C)	288,407	685,723
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(1,286,903)	(5,120,420)
Cash & Cash Equivalents at the beginning of year	1,666,436	6,786,856
Cash & Cash Equivalents at the end of year	379,533	1,666,436

Note :

The above Cash Flow Statement has been prepared under the "Indirect Method " as stated in Accounting Standard -3.

FOR & ON BEHALF OF THE BOARD

P.C. Bindal
Chairman
DIN: 00004769

Vijay Kumar
Manager

Kusha Bindal
Director
DIN: 06952708

Suman
Company Secretary

AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of the Company for the year ended 31 March, 2019. The Statement has been prepared by the Company in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and is based on and is in agreement with corresponding Statement of Profit and Loss and Balance Sheet of the Company covered by our Report dated 29th May, 2019 to the members of the Company.

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

CA. Alok Kumar Bansal
Partner
M.No.092854

Place : New Delhi
Date : May 29, 2019

Form No. MGT-11
LEAD FINANCIAL SERVICES LIMITED

Regd. Office: 101, Sita Ram Mansion, 718/21 Joshi Road, Karol Bagh, New Delhi 110005
CIN: L74140DL1993PLC053485
Ph. No.-011-23549822, 23 e-mail: lead_financial@rediffmail.com
www.leadfinancialservice.in

PROXY FORM

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

Name of the member (s) :

Registered Address:

E-Mail Id:

Folio No./ Client Id:

DP ID:

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

1. Name: Address:
E-mail Id: Signature: or failing him
2. Name: Address:
E-mail Id: Signature: or failing him
3. Name: Address:
E-mail Id: Signature: or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual general meeting of the company, to be held on Saturday, the 28th day of September, 2019 at 10:00 a.m. at Khandelwal Samaj Vikas Trust, 2C/24, New Rohtak Road, Sarai Rohilla, New Delhi-110005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item Description of Resolution
No.

Ordinary Business

1. To Consider and adopt the Audited Financial Statements as at 31st March, 2019 and the Report of the Auditors' and Board of Director's thereon.
2. To appoint a Director in place of Ms. Kusha Bindal, who retires by rotation and being eligible offers herself for re-appointment.

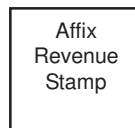
Special Business

3. Re-appointment of Mr. Pradeep Kumar Jain as an Independent Director of the Company for a second terms of 5 years w.e.f. 29.09.2019.

Signed this day of 2019

Signature of Shareholder (s)

Signature of Proxy Holder (s)



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

LEAD FINANCIAL SERVICES LIMITED

Regd. Office: 101, Sita Ram Mansion, 718/21 Joshi Road, Karol Bagh, New Delhi 110005

CIN: L74140DL1993PLC053485

Ph. No.-011-23549822, 23 e-mail: lead_financial@rediffmail.com

www.leadfinancialservice.in

ATTENDANCE SLIP

26th Annual General Meeting

Reg. Folio/DP & Client No:

No .of Shares Held:

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company. I hereby record my presence at the 26th Annual General Meeting of the Company to be held on **Saturday, the 28th day of September, 2019 at 10.00 A.M.** at Khandelwal Samaj Vikas Trust, 2C/24, New Rohtak Road, Sarai Rohilla, New Delhi-110005, and at any adjournment thereof.

Member's Name :

Proxy's Name :

Member's/ Proxy's Signature

- NOTE:
1. Please fill this attendance slip and hand it over at the entrance of the Hall.
 2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
 3. Authorized Representatives of Corporate Member(s) shall produce proper authorization issued in their favour.