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SITAL
LEASING AND FINANCE LIMITED
(An ISO 9001:2015 Certified Company)

Regd. Off. :
322, 3rd Floor, SS Plaza Commercial Complex,
Myfield Garden, Sector-47,
Gurugram, Haryana - 122001

Date- 5th September, 2023

**To,
The Manager- Compliance Department
Metropolitan Stock Exchange of India Limited
205(A), 2nd Floor, Piramal Agastya Corporate Park
Kamani Junction, LBS Road, Kurla (West)
Mumbai-400070**

Sub: Submission of Annual Report (including Notice of AGM) under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the Financial Year 2022-23.

Dear Sir,

With reference to the above mentioned subject, please find enclosed herewith the Annual Report (including AGM Notice) as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the Financial Year 2022-23.

You are requested to take the above on your records and acknowledge the same

For Sital Leasing and Finance Limited

**Surendra Kumar Jain
(Managing Director)
DIN: 00530035**

SITAL LEASING AND FINANCE LIMITED



**40TH
ANNUAL REPORT
2022-23**

About this Report

Our Approach to Reporting

The (SL&FL) is publishing its 40th Annual Report for FY 2022-23 to provide a holistic assessment of its financial as well as non-financial performance. Through this report, we strive to provide enhanced disclosures to meet the requirements of our stakeholders.

Reporting Principle

The financial and statutory data forming part of this report are in line with the requirements of:

- The Companies Act, 2013 (including the rules made thereunder),
- The Indian Accounting Standards,
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Reporting Period

The Annual Report F.Y.2022-23 is an annual publication for the period from April 1, 2022 to March 31, 2023.

Materiality & Scope & Boundary

The Annual Report F.Y- 2022-23 includes information that is material to “SL&FL” stakeholders and provides an overview of the business processes and activities that assist in long term value creation. “SL&FL” also shares insights about the strategic priorities, business model, risks and mitigants. The reporting boundary covers overall environmental, social and economic performance of “SL&FL”.

At “SL&FL”, we are excited about the huge opportunity in Lending Business. Loans will remain a fundamental need for citizens of a fast-growing country and the demand for any Financial Needs. It will increase multi-fold as India moves from a low-middle income economy to an upper middle-income economy over the next decade. We are at a juncture where we are ready to seize the day. We have developed a differentiated approach to finance, that is centred on customer centricity, design thinking, use of technology, and prudence. We will continue to build on our strengths and sharpen our edge to capture a large share of the emerging opportunities.

Independent Assurance

The quality of information content in the report is prepared in consultation with, and reviewed by internal stakeholders. This Report covers financial and non-financial information and activities of “SL&FL” for the period April 1, 2022 to March 31, 2023. While the financial information has been audited by M/s Tiwari & Mishra, Chartered Accountants.

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CORPORATE INFORMATION

<p><u>BOARD OF DIRECTORS</u></p> <p>Mr. Surendra Kumar Jain, Managing Director Mrs. Priti Jain, Non-Executive & Non- Independent Director Mr. Bhupendra Kaushik, Independent Director Mr. Tushar Rai Sharma, Independent Director Ms. Prerna Singh, Women Independent Director Ms. Rekha Bhandari, Non-Executive & Non- Independent Director</p>	<p><u>STATUTORY AUDITORS</u></p> <p>M/s. Tiwari & Mishra, Chartered Accountants 573, DDA SFS Flats, Pocket-1, Sector-22, Dwarka, New Delhi-110075</p>
<p><u>SECRETARIAL AUDITORS</u></p> <p>ACS Parul Agarwal (Practicing Company Secretaries) 8/2, 3rd Floor West Patel Nagar-110008</p>	<p><u>SCRUTINIZER</u></p> <p>ACS Parul Agarwal (Practicing Company Secretaries) 8/2, 3rd Floor, West Patel Nagar, New Delhi-110008</p>
<p><u>REGISTERED OFFICE</u></p> <p>Office No. 322, 3rd Floor, S.S. Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana- 122001</p>	<p><u>STOCK EXCHANGE(S) WHERE COMPANY'S SECURITIES ARE REGISTERED</u></p> <p>Metropolitan Stock Exchange of India Limited (MSEI)</p>
<p><u>BANKERS</u></p> <p>HDFC Bank, Old Rajinder Nagar, New Delhi IDFC Bank New Delhi Punjab National Bank, New Delhi</p>	<p><u>INVESTORS HELPDESK & EMAIL</u></p> <p>Ms. Nishu Jain Compliance officer sitalleasing83@gmail.com</p>
<p><u>COMPANY SECRETARY & COMPLIANCE OFFICER</u></p> <p>Ms. Nishu Jain</p>	<p><u>REGISTRAR AND TRANSFER AGENT</u></p> <p>Bigshare Services Pvt. Ltd. 302, Kushal Bazaar, 32-33, Nehru Place, New Delhi-110019</p>
<p><u>INTERNAL AUDITOR</u></p> <p>Mr. Bharat Bhushan</p>	<p><u>WEBSITE</u></p> <p>www.sitalleasingfinance.com</p>
<p><u>CFO</u></p> <p>Piyush Jain</p>	<p><u>CONTACT NO.</u></p> <p>+91-9891709895</p>
<p><u>EMAIL</u></p> <p>sitalleasing83@gmail.com sitalleasing@gmail.com</p>	

BOARD COMMITTEE

AUDIT COMMITTEE

Mr. Bhupendra Kaushik, Chairperson

Mr. Priti Jain, Member

Mr. Tushar Rai Sharma, Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Bhupendra Kaushik, Chairperson

Mrs. Priti Jain, Member

Mr. Tushar Rai Sharma, Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Tushar Rai Sharma, Chairperson

Mrs. Priti Jain, Member

Mr. Bhupendra Kaushik, Member

RISK MANAGEMENT COMMITTEE

Mr. Surendra Kumar Jain, Chairperson

Mr. Tushar Rai Sharma, Member

Mr. Bhupendra Kaushik, Member

ASSET LIABILITY MANAGEMENT COMMITTEE

Mr. Surendra Kumar Jain, Chairperson

Mr. Tushar Rai Sharma, Member

Mr. Bhupendra Kaushik, Member

INVESTMENT COMMITTEE

Mrs. Priti Jain, Chairperson

Mr. Tushar Rai Sharma, Member

Mr. Bhupendra Kaushik, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mrs. Priti Jain, Chairperson

Mr. Tushar Rai Sharma, Member

Mr. Bhupendra Kaushik, Member

SITAL LEASING AND FINANCE LIMITED

R. Off: 322, 3RD Floor, S. S. Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram-122001
CIN: L65910HR1983PLC050169; Tel. No: +91-9891709895
E-mail ID: sitalleasing83@gmail.com; sitalleasing@gmail.com
Website: www.sitalleasingfinance.com

NOTICE

Notice is hereby given that the 40th Annual General Meeting of the Company will be held on **Wednesday, 27th Day of September, 2023 at 01:00 P.M. IST** through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. APPROVAL OF FINANCIAL RESULTS, DIRECTOR'S & AUDITOR'S REPORT

To consider and if thought fit, to pass with or without modification, the following resolution as an **ordinary resolution**:

"RESOLVED THAT pursuant to the provisions of Section 134 of the Companies Act 2013, the Financial Statements containing the Balance Sheet, Profit and Loss Account, Cash Flow statements, Note & Schedules appended thereto for the Financial Year ended 31st March 2023 together with the Board's Report and Auditor's Report thereon be and are hereby received, considered and adopted."

2. RETIRE BY ROTATION AS PER SECTION 152(6) OF COMPANIES ACT, 2013

To consider and if thought fit, to pass with or without modification, the following resolution as an **ordinary resolution**:

To appoint a Director in place of **Mr. Surendra Kumar Jain, Managing Director (DIN: 00530035)**, a Director who retires by rotation and being eligible offers herself for re-appointment.

"RESOLVED THAT "Mr. Surendra Kumar Jain, Managing Director (DIN: 00530035), who retire by rotation in terms of Section 152 of Companies Act, 2013 and being eligible be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation".

SPECIAL BUSINESS

3. TO APPROVE THE APPOINTMENT OF MR. BHUPENDRA KAUSHIK (DIN: 07016552), AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification, the following resolution as **Special resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 150 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Bhupendra Kaushik (DIN: 07016552) who was appointed as an Additional Non-Executive - Independent Director w.e.f. May 10, 2023, for a Term upto the period of 5 years w.e.f. May 10, 2023 i.e. the date of appointment and shall hold office up to the date of ensuing Annual General Meeting under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation.”

4. TO APPROVE THE APPOINTMENT OF MR. TUSHAR RAI SHARMA (DIN: 09211414) AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification, the following resolution as **Special resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149, 150 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Tushar Rai Sharma (DIN: 09211414) who was appointed as an Additional Non-Executive - Independent Director w.e.f. May 10, 2023, for a Term upto the period of 5 years w.e.f. May 10, 2023 i.e. the date of appointment and shall hold office up to the date of ensuing Annual General Meeting under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation.”

5. TO APPROVE THE APPOINTMENT OF MS. PRERNA SINGH (DIN: 10153909) AS AN INDEPENDENT DIRECTOR

To consider and if thought fit, to pass with or without modification, the following resolution as **Special resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149, 150 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Prerna Singh (DIN: 10153909) who was appointed as an Additional Non-Executive - Independent Director w.e.f. May 10, 2023, for a Term upto the period of 5 years w.e.f. May 10, 2023 i.e. the date of appointment and shall hold office up to the date of ensuing Annual General Meeting under Section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation.”

6. ADOPTION OF NEW SET OF MEMORANDUM OF ASSOCIATION (MOA) OF COMPANY IN ACCORDANCE WITH COMPANY ACT, 2013

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

To consider and adopt new set of MOA of the Company, which is required in view of change in Companies Act. A detailed proposal is placed before the Board for the same. The Board members may discuss and approve the following resolution.

“RESOLVED THAT pursuant to the provisions of Section 13, 15 and other applicable provisions of Companies Act, 2013, read with the rules and regulations made there under including any amendment, re-enactment or statutory modification thereof, and subject to such other requisite approvals, if any, in this regards from appropriate authorities and

term(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any committee), consent of the members be and is hereby accorded to adopt the new set of Memorandum of Association as per Companies Act, 2013 in place of the existing Memorandum of Association.

RESOLVED FURTHER THAT the board of directors of the company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effects to this resolution."

7. **ADOPTION OF NEW SET OF ARTICLE OF ASSOCIATION (AOA) OF COMPANY IN ACCORDANCE WITH COMPANY ACT, 2013**

To consider and if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**:

To consider and adopt new set of AOA of the Company, which is required in view of change in Companies Act. A detailed proposal is placed before the Board for the same. The Board members may discuss and approve the following resolution.

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of Companies Act, 2013, read with the rules and regulations made there under including any amendment, re-enactment or statutory modification thereof, and subject to such other requisite approvals, if any, in this regards from appropriate authorities and term(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any committee), consent of the members be and is hereby accorded to adopt the new set of Article of Association as per Companies Act, 2013 in place of the existing Article of Association.

RESOLVED FURTHER THAT the board of directors of the company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effects to this resolution."

**By order of the Board of Directors
Sital Leasing and Finance Limited**

**Date: 05/09/2023
Place: GURGAON**

**SURENDRA KUMAR JAIN
(Managing Director)
DIN: 00530035**

**PRITI JAIN
(Director)
DIN: 00537234**

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General circular no. 10/2022 dated December 28, 2022 read with circular No. 2/2022 dated May 5, 2022 read with circulars dated May 5, 2020, January 13, 2021, and December 14, 2021 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business, to be transacted at the AGM, is annexed hereto.
3. Since this AGM will be held through Video Conferencing (‘VC’) / Other Audio Visual Means (‘OAVM’), (a) Members will not be able to appoint proxies for the meeting, and (b) Attendance Slip & Route Map are not annexed to this Notice. The Route Map is not required to be annexed to this Notice.
4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. The Members can join the EGM/AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
6. In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Resolutions for consideration at this AGM will be transacted through remote e-voting (i.e. facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company (‘the Board’) have engaged the services of Registrar and Transfer Agent of the Company, Bigshare Services Pvt. Ltd. (“Bigshare” or “RTA”). The Board of Directors has appointed Mrs. Parul Agarwal (Membership No. ACS A35968) of M/s Parul Agrawal & Associates, Practicing Company Secretary, as the Scrutinizer to scrutinize the remote e-voting process and voting during the AGM, in a fair and transparent manner.
7. Remote e-voting will commence at **09:00 A.M. on Sunday, 24th September, 2023** and will end at **5:00 P.M. on Tuesday, 26th September, 2023**, then remote e-voting will be blocked.
8. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on **Wednesday, 20th September, 2023** (cut-off date). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purpose only. The Register of Member and Share Transfer Book of the Company shall remain closed from **Thursday, September 21, 2023** to **Wednesday, September 27, 2023** (both days inclusive) for the purpose of AGM.

9. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2023 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories.
10. Members who hold shares in the certificate form or who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the AGM Notice and the Report and Accounts 2023, or participate in the AGM, or cast their votes through remote e-voting or e-voting during the meeting, are required to register their e-mail addresses with the Company's RTA, Bigshare Services Pvt. Ltd. at <https://www.bigshareonline.com/>
11. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website <http://www.sitalleasingfinance.com/> and the websites of the Stock Exchanges where the equity shares of the Company are listed i.e. MSEI Limited at <https://www.msei.in/index> and on the website of the Registrar and Transfer Agent of the Company, Bigshare Services Pvt. Ltd. ("RTA") at ("RTA") <https://www.bigshareonline.com/>
12. As per Regulation 40 of SEBI Listing Regulations, as amended, and vide SEBI Notification No. SEBI/LAD-NRO/ GN/2018/24 dated June 8, 2018 and further amendment through Notification No. SEBI/ LAD-NRO/GN/2018/49 dated November 30, 2018, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of requests received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of members with respect to their portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact Company's RTA, Bigshare Services Pvt. Ltd. for assistance in this regard.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit these details to their Depository Participants in case the shares are held by them in electronic form, and to the RTA, Bigshare Services Pvt. Ltd., in case the shares are held in physical form.
14. In case of joint holders, the Members 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 at the AGM. Corporate Members intending to depute their authorized representatives to attend the meeting through VC/OVAM are requested to send to the Company a certified true copy of the Board Resolution together with the attested specimen signature of the duly authorized signatory (ies) who are authorized to attend and vote at the Meeting on their behalf.
15. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, with a view to protect the interest of the shareholders, has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar and Transfer Agent. The Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/MIRSD/DOS3/CIR/P/2019/30 dated February 11, 2019, decided to grant relaxation to Non-residents (NRIs, PIOs, OCIs and foreign nationals) from the requirement to furnish PAN and permit them to transfer equity shares held by them in the Company.

16. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 10/2022 dated December 28, 2022 read with circulars dated May 5, 2022 read with circulars dated May 5, 2020, January 13, 2021, December 12, 2021 and December 14, 2021. The Securities and Exchange Board of India (“SEBI”) vide its Circular Nos.: SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May, 13, 2022, SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as “SEBI Circulars”) has granted relaxation in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode.

17. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and other relevant registers and documents referred in the Notice will be available electronically for inspection by the members during the AGM.

All other documents referred to in the Notice will be available for electronic inspection during business hours, by the members from the date of circulation of this Notice up to the date of AGM, without any fee. Members seeking to inspect such documents can send an email to <http://sitalleasingfinance.com/>

18. The relevant details of the directors sought to be appointed/reappointed, including their brief resume and the nature of their expertise in specific functional areas, are provided in the explanatory statement and Corporate Governance Report forming part of the Annual Report. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the director seeking appointment/ reappointment at the AGM, has been provided in the Corporate Governance section of the Annual Report.

19. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at <https://www.bigshareonline.com/>. However, if he / she is already registered with Bigshare Services Pvt. Ltd. for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

20. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under “Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.”

21. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30.

22. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to Skyline Financial Services Pvt. Ltd e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3: Access to join virtual meetings (e-AGM) of the Company on Skyline Financial Services Pvt. Ltd system to participate e-AGM and vote at the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

- i. The voting period begins on **Sunday, 24th September, 2023 at 9:00 AM** and ends on **Tuesday, 26th September, 2023 at 5:00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Wednesday, 20th September, 2023** may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or

	<p>joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
 - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
 - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
 - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.
NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.
(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on “**VOTE NOW**” option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option “**IN FAVOUR**”, “**NOT IN FAVOUR**” or “**ABSTAIN**” and click on “**SUBMIT VOTE**”. A confirmation box will be displayed. Click “**OK**” to confirm, else “**CANCEL**” to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**REGISTER**” under “**CUSTODIAN LOGIN**”, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with “**User id and password will be sent via email on your registered email id**”.

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**CUSTODIAN LOGIN**’ tab and further Click on ‘**Forgot your password?**’

- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**RESET**’.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under “**DOCUMENTS**” option on custodian portal.
 - Click on “**DOCUMENT TYPE**” dropdown option and select document type power of attorney (POA).
 - Click on upload document “**CHOOSE FILE**” and upload power of attorney (POA) or board resolution for respective investor and click on “**UPLOAD**”.
- Note:** The power of attorney (POA) or board resolution has to be named as the “**InvestorID.pdf**” (Mention Demat account number as Investor ID.)
- Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder’s other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions (‘FAQs’) and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

4. Procedure for joining the AGM/EGM through VC/ OAVM:

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.

- For joining virtual meeting, you need to click on “VC/OAVM” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-voting on the day of the AGM/EGM are as under:-

- The Members can join the AGM/EGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the AGM/EGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions (‘FAQs’) available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

**By order of the Board of Directors
Sital Leasing and Finance Limited**

**Date: 05/09/2023
Place: GURGAON**

**SURENDRA KUMAR JAIN
(Managing Director)
DIN: 00530035**

**PRITI JAIN
(Director)
DIN: 00537234**

EXPLANATORY STATEMENT

Item No. 3:

Appointment of Mr. Bhupendra Kaushik (DIN: 07016552) as an Independent Directors.

Mr. Bhupendra Kaushik (DIN: 07016552) was appointed as an Additional Director Non – Executive Independent Directors w.e.f. May 10, 2023 for a term and a period upto 5 years w.e.f. the date of appointment as an Additional Director under provisions of the Companies Act, 2013 (the Act) and will be regularized as independent Director by the Shareholders at the Annual General Meeting (AGM).

Based on the opinion of Board and on its evaluation Mr. Bhupendra Kaushik (DIN: 07016552) fulfils the conditions specified in the Act, Rules made thereunder and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

It is proposed to appoint them as an Independent Director for a term and a period upto 5 years w.e.f. May , 10, 2023.

The above appointment of Mr. Bhupendra Kaushik (DIN: 07016552) as an Independent Directors on the Board of the Company, is not being liable to retire by rotation in terms of Sections 149 & 152 of the Act, requires approval of the Members in the General Meeting by passing a Special Resolution pursuant to Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except Mr. Bhupendra Kaushik, to the extent to whom the resolution relates.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No.3 as a Special Resolution.

Brief profile of Mr. Bhupendra Kaushik is annexed and form part of this annual report.

Item No. 4:

Appointment of Mr. Tushar Rai Sharma (DIN: 09211414) as an Independent Directors.

Mr. Tushar Rai Sharma (DIN: 09211414) was appointed as an Additional Director Non – Executive Independent Directors w.e.f. May 10, 2023 for a term and a period upto 5 years w.e.f. the date of appointment as an Additional Director under provisions of the Companies Act, 2013 (the Act) and will be regularized as independent Director by the Shareholders at the Annual General Meeting (AGM).

Based on the opinion of Board and on its evaluation Mr. Tushar Rai Sharma (DIN: 09211414) fulfils the conditions specified in the Act, Rules made thereunder and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

It is proposed to appoint them as an Independent Director for a term and a period upto 5 years w.e.f. May , 10, 2023.

The above appointment of Mr. Tushar Rai Sharma (DIN: 09211414) as an Independent Directors on the Board of the Company, is not being liable to retire by rotation in terms of Sections 149 & 152 of the Act, requires approval of the Members in the General Meeting by passing a Special Resolution pursuant to Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except Mr. Tushar Rai Sharma to the extent to whom the resolution relates.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No.4 as a Special Resolution.

Brief profile of Mr. Tushar Rai Sharma is annexed and form part of this annual report.

Item No. 5:

Appointment of Ms. Prerna Singh (DIN: 10153909) as an Independent Directors.

Ms. Prerna Singh (DIN: 10153909) was appointed as an Additional Director Non – Executive Independent Directors w.e.f. May 10, 2023 for a term and a period upto 5 years w.e.f. the date of appointment as an Additional Director under provisions of the Companies Act, 2013 (the Act) and will be regularized as independent Director by the Shareholders at the Annual General Meeting (AGM).

Based on the opinion of Board and on its evaluation Ms. Prerna Singh (DIN: 10153909) fulfils the conditions specified in the Act, Rules made thereunder and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

It is proposed to appoint them as an Independent Director for a term and a period upto 5 years w.e.f. May , 10, 2023.

The above appointment of Ms. Prerna Singh (DIN: 10153909) as an Independent Directors on the Board of the Company, is not being liable to retire by rotation in terms of Sections 149 & 152 of the Act, requires approval of the Members in the General Meeting by passing a Special Resolution pursuant to Regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution financially or otherwise except Ms. Prerna Singh to the extent to whom the resolution relates.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No.5 as a Special Resolution.

Brief profile of Ms. Prerna Singh is annexed and form part of this annual report.

Item No. 6:

Adoption of New Set of Memorandum of Association (MOA) of Company in accordance with Company Act, 2013

The object clause (Clause III) of the Memorandum of Association (“MOA”) of the Company, as presently in force, is based on the erstwhile Companies Act, 1956. According to the Companies Act, 2013, the companies are required to have only “the objects to be pursued by the company and matters which are necessary for furtherance of the objects specified”. The new set of MOA to be substituted in place of the existing MOA are in the format prescribed under ‘Table A’ of the Act which sets out the model MOA for a Company limited by shares. Copy of the draft Memorandum of Association of the Company would be available for inspection by the members at the Registered Office/Corporate Office of the Company on any working day between 2 P.M. to 4 P.M. upto and including the date of AGM and also at the venue of the meeting.

Item No. 7:

Adoption of New Set of Article of Association (AOA) of Company in accordance with Company Act, 2013

The Articles of Association (“AOA”) of the Company as presently in force are based on the erstwhile Companies Act, 1956 and several regulations in the existing AOA are no longer in conformity with the Companies Act, 2013. Further several regulations / articles of the existing AOA of the Company require alteration or deletion pursuant to changes in applicable laws. Therefore, it is considered expedient to wholly replace the existing AOA by a new set of Articles. The Regulations contained in Table ‘F’ of the First Schedule to the Companies Act, 2013 shall not apply to the Company except in so far as they are embodied in the Articles. Copy of the draft Articles of Association of the Company would be available for inspection by the members at the Registered Office/ Corporate Office of the Company on any working day between 2 P.M. to 4 P.M. upto and including the date of AGM and also at the venue of the meeting. None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise.

**By order of the Board of Directors
Sital Leasing and Finance Limited**

Date: 05/09/2023

Place: GURGAON

SURENDRA KUMAR JAIN

(Managing Director)

DIN: 00530035

PRITI JAIN

(Director)

DIN: 00537234

DISCLOSURE REGARDING APPOINTMENT & RE-APPOINTMENT OF DIRECTORS IN THE ENSUING AGM

(In Pursuance of Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item 2: Re - appointment of Mr. Surendra Kumar Jain

Name of Director	Mr. Surendra Kumar Jain
Nationality	Indian
Date of Appointment	25/09/2008
Qualifications	B. Com and LLB
Number of Shares held in the Company	11,47,500 Equity Shares
Expertise in specific Functional areas	Financial Sector
Director of other Listed Companies (excluding foreign Companies)	<ul style="list-style-type: none"> • Shri Niwas Leasing and Finance Limited • Sunshine Capital Limited
Membership/ Chairmanship Audit and Stakeholder of Committees of the Board in other Listed Companies	<ol style="list-style-type: none"> 1. Shri Niwas Leasing and Finance Limited <ul style="list-style-type: none"> • Audit Committee - Member • Stakeholder Relationship Committee - Member 2. Sunshine Capital Limited <ul style="list-style-type: none"> • Audit Committee - Member
Relationship between Director Inter se	Spouse of Mrs. Priti Jain (Director)

Item 3: Mr. Bhupendra Kaushik

Name of Director	Mr. Bhupendra Kaushik
Nationality	Indian
Date of Appointment	10/05/2023
Qualifications	Company Secretary in Practice
Number of Shares held in the Company	NIL
Expertise in specific Functional areas	Corporate Licensing, NCLT and NCLAT Hearings, RBI Hearings, RD Hearing, MCA Hearing, Trade Mark Hearings, Secretarial Compliance and Advisory, Advisory in corporate Restructuring.
Director of other Listed Companies (excluding foreign Companies)	<ul style="list-style-type: none">• Sunshine Capital Limited• Alstone Textile India Limited• Abhijit Trading Co Ltd
Membership/ Chairmanship in Audit and Stakeholder Committees of the Board in other Listed Companies	<ol style="list-style-type: none">1. Sunshine Capital Limited<ul style="list-style-type: none">• Audit Committee - Member• Stakeholder Relationship Committee – Chairperson2. Alstone Textile India Limited<ul style="list-style-type: none">• Audit Committee - Chairperson• Stakeholder Relationship Committee – Chairperson3. Abhijit Trading Co Ltd<ul style="list-style-type: none">• Audit Committee - Member• Stakeholder Relationship Committee – Member.
Relationship between Director Inter se	None

Item 4: Mr. Tushar Rai Sharma

Name of Director	Mr. Tushar Rai Sharma
Nationality	Indian
Date of Appointment	10/05/2023
Qualifications	Member Institute of Company Secretary
Number of Shares held in the Company	NIL
Expertise in specific Functional areas	Handling Secretarial and Legal Matters of the corporates from incorporation to strike off/revival of the Companies. Providing Professional Services in below areas since 2016: <ol style="list-style-type: none">1. Legal Advice to Corporates2. Handling all Legal front of Corporates3. Intellectual Property Rights4. Secretarial Compliance and Advisory5. Advisory on Corporate Restructuring
Director of other Listed Companies (excluding foreign Companies)	<ul style="list-style-type: none">• Alstone Textiles(India) Ltd• Hillridge Investments Limited w.e.f. 12.05.2023• Genesis Developers and Holdings Limited w.e.f. 12.05.2023
Membership/ Chairmanship in Audit/Stakeholder Committees of the Board in other Listed Companies	<ol style="list-style-type: none">1. Alstone Textiles(India) Ltd<ul style="list-style-type: none">• Audit Committee - Member• Stakeholder Relationship Committee - Member2. Hillridge Investments Limited<ul style="list-style-type: none">• Audit Committee - Chairman• Stakeholder Relationship Committee – Chairman3. Genesis Developers and Holdings Limited<ul style="list-style-type: none">• Audit Committee - Member
Relationship between Director Inter se	None

Item 5: Ms. Prerna Singh

Name of Director	Ms. Prerna Singh
Nationality	Indian
Date of Appointment	10/05/2023
Qualifications	B. Com & FCS
Number of Shares held in the Company	NIL
Expertise in specific Functional areas	<p>A Member of Institute of Company Secretaries with an experience of over 9 Years in Practice and providing consultancy and corporate law services to various Companies and ensuring the highest standards of transparency and governance.</p> <p>Ms. Prerna started her career with Chachan & Lath LLP where she looked after Company Law and RBI compliances and thereafter she independently started her own Company Secretary practice in 2017.</p> <p>Ms. Prerna's forte is corporate law and she has successfully provided consultancy services with regards to corporate restructuring, joint ventures, shifting of registered office, PE investments involving foreign direct investments etc</p> <p>She graduated from Delhi University with a degree in Commerce and a fellow member of the Institute of Company Secretaries of India.</p>
Director of other Listed Companies (excluding foreign Companies)	<ul style="list-style-type: none"> • Hillridge Investments Limited w.e.f. 12.05.2023 • Genesis Developers and Holdings Limited w.e.f. 12.05.2023 • Alstone Textiles(India) Ltd w.e.f 26.05.2023
Membership/ Chairmanship in Audit/Stakeholder Committees of the Board in other Listed Companies	<p>1. Hillridge Investments Limited</p> <ul style="list-style-type: none"> • Audit Committee - Member • Stakeholder Relationship Committee - Member <p>2. Genesis Developers and Holdings Limited</p> <ul style="list-style-type: none"> • Audit Committee – Chairman • Stakeholder Relationship Committee - Chairman <p>3. Alstone Textiles (India) Ltd</p> <ul style="list-style-type: none"> • Stakeholder Relationship Committee - Member
Relationship between Director Inter-se	None

SITAL LEASING AND FINANCE LIMITED

R.Off: 322, 3RDFloor, S. S. Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram-122001

CIN: L65910HR1983PLC050169; Tel. No: +91-9891709895

E-mail ID: sitalleasing83@gmail.com; sitalleasing@gmail.com

Website: www.sitalleasingfinance.com

DIRECTOR'S REPORT

To
The Members
Sital Leasing and Finance Limited

At the outset, your Company's ("SLFL") Board of directors commiserates with the families of all employees, shareholders and others who succumbed to this dreadful COVID-19 pandemic. Your directors present the Fortieth (40th) Annual Report along with the audited standalone and consolidated financial statements for F.Y. 2022-23. This report read with the Management Discussion and Analysis include details of the macro-economic scenario, Company's performance, various initiatives taken by the Company as well as its approach to risk management.

Your Director's take pleasure in presenting before you the 40th Annual Report on the business and operations of the Company along with the Annual Audited Financial Statement for the financial year ended 31st March, 2023.

FINANCIAL SUMMARY HIGHLIGHTS

The key highlights of the Audited Financial Statements of your company for FY22-23 and a comparison with the previous year is summarized below.

PARTICULARS	(IN ₹ 'Lacs')		(IN ₹ 'Lacs')	
	Standalone		Consolidated	
	31 st MARCH, 2023	31 st MARCH, 2022	31 st MARCH, 2023	31 st MARCH, 2022
Total Income	246.27	165.61	246.27	165.61
Less: Total Expenses	181.93	43.34	181.93	43.34
Profit/Loss before Tax	64.34	(13.12)	64.34	(13.12)
Share in Associate Companies			69.47	25.00
Less: Current Tax	16.29	31.79	16.29	31.79
Deferred Tax	(1.94)	(1.99)	(1.94)	(1.99)
Other comprehensive Income	-	-	-	-
MAT Credit Entitlement	-	-	-	-
Profit After Tax	49.99	(42.92)	119.47	(17.93)

1. STATE OF COMPANY AFFAIRS

During the Financial Year 2022-23, the Company has recorded total a revenue of ₹246.27 (₹IN 'Lacs') as compared to last year ₹165.61 (₹IN 'Lacs') on standalone basis. During the year company has gained Profit after Tax of Rs. 49.99 (₹IN 'Lacs') as compared to last year losses of ₹42.92 (₹IN 'Lacs').

On Consolidated basis, the Company has recorded total a revenue of ₹246.27 (₹IN 'Lacs') as compared to last year ₹165.61 (₹IN 'Lacs') on consolidated basis. During the year company has gained Profit after Tax of Rs. 119.47 (₹IN 'Lacs') as compared to last year losses of ₹17.93 (₹IN 'Lacs').

The Directors are optimistic about future performance of the Company and assure the better growth.

2. GLOBAL HEALTH PANDEMIC FROM COVID-19

The World Health Organisation declared a global pandemic of the Novel Corona virus disease (COVID-19) on February 11, 2020. This pandemic continued to be a global challenge, creating disruption across the world. The pandemic overwhelmed India's medical infrastructure. Company operations also remained affected due to restricted movement, disrupted supply lines and temporary shutdown of some customer's locations.

Amid the pandemic, the Company launched a Vaccination drive for its employees to ensure their safety. In enforcing social distancing to contain the spread of the disease, our offices and client offices all over the world have been operating with minimal or no staff for extended periods of time. In keeping with its employee-safety first approach, the Company quickly instituted measures to trace all employees and he assured of their well-being. Our teams reacted with spread and efficiency, and quickly leveraged technology to shift the workforce to an entirely new "work-from-home" model. Proactive preparations were done in our work locations during this transition to ensure our offices are safe.

3. WEB ADDRESS OF ANNUAL RETURN

The Web Address where Annual Return of the Company for the Financial Year 2022-23 referred in sub-section (3) of Section 92 has been placed at: http://sitalleasingfinance.com/resource/Share-Holders-Information/annual_return.aspx

4. CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of company.

5. SUBSIDIARY/ASSOCIATES/ JOINT- VENTURE COMPANIES

During the Financial Year 2022-23, The Company has two Associates company i.e. India Solomon Holdings Limited and Utsav Securities Private Limited. Accordingly, AOC-1 is attached to this Annual Report as separate section under **Annexure-I**.

6. SHARE CAPITAL

The Authorized Share Capital is ₹ 65,00,00,000/- and Paidup Share Capital was ₹ 61,25,73,750/- as on 31st March, 2023. There was no change in share capital of the company during the year.

7. DIVIDEND

As the company kept the profits for investment in better projects it regret not to recommend any dividend.

8. TRANSFER TO RESERVES

During the year under review Company the company has transferred ₹ 9,61,102/- to the Statutory Reserves Fund from the profits of the Company in accordance with the provision of Section 45-IC of the Reserve Bank of India.

9. RBI GUIDELINES

The Company continues to fulfil all the norms and standards laid down by the Reserve Bank of India for the Non-Banking Financial Company.

10. NBFC REGISTRATION

The Company has been registered with Reserve Bank of India as Non-Banking Finance Company Vide Registration No. B-14.02131 dated 21st December, 2001.

11. NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS, 2016

Pursuant to the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, a Certificate from the Statutory Auditors to the Board of Directors' has been received by your company. This Certificate has certified that the company has complied with all the directions and prudential Norms as prescribed under the RBI ACT, 1934.

12. NON-ACCEPTANCE OF PUBLIC DEPOSITS

The Company is a Non- Banking Finance Company (Non-Deposit taking-NDSI). Thus, Company has not accepted any Public Deposits during the Financial Year 2022-23.

13. BOARD OF DIRECTORS

During the financial year 2022-23, Mr. Subodh Kumar, Mr. Tushar Rai Sharma and Mr. Bhupendra Kaushik were appointed as an Additional Non-Executive Independent director of the company on October 13, 2022 subject to the approval of Shareholders.

On January 12, 2023, all the above mentioned three Directors i.e., Mr. Subodh Kumar, Mr. Tushar Rai Sharma and Mr. Bhupendra Kaushik resigned from their directorship citing personal reasons.

After the Closer of Financial Year Mr. Sujan Mal Mehta (DIN: 01901945) and Mr. Anil Prakash (DIN: 05187809), Non-Executive & Independent Directors resigned from their directorship citing personal reasons w.e.f. May 10, 2023.

Thereafter, Mr. Bhupendra Kaushik (DIN: 07016552), Mr. Tushar Rai Sharma (DIN: 09211414) and Ms. Prerna Singh (DIN: 10153909) were appointed as Non-Executive & Independent Directors w.e.f May 10, 2023 upto the Conclusion of this ensuing Annual General Meeting. Their Appointment is subject to regularised by shareholders in the ensuing Annual General Meeting.

The detailed profile of the Directors seeking Appointment/Re-appointment is given in the explanatory statement accompanying notice to AGM and additionally in the Corporate Governance Report forming part of the Annual Report.

During the year under review, no Non-Executive Directors (NEDs) of the Company had any pecuniary relationship or transactions with the Company

As required under Regulation 34(3) read with Schedule V Para C (10)(i) of LODR, Certificate from the Mrs. Parul Agarwal, Practicing Company Secretary that none of the Company's Directors have been debarred or disqualified from being appointed or continuing as directors of Companies, is enclosed as an Annexure to the Secretarial Auditor Report.

A. Re-Appointment of Director

Mr. Surendra Kumar Jain (DIN: 00530035), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors recommends her re-appointment.

B. Independent Directors

The Independent Directors hold office for a fixed term of upto a period of five years and are not liable to retire by rotation. The Independent Directors have submitted their disclosure to the Board that they fulfil all the requirements as to qualify for their appointment as an Independent Director under the provisions of the Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy for regularization of Independent Director is also placed on Website of the company i.e., <http://sitalleasingfinance.com/>respectively.

During the Year, a Meeting of Independent Directors was held on October 17, 2022.

C. Declaration by Independent Directors

In terms of Section 149 of the Act, Mr. Anil Prakash and Mr. Sujan Mal Mehta are the Independent Directors of the Company as on March 31, 2023. After the closure of Financial Year 2022-23, Mr. Anil Prakash and Mr. Sujan Mal Mehta had resigned on 10th May, 2023 and on the same date Mr. Bhupendra Kaushik, Mr. Tushar Rai Sharma and Ms. Prerna Singh is appointed as an Independent Director and is still as on date. The Company has received declarations from the Independent Directors to the effect that (a) they fulfil the criteria for independence as laid down under Section 149(6) of the Companies Act, 2013 and the rules framed thereunder, read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended upto date ("Listing Regulations") (b) that they have got themselves registered in the data bank for Independent Directors being maintained by the Indian Institute of Corporate Affairs (IICA), of the Ministry of Corporate Affairs, Government of India and their names are included in the data bank maintained by IICA (c) they are not aware of any circumstance or situation, existing or anticipated, which may impact or impair their ability to discharge duties (d) that they have complied with the Code for

Independent Director prescribed in Schedule IV to the Companies Act, 2013 which forms a part of the Company's Code of Conduct for Directors and Senior Management Personnel, to which as well, they affirm their compliance.

As required under Regulation 25(7) of SEBI (LODR) Regulations, the Company has programmes for Familiarisation for the Independent Directors about the nature of the Industry, Business model, roles, rights and responsibilities of Independent Directors and other relevant information. As required under Regulation 46(2)(i) of SEBI (LODR) Regulations the details of the Familiarisation Programme for Independent Directors are available at the Company's website.

D. Company's Policy on Appointment and Remuneration of Directors

The Company's Policy for the appointment of Directors and Key and Senior Managerial Personnel and their Remuneration policy can be accessed on the Company's website at the web-link <http://sitalleasingfinance.com/resource/Share-Holders-Information/Policies.aspx>

In seeking to select individuals for induction as directors on the Board of Directors of the Company, the criteria such as qualifications, positive attributes, independence as set out in the aforementioned policy, are strictly adhered to. Additionally, the knowledge, experience and expertise of the incumbent and their relevance to the Company, are other aspects covered by the policy, which are considered.

Remuneration packages for directors, key and senior management personnel, are drawn up in consonance with the tenets as laid down in the Remuneration Policy Depending upon the nature, quantum, importance and intricacies of the responsibilities and functions being discharged as also the standards prevailing in the industry the concerned individuals get the best possible remuneration packages permissible under the applicable laws, so that the Company gets to retain the best of quality and talent.

E. Board evaluation

In compliance with the requirements of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors.

Pursuant to Schedule II, Part D of LODR, the Nomination and Remuneration Committee has laid down evaluation criteria for performance evaluation of Independent Directors, which is based on attendance, expertise and contribution brought in by the Independent Director at the Board and Committee Meetings, which shall be taken into account at the time of reappointment of Independent Director.

The performance of the Independent Directors was reviewed and evaluated by the entire Board and in such exercise, the director concerned whose performance was being evaluated, did not participate.

Pursuant to Section 134(3)(p) of the Companies Act, 2013, and Regulation 25(4) of LODR, Independent Directors have evaluated the quality, quantity and timeliness of the flow of information between the Management and the Board, Performance of the Board as a whole and its Members and other required matters.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members based on criteria such as the composition of committees, effectiveness of committee meetings, etc.

The performance of Non – Executive Directors, the Board as a whole and the Chairman of the Company was evaluated by Independent Directors, after taking into account the views of the Executive Director and NEDs.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors based on criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

F. Company Secretary

Ms. Nishu Jain, an Associate Member of the ICSI, has been appointed, by the Board of Directors, as Company Secretary and Compliance Officer of the Company **with effect from April 22, 2019**. The same is continued till date.

G. Chief Financial Officer

Mr. Piyush Jain was appointed, by the Board of Directors of the Company, as Chief Financial Officer of the Company **with effect from November 12, 2018**. The same is continued till date.

H. Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed there under:-

- i. **Mr. Surendra Kumar Jain, : Managing Director**
- ii. **Ms. Nishu Jain, : Company Secretary and Compliance Officer**
- iii. **Mr. Piyush Jain, : Chief Financial Officer**

14. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provision of section 134(5) of the Companies Act, 2013 the Board confirms and submits the Director's Responsibility Statement:-

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review;
- The Directors have taken proper & sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for prevention & detecting fraud & other irregularities;
- The Directors have prepared the accounts for the Financial Year ended 31st March, 2023 on a going concern basis.

- The Directors had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively.
- The Directors had devised proper system to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

15. MEETINGS

A. BOARD MEETINGS

The Board of Directors duly met Nine (09) times during the financial year 2022-23. The dates on which meetings were held are 24/05/2022, 02/08/2022, 08/08/2022, 22/08/2022, 01/09/2022, 13/10/2022, 07/12/2022, 21/12/2022, and 12/01/2023.

The periodicity between two Board Meetings was within the maximum time gap as prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015/ Companies Act, 2013.

The Composition of the Board of Directors, their attendance at Board Meetings and last Annual General Meeting is as under: -

Name of Director	Designation	Category	Number of Board Meetings		Attendance of Last AGM
			Directors Entitled to attend	Directors attended	
Mr. Surendra Kumar Jain	Managing Director	Executive & Promoter	09	09	Yes
Mrs. Priti Jain	Director	Non-Executive & Non-Independent	09	09	Yes
Mr. Sujan Mal Mehta	Director	Non-Executive & Independent	09	09	Yes
Mr. Anil Prakash	Director	Non-Executive & Independent	09	09	Yes
Ms. Rekha Bhandari	Director	Non-Executive & Non-Independent	09	09	Yes
Mr. Bhupendra Kaushik till 12.01.2023	Director	Non-Executive & Non-Independent	03	03	NA
Mr. Tushar Rai Sharma till 12.01.2023	Director	Non-Executive & Non-Independent	03	03	NA
Mr. Subodh Kumar till 12.01.2023	Director	Non-Executive & Non-Independent	03	03	NA

B. COMMITTEE MEETINGS:-

(i). Audit Committee:

The Audit Committee comprises three Members of which two members including Chairperson of the Committee is Independent Director. During the year (4) Audit Committee Meetings were convened and held.

Meetings of the Committee:

The Committee met 4 times dated on 24/05/2022, 26/08/2022, 06/10/2022 and 12/01/2023 in F.Y. - 2022-23.

The Composition of audit committee and their attendance at the meeting are as under: -

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Mr. Anil Prakash	Chairperson,	Non-Executive, Independent Director	04	04
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	04	04
Mr. Subodh Kumartill12.01.2023	Member	Non-Executive, Independent Director	01	01
Ms. Priti Jain	Member	Non-Executive & Non-Independent	04	04

(ii). **Nomination & Remuneration Committee:**

The Nomination & Remuneration Committee comprises three members as of Now. All are Non-Executive Directors, of which two including Chairperson of the Committee are Independent Directors. During the year, (4) Nomination & Remuneration Committee Meetings was convened and held.

Meetings of the Committee:

The Committee met 4 times dated on 25/05/2022, 27/08/2022, 06/10/2022 and 11/01/2023 in F.Y. - 2022-23.

The Composition of Nomination & Remuneration Committee and their attendance at the Meeting are as under:-

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Mr. Anil Prakash	Chairperson,	Non-Executive, Independent Director	04	04
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	04	04
Mr. Subodh Kumar till 12.01.2023	Member	Non-Executive, Independent Director	01	01
Ms. Priti Jain	Member	Non-Executive & Non-Independent	04	04

The amended/updated policy of nomination policy is also placed on website of the company i.e., <http://sitalleasingfinance.com/> respectively.

(iii) **Risk Management Committee:**

The Risk Management Committee comprises three members of which two including Chairperson of the Committee are Independent Director. During the year Two (2) Risk Management Committee Meetings were convened and held.

Meetings of the Committee:

The Committee met 3 times dated on 20/07/2022, 13/10/2022 and 03/01/2023 during the financial year ended on March 31st 2023. The Composition Risk Management committee and their attendance at the meeting are as under:

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Mr. Anil Prakash	Chairperson,	Non-Executive, Independent Director	03	03
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	03	03
Ms. Priti Jain	Member	Non-Executive & Non-Independent	03	03

(iv) **Stakeholders' Relationship Committee:**

The Stakeholders Relationship Committee comprises three members of which two members are Independent Director. During the year, (02) Stakeholders Relationship Committee Meetings was convened and held.

Meetings of the Committee:

The Committee met 02 times dated on 27/05/2022 and 24/08/2022 in the FY. 2022-23. The Composition of Stakeholders' Relationship committee and their attendance at the meeting are as under: -

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Mr. Sujan Mal Mehta	Chairperson,	Non-Executive, Independent Director	02	02
Mr. Anil Prakash	Member	Non-Executive, Independent Director	02	02
Mr. Subodh Kumar till 12.01.2023	Member	Non-Executive, Independent Director	0.00	0.00
Ms. Priti Jain	Member	Non-Executive & Non-Independent	02	02

(v) **Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee comprises of four members of which two members of the Committee are Independent Director. During the year one (01) Corporate Social Responsibility Committee Meetings were convened and held.

Meetings of the Committee:

The Committee met 01 time dated on 29/06/2022 during the financial Year ended March 31st, 2023.

The Composition Corporate Social Responsibility Committee and their attendance at the meeting are as under: -

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Ms. Priti Jain	Chairperson	Non-Executive & Non-Independent	01	01
Mr. Anil Prakash	Member	Non-Executive, Independent Director	01	01
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	01	01

(vi). **Asset Liability Management Committee:**

The Asset Liability Management Committee comprises of three members of which two including Chairperson of the Committee are Independent Director. During the year Two (2) Asset Liability Management Committee Meetings were convened and held.

Meetings of the Committee:

The Committee met 2 times dated on 20/05/2022 and 29/06/2022 during the financial Year ended March 31st, 2023.

The Composition Asset Liability Management Committee and their attendance at the meeting are as under: -

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Ms. Priti Jain	Chairperson,	Non-Executive & Non-Independent	02	02
Mr. Anil Prakash	Member	Non-Executive, Independent Director	02	02
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	02	02

(vii). **Investment Committee:**

The Investment Committee comprises of three members of which two including Chairperson of the Committee are Independent Director. During the year Two (2) Investment Committee Meetings were convened and held.

Meetings of the Committee:

The Committee met one (2) times dated on 20/05/2022 and 29/06/2022 during the Financial Year ended March 31st, 2023.

The Composition Investment Committee and their attendance at the meeting are as under:

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Ms. Priti Jain	Chairperson,	Non-Executive & Non-Independent	02	02
Mr. Anil Prakash	Member	Non-Executive, Independent Director	02	02
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	02	02

Compliance Officer:

Name of the Compliance Officer	Contact Details	E-Mail ID
NISHU JAIN (Company Secretary)	011-23532539	sitalleasing83@gmail.com
Surendra Kumar Jain (Managing Director)	011-23532539	sitalleasing83@gmail.com

16. SHAREHOLDERS MEETING

There is only one Share Holders Meeting i.e. one Annual General Meeting held on 28.09.2022 at 4:00 P.M. through Video Conferencing (“VC”)/ Others Audio Visual Means (“OAVM”).

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees and Investment covered under the provisions of section 186 of the Companies Act, 2013 are not applicable to NBFC company. Further details of investment are given in the Notes to the Financial Statements.

18. INTERNAL FINANCIAL CONTROL SYSTEM

Internal financial controls of the Company are commensurate with the nature and size of business operations. Your Directors are of the view that there are adequate policies and procedures in place in the Company so as to ensure:

- (1) 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.

19. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The statement containing the top ten employees and the employees drawing remuneration in excess of limit prescribed under Section 197(12) of the Companies Act, 2013 (Act) read with Rule 5(2) & (3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of the report. However, In terms of the proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the said information on employees' particulars. The said statement is also available for inspection at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

20. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015, Company has established a vigil mechanism and has a whistle blower policy. The policy provides the mechanism for the receipt, retention and treatment of complaints and to protect the confidentiality and anonymity of the stakeholders. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee for redressal. No person has been denied access to the Chairman of the Audit Committee.

The whistle Blower Policy is available on the website of the company i.e., <http://sitalleasingfinance.com/>.

21. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to or developments/happenings in respect of such matters, during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme including the stock option schemes in force in the Company.
3. Passing of Material orders by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. Corporate insolvency resolution process initiated or pending of any insolvency proceedings under the insolvency and bankruptcy code, 2016 (IBC)

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are some Related Party Transactions under the provisions of section 188 of the Companies Act, 2013. Therefore Form AOC-2 attached for the purpose as **Annexure II**

23. MANAGEMENT DISCUSSION ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, is presented in a Separate Section which forms part of the Annual Report under **Annexure III**.

24. CORPORATE GOVERNANCE

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirements) Regulation, 2015, Report on Corporate Governance is applicable as the Company is within the prescribed limit that the Paid-up Share Capital of the Company is INR 61,25,73,750/- (Rupees Sixty One Crores Twenty Five Lakhs Seventy Three Thousand Seven Hundred and Fifty Only) and Net worth is INR 974,14,66,859/- (Rupees Nine hundred and Seventy Four Crore Forteen Lakhs Sixty- Six Thousand Eight Hundred and Fifty- Nine Only) as at March 31st, 2023.

Pursuant to the applicable regulation of SEBI (LODR) Regulations, 2015 read with Schedule V thereto, a detailed report on Corporate Governance is presented in a Separate Section which forms part of the Annual Report under **Annexure IV**. A Practicing Company Secretary's Certificate certifying the Company's compliance with the requirements of Listing regulations as set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached to the Report.

25. AUDITORS

A. STATUTORY AUDITOR

M/s Tiwari & Mishra, Chartered Accountants (Firm Registration No. 018393N), Statutory Auditors of the Company, have in compliance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit And Auditors) Rules, 2014, were appointed in the 28th Annual General Meeting held on September 29, 2022, as the Statutory Auditors of the Company to hold office as such for a term of five years, from the financial year 2022-23 to 2026-27.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

- **Statutory Auditor's Report**

The Auditors have given an Audit Report on Financial of 2022-23 and annexed herewith marked as **Annexure V** to the annual report.

- **Statutory Auditor's Observations**

The observations made by Auditors with reference to notes to account are Self-explanatory and need no comments. The Board of Directors considered the matter and seeking to resolve the matter, if any.

B. SECRETARIAL AUDITOR

The Company has appointed ACS Parul Agarwal, Company Secretary as Secretarial Auditor to conduct the Secretarial Audit for the year 2022-23.

- **Secretarial Auditor's Report**

The Secretarial Audit Report is annexed herewith marked as **Annexure- VI** to this report in **Form No. MR-3**.

- **Secretarial Auditor's Observations**

The observations made by Auditors with reference to notes to account are Self-explanatory and need no comments.

The Board of Directors considered the matter and seeking to resolve the matter, if any.

C. INTERNAL AUDITOR

The Company has appointed Mr. Bharat Bhushan as an Internal Auditor of the Company for the financial year 2022-23.

- **Internal Auditor's Report**

Mr. Bharat Bhushan placed the internal audit report to the Board of Directors.

- **Internal Auditor's Observations**

Internal Audit Report is Self-explanatory and need no comments.

26. MAINTENANCE OF COST RECORDS

Maintenance of Cost Audit 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 and accordingly such accounts and records are not required to be made and maintained.

27. ENHANCING SHAREHOLDER VALUE

Our Company firmly believes that its success in the market place and a good reputation is among the primary determination of value to the shareholders. For this purpose, the Management has listed its shares on Metropolitan Stock Exchange of India Limited (MSE) having nationwide trading platform.

28. DEMATERIALISATION OF SHARES

The Company has connectivity with NSDL & CDSL for dematerialization of its equity shares. The ISIN- **INE341001029** has been allotted for the Company. Therefore, the matter and/or investors may keep their shareholding in the electronic mode with their Depository Participates. 86.61% of the Company's Paid-up Share Capital is in dematerialized form and balance 13.39% is in physical form as on 31st March, 2023.

29. **PARTICULARS OF EMPLOYEES**

Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:-

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March, 2023.

Sr. No.	Name of Directors	Remuneration P.A	Ratio to Median Remuneration of Employees
1.	Mr. Surendra Kumar Jain	-	-

Note: No sitting fees paid to Independent Directors and Non-executive director and hence not included in the above table.

2. The percentage increase in remuneration of each director CFO, CEO, Company Secretary or Manager, if any, in the financial year 2022-23: Nil
3. There are 7 numbers of permanent employees on rolls of the company as on 31st March, 2023.
4. Affirmation that the remuneration is as per the remuneration policy of the company:

Pursuant to Rule 5(1) (Xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

* There will be no increment in CS remuneration as per the policy of the company.

30. **CREDIT RATING**

The Directors of the Company are pleased to report that the Company get its membership Certificate from all four CICs i.e. TransUnion Credit Information Bureau (India) Limited (CIBIL), Equifax Credit Information Services Private Limited (ECIS), Experian Credit Information Company of India Pvt. Ltd, CRIF High Mark Credit Information Services Pvt. Ltd.

31. **EXPOSURE TO REAL ESTATE**

The Real Sector Exposure is NIL during the Year.

32. **CAPITAL FUND TO RISK WEIGHTED ASSETS**

Percentage to capital funds to risk weighted assets/exposures:

Particulars	(In %)
Tier -I Capital	128.32
Tier-II Capital	0.12
Total	128.44

33. HEALTH, SAFETY AND ENVIRONMENT PROTECTION

The Company has complied with all the applicable environmental law and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

34. HUMAN RESOURCES

People remain the most valuable asset of your Company. Your Company follows a policy of building strong team of talented professionals. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. It has built an open, transparent and meritocratic culture to nurture this asset.

The Company recognizes people as its most valuable asset and The Company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operations of the Company.

35. DISCLOSURE OF FRAUDS IN THE BOARD'S REPORT UNDER SECTION 143 OF THE COMPANIES ACT, 2013

During the year under review, your Directors do not observe any transactions which could result in a fraud. Your Directors hereby declares that the Company has not been encountered with any fraud or fraudulent activity during the Financial Year 2022-23.

36. COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock Exchange(s), Securities and Exchange Board of India (SEBI) etc.

The Company has complied with all applicable provisions of the Companies Act, 2013, Listing Agreement executed with the Stock Exchange(s), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

37. SECRETARIAL STANDARDS OF ICSI

Pursuant to the approval by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India on April 10, 2015, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 01, 2015. Thereafter, Secretarial Standards were revised with effect from October 01, 2017. The Company is in compliance with the Secretarial Standards.

38. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Policy is available on the website of the company i.e. www.sitalleasingfinance.com

The following is a summary of Sexual Harassment Complaints received and disposed of during the year 2022-23.

- **No of complaints received** : **0**
- **No of complaints disposed of** : **N.A.**

39. DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY

In compliance with Regulation 21(2) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 as amended upto date, pursuant to the recent amendment in such regulations notified by SEBI on May 5, 2021, a Risk Management Committee was constituted by the Board of Directors comprising of Mrs. Priti Jain, Non-Executive Director as the Chairman, Mr. Anil Prakash and Mr. Sujan Mal Mehta, both are Independent Directors, to oversee implementation of the Risk Management Policy in force in the Company, and monitor and evaluate risks, basis appropriate methodology, processes and systems.

After closure of Financial Year 22-23, upon the resignation of Mr. Anil Prakash and Mr. Sujan Mal Mehta on 10th May, 2023, Mr. Bhupendra Kaushik and Mr. Tushar Rai Sharma, both are Independent Directors, were appointed as the member of the Risk Management Committee.

The Risk Management Policy is in force and application in the Company, has been drawn up based on a detailed assessment of the operational risks, risks associated with related business in India, in general and the business of the Company in particular.

The Risk management Policy also covers the risks related to the Company assets and property, the risks which the employees of the Company may get exposed to, the risks arising out of non-compliance if any, with the provisions of and requirements laid down under various applicable statutes, Foreign Exchange related risks, risks which could emanate from business competition, contractual risks etc.

The assets of the Company are adequately insured against the loss of fire, riot, earthquake, terrorism, loss of profits, etc. other risks which considered necessary by the management. The Company has been addressing the various risks impacting the Company and policy of the Company on risk management is continuously reviewed by the Management of the Company.

Management Discussion and Analysis Report which forms part of the Annual Report identifies key risks, which can affect the performance of the Company. The policy has been uploaded on the website of the Company.

40. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF FY OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

Apart from the information provided/disclosures made elsewhere in the Directors' Report including Annexures thereof, there are no material changes and commitments affecting the financial position of the Company, occurred between the end of the Financial year of the Company i.e. March 31, 2023 till date of this Report.

41. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

During the Financial Year 2022-23, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company.

42. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of the Companies Act, 2013 along with the Rules there under and revised Schedule VII to the Act, concerning Corporate Social Responsibility (CSR), have been notified on 27th February 2014, which came into effect from 1st April 2014, the Company being covered under the provisions of this section and has taken necessary initial steps in this regard.

The Corporate Social Responsibility Policy of the Company is displayed on website of the company www.sitalleasingfinance.com. As the Company has spent Rs. 2,08,503/- for the F.Y.- .2022-23 towards CSR activities. The company has spent the said amount in **Jain Swetamber Terapanthi Sabhi**. The Entity has been registered for undertaking CSR activities and the registration number is CSR00008177. Nature of CSR activities could be related to education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently able and livelihood enhancement projects. An annual report on CSR activities pursuant to section 135 of Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Rules), 2014 is annexed herewith as **Annexure - V**.

43. CRYPTO / VIRTUAL CURRENCY

The company has not traded Crypto/Virtual Currency during the Financial Year 2022-23.

44. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished.

(A) Conservation of energy

Steps taken / impact on conservation of energy, with special reference to the following:
Steps taken by the company for utilizing alternate sources of energy including waste generated: **NIL**

(B) Technology absorption

Efforts, in brief, made towards technology absorption. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.-The Company has not taken any technical knowhow from anyone and hence **not applicable**.

In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: **NIL**

Expenditure incurred on Research and Development: The Company has not incurred any expenditure on research and development.

(C) Foreign Exchange Earnings/ Outgo:

Foreign Exchange Earnings and Outgoings	31st March, 2023	31st March, 2022
Earnings in Foreign Currency (FOB Value of exports)	NIL	NIL
Expenditure in Foreign Currency	NIL	NIL

45. DETAILS OF APPLICATION MADE FOR OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016.

During the year under review, there were no Application made or proceeding in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

46. CODE OF CONDUCT ON SEBI (PIT)

The Company has laid down a code of conduct for all Board members and senior management personnel. The Code of Conduct is available at company's website <http://sitalleasingfinance.com/>

47. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

During the year under review, there has been no one time settlement of loans taken from Banks and Financial Institutions.

48. GREEN INITIATIVES:

This year too, Annual Report and the notice of the 40th Annual General meeting of the Company are being sent to all members electronically, at their registered e-mail ids as made available to the Company or its Registrar and Transfer Agent, Bigshare Services Pvt Ltd.

The e-voting facility is being provided to the members to enable them to cast their votes electronically on all resolutions sent forth in the notice, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are provided in the notice.

Furthermore, in compliance with the conditions and the related procedure laid down in the MCA Circulars, the meeting and the voting thereat shall take place in the manner so laid down.

ACKNOWLEDGEMENT

The Directors are thankful to the Bankers, Customers, Dealers, and Vendors for their valuable support and assistance.

The Directors wish to place on record their appreciation of the commendable work done, dedication and sincerity by all the employees of the Company at all levels during the year under review.

The Company will make every effort to meet the aspirations of its shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

**For and on behalf of the Board of Directors
Sital Leasing and Finance Limited**

**Date: 02/09/2023
Place: GURGAON**

**Priti Jain
Director
DIN: 00537234**

**Surendra Kumar Jain
Managing Director
DIN: 00530035**

FORM NO. AOC-1**(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)****Part “B” Associates and Joint Ventures****Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures****(IN ₹)**

S. NO.	Name Of Associates/ Joint Ventures	India Solomon Holdings Limited	Utsav Securities Private Limited
1	Latest Audited Balance Sheet Date	31-03-2023	31-03-2023
2	Date of acquisition of shares in the company	31-03-2011	31-03-2011
3	Shares of Associate/Joint Ventures held by the Company on the year end		
i.	No. of Shares	32,50,000	32,50,000
ii.	Amount of Investment in Associates/Joint Venture	325,00,00,000/-	325,00,00,000/-
iii.	Extend of Holding %	28.43%	30.20%
iv.	Networth attributable to Shareholding as per latest audited Balance Sheet	972,20,67,102	858,71,66,478
v.	Profit /Loss for the year	2,36,81,614	7,08,516
	i. Considered in Consolidation	67,32,683	2,13,972
	ii. Not Considered in Consolidation	1,69,48,931	4,94,544

**For and on behalf of the Board of Directors
Sital Leasing and Finance Limited****Date: 02/09/2023
Place: GURGAON****Priti Jain
Director
DIN: 00537234****Surendra Kumar Jain
Managing Director
DIN: 00530035**

FORM NO. AOC - 2

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

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

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

- (a) Name(s) of the related party and nature of relationship: **Enclosed**
 (b) Nature of contracts/arrangements/transactions: **NIL**
 (c) Duration of the contracts/ arrangements/transactions: **NIL**
 (d) Salient terms of the contracts or arrangements or transactions including the value: **NIL**
 (e) Justification for entering into such contracts or arrangements or transactions: **NIL**
 (f) Date of approval by the Board: **NIL**
 (g) Amount paid as advances: **NIL**
 (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: **NIL**

As per Accounting Standard 18 on Related Party Disclosure issued by the Institute of chartered Accountants of India, the nature and volume of transaction of the company during the year with the related parties were as follows:

Name of the Related Party	Relationship	Nature of Transaction	Number of Transaction	Amount of Transaction	Amount O/son B.S Date
KDG Properties & constructions Private Limited	Virendra Jain is Director of KDG Properties & Construction Pvt. Ltd. and Brother of Surendra Kumar Jain	Investment	0	0	200,00,00,000/-
Utsav Securities Private Limited	Virendra Jain is Director of Utsav Securities Pvt. Ltd. and Brother of Surendra Kumar Jain	Investment	0	0	325,00,00,000/-
Nishu Jain	Company Secretary	KMP Remuneration	12	1,80,000/-	1,80,000/-

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

We have prepared a comprehensive overview of the finance space sequenced as macroeconomic view, industrial and exports revival in India, rising middle class, digital leap fogging and financing demand.

A. ECONOMIC OUTLOOK

FY22-23 Macroeconomic Overview

Economy Back to Growth, Business as Usual

It is a big relief to see world economy getting back on growth. India started seeing economic revival in FY22-23 is certainly a turnaround year. Countries have adapted to Covid and consequently economies have opened up. This is due to higher inoculation of populations with vaccines. Environment is very positive. Economy Back to Growth, Business As Usual According to IMF's World Economic Outlook (Apr'22), Full Year GDP Growth in India averaged 6.19 percent from 2006 until 2023, reaching an all-time high of 9.10 percent in 2022 and a record low of -5.80 percent in 2021. According to IBEF, Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock.. Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding 2019-20, indicating a strong start for India's recovery from the pandemic.

India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. The world economy is projected to grow by 3.6% each in 2022 and 2023 from a growth of 6.1% in 2021 and normalize in the range of 3.3%-3.4% over the medium term. India is the third largest economy as per World Bank and is projected to fare better than peers with an impressive estimated growth of 8.2% in 2022 and 6.9% in 2023. As per various leading research institutions, Indian economy has the potential to deliver the highest GDP CAGR globally, driven by various structural policy measures taken by the Indian government.

Global Economic Overview:

The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest. Global economic prospects remain extremely uncertain one year into the pandemic. New virus mutations and the accumulating human toll raise worries, while increasing vaccine coverage lifts sentiment. The outlook depends on the impact of virus and the effectiveness of vaccines; it additionally centres on how effectively economic policies are deployed under such uncertain times. The International Monetary Fund (IMF) projects global economic growth will fall to 2.9 percent in 2023 but rise to 3.1 percent in

2024. The 2023 forecast is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook but below the historical average of 3.8 percent. Rising interest rates and the war in Ukraine continue to weigh on economic activity. China's recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic levels. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic. Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy. Structural reforms can further support the fight against inflation by improving productivity and easing supply constraints, while multilateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation.

B. COMPANY OVERVIEW

The company is engaged in financial Services by way of loans against shares / liquid securities, promoter funding, short/medium/long term corporate loans to SME and Mid-size corporate with or without security and Investment Activities by way of Investing in equity/securities of listed and unlisted companies and Lending activities, where the outlook of the business seems to be encouraging over and above we have been diversified into different businesses ranging from third party product distributions (lowest balance sheet risk) to originating unsecured personal loans, corporate loans (highest balance sheet risk). We believe that we are well placed to leverage on the growth opportunities in the economy.

D. FINANCIAL PERFORMANCE

During the Financial Year 2022-23, the Company has recorded total a revenue of ₹246.27 (₹IN 'Lacs') as compared to last year ₹165.61 (₹IN 'Lacs') on standalone basis. During the year company has gained Profit after Tax of Rs. 49.99 (₹IN 'Lacs') as compared to last year losses of ₹42.92 (₹IN 'Lacs').

On Consolidated basis, the Company has recorded total a revenue of ₹246.27 (₹IN 'Lacs') as compared to last year ₹165.61 (₹IN 'Lacs') on consolidated basis. During the year company has gained Profit after Tax of Rs. 119.47 (₹IN 'Lacs') as compared to last year losses of ₹17.93 (₹IN 'Lacs').

The Directors are optimistic about future performance of the Company and assure the better growth.

D. OPPORTUNITIES & THREATS

Opportunities

- Increase in Income levels will aid greater penetration of financial products.
- Positive regulatory reforms.
- Increase in corporate growth & risk appetite.
- Greater efficiency in debt market operations which will also help greater penetration.
- Increased securitization.
- Focus on selling new product/services.

Threats

- Inflation could trigger increase in consumer price inflation, which would dampen growth.
- Increased competition in both local & overseas markets.
- Unfavourable economic development.
- Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates.

E. RISK MANAGEMENT AND CONCERNS

Your company operates in the Financial Services Sector, which is affected by variety factors linked to economic development in India and globally which, in turn, also affected global fund flows. Any economic event across the globe can have direct or indirect impact on your company. To mitigate this, Company has diversified its revenue stream across multiple verticals.

Your Company's risk management system is a comprehensive and integrated framework comprising structured reporting and stringent controls. Through its approach it strives to identify opportunities that enhance organizational values while managing or mitigating risks that can adversely impact the company's future performance. Within the organization, every decision taken is after weighing the pros and cons of such a decision-making taking note of the risk attributable.

Your Company has established a guideline to inform board members about the risk assessment and mitigation process. The Company manages, evaluates, and reports on the major risks and uncertainties that may jeopardize its ability to meet its strategic goals. The Company's Risk Management Policy focuses on identifying, assessing, and managing risks related to the Company's assets and property, Employees, Foreign Currency Risks, Operational Risks, Non-compliance with statutory enactments, Competition Risks, and Contractual Risks.

F. HUMAN RESOURCE

The Company keeps developing its organizational structure consistently over time. Your company has been working diligently to develop its human resource skills, competencies, and capabilities, which is essential to achieving the desired results in line with its strategic business objectives. Efforts are made to follow excellent Human Resource practices. Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices.

The human resource policy of your Company creates an environment that encourages employees to achieve their maximum potential. The Company has developed a recruitment strategy that ensures the right candidate with the relevant skills is recruited for the role.

The objective of your Company is to create a workplace where every person can achieve his or her full potential. The employees are encouraged to put in their best. Lot of hard work is put in to ensure that new and innovative ideas are given due consideration to achieve the short-term and long-term objectives of your company.

G. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The employees are satisfied and having good relationship with the Management. Your Company values each employee, supports them, and strives to provide opportunities based on their skill sets, resulting in mutually beneficial relationships between the company and its employees. Your Company has developed a policy that increases employee job satisfaction while simultaneously increasing production.

H. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of conduct for its employees including the director.

I confirm that the Company has in respect of the Financial Year ended 31st March, 2022, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the code of Conduct as applicable to them.

I. DISCLOSURE OF ACCOUNTING TREATMENT

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions of the 2013 Act, as applicable. The Financial Statements have been prepared on going concern basis under the historical cost convention on accrual basis.

The Company has follows to continue with the period of 1st day of April to 31st day of March, each year as its Financial Year for the purpose of Preparation of Financial Statements under the provisions of Section 2(41) of the Companies Act, 2013.

J. INTERNAL CONTROL SYSTEMS

Your Company has an internal control system that is suitable to the characteristic and scale of its operations and that efficiently and effectively addresses all aspects of the business and functional departments.

The framework encompasses a compliance management team with established policies, norms, and procedures, as well as applicable statutes, rules, and regulations, as well as an inbuilt system of checks and balances, to ensure that appropriate and prompt corrective actions are taken in the event of any discrepancies from the defined standards and parameters.

Internal control systems are examined on a regular basis for effectiveness and deliverability, so that any necessary precautions to reinforce them can be undertaken in response to changing company requirements. Your Company conducts ongoing reviews of its systems, procedures, and controls, comparing and aligning them with industry standards.

K. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

CORPORATE GOVERNANCE REPORT

(As Required Under Regulation 27 of SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

INTRODUCTION

Corporate governance is a term that refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations. The Corporate Governance is a key element in enhancing investor confidence, promoting competitiveness and ultimately improving economic growth.

The objective of Corporate Governance is “Enhancement of Long-Term Shareholders Value and ensuring the protection of rights of the shareholders” and your company reiterates its commitment to good Corporate Governance.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company policy on Corporate Governance rests on the pillars of Transparency, Accountability, Integrity, Equity and Environment responsibility in all facets of its operations. Good Corporate Governance therefore, embodies both enterprise (performance) and accountability (conformance).

The Company is committed to good Corporate Governance and its philosophy of Corporate Governance aims at establishing and practicing a system of good Corporate Governance which will assist the management in managing the Company's business in an efficient and transparent manner towards fulfilling the corporate objectives and meet the obligations and serve the interest of the stakeholders. The Company's endeavour has always been to maximize the long term value to the shareholders of the Company

Independent directors are appointed not merely to fulfil the listing requirement but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions.

MEETINGS

1. BOARD OF DIRECTORS

The Board of Directors in the Company has been constituted in a manner which ensures appropriate combination of Executive Directors and Non-executive Directors, and having proper mix of non-independent and independent directors to ensure proper governance and management. The Board members have collective experience in diverse fields.

As on March 31, 2023 the Board of Directors (Board) consists of one executive director and four non-executive directors out of which two directors are Independent Director of the Company. As per the requirement of companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (SEBI Listing Regulations), The Independent Directors constitutes less than fifty percent of the total Board composition with two out of Five directors on the Board of the Company being independent. After the closure of Financial Year, the Independent Directors constitutes less than fifty percent of the total Board composition with two out of Five directors on the Board of the Company being independent The Board also has two directors who is a non-executive women Director.

After Closer of Financial year, the Board consist of one executive director and five non-executive directors out of which three directors are Independent Director of the Company.

The Board of Company consists of Six (6) Directors with a fair representation of executive, non-executive, independent directors and women director.

The Composition and Category of Board during the year as follows:

S. NO.	NAME	DESIGNATION	CATEGORY
1.	Mr. Surendra Kumar Jain	Managing Director	Executive & Non- Independent
2.	Mrs. Priti Jain	Director	Non- Executive & Non- Independent
3.	Mr. Sujan Mal Mehta	Director	Non- Executive & Independent
4.	Mr. Anil Prakash	Director	Non- Executive & Independent
5.	Ms. Rekha Bhandari	Director	Non-Executive & Non- Independent
6.	Mr. Bhupendra Kaushik*	Director	Non- Executive & Independent
7.	Mr. Tushar Rai Sharma*	Director	Non- Executive & Independent
8.	Mr. Subodh Kumar*	Director	Non- Executive & Independent
9.	Ms. Prerna Singh**	Director	Non- Executive & Independent

* Mr. Bhupendra Kaushik, Mr. Tushar Rai Sharma and Mr. Subodh Kumar who was appointed as additional Non- Executive & Independent on October 13, 2022 has resigned w.e.f. January 12, 2023 and out of which Mr. Bhupendra Kaushik, Mr. Tushar Rai Sharma are appointed on the Board again w.e.f. May 10, 2023 till this ensuing Annual General Meeting.

** Ms. Prerna Singh Appointed W.e.f. May 10, 2023 till this ensuing Annual General Meeting.

None of the Directors on the Board held directorship in more than seven listed companies. Further, the Executive director of the Company, do not serve as an Independent director in any listed company as mentioned in regulation 17A(2) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (SEBI Listing Regulations).

None of the directors on the Board is a member of more than ten committees or chairperson of more than five committees across all Public Limited companies in which he/ she is a director. In computing the said number only Audit Committee and Stakeholders Committee, have been considered.

Further, none of the Independent Directors on the Board is serving as an Independent Director in more than seven listed companies or a whole-time director/MD in any listed entity.

Except Mr. Surendra Kumar Jain, who holds 11,47,500 equity shares and Mrs. Priti Jain, who holds 6,10,085 equity shares in the Company, no other director holds any share/ convertible instruments in the Company.

None of the Non-executive Director had any pecuniary relationship with or entered any pecuniary transactions with the Company, during the financial year 2022-23.

During the year 2022-23, there is the change in the management of the company. On 13th October, 2023, Mr. Bhupendra Kaushik, Mr. Tushar Rai Sharma and Mr. Subodh Kumar was appointed as an Independent Director of the company.

All the above mentioned three independent directors, Mr. Bhupendra Kaushik, Mr. Tushar Rai Sharma and Mr. Subodh Kumar, resigned from his directorship of the company citing personal reasons.

The Board of Directors of the Company do hereby confirm that in their opinion that all Independent Directors of the Company fulfil the conditions specified in SEBI LODR Regulations 2015 and are Independent of management of the Company.

Woman Directors

The Company, in compliance of the provisions of Section 149 read with Rule 3 of the Companies (Appointment and Qualifications of Directors), 2014 has two Non-executive Woman Directors on the Board, which is Mrs. Priti Jain and Ms. Rekha Bhandari, Woman Directors who was appointed with effect from September 16, 2008 and October 05, 2020 respectively, as an Additional Woman Director and subsequently their appointment were regularised. Later on, Mrs. Prerna Singh, who was appointed as Non-Executive Women Independent Director as an Additional Director, subject to her regularisation in the ensuing AGM. The Company doesn't fall under the category of top 1000 listed companies (as per the market capitalisation of preceding year), therefore provision of Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 does not apply to the company and there is no mandatorily required to appoint one women independent director.

Board Meetings

The Board of Directors duly met Nine (09) times during the financial year 2022-23. The dates on which meetings were held are 24/05/2022, 02/08/2022, 08/08/2022, 22/08/2022, 01/09/2022, 13/10/2022, 07/12/2022, 21/12/2022, and 12/01/2023.

The periodicity between two Board Meetings was within the maximum time gap as prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015/ Companies Act, 2013.

The Composition of the Board of Directors, their attendance at Board Meetings and last Annual General Meeting is as under: -

Name of Director	Designation	Category	Number of Board Meetings		Attendance of Last AGM
			Directors Entitled to attend	Directors attended	
Mr. Surendra Kumar Jain	Managing Director	Executive & Promoter	09	09	Yes
Mrs. Priti Jain	Director	Non-Executive & Non-Independent	09	09	Yes
Mr. Sujan Mal Mehta	Director	Non-Executive & Independent	09	09	Yes
Mr. Anil Prakash	Director	Non-Executive & Independent	09	09	Yes
Ms. Rekha Bhandari	Director	Non-Executive & Non-Independent	09	09	Yes
Mr. Bhupendra Kaushik till 12.01.2023	Director	Non-Executive & Non-Independent	03	03	NA
Mr. Tushar Rai Sharma till 12.01.2023	Director	Non-Executive & Non-Independent	03	03	NA
Mr. Subodh Kumar till 12.01.2023	Director	Non-Executive & Non-Independent	03	03	NA

The Minutes of the Meetings of the Board of Directors are discussed and taken note and bind with Minute's Book.

Information provided to the Board:

The Board of the Company is presented with all information under the following heads, whenever applicable and materially significant. These are summarised either as part of the agenda will in advance of the Board Meetings or are tabled in the course of the Board Meetings. This, inter-alia, include:

- Annual operating plans of businesses, capital budgets, and updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Materially important litigations, show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents.
- Any material default in financial obligations to and by the Company or substantial non-payment for services rendered by the Company.
- Details of any joint venture or collaboration agreement or new client win.
- Any issue, which involves possible public liability claims of substantial nature, including any judgment or order, which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Transactions had involved substantial payments towards good-will, brand equity, or intellectual property.
- Significant development in the human resources front.
- Sale of material, nature of investments, subsidiaries, assets which is not in the normal course of business.
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement.
- Quarterly update on the return from deployment of surplus funds.
- Non-compliance of any regulatory or statutory provisions or listing requirements as well as shareholder services as non-payment of dividend and delays in share transfer.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources /Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

2. MEETING OF INDEPENDENT DIRECTORS:

In compliance with the requirements set out in Schedule IV to the Companies Act, 2013 read with the SEBI (LODR) Regulations, 2015 and Secretarial Standard on Board Meeting (SS-1) a separate meeting of Independent Directors of the Company was held on October 17, 2022 during the financial year 2022-23.

The Meeting shall:

- Review the performance of non-independent directors and the Board as a whole;
- Review the performance of Chairman of the company, taking into account the views of Executive Directors and Non-Executive Directors and;
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Confirmation Regarding Independent Directors

The Board of Directors of the Company do hereby confirm that in their opinion that all Independent Directors of the Company fulfil the conditions specified in SEBI LODR Regulations 2015 and are Independent of management of the Company.

Familiarization Programmers for Independent Director

With an aim to provide insights into the Company to enable the Independent Directors to understand its business in depth and contribute significantly, familiarization program has been designed for the Independent Directors.

The Company, on regular basis makes detailed presentations to the Board including Independent Directors, on the Company's operation and business plans, the nature of industry in which Company operates, and model of respective businesses.

At the time of appointing a director, a formal letter of appointment is given to him/ her, which inter alia explains the role, function, duties and responsibilities expected by him/her as a director of company. The chairman and Managing Director also have a one-to-one discussion with the newly appointed director to familiarize him/her with the company operations.

In compliance with the requirement of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Independent Directors of the Company are made aware of their role, responsibilities, and liabilities at the time of their appointment/reappointment through a formal letter of appointment which stipulates various terms and conditions of their engagement apart from clarifying their roles and responsibilities.

Further, in line with the policy of the Company as framed in this regard and in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a familiarization exercise for Independent Directors of the Company was carried out during the financial year 2022-2023.

The Familiarization Programmers policy for the directors is given on the website of the company i.e., <http://sitalleasingfinance.com/>

Code of Conduct

In order to adopt Corporate Governance practice in its true spirit, the Company has adopted a "Code of Conduct" for its employees including Managing/Executive Director and senior management. In addition, the Company has also adopted a Code of Conduct for its Non- Executive Directors, which includes duties of the Independent Directors as laid down in the Companies Act, 2013 (the "Act"). These codes are available on the website of the Company. Further, the Company's Corporate Governance philosophy has been strengthened through the "Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices".

(i) Code of Conduct and Ethics

The Company has laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company, which also includes the duties and responsibilities of both Executive and Non-Executive directors as laid down under in the Companies Act, 2013 and SEBI Regulations. The Code of Conduct is available on the website of the Company http://sitalleasingfinance.com/resource/Share-Holders-Information/code_of_conduct.aspx

None of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its Promoters or Directors, its Senior Management or its Subsidiaries.

All Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them, for the Financial Year 2022-2023. A declaration signed by the Mr. Surendra Kumar Jain, Managing Director and Mr. Piyush Jain, Chief Financial Officer of the Company, to this effect, appears at the end of this Report.

(ii) Code of Conduct for Prevention of Insider Trading

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Board of Directors of the Company has adopted Code of Conduct for prevention of Insider Trading and the Code of Corporate Disclosure Practices (Insider Trading Code).

All the Directors, Employees of the Company and their immediate relatives and other connected persons who could have access to the Unpublished Price Sensitive Information of the Company, are governed under this Insider Trading Code.

COMMITTEES MEETINGS

The Board has various committees which act in accordance with the terms of reference determined by the Board. Meetings of each of these Committees are convened by the respective Chairman. Matters requiring Board's attention/approval are placed before the Board. The role, the composition of these Committees including the number of meetings held during the financial year and the related attendance details are provided below. The Board has Seven Committees namely:

- (a) **Audit Committee**
- (b) **Nomination & Remuneration Committee**
- (c) **Stakeholders Relationship Committee**
- (d) **Risk Management Committee**
- (e) **Corporate Social Responsibility Committee**
- (f) **Asset Liability Management Committee**
- (g) **Investment Committee**

A. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in compliance with provisions of Regulation 18 of SEBI Listing Regulations 2015 and Section 177 of the Companies Act 2013 and as on March 31, 2023 comprised of Four members namely, Mr. Anil Prakash as the Chairperson and member, Mrs. Priti Jain, and Mr. Suajn Mal Mehta and Mr. Subodh Kumar (w.e.f. October 13, 2022 to January 12, 2023) as the other members. Mr. Anil Prakash and Mr. Suajn Mal Mehta are Non-Executive Independent Directors and Mrs. Priti Jain is a Non-Executive Director. The Secretary of the Company also acts as Secretary of the Audit Committee.

After closure of Financial Year, Mr. Bhupendra Kaushik and Mr. Tushar Rai Sharma was appointed as the member of the committee in place of Mr. Anil Prakash and Mr. Suajn Mal Mehta on May 10, 2023. Mr. Bhupendra Kaushik was appointed as the chairman from the same date.

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

All the members are financially literate and having expertise in the fields of finance, accounting, development, strategy and management.

Brief description of the terms of reference

In terms of Section 177 of the Companies Act, 2013 and Regulation 18 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, read with Part-C of Schedule II of the Regulations the role of Audit Committee, inter-alia includes the following:

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing the financial statements and auditor's report, including quarterly/ half yearly financial information thereon before submission to the board for approval.
- Reviewing with management the annual financial statements and auditor's report before submission to the Board, focusing primarily on:
 - ❖ Any changes in accounting policies and practices;
 - ❖ Major accounting entries based on exercise of judgment by management;
 - ❖ Qualifications in draft audit report;
 - ❖ Significant adjustments arising out of audit;
 - ❖ Compliance with accounting standard;
 - ❖ Compliance with stock exchange and legal requirements concerning financial statements;
 - ❖ Any related party transactions as per Accounting Standard 18.
 - ❖ Reviewing the Company's financial and risk management policies.
 - ❖ Disclosure of contingent liabilities.
 - ❖ Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
 - ❖ Discussion with internal auditors of any significant findings and follow-up thereon.
 - ❖ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - ❖ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - ❖ Reviewing compliances as regards the Company's Whistle Blower Policy.
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of fund utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- approval or any subsequent modification of transactions of the Company with related parties.
- scrutiny of inter-corporate loans and investments
- valuation of undertakings or assets of the Company, wherever it is necessary.
- evaluation of internal financial controls and risk management systems.
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments existing as on the date of coming into force of this provision.
- consider and comment on rationale, cost-benefits and impacts of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- The Audit Committee is entrusted with the responsibility to supervise the Company's internal control and financial reporting process.
- **Mandatory review of following information:**
 - ❖ Management discussion and analysis of financial condition and results of operations;
 - ❖ Statement of significant related party transactions, submitted by management;
 - ❖ Management letters/ letters of internal control weaknesses issued by Statutory Auditors
 - ❖ Internal Audit reports related to internal control weaknesses; and:
 - ❖ Appointment, removal and terms of remuneration of Internal Auditor
 - ❖ Statement of deviations in accordance with regulation 32.

Meetings of the Committee:

The Audit Committee comprises of three members (including Chairman of Audit Committee), out of which two members (including Chairman of the Committee) are Independent Director. During the Year 04 Audit Committee Meetings were convened and held.

The Committee met 4 times dated on 24/05/2022, 26/08/2022, 06/10/2022 and 12/01/2023 in F.Y. - 2022-23.

The Composition of audit committee and their attendance at the meeting are as under: -

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Mr. Anil Prakash	Chairperson,	Non-Executive, Independent Director	04	04
Mrs. Priti Jain	Member	Non-Executive, Independent Director	04	04
Mr. Subodh Kumar (till 12.01.2023)	Member	Non-Executive, Independent Director	01	01
Mr. Sujjan Mal Mehta	Member	Non-Executive& Non-Independent	04	04

The Minutes of the Meetings of the Audit Committee are discussed and taken note by the board of directors.

The Statutory Auditor, Internal Auditor and Executive Directors were invited to the meeting as and when required.

The Composition of the Audit Committee and Their Attendance at the Meeting:

The Finance Head and Auditors attended the meeting by Invitation. The Chairman of the Audit Committee was present at the 39th Annual General Meeting of the Company held on 28th September, 2022.

The Board of Directors of the Company had accepted all recommendations of the committee which are mandatorily required, during the Financial Year 2022-23.

Powers of Audit Committee:

The audit committee shall have the following powers, which includes the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant with relevant expertise, if it considers necessary.

Review of Information by Audit committee:

The Audit Committee shall mandatorily review the following information:

- Management Discussion and analysis of financial condition and results of operations;
- Statement of Related Party Transactions (As defined by Audit Committee), submitted by Management;
- Management letters / letters of internal control weakness issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

B. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and as on March 31, 2023 comprised of all the Four Non-Executive Directors as its members namely Mr. Anil Prakash, as the Chairperson and member, Mrs. Priti Jain, Mr. Sujan Mal Mehta and Mr. Subodh Kumar (w.e.f. October 13, 2022 to January 12, 2023) as the other three members. Mr. Anil Prakash, Mr. Sujan Mal Mehta and Mr. Subodh Kumar are the Independent Directors of the Committee.

The terms of reference of Nomination & Remuneration Committee, inter-alia, include:

- to recommend to the Board, compensation terms of the Executive Directors;
- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- for appointment of Independent Director(s), evaluate the balance of skills, knowledge and experience on the board and on basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.
- formulation of the criteria for evaluation of performance of independence director and the board of directors.
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;

- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors and other pertinent factors.
- Recommend to the board, all remuneration, in whatever form, payable to the senior management.

Scope of the Committee:

The terms of reference of the remuneration committee in brief pertain to inter-alia, determining the Companies policy on and approve specific remuneration packages for Executive Director (s)/Manager under the Companies Act, 2013 after taking in to account the financial position of the Company, trend in the industry, appointees' qualification, experience, past performance, interest of the Company and members.

Meetings of the Committee:

The Committee met 4 times dated on 25/05/2022, 27/08/2022, 06/10/2022 and 11/01/2023 in F.Y. - 2022-23.

The Composition of Nomination & Remuneration Committee and their attendance at the Meeting are as under:-

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Mr. Anil Prakash	Chairperson,	Non-Executive, Independent Director	04	04
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	04	04
Mr. Subodh Kumar (till 12.01.2023)	Member	Non-Executive, Independent Director	01	01
Ms. Priti Jain	Member	Non-Executive & Non-Independent	04	04

The Minutes of the Meetings of the Nomination & Remuneration Committee are discussed and taken note by the board of directors.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the Financial Year 2022-23 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship and Corporate Social Responsibility Committees.

The Nomination and Remuneration Committee (NRC) has defined the evaluation criteria, procedure, and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter-alia, structure of the Board, qualifications, experience and competency of Directors, diversity in Board and process of appointment; Meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal for investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent

Directors to perform their role effectively; evaluation of Management's performance and feedback, independence of management from the Board, access of Board and Management to each other, succession plan and professional development; degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and management.

Criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence, and guidance/ support to Management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Criteria for evaluation of the Committees of the Board include mandate of the Committee and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, Agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and Management.

A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the Guidance note issued by SEBI vide circular no. CMD/CIR/P/2017/004 dated 05.01.2017.

The performance of the Independent Directors was also reviewed and evaluated by the entire Board and in such exercise, the director concerned whose performance was being evaluated, did not participate.

The criteria used for evaluation were, the performance of each director as evidenced by the level of participation in the affairs of the Company, gauged by the inputs/ suggestions received from such a director and as to whether the concerned director fulfilled each of the criteria for independence, laid down in law.

Towards the evaluation of performance questionnaires were circulated and individual feedback meetings were held with various directors, committee members and the Chairman, all of which were compiled into detailed reports at the end of the financial year, the consolidated report being once again finally discussed and reviewed and thereupon documented and preserved in records.

Remuneration Policy:

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results.

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the SEBI Regulations, the Committee is responsible for inter alia formulating the criteria for determining qualification, positive attributes and independence of a Director. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. The Board has adopted the Policy on Board Diversity & Director Attributes and Remuneration Policy for Directors, Key Managerial Personnel and other senior employees of the Company.

Company's remuneration policy is market-led and takes into account the competitive circumstances of the business so as to attract and retain quality talent and leverage performance significantly. However, while fixing the remuneration for its key managerial personnel and other senior management personnel, care is taken to ensure that the financial prudence is not compromised with and that a reasonable parity commensurate with the level of responsibility and quantum of work handled, is maintained between the remuneration of personnel at different hierarchical level.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board is constituted in terms of Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013 and as on March 31, 2023 comprised of Mr. Sujan Mal Mehta as the Chairperson and Mrs. Priti Jain and Mr. Anil Prakash as the other two members. All the three members including Chairman of the Committee, is a Non- Executive Director of the Company. Mr. Sujan Mal Mehta and Mr. Anil Prakash are the Independent Director of the Company.

After closure of Financial Year, Mr. Bhupendra Kaushik and Mr. Tushar Rai Sharma was appointed as the member of the committee in place of Mr. Anil Prakash and Mr. Sujan Mal Mehta on May 10, 2023. Mr. Bhupendra Kaushik was appointed as the chairman from the same date.

During the Year Two (02) Stakeholders' Relationship Committee Meetings were convened and held.

Terms of reference:

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations. The terms of reference of the Stakeholders Relationship Committee, inter-alia are as follows;

- (a) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- (b) Review of measures taken for effective exercise of voting rights by shareholders.
- (c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (d) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the company.

The Committee in order to meaningfully serve the purpose of its creation and effectively discharge its responsibility works in close coordination with the Company Secretarial Department of the Company and the Registrar and Transfer Agent appointed by the Company. The emphasis is always on working in closely with each other so that not only the investor grievances are resolved meaningfully and in time, to their utmost satisfaction, but also that suitable measures are taken to prevent the possibility of recurrence of such grievances.

Additionally, the Committee has been vested with the responsibility of approving the requests for share transfers and transmissions, requests pertaining to dematerialization of shares/subdivision/consolidation of shares/issue of renewed and duplicate certificates etc. for which purpose the authority at the basic operational level has been delegated by the Committee to Mr. Sujan Mal Mehta, the Chairman of the Committee.

The Stakeholders' Relationship Committee comprises three members of which two including Chairman of the Committee are Independent Director. During the Year (02) Stakeholders' Relationship Committee Meetings were convened and held.

Scope of the Committee:

The scope of the Stakeholders' Relationship Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of Annual Report, non-receipt of dividend etc, and other related activities. In addition, the Committee also looks into matters which can facilitate better investor's services and relations.

Meetings of the Committee:

The Committee met 02 times dated on 27/05/2022 and 24/08/2022 in the FY. 2022-23.

The Composition of Stakeholders' Relationship committee and their attendance at the meeting are as under: -

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Mr. Sujan Mal Mehta	Chairperson,	Non-Executive, Independent Director	02	02
Mr. Anil Prakash	Member	Non-Executive, Independent Director	02	02
Mr. Subodh Kumar till 12.01.2023	Member	Non-Executive, Independent Director	0.00	0.00
Ms. Priti Jain	Member	Non-Executive & Non-Independent	02	02

The Minutes of the Meetings of the Stakeholders' Relationship Committee are discussed and taken note by the board of directors.

D. RISK MANAGEMENT COMMITTEE

The Risk Management committee has been constituted by the Board in compliance with the requirements of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. In compliance with Regulation 21, the committee comprise of majority of members being the board of Directors, including atleast one Independent Director. The composition of committee as on March 31, 2023 comprises Mrs. Priti Jain, Chairperson, and Mr. Anil Prakash and Mr. Sujan Mal Mehta, both are the Member of the committee.

After closure of Financial Year, Mr. Bhupendra Kaushik and Mr. Tushar Rai Sharma was appointed as the member of the committee in place of Mr. Anil Prakash and Mr. Sujan Mal Mehta on May 10, 2023.

The Risk Management Committee comprises three members all of them including Chairman of the Committee are Non- Executive Director. Mr. Anil Prakash and Mr. Sujan Mal Mehta are also Independent Director of the Company. During the Year (03) Risk Management Committee Meetings were convened and held.

Terms of reference

The terms of reference of Risk Management Committee are:

a. To formulate a detailed Risk Management Policy which include:

1. framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectorial, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
2. Measures for risk mitigation including systems and processes for internal control of identified risks.
3. Business continuity plan.

- b. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- e. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Scope of the Committee:

The Committee constituted to understand and assess various kinds of risks associated with the running of business and suggesting/implementing ways and means for eliminating/minimizing risks to the business of the Company and periodic review of the management control procedures/tools used to mitigate such risks.

Meetings of the Committee:

The Committee met 03 times dated on 20/07/2022, 13/10/2022 and 03/01/2023 during the financial year ended on March 31st, 2023. The Composition Risk Management committee and their attendance at the meeting are as under:

The Minutes of the Meetings of the Risk Management Committee are discussed and taken note by the board of directors.

The Composition of Risk Management Committee and their attendance at the meeting:-

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Mr. Anil Prakash	Chairperson,	Non-Executive, Independent Director	03	03
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	03	03
Ms. Priti Jain	Member	Non-Executive & Non-Independent	03	03

E. ASSET LIABILITY MANAGEMENT COMMITTEE

The Asset Liability Management Committee of the Board comprised of the Three Members including chairman of the committee. The composition of committee as on March 31, 2023 comprises Mrs. Priti Jain, Chairperson, along with Mr. Sujan Mal Mehta and Mr. Anil Prakash, both are the Member of the committee. All the members including chairman are Non-Executive Director of the committee. Mr. Sujan Mal Mehta and Mr. Anil Prakash are Independent Director of the company. During the Year (2) Asset Liability Management Committee Meetings were convened and held.

After closure of Financial Year, Mr. Bhupendra Kaushik and Mr. Tushar Rai Sharma was appointed as the member of the committee in place of Mr. Anil Prakash and Mr. Sujan Mal Mehta on May 10, 2023. Mr. Surendra Kumar Jain was appointed as the chairman from the same date in place of Mrs. Priti Jain.

The Asset Liability Management Committee of the Board has been entrusted with the following Responsibilities:-

- To ensure proper funding and capital planning, management of capital markets risks, profit planning, forecasting and analyzing interest movements etc.
- The ALCO should actively monitor the company's liquidity profile and should have sufficiently broad representation across major internal functions that can be directly influence the company's liquidity risks profile (e.g. lending, investment, securities, wholesale and retail funding).
- The ALCO should ensure that the risk measurement system adequately identifies and quantifies risk exposure.

Meetings of the Committee:

The Committee met 2 times dated on 20/05/2022 and 29/06/2022 during the financial Year ended March 31st, 2023.

The Composition Asset Liability Management Committee and their attendance at the meeting are as under: -

The Minutes of the Meetings of the Asset Liability Management Committee are discussed and taken note by the board of directors.

The Composition of Asset Liability Management Committee and their attendance at the meeting:

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Ms. Priti Jain	Chairperson,	Non-Executive & Non-Independent	02	02
Mr. Anil Prakash	Member	Non-Executive, Independent Director	02	02
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	02	02

F. INVESTMENT COMMITTEE

The Investment Committee of the Board comprised of Three Members including Chairman of the Committee. The composition of committee as on March 31, 2023 comprises Mrs. Priti Jain, Chairperson, along with Mr. Sujan Mal Mehta and Mr. Anil Prakash, both are the Member of the committee. All the members including chairman of the committee are Non-Executive Director where Mr. Sujan Mal Mehta and Mr. Anil Prakash are also Independent Director of the company.

After closure of Financial Year, Mr. Bhupendra Kaushik and Mr. Tushar Rai Sharma was appointed as the member of the committee in place of Mr. Anil Prakash and Mr. Sujan Mal Mehta on May 10, 2023.

During the Year (2) Investment Committee meetings were convened and held.

The Investment Committee of the Board has been entrusted with the following responsibilities: -

- To keep check on sale and purchase of the investment of the company.
- Approve Individual/Personal and Corporate Business Loan.
- Approve the opening and operating of Letters of Credit, Buyers Credit, Forex facility etc.

Meetings of the Committee:

The Committee met one (02) time dated on 20/05/2022 and 29/06/2022 during the Financial Year ended March 31st, 2023.

The Minutes of the Meetings of the Investment Committee are discussed and taken note by the board of directors. The Composition of Investment Committee and their attendance at the meeting:

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Ms. Priti Jain	Chairperson,	Non-Executive & Non-Independent	02	02
Mr. Anil Prakash	Member	Non-Executive, Independent Director	02	02
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	02	02

G. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred Crore or more, or turnover of rupees one thousand Crore or more or a net profit of rupees five Crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

Accordingly, The Corporate Social Responsibility Committee of the Board comprised of three members out of which Two member of the Committee is Independent Director.

The Board in its meeting held on 5th January, 2015 constituted Corporate Social Responsibility Committee. The Committee has been formed with a view to undertake the following: -

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall include the activities to be undertaken by the Company as specified in Schedule VII of Companies Act, 2013;
- recommend the amount of expenditure to be incurred on the activities referred in the above clause;
- Monitor the Corporate Social Responsibility Policy of the Company from time to time. Meetings of the Committee:

The Committee met 01 time dated on 29/06/2022 during the financial Year ended March 31, 2023. The Composition Corporate Social Responsibility Committee and their attendance at the meeting are as under: -

Name of Members	Designation	Category	No. of Meetings	
			Members entitled to attend	Members attended
Ms. Priti Jain	Chairperson,	Non-Executive & Non-Independent	01	01
Mr. Anil Prakash	Member	Non-Executive, Independent Director	01	01
Mr. Sujan Mal Mehta	Member	Non-Executive, Independent Director	01	01

COMPLIANCE OFFICER

Name of the Compliance Officer	Ms. Nishu Jain*
Contact Details	Registered Office Office No. 322, 3 rd Floor, S.S. Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana- 122001
E- Mail ID	sitalleasing83@gmail.com, sitalleasing@gmail.com
Website	www.sitalleasingfinance.com

3. SHAREHOLDER'S MEETING

Meeting of Members held during the three previous financial years as mentioned below:

YEAR	DATE	AGM/ EGM	VENUE/LOCATION	DAY	TIME
2022	28.09.2022	AGM	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	Wednesday	04:00 P.M
2021	28.09.2021	AGM	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	Tuesday	01:00 P.M
2020	20.08.2020	AGM	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	Thursday	11:00 A.M.

❖ **No Extra Ordinary General Meeting of Members held during the year.**

4. MANAGEMENT

Disclosure of Material Transactions:

Pursuant to Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations' 2015, Senior Management Members have given disclosures to the Board that there are no material, financial and commercial transactions where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company.

Details on materially significant related party transactions:

All Related Party Transactions are placed before the Audit Committee. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are repetitive in nature. The actual transactions entered into pursuant to the omnibus approval so granted are placed at quarterly meetings of the Audit Committee.

The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.sitalleasingfinance.com/resource/Share-Holders-Information/Policies.aspx>.

Details of non-compliance, penalties etc. imposed by Stock Exchange, SEBI etc. on any matter related to capital markets:

There has been no instance of any non-compliance by the Company on any matter related to capital markets or any other statute and hence, of any penalties or strictures being imposed on the Company by SEBI or the Stock Exchanges or any other statutory authorities on any such matters.

Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has in place a highly effective Whistle Blower Policy which sets out the process and mechanism whereby employees at various levels in the organization can bring to the notice of the management any violations of the applicable laws, regulations as also any unethical or unprofessional conduct.

All such reports are taken up for consideration at appropriate intervals depending upon the gravity of the matter reported so that adequate rectifying measures can be initiated in the right earnest, at the appropriate levels.

Further, in order to encourage the employees to freely air their views and voice their concerns on various matters and to prevent any victimization of the employees, identity of the employees is kept strictly confidential.

It would be pertinent to mention here that the Audit Committee set by the Board, constitutes a vital component of the Whistle Blower Mechanism and instances of financial misconduct, if any, are reported to the Audit committee. No employee is denied to have a direct access to the Chairman of the Audit Committee. The Policy on vigil mechanism/ Whistle Blower Policy may be accessed on the Company's website at the link: <http://sitalleasingfinance.com/resource/Share-Holders-Information/Policies.aspx>

Details of compliance with mandatory requirements and adoption of the discretionary requirements:

The Company has complied with all the mandatory requirements of the applicable/relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of these compliances have been given in the relevant sections of this Report. The status on compliance with the discretionary requirements is given at the end of the Report.

Disclosures in relation to the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. Number of complaints filed during the financial year 2022-23 - Nil
- b. Number of complaints received during the financial year 2022-23 - Nil
- c. Number of complaints disposed of during the financial year 2022-23 - Nil
- d. Number of complaints pending as on end of the financial year 2022-23 - Nil

Fees paid to the Statutory Auditors:

Total fees for all services, paid by the Company to statutory auditors of the Company during the year ended March 31, 2023, was Rs 59,000/- (Rupees Fifty Nine Thousand only).

Presentation to Investors

There was no presentation made to investor in the last year.

Subsidiary, Holding Company and Joint Venture

The Company does not have any subsidiary, Holding Company and Joint Venture

Appointment/Reappointment of Directors

According to the Companies Act, 2013, at least two-third of the Board should consist of retiring directors. Of these, one-third is required to retire every year and, if eligible, may seek re- appointment by the shareholders.

Accordingly, Mr. Surendra Kumar Jain retires from Board by rotation this year and, being eligible, has offered her candidature for re-appointment. His candidature has been recommended by the Remuneration and Nomination Committee to the Board, which in turn has recommended the same for approval of the shareholders.

5. MEANS OF COMMUNICATIONS

Annual Reports, notice of the meetings and other communications to the Members are sent through e-mail, post or courier. However, this year as per the directions given in the circulars issued by Ministry Corporate Affairs (“MCA”) and Securities and Exchange Board of India (“SEBI”) the companies are allowed to send Annual Report by e-mail to all the Members of the company. Therefore, the Annual Report for FY 2022-23 and Notice of 40THAGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.

Quarterly, half-yearly and yearly financial results of the Company are published as per the requirements of Regulation 33 & 47 of the SEBI (LODR) Regulations in leading HINDI/ENGLISH newspaper i.e. Open Search (Hindi Daily) and Open Search (English Daily).The Company is also maintaining a functional website <http://sitalleasingfinance.com/>wherein all the communications are updated including the quarterly financial results of the Company. The Annual reports containing the Audited Annual Accounts, Auditors’ Reports, Boards’ Report, the Management Discussion and Analysis Report forming part of Boards’ Report and other material information are circulated to the members and others entitled thereto. Annual Reports of the Company are emailed to all shareholders who have provided their email IDs in the records of the Depository. All the disclosures and communications to be filed with the Stock Exchanges were submitted through e-filing platform/email and there were no instances of non-compliances. The Company’s website contains a separate dedicated section ‘Shareholders information’ where general information to the shareholders of the Company is available.

The financial results, press releases and other reports/ intimations required under the SEBI (LODR) Regulations are filed electronically and also uploaded on the Company’s website at www.sitalleasingfinance.com. Annual Report and Financial Statements are sent to all the shareholders at their addresses registered with the Company/RTA.

Management Discussion and Analysis Report:

A Statement of Management Discussion and Analysis is appearing in **Annexure II** in this Annual report in terms of requirement of the Code of Corporate Governance **Annexure III**.

MSEI Corporate Compliance & Listing Centre (the ‘Listing Centre’):

MSEI’s Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report etc. are filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralised web-based complaints redress system.

6. GENERAL SHAREHOLDERS INFORMATION

A. AGM: Date, time and venue:

40thAGM to be held on **Wednesday, 27th Sept, 2023 at 01:00 p.m.** through Video Conferencing (VC)/Other Audio-Visual Means (OAVM).

B. BOOK CLOSURE PERIOD

The Company's Register of Members and Share Transfer Books will remain close from, **Thursday, 21st September, 2023 to Wednesday, 27th September, 2023** (both days inclusive).

C. FINANCIAL YEAR

1st April, 2022 to 31st March, 2023.

D. DIVIDEND

No dividend is proposed to be declared in AGM or declared in last AGM.

E. LISTING ON STOCK EXCHANGES & FEES:

The Shares of the Company are listed on Metropolitan Stock Exchange Of India Limited (MSEI), 205(A), 2nd floor, Piramal Agastya Corporate Park Kamani Junction, LBS Road, Kurla (West), Mumbai-400070.

Payment of Listing Fee: Annual listing fee for the Financial Year 2022-23 has been paid by the Company to MSEI, within the stipulated time.

F. SCRIP CODE & ISIN: INE341001029

MSEI Symbol is "SITAL"

G. MARKET PRICE DATA

During the Financial year 2022-23, there were no change in the shareholding from April 1, 2022 to March 31, 2023 as there were no trading in the stock of the company.

H. SUSPENSIONS DETAILS

There was no suspension of securities took place in the year.

I. REGISTRAR AND TRANSFER AGENTS

Bigshare Trading Company Private Limited,

Address:E-3 Ansa Industrial Estatesaki Vihar Road Sakinaka Mumbai-400072 is the Registrar and Share Transfer Agents of the Company.

J. SHARE TRANSFER SYSTEM

- The Share Transfer Committee meets as often as possible to approve transfers and related matters as may be required by the Registrars and share Transfer Agents.
- All matters connected with the share transfer, dividends and other matters are being handled by the RTA located at the address mentioned elsewhere in this report.
- Shares lodged for transfers are normally processed within ten days from the date of acknowledgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within seven days. Grievances received from investors and other miscellaneous correspondence relating to change of address, mandates, etc.

- Certificates are being obtained and submitted to Stock Exchanges, on half-yearly basis, from a Company Secretary-in-practice towards due compliance of share transfer formalities by the Company within the due dates, in terms of Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations'2015.
- Certificates have also been received from a Company Secretary-in-practice and submitted to the Stock Exchanges, on a quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 1996.
- The Company, as required under SEBI (Listing Obligations and Disclosure Requirement) Regulations'2015, has designated the following e-mail ID, namely sitalleasing83@gmail.com for the purpose of registering complaints, if any, by the investors and expeditious Redressal of their grievances.
- Shareholders are, therefore, requested to correspond with the RTA for transfer/ transmission of shares, change of address any queries pertaining to their shareholding, dividend, etc., at their address given in this report.

K. REGISTERED OFFICE

The Regd. Office of the company is located at 322, 3rd Floor, S.S. Plaza Commercial Complex, Mayfield Garden, Sector-47 Gurugram -122001.

Contact No.: 011-23532539

E-mail Address: sitalleasing@gmail.com / sitalleasing83@gmail.com

L. SHAREHOLDING PATTERN AS ON MARCH 31, 2023

Category	No. of Shares (Face value of Rs. 1/- each)	No. of shares in demat form	% of shareholding
Promoters (Individual)	29,50,975	29,50,975	0.4817
Promoters (Body Corporate)	29,77,31,486	29,77,31,486	48.6033
NRI/OCBs/Clearing, Members/Trust	2,04,000	2,04,000	0.0333
Bank/Financial Institutions	0	0	0
Indian Public	23,14,60,430	14,94,61,630	37.785
Body Corporate (Public)	6,56,43,697	6,56,43,697	10.7160
HUF (Other)	1,45,83,162	1,45,83,162	2.3806
Others	0	0	0
Total	61,25,73,750	53,05,74,950	100.00

M. DISTRIBUTION SCHEDULE OF SHAREHOLDING AS ON MARCH 31, 2023

Shareholding of Nominal Value		No. of Shareholder	% of Shareholder	No. of Shares held	% of Shareholding
Up to	5000	44	3.07	1,40,780	0.023
5,001	10,000	20	1.40	1,38,435	0.023
10,001	20,000	4	0.28	57,708	0.009
20,001	30,000	35	2.44	8,88,352	0.145
30,001	40,000	5	0.35	1,78,736	0.029
40,001	50,000	6	0.42	2,81,600	0.046
50,001	1,00,000	748	52.27	3,88,04,910	6.335
1,00,001	Above	569	39.76	57,20,83,229	93.390
TOTAL		1,431	100.00	61,25,73,750	100.00

O. Dematerialization of shares and liquidity

Shares of the Company are compulsorily traded in dematerialized form and are available for trading under both the depositories i.e. NSDL and CDSL.

86.61% Equity shares of the Company representing 53,05,74,950 out of a total of 61,25,73,750 Paid up Equity shares as on March 31, 2023, were held in dematerialized form with NSDL & CDSL with a miniscule balance of 8,19,98,800 Equity shares, constituting about 13.39 % of the total outstanding Equity shares, being held in physical form.

P. Outstanding Convertible Instruments

There was no outstanding convertible securities as at the end of Financial Year March 31, 2023

Q. ADR/GDR

The Company did not issue any ADR or GDR in any previous year.

R. ADDRESS FOR CORRESPONDENCE

The shareholders may address their communication/ suggestion/ grievances/ queries to the Company's corporate office or our Share Transfer Agent:

SITAL LEASING AND FINANCE LTD

Registered Office: Office No. 322, 3rd Floor, Plaza Commercial Comple Mayfield Garden, Sector-47 Gurgaon, Haryana-122001

Telephone No.: 011-23532539

Email: sitalleasing@gmail.com / sitalleasing83@gmail.com

Website: www.sitalleasingfinance.com

BIGSHARE TRADING COMPANY PRIVATE LIMITED

Registered Office: E-3 Ansa Industrial Estatesaki Vihar Road Sakinaka Mumbai Mh 400072

Delhi Office Address: 302, Kushal Bazar, 32-33, Nehru Place, New Delhi-110019.

Tel No: 022-6263 8200

Email: marketing@bigshareonline.com, bssdelhi@bigshareonline.com,

Website: www.bigshareonline.com

The Question relating to share and requests for transactions such as transfer, transmission and nomination facilities, change of address, may please be taken up with the Registrar and Transfer Agent at above given address.

OTHER DISCLOSURES

a) RELATED PARTY TRANSACTIONS

The Related Party Transactions are disclosed under the provisions of section 188 of the Companies Act, 2013. Further the policy regarding related party transaction is also given on the company's website under the head policies.

b) VIGIL MECHANISM/ WHISTLE BLOWER POLICY

In pursuant to the provision of section 177(9) & (10) of the Companies Act, 2013, The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The Whistle Blower Policy is available on the website of the Company i.e. <http://sitalleasingfinance.com/resource/Share-Holders-Information/Policies.aspx>

c) COMPLIANCE WITH REGULATIONS

The Company has complied fully with the requirements of the regulatory authorities on capital markets. There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty been imposed on the Company by the stock exchanges, SEBI or any other statutory authority.

d) ACCOUNTING STANDARDS

The Company has followed the Accounting Standards laid down by the Companies Act, 2013.

e) AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The Secretarial Auditor of the Company have furnished the requisite Certificate to the Board of Directors as required by Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations' 2015.

f) SECRETARIAL AUDIT

A Qualified Practicing Company Secretary carried out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

g) PROHIBITION OF INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has constituted a comprehensive Code of Conduct for its Senior Management, Staff, and relevant business associates. The code lays down guidelines, which advise them on procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

h) CODE OF CONDUCT

In terms of Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations'2015, the Company has adopted a Code of Conduct for the board of Directors and Senior Management Personnel of the Company. The same has been posted on the Company's website i.e. www.sitalleasingfinance.com. The Declaration by the Chairperson and Managing Director of the Company forms part of this Report.

i) PENALTIES FILED BY COMPANY IN LAST THREE YEARS

No penalty were imposed and paid by company from last three years to any authorities.

j) DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34(3) READ WITH SCHEDULE V SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS 2015 IN REPECT OF COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Members of Board of Directors and Senior Management Personnel of the Company have affirmed their Compliance with the Code of Conduct of Sital Leasing and finance Limited, as applicable to them, for the Financial Year ended 31st March 2023.

**For and on behalf of the Board of Directors
Sital Leasing and Finance Limited**

Date: 02/09/2023

Place: GURGAON

Priti Jain

Director

DIN: 00537234

Surendra Kumar Jain

Managing Director

DIN: 00530035

CERTIFICATE ON **CORPORATE GOVERNANCE**

To,

The Members

Sital Leasing and Finance Limited

I have examined all relevant records of Sital Leasing and Finance Limited ('the Company') for the purpose of certifying of the conditions of Corporate Governance under Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations' 2015 of the Listing Agreement with Stock Exchanges for the Financial Year ended 31st March, 2023. I have obtained all the information and explanations, which are to the best of my knowledge and belief, were necessary for the purposes of certification.

The compliance of the condition of Corporate Governance is responsibility of the management. My Examination has been limited to a review of the procedure and implementations thereof. This certificate is neither an assurance for the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations' 2015 of the above mentioned Listing Agreement.

For and on behalf of
Parul Agrawal & Associates
Company Secretaries

PCS Parul Agrawal
ACS No.: 35968
C.P. No.: 22311
Peer Review No. 3397/2023
UDIN: A035968E000426446

Date: May 30, 2023
Place: New Delhi

CEO/CFO/MD CERTIFICATION

We, Surendra Kumar Jain, Managing Director and Piyush Jain, Chief Financial Officer of Sital Leasing and Finance Limited, to the best of my knowledge and belief hereby certify that:

(a) We have reviewed the financial statements and the cash flow statements for the year ended 31st March 2023 and that the best of my knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

(b) There are to the best of my knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violate the company's Code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the Auditors and that the same did not reveal any deficiencies;

(d) There was no significant changes in internal control over financial reporting during the period.

(e) There was no significant changes in accounting policies during the year; and

(f) There was no instances of significant fraud of which we have become aware having involvement therein of the management or an employee having a significant role in Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors
Sital Leasing and Finance Limited**

Date: 02/09/2023

Place: Gurgaon

**Piyush Jain
Chief Financial Officer
PAN: AUWPJ6381M**

**Surendra Kumar Jain
Managing Director
DIN: 00530035**

CORPORATE SOCIAL RESPONSIBILITY

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:-

Refer CSR Policy in website i.e. www.sitalleasingfinance.com.

2. The Composition of the CSR Committee:

The Composition is as stated in the Corporate Governance Report. (Annexure IV)

3. Average net profit of the company for last **three** financial years: ₹1,04,05,735/-

S.NO.	F.Y.	NET PROFIT
1.	2021-2022	1,22,26,333
2.	2020-2021	1,10,26,846
3.	2019-2020	79,64,025

4. Prescribed CSR Expenditure two per cent of average amount as in item 3 above : ₹2,08,115/-

5. Details of CSR spent/unspent during the financial year:

a) Total amount to be spent for the financial year:-Nil

b) Amount spent for F.Y. 2022-23: 2,08,115/-

Amount spent for F.Y 2019-20 ₹3,77,976/-

Amount spent for F.Y 2020-21 ₹3,22,973/-

Amount spent for F.Y. 2021-22 ₹2,74,788/-

1. The details of spending or not spending the amount of CSR for the Financial Year 2022-23 has been Showed in the Board Report.

1. Responsibility Statement of the Corporate Social responsibility committee:

We hereby declare that implementation and monitoring of the CSR project, as and when done, shall be in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors

Sital Leasing and Finance Limited

**Date: 02.09.2022
Place: Gurugram**

**Priti Jain
Director
DIN: 00537234**

**Surendra Kumar Jain
Managing Director
DIN: 0053003**

STANDALONE INDEPENDENT AUDITOR'S REPORT

To
The Members of **Sital Leasing & Finance Limited**
Report on the audit of the Standalone financial statements

Opinion

We have audited the standalone financial statements of Sital Leasing And Finance Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit Amount of Rs. 49,99,846/- and cash out flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw your attention to serial no. 26 Note, which describes the impact of Pandemic (Covid-19) on financial position of the Company. Our opinion is not modified in respect of this matter.

Key audit matters

In addition to the matter described in the material Uncertainly Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

(A) Adoption of new revenue recognition standard Ind AS 115 (This is added only for illustrative purposes and the auditor has to decide the most significant matter and modify this section accordingly)

Details of the Key Audit Matter

The Company adopted Ind AS 115 “Revenue from Contracts with Customers” with effect from April 1, 2019. The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and point of recognition of revenue.

Ind AS 115 also requires extensive disclosures.

Auditors’ Response to the Key Audit Matter

We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard (Ind AS 115).

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

(a) Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.

(b) Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.

(c) Selected a sample of continuing and new contracts and performed the following procedures:

- Read, analysed and identified the distinct performance obligations in these contracts.
- Compared these performance obligations with that identified and recorded by the Company.
- Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
- Performed analytical procedures for reasonableness of revenue recognition as per IND AS 115.

Information other than the financial statements and auditors’ report thereon

The Company’s board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under

section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to our, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to our;

- a. The Company does not have any pending litigations which would impact its financial position in its standalone financial;
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N**

**CA. MANINDRA KUMAR TIWARI
(PARTNER)
M. NO: 501419**

**PLACE: GURUGRAM
DATE: 10.05.2023
UDIN: 23501419BGWNAZ4930**

Annexure “A” to the 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 Sital Leasing & Finance Limited of even date)

1. In respect of the Company’s fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us, the records examined by us, we report that the Company does not hold any freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
3. According to information and explanation given to us, the company has granted interest bearing loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 179 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the order is not applicable.
4. In our opinion and according to information and explanation given to us, the company 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, paragraphs 3 (iv) of the order is not applicable.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
7. In respect of statutory dues:-
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including 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 have been generally regularly deposited during the year by the company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, 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 March 31, 2023 for a period of more than six months from the date they became payable

(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

8. In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.
9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraphs 3 (xv) of the order is not applicable.
16. The Company is engaged in the business of Non-banking financial institution and obtained certificate if registration with Reserve Bank of India dated 12/12/2001, Reg. Certificate No: B-14.02131 .

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

CA. MANINDRA KUMAR TIWARI
(PARTNER)
M. NO: 501419
PLACE: GURUGRAM
DATE: 10.05.2023
UDIN: 23501419BGWNAZ4930

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Sital Leasing & Finance Limited of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Sital Leasing And Finance Limited (“the Company”) as at March 31, 2023, 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 board of directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 in the standalone financial statements, whether due to fraud or error.

Our 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 control 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 standalone 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of standalone 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 (iii) 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 standalone financial statements.

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N**

**CA. MANINDRA KUMAR TIWARI
(PARTNER)
M. NO: 501419**

**PLACE: GURUGRAM
DATE: 10.05.2023
UDIN: 23501419BGWNAZ4930**

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Standalone Balance Sheet As at 31.03.2023

(in Lacs)

Particulars	Note No.	AS AT 31ST MARCH, 2023	AS AT 31ST MARCH, 2022	AS AT 1ST APRIL, 2021
1	2	3	4	5
(1) ASSETS				
Non financial assets		-	-	-
(a) Property, Plant and Equipment	3	55.13	64.44	77.28
(b) Capital work-in-progress		-	-	-
(c) Investment Property		-	-	-
(d) Goodwill		-	-	-
(e) Other Intangible assets		-	-	-
(f) Intangible assets under development		-	-	-
(g) Biological Assets other than bearer plants		-	-	-
(h) Inventories	4	17.49	17.49	17.44
(i) Financial Assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Loans		-	-	-
(iv) Others (to be specified)		-	-	-
(j) Deferred tax assets (net)	5	23.53	21.59	19.60
(k) Other non-current assets	6	30.58	22.29	28.23
(2) Financial assets				
(a) Inventories		-	-	-
(b) Financial Assets				
(i) Investments	7	95,000.00	95,000.00	95,000.00
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents	8	0.38	0.17	0.62
(iv) Bank balances	9	6.65	0.70	3.10
(v) Loans	10	2,280.91	2,259.94	2,146.56
(vi) Others (to be specified)		-	-	-
(c) Current Tax Assets (Net)		-	-	-
(d) Other current assets		-	-	-
Total Assets		97,414.67	97,386.61	97,292.83
				Cont.....

EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	11	6,125.74	6,125.74	6,125.74
(b) Other Equity	12	91,259.06	91,075.83	91,121.50
LIABILITIES				
Non-financial liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other financial liabilities (other than those specified in item (b), to be specified)				
(b) Provisions	13	29.87	185.04	42.13
(c) Deferred tax liabilities (Net)		-	-	-
(d) Other non-current liabilities		-	-	-
Financial liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other financial liabilities (other than those specified in item (c))				
(b) Other current liabilities		-	-	-
(c) Provisions		-	-	-
(d) Current Tax Liabilities (Net)		-	-	-
Total Equity and Liabilities		97,414.67	97,386.61	97,292.83

See accompanying notes to the financial statements

1

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA

(CHARTERED ACCOUNTANTS)

FIRM REGN NO: 018393N

FOR AND ON BEHALF OF

SITAL LEASING AND FINANCE LIMITED

CA. MANINDRA K TIWARI

(PARTNER)

M.NO: 501419

UDIN: 23501419BGWNAZ4930

SURENDRA KUMAR JAIN

(MANAGING DIRECTOR)

DIN: 00530035

PRITI JAIN

(DIRECTOR)

DIN : 00537234

PLACE : GURUGRAM

DATE : 10.05.2023

NISHU JAIN

(COMPANY SECRETARY)

M. NO: A58126

PIYUSH JAIN

(C.F.O)

STATEMENT OF CHANGES IN EQUITY

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Standalone Statement of Profit and Loss for the period ended 31.03.2023

(` in Lacs)

A. Equity Share Capital

PARTICULAR	No. Of Shares	Amount of Shares
As at 01st April,2021	61,25,73,750	6,125.74
Changes in equity share capital during the year	-	-
As at 31st March,2022	61,25,73,750	6,125.74
Changes in equity share capital during the year	-	-
As at 31st March,2023	61,25,73,750	6,125.74

B. Other Equity

PARTICULAR	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (specify nature)	Retained Earnings								
As at 01st April 2021	-	-	-	89,488.88	1,199.90	432.72	-	-	-	-	-	-	-	91,121.50
Profit for the year	-	-	-	-	-	(42.92)	-	-	-	-	-	-	-	(42.92)
Total Comprehensive Income for the year	-	-	-	-	-	(18.09)	-	-	-	-	-	-	-	(18.09)
Transfer to retained earnings	-	-	-	-	-	(2.75)	-	-	-	-	-	-	-	(2.75)
As at 31st March 2022	-	-	-	89,488.88	1,218.00	368.96	-	-	-	-	-	-	-	91,075.83
profit for the year	-	-	-	-	-	50.00	-	-	-	-	-	-	-	50.00
Total Comprehensive Income for the year	-	-	-	-	-	(9.61)	-	-	-	-	-	-	-	(9.61)
Transfer to retained earnings	-	-	-	-	-	(2.09)	-	-	-	-	-	-	-	(2.09)
As at 31st March 2023	-	-	-	89,488.88	1,227.61	407.26	-	-	-	-	-	-	-	91,123.74

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

CA. MANINDRA K TIWARI
(PARTNER)
M.NO: 501419
UDIN: 23501419BGWNAZ4930

PLACE : GURUGRAM
DATE : 10.05.2023

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Standalone Statement of Profit and Loss for the period ended 31.03.2023

(` in Lacs)

S.N	Particulars	Note No.	YEAR ENDED 31ST MARCH 2023	YEAR ENDED 31ST MARCH 2022
I	Revenue From Operations	15	246.225	165.590
II	Other Income	16	0.047	0.015
III	Total Income (I+II)		246.272	165.605
IV	EXPENSES			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade	17	0.052	0.046
	Changes in inventories of finished goods	18	-	(0.046)
	Stock-in -Trade and work-in-progress		-	-
	Employee benefits expense	19	12.900	8.778
	Finance costs	20	0.048	0.047
	Depreciation and amortization expense	3	9.310	12.841
	Other expenses	21	159.622	21.677
	Total expenses (IV)		181.932	43.342
V	Profit/(loss) before exceptional items and tax (I- IV)		64.340	122.263
VI	Exceptional Items		-	135.380
VII	Profit/(loss) before tax (V-VI)		64.340	(13.117)
VIII	Tax expense: (1) Current tax (2) MAT Credit Entitlement (3) Deferred tax (4) Excess Provision of earlier Year		16.285 - (1.943) -	31.788 - (1.986) -
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		49.998	(42.920)
X	Profit/(loss) from discontinued operations			-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		49.998	(42.920)

Cont.....

	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
XIV	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		-	-
	Earnings per equity share (for continuing operation):			
XVI	(1) Basic		0.008	(0.007)
	(2) Diluted		0.008	(0.007)
	Earnings per equity share (for discontinued operation):			
XVII	(1) Basic		-	-
	(2) Diluted		-	-
	Earnings per equity share (for discontinued & continuing operations)			
XVIII	(1) Basic		0.008	(0.007)
	(2) Diluted		0.008	(0.007)

See accompanying notes to the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

FOR FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. MANINDRA K TIWARI
(PARTNER)
M.NO: 501419
UDIN: 23501419BGWNAZ4930

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 10.05.2023

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Standalone Statement of Cash Flows for the year ended 31.03.2023

(` IN LACS)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Cash flows from operating activities		
Profit before taxation	64.34	122.26
Adjustments for:		
Depreciation	(9.31)	(12.84)
Provision for income tax	(16.28)	(31.79)
Defered tax	(1.94)	(1.99)
Working capital changes:		
(Increase) / Decrease in trade and other receivables	(9.74)	6.42
Increase / (Decrease) in trade payables	0.09	64.94
Cash generated from operations		
Interest paid		
tax paid	-	(30.46)
Dividends paid		
Net cash from operating activities	27.15	116.54
Cash flows from investing activities		
Purchase of property, plant and equipment	-	-
Purchase/ Sale of shares	-	(0.05)
Net cash used in investing activities	-	(0.05)
Cash flows from financing activities		
Loans & Advances Given/Received	(20.98)	(115.89)
Repayment of Loan	-	(3.46)
Dividends paid	-	-
Net cash used in financing activities	(20.98)	(119.35)
Net increase in cash and cash equivalents	6.17	(2.85)
Cash and cash equivalents at beginning of period	0.87	3.72
Cash and cash equivalents at end of period	7.03	0.87

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. MANINDRA K TIWARI
(PARTNER)
M.NO: 501419
UDIN: 23501419BGWNAZ4930

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 10.05.2023

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

Standalone Notes to Financial Statements**OTHER NON CURRENT ASSETS****NOTE 4: INVENTORIES**

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Stock In Shares As Per "Annexure-A"	17.49	17.49	17.44
Total	17.49	17.49	17.44

NOTE 5: DEFERED TAX ASSETS (NET)

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Opening Balance	21.59	19.60	17.45
Created/ Reversed During the year	1.94	1.99	2.16
Total	23.53	21.59	19.60

NOTE 6: OTHER NON CURRENT ASSETS

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
HDFC Bank Ltd Fixed Deposit	2.24	1.66	1.66
Balance with Revenue Authorities	4.07	4.07	4.07
Advance Tax for A.Y. 2021-22	-	-	10.00
Tax Deducted at Source A.Y. 2021-22	-	-	12.50
Tax Deducted at Source A.Y. 2022-23	-	16.56	-
Tax Deducted at Source A.Y. 2023-24	24.27		
Total	30.58	22.29	28.23

NOTE 7: INVESTMENT

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023		AS AT 31ST MARCH 2022		AS AT 1ST APRIL 2021	
Unquoted Equity Shares						
Carewell Exim Pvt. Ltd.	10,00,000	10,000.00	10,00,000	10,000.00	10,00,000	10,000.00
KDG Properties & Construction Pvt. Ltd.	20,00,000	20,000.00	20,00,000	20,000.00	20,00,000	20,000.00
India Solomon Holdings Pvt. Ltd.	32,50,000	32,500.00	32,50,000	32,500.00	32,50,000	32,500.00
Utsav Securities Pvt. Ltd.	32,50,000	32,500.00	32,50,000	32,500.00	32,50,000	32,500.00
Total		95,000.00		95,000.00		95,000.00

NOTE 8: CASH & CASH EQUIVALENTS

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Cash in Hand	0.38	0.17	0.62
Total	0.38	0.17	0.62

NOTE 9: BANK & BANK BALANCES

(` in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
HDFC Bank Ltd.	4.16	0.22	0.20
IDFC Bank	0.49	0.22	-
Punjab National Bank	1.99	0.26	2.90
Total	6.65	0.70	3.10

NOTE 10: LOANS

(` in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Unsecured, Considered Good			
Loans at agreement values less instalment received (include overdue Amount)			
Standard Assets	2,280.51	2,259.54	2,146.16
Other Loans & Advances			
DSE Security Deposits	0.40	0.40	0.40
Total	2,280.91	2,259.94	2,146.56

NOTE 11: SHARE CAPITAL

(` in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Authorised Share Capital			
65,00,00,000 Equity Share of ` 1/- Each (Previous Year 65,00,00,000 Equity share of ` 1/- each)	6,500.00	6,500.00	6,500.00
	<u>6,500.00</u>	<u>6,500.00</u>	<u>6,500.00</u>
Issued , Subscribed & Paid up Shares			
Shares at the end of the Accounting Period 61,25,73,750 (Previous Year 61,25,73,750) Equity Shares of ` 1/-	6,125.74	6,125.74	6,125.74
Total	6,125.74	6,125.74	6,125.74

11.1 The company has only one class of equity Shares having Par Value of ` 1/- per Share.
All these Shares have Same right & preferences with respect to payment of dividend,
re-payment of Capital & Voting.

11.2 The reconciliation of the number of Shares outstanding is set out Below

11.3 Shares In The Company Held By Each Shareholder Holding More than 5% shares

Name of the Shareholders	AS AT 31ST MARCH 2023		% of change in share holding	AS AT 31ST MARCH 2022		AS AT 1ST APRIL 2021	
	% of Shares held	No. Of Share		% of Shares held	No. Of Share	% of Shares held	No. Of Share
Avail Financial Services Ltd.	7.41	4,53,64,291	-	7.41	4,53,64,291	7.41	4,53,64,291
Microland Developers Pvt. Ltd.	14.57	8,92,50,000	-	14.57	8,92,50,000	14.57	8,92,50,000
Legend Infoways Pvt. Ltd.	15.61	9,56,25,000	-	15.61	9,56,25,000	15.61	9,56,25,000
Victory Software Pvt. Ltd.	6.55	4,01,28,552	6.55	-	-	-	-

NOTE 12: OTHER EQUITY

Refer Statement of Changes in Equity for detailed movement in Equity balance

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
<u>Researve u/s 45IC</u>			
At The Beginning Of The Accounting Period	159.84	141.75	125.78
Additions During The Year	9.61	18.09	15.96
At The End Of The Accounting Period	169.45	159.84	141.75
<u>General Researve</u>			
At The Beginning Of The Accounting Period	1,058.16	1,058.16	1,058.16
Additions During The Year	-	-	-
At The End Of The Accounting Period	1,058.16	1,058.16	1,058.16
<u>Securities Premium Account</u>			
At The Beginning Of The Accounting Period	89,488.88	89,488.88	89,488.88
Additions During The Year	-	-	-
At The End Of The Accounting Period	89,488.88	89,488.88	89,488.88
<u>Surplus in Statement of Profit & loss</u>			
At The Beginning Of The Accounting Period	368.96	432.72	349.00
Additions During The Year	50.00	-42.92	103.19
Exceptional items	135.32	-	-
	554.27	389.80	452.20
<u>Transfer to Researve</u>			
Researve u/s 45IC	(9.61)	(18.09)	(15.96)
Provision for CSR Expenses	(2.09)	(2.75)	(3.51)
Intersegment Transfer Exp W/off	-	-	-
	(11.70)	(20.84)	(19.47)
At The End Of The Accounting Period	542.58	368.96	432.72
Grand Total	91,259.06	91,075.83	91,121.50

NON-CURRENT LIABILITES**NOTE: 13 PROVISION**

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Provision for Standard Assets	9.12	8.50	8.57
Provision for Loss Assets	-	135.46	-
Expenses Payable	4.47	9.30	3.10
Provision for Taxation	16.28	31.79	30.46
Total	29.87	185.04	42.13

NOTE: 14 SHORT TERM BORROWINGS

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Term Loans			
Loan from ICICI Bank (Secured Loan)	-	-	3.46
Total	-	-	3.46

NOTE 15: REVENUE FROM OPERATION

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Sale of Trading Goods	0.05	-
Income From FDR in Bank	0.10	-
Interest on Loan (Gross TDS ₹ 24,26,725/-) (Previous Year Gross TDS ₹ 16,56,050/-)	246.07	165.59
Total	246.22	165.59

NOTE 16: OTHER INCOME

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Dividend	0.04	0.01
Other Receipt	0.00	-
Total	0.05	0.01

NOTE 17: PURCHASE OF STOCK IN TRADE

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Purchases of shares	0.05	0.05
Trading Expenses	-	-
Total	0.05	0.05

NOTE 18: CHANGE IN INVENTORIES OF FINISHED GOODS

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Balance at the beginning of the year	17.49	17.44
Balance at the Closing of the year	17.49	17.49
Total	-	-0.05

NOTE 19: EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Salary Expenses	12.73	8.76
Staff Welfare Expense	0.17	0.02
Total	12.90	8.78

NOTE 20: FINANCE COST

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Bank Charges	0.05	0.05
Total	0.05	0.05

NOTE 21: OTHER EXPENSES

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Advertisement & Publicity Expenses	0.34	0.47
Annual Charges For Credit Rating	0.18	0.24
Audit Fees	0.59	0.25
Bad Debts W/off	132.10	-
Board Meeting Fees	0.05	0.02
Car Insurance	1.76	1.50
Car Repair & Maintenance	8.18	9.68
CDSL Custodial Fees	0.89	0.89
Certification Charges	0.16	0.01
Computer Repair & Maintenance	0.12	0.04
Conveyance Expenses	0.24	0.24
Demat Account Charges	0.03	0.02
Filing Fees	0.06	0.09
General Expenses	0.04	0.01
ISO Certification Charges	0.03	-
Interest Expenses on Tax	3.59	1.78
Internal Audit Fees	0.20	0.10
Legal & Professional charges	0.76	0.61
Listing Fees	1.30	1.30
NSDL Fees	1.01	1.01
Office Repair & Maintenance	3.32	1.92
Photocopy Expenses	0.15	0.07
Postal charges	0.06	0.02
Printing & Stationery	0.26	0.05
Registrar Charges	0.68	0.72
Tax Audit Fees	0.10	0.10
Telephone Expenses	0.10	0.03
Vehicle Running Expenses	3.16	0.48
Website Expenses	0.16	0.04
Total	159.62	21.68

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

STANDALONE DEPRECIATION CHART AS PER INCOME TAX ACT AS ON 31.03.2023

(in Lacs)

PARTICULARS	DEP. RATE	OPENING WDV	ADDITION / REVALUATION ON OR BEFORE 30.09.2022	ADDITION / REVALUATION AFTER 30.09.2022	SOLD DURING THE YEAR	TOTAL	DEPRECIATION	CLOSING WDV
Computer	40%	0.06	-	-	-	0.06	0.02	0.03
Furniture & Fixtures	10%	4.58	-	-	-	4.58	0.46	4.12
Office Building	10%	21.67	-	-	-	21.67	2.17	19.50
Plant & Machinery	15%	75.01	-	-	-	75.01	18.26	56.75
Total Assets		101.32	-	-	-	101.32	20.91	80.41

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

CA. MANINDRA K TIWARI
(PARTNER)
M.NO: 501419
UDIN: 23501419BGWNAZ4930

PLACE : GURUGRAM
DATE : 10.05.2023

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

NOTE 3: PROPERTY, PLANT AND EQUIPMENT**STANDALONE DEPRECIATION CHART AS PER COMPANIES ACT AS ON 31.03.2023**

(in Lacs)

Fixed Assets	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Cost/valuation as at beginning of the year 2022-23	ADDITION / REVALUATION ON OR BEFORE 30.09.2022	ADDITION / REVALUATION AFTER 30.09.2022	COST/ VALUATION ON AT THE YEAR END 2022-23	As at the beginning of the year 2022-23	Depreciation during the year 2022-23	Disposals/ Adjustments	Total up to the year end 2022-23	As at the Current year end 2023	As at the previous year end 2022
Tangible Assets										
Building	54.77	-	-	54.77	19.83	1.75	-	21.58	33.19	34.93
Furniture & Fixtures	12.60	-	-	12.60	7.85	-	-	7.85	4.75	4.75
Vehicles	207.00	-	-	207.00	183.45	7.29	-	190.74	16.26	23.55
Office Equipment	10.70	-	-	10.70	9.49	0.27	-	9.77	0.93	1.21
Total Assets	285.06	-	-	285.06	220.62	9.31	-	229.93	55.13	64.44
Previous year	284.94	-	-	285.06	207.78	12.84	-	220.62	64.44	77.28

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. MANINDRA K TIWARI
(PARTNER)
M.NO: 501419
UDIN: 23501419BGWNAZ4930

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 10.05.2023

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

Annexure 'A'		
Detail of Closing Stock in Trade		(` in Lacs)
Particulars	Quantity	AS AT 31.03.2023
Adani Green Energy Limited	380	0.00
Alok industries ltd	500	0.04
Axis Bank Ltd.	10	0.06
Bajaj Hindusthan Sugar Limited	500	0.08
Bank of Baroda	40	0.05
Bank of India	100	0.08
Berger Paints India Limited	14	0.00
Bharati Airtel Limited	2	-
Castrol India Ltd.	20	0.04
Chennai Super Kings Cricket Limited	100	0.00
Ccrewboss Products Ltd.	1000	0.06
Educom Solution Ltd.	100	0.01
Essel Propack Ltd.	10	0.00
Gammon India Ltd.	200	0.07
Hinduatan Construction company Ltd.	400	0.09
Housing Development and Infrastructure Ltd.	100	0.09
IFCI Ltd.	200	0.06
Indian Infotech And software Ltd.	100000	14.73
IVRCL Ltd	1000	0.15
Jai Prakash Power Venture Limited	300	0.03
LML Limited	1000	0.08
Mcleod Russel India Limited	10	0.02
National Thermal Power Corporation Limited	500	0.39
PMC Fincorp Ltd.	80	0.00
Prakash Constrowell Ltd.	1000	0.19
Reliance Power Ltd.	500	0.21
Tata Steel Limited	100	0.09
Tata Teleservices Ltd.	6000	0.30
The Karnataka Bank Ltd.	110	0.14
Union Bank of India	100	0.23
Unitech Ltd.	1000	0.08
Vedanta Ltd	10	0.01
Vodafone Idea Limited	185	0.09
Grand Total		17.49

Financial Ratio

(` in Lac)

Ratio	31.03.2023	31.03.2022	Variance (%)	Reason for Variance
(a) Current Ratio (Times) Current assets/ Current liabilities	97,414.67	97,386.61	0.029	There is disbursal of loan
(b) Debt- Equity Ratio (Times) borrowing (long term & short term)	-	-	0.000	
(c) Debt service coverage ratio (Times) (Profit after tax + finance cost+ depreciation)/ (finance cost paid+principal repayment (long term borrowing and lease liabilities)	-	-	0.000	
(d) Return on Equity Ratio (%) (profit after tax/ average total equity)	50.00	(43)	92.900	There is increase in profit of the company
(e) inventory turnover Ratio (times) (sale of product/ average inventory)	17.49	17.49	0.000	No increase decrease in inventory
(f) trade receivables turnover Ratio (times) (sale of product/ average trade receivables)	-	-	0.000	
(g) trade payable turnover Ratio (times) (purchase of stock in trade and raw materials +other expenses/ average trade payables)	-	-	0.000	
(h) Net capital turnover Ratio (times) (sale of product/ average working capital)	97,414.67	97,386.61	0.029	There is a increase in networth of the company
(i) Net profit Ratio (%) (profit after tax/ revenue fom operation)	50.00	(43)	92.918	There is increase in profit of the company
(j) Return on capital employed (%) (profit before exceptional item, interest and tax/ average capital employed) Average capital employed= Net worth + Total debt+deferred tax liability	-	-	0.000	
(k) Return on investment (%) (closing balance+interest+dividend-opening+/- cash flows during the period)/ Average investments)	-	-	0.000	
Investment in subsidiaries, associates and joint ventures	-	-	0.000	
Investment in government securities	-	-	0.000	
Other investments	-	-	0.000	

NOTES TO THE FINANCIAL STATEMENTS

Note 1: COMPANY INFORMATION

Sital Leasing & Finance Ltd. is a Public Limited Company (The Company) having registered office at 322, 3rd Floor, S.S Plaza Commercial Complex, Mayfield Garden, Sector-47 Gurgaon, Haryana 122001. The Company is listed on the MSEI (Metropolitan Stock Exchange of India Ltd.) The company is engaged in the business of investment, financing, trading in shares and securities activities. We believe that we are well placed to leverage on the growth opportunities in the economy.

Note 2: SIGNIFICANT ACCOUNTING POLICIES

(a) Basis for preparation of Accounts:

The financial statements have been prepared under the historical cost convention on accrual basis, except pertaining to amalgamation accounting in the earlier years, in accordance with the generally accepted accounting principles, provisions of the Companies Act, 2013, and Accounting Standards (AS) notified under Companies (Accounting Standards) Amendment Rules, 2017 u/s 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statement have been prepared in conformity with generally accepted accounting principle to comply in all material respect with the notified accounting standards ('AS') under companies accounting standards Rules, as amended, the relevant provisions of the companies Act, 2013 ('the Act') and the guidelines issued by the Reserve Bank of India (RBI) as applicable to an Non - Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year. The company adopts accrual system of accounting unless otherwise stated.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years.

(c) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Intangible Assets expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprise of purchase price and directly attributable expenditure on making the assets ready for its intended use.

(d) Depreciation & Impairment of Assets

Depreciation on fixed assets is provided on Written down Value method, over the useful lives and in the manner prescribed in Schedule II to the Companies Act, 2013.

(e) Investment

Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made only if; such a decline is other than temporary in the opinion of the management. As in case of our company such decline is presumed to be temporary hence no provision has been created.

(f) Revenue Recognition

i. Loan Income

In respect of loan agreements, the income is accrued by applying the impact rate in the transaction on declining balance on the amount financed for the period of the agreement.

ii. Dividend income on investments is accounted for as and when the right to receive the same is established.

iii. No income is recognized in respect of Non- performing assets, if any, as per the prudential norms for income recognition introduced for Non-Banking Financial Corporation by Reserve Bank of India vide its notification .DFC.NO.119/DG/ (SPT)-98 date 31-01-1998 and revised notification no. DNBS.192/DG (VL)-2007 dated 22-02-2007.

(g) Provisions of Assets

The company makes provisions for standard and Non-performing Assets as per the Non-Banking Financial (Non-Deposit Accepting of Holding Companies prudential Norms Reserve Bank) Directions, 2007, as amended from time to time. The company also makes additional provisions towards loan assets, to the extent considered necessary, based on the management's best estimate.

Loan assets which as per the management are not likely to be recovered are considered as bad debts and written off. Provisions on standards assets are made as per the notification DNBS.PD.CC.No. 002/03.10.001/2014-15 DATED NOV 10, 2014 issued by Reserve Bank of India.

(h) Statutory/ Special reserve

The Company creates Statutory/ Special Reserve every year (20) twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

(i) Employee Benefits

Company do not follow the provision of the accounting Standard-15 "Employee benefits" as the company do not have employee more than 10 personnel's. So it is the policy of the company that any kind of provision mentioned in the AS -15 will not be entertained. And the company does not make provision for gratuity also.

In case the company's employee limits goes beyond the prescribed limits then AS-15 for Employee benefits will be taken into consideration.

(j) Financial Derivatives and Commodity Hedging Transaction:

In respect of Derivative contracts, premium paid, gain & losses on settlement and losses on restatement are recognized in the Statement of profit & Loss.

(k) Accounting of Inventories:

Stock in trade should be valued at cost or market price whichever is lower.

(l) Provisions, contingents Liabilities and contingent Assets

(i) A Provision is recognized when the company has present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(ii) Contingent Liabilities are disclosed separately by way of note to financial statements after careful evaluation by the managements of the facts and legal aspects of the matter involved in case of:

- (a) A present obligation arising from the past event, when it is not probable that an outflow of Resources will be required to settle the obligation.
- (b) A possible obligation, unless the probability of outflow of resources is remote. Contingent Assets are neither recognized, nor disclosed in the financial statements.

(m) Taxation

Provisions for current tax is made in accordance with and at the rates specified under the Income Tax Act, 1961, in accordance with Accounting Standard 22- 'Accounting for taxes on Income', issued by the Institute of Chartered Accountant of India.

(n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted averages number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all diluted potential equity shares.

(o) Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statements comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amount of cash.

- 24. Previous year's figures have been reworked, regrouped, & reclassified wherever necessary to confirm to the current year presentation.
- 25. In the opinion of Board of Director, the current Assets, loans & advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated.
- 26. During the year, the company has reversed provision for Doubtful Assets of amount of 1,35,45,851/- in respect of Loan outstanding.
- 27. During the year, the Company has purchased shares Quoted/unquoted and Commodities (If Any) has been considered as stock in trade by the Management.
- 28. During the year, the company has not been traded in F & O's.
- 29. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of Rs. 18,09,497/- (Previous Year Rs. 5,96,133/-) representing 20% of Net Profit is transferred to the fund for the year.

30. Contingent liabilities and pending litigations:

(A) There is a pending tax demand of Rs. 10.07 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2010-11. The company has filed an appeal before CIT(A) against the demand for A.Y. 2010-11. The matter is pending before CIT(A). The company is hopeful to get relief.

(B) There is a pending tax demand of Rs. 3.04 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2011-12. The company has filed an appeal before CIT(A) against the demand for A.Y. 2011-12. The matter is pending before CIT(A). The company is hopeful to get relief.

31. The company's business activity falls within two primary/ secondary business segment viz. Finance Activity and dealing in shares & securities. The disclosure requirement of Accounting standard (AS) -17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, therefore is given below:

Income from Financial Segment	2.47 CR	1.66 CR
Income from Investment Segment	NIL	NIL
Total Expense	1.82 CR	0.44 CR
Net Profit	0.65 CR	1.22 CR

32. **Auditor's remuneration :**

Particulars	2022-23	2021-22
Statutory Audit	59,000/-	25,000/-
Tax Audit Fees	10,000/-	10,000/-

33. Information as required by Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007 is Furnished vide Annexure -1 Attached Herewith.

34. Information as required by Non-Banking Financial Companies -Corporate Governance (Reserve Bank) Direction, 2015 is Furnished vide Annexure -II Attached Herewith.

35. **Provision for Standard and Non-Performing Assets:**

Provision for non-performing assets (NPAs) is made in the financial statements according to the Prudential Norms prescribed by RBI for NBFCs. The Company also makes additional provision towards loan assets, based on the management's best estimate. Additional provision of 0.40% on Standard assets has also been made during the year, as per stipulation of RBI on Standard assets. Company has made provisions for Standard Assets as well as Non-Performing Assets as per the table below:

(In Rs.)		
Particulars	2022-23	2021-22
<u>Sub standard Assets</u>		
Total Non-Performing Assets	1,35,45,851.00	13,72,973.00
Provision already available	1,35,45,851.00	13,72,973.00
Additional Provision made during the year	0.00	0.00
Reversed Provision During the Year	1,35,45,851.00	13,72,973.00
Total Provision at the end of the Year	0.00	0.00
<u>Standard Assets</u>		
Provision already available	8,49,628.00	8,57,457.00
Additional Provision made during the year	0.00	0.00
Reversed Provision made During the Year	62,576.00	7,829.00
Total Provision at the end of the Year	9,12,204.00	8,49,628.00

36. Earnings per Share “AS-20” issued by the Institute of chartered Accountants of India:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Profit after taxation as Statement of Profit and Loss (in Rupees)	49,99,846	(42,91,952)
(B) Weight Average number of equity Shares outstanding during the year	61,25,73,750	61,25,73,750
(C) Nominal value of Equity shares (in rupees)	1.00	1.00
(D) Basic Earnings per Share	0.008	(0.007)
(E) Diluted Earnings per share	0.008	(0.007)

37. **Related Party Disclosure:**

As per Accounting Standard 18 on related Party disclosure issued by the Institute of chartered Accountants of India, the nature and volume of transaction of the company during the year with the related parties were as follows:

Name of the Related Party	Relationship	Nature of Transaction	Number of Transaction	Amount of Transaction	Amount o/s on B.S Date
KDG Properties & constructions Private Limited	Virendra Jain Director of KDG Properties & Construction Pvt. Ltd. is Brother of Surendra Kumar Jain	Investment	0	0	200,00,00,00
Utsav Securities Private Limited	Virendra Jain Director of Utsav Securities Pvt. Ltd. is Brother of Surendra Kumar Jain	Investment	0	0	325,00,00,00
Nishu Jain	Company Secretary	KMP Remuneration	12	1,80,000/-	0

Note: Related party relationship is as identified by the Company and relied upon by the auditor.

The following Director of the company is Director in other Companies:

Surendra Kumar Jain	Priti Jain	Sujan Lal Mehta	Anil Prakash	Rekha Bhandari	TUSHAR RAI SHARMA	SUBODH KUMAR
Sunshine Capital Limited	PB Housing Dev. Pvt. Ltd.	Kallinugger And Khoreel Tea Co. Ltd.	Cosmo Buildtech Private Limited	Aulina Design Pvt. Ltd.	Alstone Textiles (India) Limited	Hillridge Investments Limited
Shri Niwas Leasing And Finance Limited	Great Bear Aviation Pvt. Ltd.	Barduar Tea & Timber Co. Ltd.	Transnational Growth Fund Ltd.	Avail Financial Services Pvt. Ltd.	India Solomon Holdings Limited	Legend Infoways Limited

RKG Finvest Limited	JP Buildcon Pvt. Ltd.	C Batia & Co. Pvt. Ltd.	ECHT Finance Limited			
-	Shourya Developers Pvt. Ltd.	Sunshine Capital Limited				
-	PB Properties Pvt. Ltd.	Transnational Growth Fund Ltd.				
-	ECHT Finance Limited	RKG Finvest Limited	-			
-	-	ECHT Finance Limited	-			
-	-	Jaipur Investment Limited	-			

38. The Company estimates the deferred tax created/ (credit) using the applicable rate of Taxation based on the impact of timing Differences between financial Statements and Estimated taxable income for the current Year.

Details of Deferred Tax Assets (Liabilities) are As follows:

Calculation of Deferred Tax Assets	
WDV as per Companies Act	55,12,908.00
WDV as per Income Tax act	80,41,150.00
Timing Difference	(25,28,242.00)
Deferred Tax Assets	23,53,184.00

39. There are no micro, Small and Medium Enterprises, to whom the Company owes dues which outstanding for more than 45 days as at 31st March 2023. This information as required to be disclosed under the micro, small and medium Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with company.

40. Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 along with the Rules there under and revised Schedule VII to the Act, concerning Corporate Social Responsibility (CSR), have been notified on 27th February 2014, which came into effect from 1st April 2014, the Company being covered under the provisions of the said section has taken necessary initial steps in this regard.

The Corporate Social Responsibility Policy of the Company is displayed on website of the company www.sitalleasingfinance.com. As the Company has to spend 2,08,503 for the Financial Year 2022-23 towards CSR activities. Nature of CSR activities which is related to education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. The company will attach the details and receipt of spending when it will be paid by the company with AOC-4 which has to be filed for the FY 2022-23. Further the brief details about CSR is annexed herewith.

41. Details of Crypto / Virtual Currency

There were no Transaction and Financial Dealing in Crypto / Virtual Currency during the Financial Year 2022-23.

42. There are no micro, Small and Medium Enterprises, to whom the Company owes dues which outstanding for more than 45 days as at 31st March 2023. This information as required to be disclosed under the micro, small and medium Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with company.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED.

**FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FRN: 018393N**

FOR SITAL LEASING & FINANCE LIMITED

**CA. MANINDRA K TIWARI
(PARTNER)
M. NO. 501419
UDIN: 23501419BGWNAZ4930**

**SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035**

**PRITI JAIN
(DIRECTOR)
DIN: 00537234**

**PLACE: GURUGRAM
DATE: 10.05.2023**

**NISHU JAIN
(COMPANY SECRETARY)
M. NO. A58126**

**PIYUSH JAIN
(C.F.O.)**

CONSOLIDATED INDEPENDENT AUDITORS' REPORT

CONSOLIDATED INDEPENDENT AUDITORS' REPORT

To
The Members of Sital Leasing and Finance Limited
Report on the audit of the financial statements

Opinion

We have audited the financial statements of Sital Leasing And Finance Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit Amount of Rs. 1,19,46,501/- and cash out flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

(A) Adoption of new revenue recognition standard Ind AS 115 (This is added only for illustrative purposes and the auditor has to decide the most significant matter and modify this section accordingly)

Details of the Key Audit Matter

The Company adopted Ind AS 115 "Revenue from Contracts with Customers" with effect from April 1, 2019. The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and point of recognition of revenue.

Ind AS 115 also requires extensive disclosures.

Auditors' Response to the Key Audit Matter

We assessed the Company's process to identify the impact of adoption of the new revenue accounting standard (Ind AS 115).

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:

(a) Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.

(b) Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.

(c) Selected a sample of continuing and new contracts and performed the following procedures:

Read, analysed and identified the distinct performance obligations in these contracts.

Compared these performance obligations with that identified and recorded by the Company.

Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.

Performed analytical procedures for reasonableness of revenue recognition as per IND AS 115.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 standalone financial statements or our knowledge obtained during the course of our 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

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 statement 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 boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;

(c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to our, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to our;

a. The Company does not have any pending litigations which would impact its financial position;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N**

**CA. MANINDRA KUMAR TIWARI
(PARTNER)
M. NO: 501419**

**PLACE: GURUGRAM
DATE: 10.05.2023
UDIN: 23501419BGWNAZ4930**

Annexure “A” to the 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 Sital Leasing and Finance Limited of even date)

1. In respect of the Company’s fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the records examined by us, we report that the Company does not hold any freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.

3. According to information and explanation given to us, the company has granted interest bearing loan unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 179 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.

4. In our opinion and according to information and explanation given to us, the company 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.

5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.

6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.

7. In respect of statutory dues:

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including 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 have been generally regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, 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 March 31, 2023 for a period of more than six months from the date they became payable

(b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.

8 In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.

9. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.

10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

11. In our opinion and according to the information and explanations given to us, the Company has not paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.

15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.

16. The Company is engaged in the business of Non-Banking financial institution and has obtained certificate of registration with RBI dated 12/12/2001, Reg. Certificate No. B-14.02131

**FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N**

**CA. MANINDRA KUMAR TIWARI
(PARTNER)
M. NO: 501419**

**PLACE: GURUGRAM
DATE: 10.05.2023
UDIN: 23501419BGWNAZ4930**

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Sital Leasing And Finance Limited of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Sital Leasing And Finance Limited (“the Company”) as at March 31, 2023, 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 board of directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 in the financial statements, whether due to fraud or error.

Our 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N**

**CA. MANINDRA KUMAR TIWARI
(PARTNER)
M. NO: 501419**

**PLACE: GURUGRAM
DATE: 10.05.2023
UDIN: 23501419BGWNAZ4930**

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Consolidated Balance Sheet As at 31.03.2023

(` in Lacs)

Particulars	Note No.	AS AT 31ST MARCH, 2023	AS AT 31ST MARCH, 2022	AS AT 1ST APRIL, 2021
1	2	3	4	5
(1) ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	3	55.13	64.44	77.28
(b) Capital work-in-progress		-	-	-
(c) Investment Property		-	-	-
(d) Goodwill		-	-	-
(e) Other Intangible assets		-	-	-
(f) Intangible assets under development		-	-	-
(g) Biological Assets other than bearer plants		-	-	-
(h) Inventories	4	17.49	17.49	17.44
(h) Financial Assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Loans		-	-	-
(iv) Others (to be specified)		-	-	-
(i) Deferred tax assets (net)	5	23.53	21.59	19.60
(j) Other non-current assets	6	30.58	22.29	28.23
(2) Current assets				
(a) Inventories		-	-	-
(b) Financial Assets				
(i) Investments	7	95,199.98	95,130.51	95,105.52
(ii) Trade receivables		-	-	-
(iii) Cash and cash equivalents	8	0.38	0.17	0.62
(iv) Bank balances	9	6.65	0.70	3.10
(v) Loans	10	2,280.91	2,259.94	2,146.56
(vi) Others (to be specified)		-	-	-
(c) Current Tax Assets (Net)		-	-	-
(d) Other current assets		-	-	-
Total Assets		97,614.65	97,517.12	97,398.34
				Cont.....

EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	11	6,125.74	6,125.74	6,125.74
(b) Other Equity	12	91,459.04	91,206.34	91,227.01
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables		-	-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-	-
(b) Provisions	13	29.87	185.04	42.13
(c) Deferred tax liabilities (Net)		-	-	-
(d) Other non-current liabilities		-	-	-
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	14	-	-	3.46
(ii) Trade payables		-	-	-
(iii) Other financial liabilities (other than those specified in item (c))		-	-	-
(b) Other current liabilities		-	-	-
(c) Provisions		-	-	-
(d) Current Tax Liabilities (Net)		-	-	-
Total Equity and Liabilities		97,614.65	97,517.12	97,398.34

See accompanying notes to the financial statements

1

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA

(CHARTERED ACCOUNTANTS)

FIRM REGN NO: 018393N

FOR AND ON BEHALF OF

SITAL LEASING AND FINANCE LIMITED

CA.MANINDRA K TIWARI

(PARTNER)

M.NO: 501419

UDIN: 23501419BGWNAZ4930

SURENDRA KUMAR JAIN

(MANAGING DIRECTOR)

DIN: 00530035

NISHU JAIN

(COMPANY SECRETARY)

M. NO: A58126

PRITI JAIN

(DIRECTOR)

DIN : 00537234

PIYUSH JAIN

(C.F.O)

PLACE : GURUGRAM

DATE : 10.05.2023

STATEMENT OF CHANGES IN EQUITY

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Consolidated Statement of Changes in Equity for the period ended 31.03.2023

(in '000)

A. Equity Share Capital

PARTICULAR	No. Of Shares	Amount of Shares
As at 01st April,2021	61,25,73,750	6,125.74
Changes in equity share capital during the year	-	-
As at 31st March,2022	61,25,73,750	6,125.74
Changes in equity share capital during the year	-	-
As at 31st March,2023	61,25,73,750	6,125.74

B. Other Equity

PARTICULAR	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (specify nature)	Retained Earnings								
As at 01st April 2021	-	-	-	89,488.88	1,199.90	538.24	-	-	-	-	-	-	-	91,227.01
Profit for the year	-	-	-	-	-	(17.93)	-	-	-	-	-	-	-	(17.93)
Total Comprehensive Income for the year	-	-	-	-	-	(18.09)	-	-	-	-	-	-	-	(18.09)
Transfer to retained earnings	-	-	-	-	-	(2.75)	-	-	-	-	-	-	-	(2.75)
As at 31st March 2022	-	-	-	89,488.88	1,218.00	499.46	-	-	-	-	-	-	-	91,206.33
profit for the year	-	-	-	-	-	119.47	-	-	-	-	-	-	-	119.47
Total Comprehensive Income for the year	-	-	-	-	-	(9.61)	-	-	-	-	-	-	-	(9.61)
Transfer to retained earnings	-	-	-	-	-	(2.09)	-	-	-	-	-	-	-	(2.09)
As at 31st March 2023	-	-	-	89,488.88	1,227.61	607.23	-	-	-	-	-	-	-	91,324.71

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA.MANINDRA K TIWARI
(PARTNER)
M.NO: 501419
UDIN: 23501419BGWNAZ4930

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 10.05.2023

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

Consolidated Statement of Profit and Loss for the period ended 31.03.2023

(₹ in Lac)

S.N	Particulars	Note No.	YEAR ENDED 31ST MARCH 2023	YEAR ENDED 31ST MARCH 2022
I	Revenue From Operations	15	246.225	165.590
II	Other Income	16	0.047	0.015
III	Total Income (I+II)		246.272	165.605
IV	EXPENSES			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade	17	0.052	0.046
	Changes in inventories of finished goods	18	-	(0.046)
	Stock-in -Trade and work-in-progress		-	-
	Employee benefits expense	19	12.900	8.778
	Finance costs	20	0.048	0.047
	Depreciation and amortization expense	3	9.310	12.841
	Other expenses	21	159.622	21.677
	Total expenses (IV)		181.932	43.342
V	Profit/(loss) before exceptional items and tax (I- IV)		64.340	122.263
VI	Exceptional Items		-	135.389
VII	Profit/(loss) before tax (V-VI)		64.340	(13.126)
	Share In Associate Companies		69.467	24.996
VIII	Tax expense:			
	(1) Current tax		16.285	31.788
	(2) MAT Credit Entitlement		-	-
	(3) Deferred tax		(1.943)	(1.986)
	(4) Excess Provision of earlier Year		-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		119.465	(17.933)
X	Profit/(loss) from discontinued operations			-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		119.465	(17.933)

Cont.....

	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
XIV	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		-	-
	Earnings per equity share (for continuing operation):			
XVI	(1) Basic		0.020	(0.003)
	(2) Diluted		0.020	(0.003)
	Earnings per equity share (for discontinued operation):			
XVII	(1) Basic		-	-
	(2) Diluted		-	-
	Earnings per equity share (for discontinued & continuing operations)			
XVIII	(1) Basic		0.020	(0.003)
	(2) Diluted		0.020	(0.003)

See accompanying notes to the financial statements

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

FOR FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA.MANINDRA K TIWARI
(PARTNER)
M.NO: 501419
UDIN: 23501419BGWNAZ4930

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 10.05.2023

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram,
Haryana-122001

Consolidated Statement of Cash Flows for the year ended 31.03.2023

(` IN LACS)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Cash flows from operating activities		
Profit before taxation	64.34	122.26
Adjustments for:		
Depreciation	(9.31)	(12.84)
Provision for income tax	(16.28)	(31.79)
Defered tax	(1.94)	(1.99)
Working capital changes:		
(Increase) / Decrease in trade and other receivables	(9.74)	6.42
Increase / (Decrease) in trade payables	0.09	64.94
Cash generated from operations		
Interest paid		
tax paid	-	(30.46)
Dividends paid		
Net cash from operating activities	27.15	116.54
Cash flows from investing activities		
Purchase of property, plant and equipment	-	-
Purchase/ Sale of shares	-	(0.05)
Net cash used in investing activities	-	(0.05)
Cash flows from financing activities		
Loans & Advances Given/Received	(20.98)	(115.89)
Repayment of Loan	-	(3.46)
Dividends paid	-	-
Share in Associates Companies	-	-
Net cash used in financing activities	(20.98)	(119.35)
Net increase in cash and cash equivalents	6.17	(2.85)
Cash and cash equivalents at beginning of period	0.87	3.72
Cash and cash equivalents at end of period	7.04	0.87

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA.MANINDRA K TIWARI
(PARTNER)
M.NO: 501419
UDIN: 23501419BGWNAZ4930

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 10.05.2023

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

Consolidated Notes to Financial Statements**OTHER NON CURRENT ASSETS****NOTE 4: INVENTORIES**

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Stock In Shares As Per "Annexure-A"	17.49	17.49	17.44
Total	17.49	17.49	17.44

NOTE 5: DEFERED TAX ASSETS (NET)

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Opening Balance	21.59	19.60	17.45
Created/ Reversed During the year	1.94	1.99	2.16
Total	23.53	21.59	19.60

NOTE 6: OTHER NON- CURRENT ASSETS

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
HDFC Bank Ltd Fixed Deposit	2.24	1.66	1.66
Balance with Revenue Authorities	4.07	4.07	4.07
Advance Tax for A.Y. 2021-22	-	-	10.00
Tax Deducted at Source A.Y. 2021-22	-	-	12.50
Tax Deducted at Source A.Y. 2022-23	-	16.56	-
Tax Deducted at Source A.Y. 2023-24	24.27	-	-
Total	30.58	22.29	28.23

NOTE 7: INVESTMENT

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023		AS AT 31ST MARCH 2022		AS AT 1ST APRIL 2021	
Unquoted Equity Shares						
Carewell Exim Pvt. Ltd.	1000000	10,000.00	1000000	10,000.00	1000000	10,000.00
KDG Properties & Construction Pvt. Ltd.	2000000	20,000.00	2000000	20,000.00	2000000	20,000.00
India Solomon Holdings Pvt. Ltd.	3250000	32,590.66	3250000	32,523.33	3250000	32,499.97
Utsav Securities Pvt. Ltd.	3250000	32,609.32	3250000	32,607.18	3250000	32,605.55
Total		95,199.98		95,130.51		95,105.52

NOTE 8: CASH & CASH EQUIVALENTS

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Cash in Hand	0.38	0.17	0.62
Total	0.38	0.17	0.62

NOTE 9: BANK & BANK BALANCES

(` in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
HDFC Bank Ltd.	4.16	0.22	0.20
IDFC Bank	0.49	0.22	
Punjab National Bank	1.99	0.26	2.90
Total	6.65	0.70	3.10

NOTE 10: LOANS

(` in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Unsecured, Considered Good			
Loans at agreement values less instalment received (include overdue Amount)			
Standard Assets	2,280.51	2,259.54	2,146.16
Other Loans & Advances			
DSE Security Deposits	0.40	0.40	0.40
Total	2,280.91	2,259.94	2,146.56

NOTE 11: SHARE CAPITAL

(` in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Authorised Share Capital			
65,00,00,000 Equity Share of ` 1/- Each (Previous Year 65,00,00,000 Equity share of ` 1/-each)	6,500.00	6,500.00	6,500.00
	<u>6,500.00</u>	<u>6,500.00</u>	<u>6,500.00</u>
Issued , Subsribed & Paid up Shares			
Shares at the end of the Accounting Period 61,25,73,750 (Previous Year 61,25,73,750) Equity Shares of ` 1/-	6,125.74	6,125.74	6,125.74
Total	6,125.74	6,125.74	6,125.74

11.1 The company has only one class of equity Shares having Par Value of ` 1/- per Share. All these Shares have Same right & preferences with respect to payment of dividend, re-payment of Capital & Voting.

11.2 The reconciliation of the number of Shares outstanding is set out Below

11.3 Shares In The Company Held By Each Shareholder Holding More than 5% shares

Name of the Shareholders	AS AT 31ST MARCH 2023		% of change in share holding	AS AT 31ST MARCH 2022		AS AT 1ST APRIL 2021	
	% of Shares held	No. Of Share		% of Shares held	No. Of Share	% of Shares held	No. Of Share
Avail Financial Services Ltd.	7.41	4,53,64,291	-	7.41	4,53,64,291	7.41	4,53,64,291
Microland Developers Pvt. Ltd.	14.57	8,92,50,000	-	14.57	8,92,50,000	14.57	8,92,50,000
Legend Infoways Pvt. Ltd.	15.61	9,56,25,000	-	15.61	9,56,25,000	15.61	9,56,25,000
Victory Software Pvt. Ltd.	6.55	4,01,28,552	6.55	-	-	-	-

NOTE 12: OTHER EQUITY

Refer Statement of Changes in Equity for detailed movement in Equity balance

(` in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Researve u/s 45IC			
At The Beginning Of The Accounting Period	159.84	141.75	125.78
Additions During The Year	9.61	18.09	15.96
At The End Of The Accounting Period	<u>169.45</u>	<u>159.84</u>	<u>141.75</u>
General Researve			
At The Beginning Of The Accounting Period	1,058.16	1,058.16	1,058.16
Additions During The Year	-	-	-
At The End Of The Accounting Period	<u>1,058.16</u>	<u>1,058.16</u>	<u>1,058.16</u>
Securities Premium Account			
At The Beginning Of The Accounting Period	89,488.88	89,488.88	89,488.88
Additions During The Year	-	-	-
At The End Of The Accounting Period	<u>89,488.88</u>	<u>89,488.88</u>	<u>89,488.88</u>
Surplus in Statement of Profit & loss			
At The Beginning Of The Accounting Period	499.46	538.24	457.24
Additions During The Year	119.47	(17.93)	100.47
Eceptional items	135.32	-	-
	<u>754.24</u>	<u>520.30</u>	<u>557.71</u>
Transfer to Researve			
Researve u/s 45IC	(9.61)	(18.09)	(15.96)
Provision for CSR Expenses	(2.09)	(2.75)	(3.51)
Intersegment Transfer Exp W/off	-	-	-
	<u>(11.70)</u>	<u>(20.84)</u>	<u>(19.47)</u>
At The End Of The Accounting Period	<u>742.55</u>	<u>499.46</u>	<u>538.24</u>
Grand Total	91,459.04	91,206.34	91,227.01

NON-CURRENT LIABILITES**NOTE: 13 PROVISION**

(` in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Provision for Standard Assets	9.12	8.50	8.57
Provision for Loss Assets	-	135.46	-
Expenses Payable	4.47	9.30	3.10
Provision for Taxation	16.28	31.79	30.46
Total	29.87	185.04	42.13

NOTE: 14 SHORT TERM BORROWINGS

(` in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022	AS AT 1ST APRIL 2021
Term Loans			
Loan from ICICI Bank (Secured Loan)	-	-	3.46
Total	-	-	3.46

NOTE 15: REVENUE FROM OPERATION

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Sale of Trading Goods	0.05	-
Income From FDR in Bank	0.10	-
Interest on Loan (Gross TDS ₹ 16,56,050/- (Previous Year Gross TDS ₹ 12,50,111/-	246.07	165.59
Total	246.22	165.59

NOTE 16: OTHER INCOME

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Dividend	0.04	0.01
Other Receipt	0.00	-
Total	0.05	0.01

NOTE 17: PURCHASE OF STOCK IN TRADE

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Purchases of shares	0.05	0.05
Trading Expenses	-	-
Total	0.05	0.05

NOTE 18: CHANGE IN INVENTORIES OF FINISHED GOODS

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Balance at the beginning of the year	17.49	17.44
Balance at the Closing of the year	17.49	17.49
Total	-	(0.05)

NOTE 19: EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Salary Expenses	12.73	8.76
Staff Welfare Expense	0.17	0.02
Total	12.90	8.78

NOTE 20: FINANCE COST

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Bank Charges	0.05	0.05
Total	0.05	0.05

NOTE 21: OTHER EXPENSES

(₹ in Lacs)

PARTICULARS	AS AT 31ST MARCH 2023	AS AT 31ST MARCH 2022
Advertisement & Publicity Expenses	0.34	0.47
Annual Charges For Credit Rating	0.18	0.24
Audit Fees	0.59	0.25
Bad Debts W/off	132.10	-
Board Meeting Fees	0.05	0.02
Car Insurance	1.76	1.50
Car Repair & Maintenance	8.18	9.68
CDSL Custodial Fees	0.89	0.89
Certification Charges	0.16	0.01
Computer Repair & Maintenance	0.12	0.04
Conveyance Expenses	0.24	0.24
Demat Account Charges	0.03	0.02
Filing Fees	0.06	0.09
General Expenses	0.04	0.01
ISO Certification charges	0.03	-
Interest Expenses on Tax	3.59	1.78
Internal Audit Fees	0.20	0.10
Legal & Professional charges	0.76	0.61
Listing Fees	1.30	1.30
NSDL Fees	1.01	1.01
Office Repair & Maintenance	3.32	1.92
Photocopy Expenses	0.15	0.07
Postal charges	0.06	0.02
Printing & Stationery	0.26	0.05
Registrar Charges	0.68	0.72
Tax Audit Fees	0.10	0.10
Telephone Expenses	0.10	0.03
Vehicle Running Expenses	3.16	0.48
Website Expenses	0.16	0.04
Total	159.62	21.68

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

CONSOLIDATED DEPRECIATION CHART AS PER COMPANIES ACT, 2013. AS AT 31.03.2023

(` in '000)

Fixed Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost/valuation as at beginning of the year 2022-23	Additions during the year 2022-23	Disposals/ Adjustments	Cost/valuation at the year end 2022-23	As at the beginning of the year 2022-23	Depreciation during the year 2022-23	Disposals/ Adjustments	Total up to the year end 2022-23	As at the Current year end 2023	As at the previous year end 2022
Tangible Assets										
Building	54.77	-	-	54.77	19.83	1.75	-	21.58	33.19	34.93
Furniture & Fixtures	12.60	-	-	12.60	7.85	-	-	7.85	4.75	4.75
Vehicles	207.00	-	-	207.00	183.45	7.29	-	190.74	16.26	23.55
Office Equipment	10.70	-	-	10.70	9.49	0.27	-	9.77	0.93	1.21
Total Assets	285.06	-	-	285.06	220.62	9.31	-	229.93	55.13	64.44
Previous year	284.94	-	-	285.06	207.78	12.84	-	220.62	64.44	77.28

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY
(CHARTERED ACCOUNTANTS)
FIRM REGN NO:028454N

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

CA. SAMEEM AHMED
(PARTNER)
M.NO: 533849
UDIN: 23501419BGWNAZ4930

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PLACE : GURUGRAM
DATE : 10.05.2023

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PIYUSH JAIN
(C.F.O)

SITAL LEASING AND FINANCE LIMITED

Regd. Office:-322, III Floor, SS Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurugram, Haryana-122001

CONSOLIDATED DEPRECIATION CHART AS PER INCOME TAX ACT AS AT 31.03.2023

(' in '000)

PARTICULARS	DEP. RATE	OPENING WDV	ADDITION / REVALUATION ON OR BEFORE 30.09.2022	ADDITION / REVALUATION AFTER 30.09.2022	SOLD DURING THE YEAR	TOTAL	DEPRECIATION	CLOSING WDV
Computer	40%	0.06	-	-	-	0.06	0.02	0.03
Furniture & Fixtures	10%	4.58	-	-	-	4.58	0.46	4.12
Office Building	10%	21.67	-	-	-	21.67	2.17	19.50
Plant & Machinery	15%	75.01	-	-	-	75.01	18.26	56.75
Total Assets		101.32	-	-	-	101.32	20.91	80.41

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 018393N

CA.MANINDRA K TIWARI
(PARTNER)
M.NO: 501419
UDIN: 23501419BGWNAZ4930

PLACE : GURUGRAM
DATE : 10.05.2023

FOR AND ON BEHALF OF
SITAL LEASING AND FINANCE LIMITED

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

NISHU JAIN
(COMPANY SECRETARY)
M. NO: A58126

PRITI JAIN
(DIRECTOR)
DIN : 00537234

PIYUSH JAIN
(C.F.O)

Annexure 'A'		
Detail of Closing Stock in Trade		(₹ in Lacs)
Particulars	Quantity	AS AT 31.03.2023
Adani Green Energy Limited	380	0.00
Alok industries ltd	500	0.04
Axis Bank Ltd.	10	0.06
Bajaj Hindusthan Sugar Limited	500	0.08
Bank of Baroda	40	0.05
Bank of India	100	0.08
Berger Paints India Limited	14	0.00
Bharati Airtel Limited	2	-
Castrol India Ltd.	20	0.04
Chennai Super Kings Cricket Limited	100	0.00
Ccrewboss Products Ltd.	1000	0.06
Educom Solution Ltd.	100	0.01
Essel Propack Ltd.	10	0.00
Gammon India Ltd.	200	0.07
Hinduatan Construction company Ltd.	400	0.09
Housing Development and Infrastructure Ltd.	100	0.09
IFCI Ltd.	200	0.06
Indian Infotech And software Ltd.	100000	14.73
IVRCL Ltd	1000	0.15
Jai Prakash Power Venture Limited	300	0.03
LML Limited	1000	0.08
Mcleod Russel India Limited	10	0.02
National Thermal Power Corporation Limited	500	0.39
PMC Fincorp Ltd.	80	0.00
Prakash Constrowell Ltd.	1000	0.19
Reliance Power Ltd.	500	0.21
Tata Steel Limited	100	0.09
Tata Teleservices Ltd.	6000	0.30
The Karnataka Bank Ltd.	110	0.14
Union Bank of India	100	0.23
Unitech Ltd.	1000	0.08
Vedanta Ltd	10	0.01
Vodafone Idea Limited	185	0.09
Grand Total		17.49

Financial Ratio

(` in Lac)

Ratio	31.03.2023	31.03.2022	Variance (%)	Reason for Variance
(a) Current Ratio (Times) Current assets/ Current liabilities	97,414.67	97,386.61	0.029	There is disbursal of loan
(b) Debt- Equity Ratio (Times) borrowing (long term & short term)	-	-	0.000	
(c) Debt service coverage ratio (Times) (Profit after tax + finance cost+ depreciation)/ (finance cost paid+principal repayment (long term borrowing and lease liabilities)	-	-	0.000	
(d) Return on Equity Ratio (%) (profit after tax/ average total equity)	50.00	(43)	92.900	There is increase in profit of the company
(e) inventory turnover Ratio (times) (sale of product/ average inventory)	17.49	17.49	0.000	No increase decrease in inventory
(f) trade receivables turnover Ratio (times) (sale of product/ average trade receivables)	-	-	0.000	
(g) trade payable turnover Ratio (times) (purchase of stock in trade and raw materials +other expenses/ average trade payables)	-	-	0.000	
(h) Net capital turnover Ratio (times) (sale of product/ average working capital)	97,414.67	97,386.61	0.029	There is a increase in networth of the company
(i) Net profit Ratio (%) (profit after tax/ revenue fom operation)	50.00	(43)	92.918	There is increase in profit of the company
(j) Return on capital employed (%) (profit before exceptional item, interest and tax/ average capital employed) Average capital employed= Net worth + Total debt+deferred tax liability	-	-	0.000	
(k) Return on investment (%) (closing balance+interest+dividend-opening+/- cash flows during the period)/ Average investments)	-	-	0.000	
Investment in subsidiaries, associates and joint ventures	-	-	0.000	
Investment in government securities	-	-	0.000	
Other investments	-	-	0.000	

Note 1: COMPANY INFORMATION

Sital Leasing & Finance Ltd. is a Public Limited Company (The Company) having registered office at 322, 3rd Floor, S.S Plaza Commercial Complex, Mayfield Garden, Sector-47 Gurgaon, Haryana 122001. The Company is listed on the MSEI (Metropolitan Stock Exchange of India Ltd.) The company is engaged in the business of investment, financing, trading in shares and securities activities. We believe that we are well placed to leverage on the growth opportunities in the economy.

Note 2: CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

(a) Basis for preparation of Accounts:

The financial statements have been prepared under the historical cost convention on accrual basis, except pertaining to amalgamation accounting in the earlier years, in accordance with the generally accepted accounting principles, provisions of the Companies Act, 2013, and Accounting Standards (AS) notified under Companies (Accounting Standards) Amendment Rules, 2017 u/s 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statement have been prepared in conformity with generally accepted accounting principle to comply in all material respect with the notified accounting standards ('AS') under companies accounting standards Rules, as amended, the relevant provisions of the companies Act, 2013 ('the Act') and the guidelines issued by the Reserve Bank of India (RBI) as applicable to an Non – Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year. The company adopts accrual system of accounting unless otherwise stated.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years.

(c) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Intangible Assets expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprise of purchase price and directly attributable expenditure on making the assets ready for its intended use.

(d) **Depreciation & Impairment of Assets**

Depreciation on fixed assets is provided on Written down Value method, over the useful lives and in the manner prescribed in Schedule II to the Companies Act, 2013.

(e) **Investment**

Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made only if; such a decline is other than temporary in the opinion of the management. As in case of our company such decline is presumed to be temporary hence no provision has been created.

(f) **Revenue Recognition**

(i) Loan Income

In respect of loan agreements, the income is accrued by applying the impact rate in the transaction on declining balance on the amount financed for the period of the agreement.

(ii) Dividend income on investments is accounted for as and when the right to receive the same is established.

(iii) No income is recognized in respect of Non- performing assets, if any, as per the prudential norms for income recognition introduced for Non-Banking Financial Corporation by Reserve Bank of India vide its notification .DFC.NO.119/DG/ (SPT)-98 date 31-01-1998 and revised notification no. DNBS.192/DG (VL)-2007 dated 22-02-2007.

(g) **Provisions of Assets**

The company makes provisions for standard and Non-performing Assets as per the Non-Banking Financial (Non-Deposit Accepting of Holding Companies prudential Norms Reserve Bank) Directions, 2007, as amended from time to time. The company also makes additional provisions towards loan assets, to the extent considered necessary, based on the management's best estimate.

Loan assets which as per the management are not likely to be recovered are considered as bad debts and written off.

Provisions on standards assets are made as per the notification DNBS.PD.CC.No. 002/03.10.001/2014-15 Dated Nov 10, 2014 issued by Reserve Bank of India.

(h) **Statutory/ Special reserve**

The Company creates Statutory / Special Reserve every year twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

(i) **Employee Benefits**

Company do not follow the provision of the accounting Standard-15 “Employee benefits” as the company do not have employee more than 10 personnel’s. So it is the policy of the company that any kind of provision mentioned in the AS -15 will not be entertained. And the company does not make provision for gratuity also. In case the company’s employee limits goes beyond the prescribed limits then AS-15 for Employee benefits will be taken into consideration.

(j) **Financial Derivatives and Commodity Hedging Transaction:**

In respect of Derivative contracts, premium paid, gain & losses on settlement and losses on restatement are recognized in the Statement of profit & Loss.

(k) **Accounting of Inventories:**

Stock in trade should be valued at cost or market price whichever is lower.

(l) **Provisions, contingents Liabilities and contingent Assets**

(i) A Provision is recognized when the company has present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(ii) Contingent Liabilities are disclosed separately by way of note to financial statements after careful evaluation by the managements of the facts and legal aspects of the matter involved in case of:

(a) A present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.

(b) A possible obligation, unless the probability of outflow of resources is remote.

(iii) Contingent Assets are neither recognized, nor disclosed in the financial statements.

(m) **Taxation**

Provisions for current tax is made in accordance with and at the rates specified under the Income Tax Act, 1961, in accordance with Accounting Standard 22- ‘Accounting for taxes on Income’, issued by the Institute of Chartered Accountant of India.

(n) **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted averages number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all diluted potential equity shares.

(o) **Cash and Cash Equivalents**

Cash and cash equivalents in the cash flow statements comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amount of cash.

24. Previous year's figures have been reworked, regrouped, & reclassified wherever necessary to confirm to the current year presentation.
25. In the opinion of Board of Director, the current Assets, loans & advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated.
26. During the year, the company has made provision for Doubtful Assets of amount of 1,35,45,851/- in respect of Loan outstanding.
27. During the year, the Company has purchased shares Quoted/unquoted and Commodities (If Any) has been considered as stock in trade by the Management.
28. During the year, the company has not been traded in F & O's.
29. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of ` 9,61,102/- (Previous Year ` 18,09,497/-) representing 20% of Net Profit is transferred to the fund for the year.

30. **Contingent liabilities and pending litigations:**

(A) There is a pending tax demand of Rs. 10.07 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2010-11. The company has filed an appeal before CIT (A) against the demand for A.Y. 2010-11. The matter is pending before CIT (A). The company is hopeful to get relief.

(B) There is a pending tax demand of Rs. 3.04 Crore against the company. The above demand was raised by the Income Tax department for A.Y. 2011-12. The company has filed an appeal before CIT (A) against the demand for A.Y. 2011-12. The matter is pending before CIT (A). The company is hopeful to get relief.

31. The company's business activity falls within two primary/ secondary business segment viz. Finance Activity and dealing in shares & securities. The disclosure requirement of Accounting standard (AS) -17 "Segment Reporting" issued by the Institute of chartered Accountants of India, therefore is given below:

Income from Financial Segment	2.47 CR	1.66 CR
Income from Investment Segment	NIL	NIL
Total Expense	1.82 CR	0.44
Net Profit	0.65 CR	1.22

32. **Auditor's remuneration :**

Particulars	2022-23	2021-22
Statutory Audit	59,000/-	25,000/-
Tax Audit Fees	10,000/-	10,000/-

33. Information as required by Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007 is Furnished vide Annexure -1 Attached Herewith.
34. Information as required by Non-Banking Financial Companies -Corporate Governance (Reserve Bank) Direction, 2015 is Furnished vide Annexure -II Attached Herewith.
35. **Provision for Standard and Non-Performing Assets:** Provision for non-performing assets (NPAs) is made in the financial statements according to the Prudential Norms prescribed by RBI for NBFCs. The Company also makes additional provision towards loan assets, based on the management's best estimate. Additional provision of 0.40% on Standard assets has also been made during the year, as per stipulation of RBI on Standard assets. Company has made provisions for Standard Assets as well as Non-Performing Assets as per the table below:

Particulars	(In `)	
	2022-23	2021-22
Sub standard Assets		
Total Non-Performing Assets	1,35,45,851.00	13,72,973.00
Provision already available	0.00	13,72,973.00
Additional Provision made during the year	1,35,45,851.00	0.00
Reversed Provision During the Year	0.00	13,72,973.00
Total Provision at the end of the Year	13545851.00	0.00
Standard Assets		
Provision already available	8,49,628.00	8,57,457.00
Additional Provision made during the year	0.00	0.00
Reversed Provision made During the Year	62,576.00	7,829.00
Total Provision at the end of the Year	9,12,204.00	8,49,628.00

36. Earnings per Share "AS-20" issued by the Institute of chartered Accountants of India:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A) Profit after taxation as Statement of Profit and Loss (in Rupees)	49,99,846	(42,91,952)
(B) Weight Average number of equity Shares outstanding during the year	61,25,73,750	61,25,73,750
(C) Nominal value of Equity shares (in rupees)	1.00	1.00
(D) Basic Earnings per Share	0.008	0.007
(E) Diluted Earnings per share	0.008	0.007

37. Related Party Disclosure:

As per Accounting Standard 18 on related Party disclosure issued by the Institute of chartered Accountants of India, the nature and volume of transaction of the company during the year with the related parties were as follows:

Name of the Related Party	Relationship	Nature of Transaction	Number of Transaction	Amount of Transaction	Amount o/s on B.S Date
KDG Properties & constructions Private Limited	Virendra Jain Director of KDG Properties & Construction Pvt. Ltd. is Brother of Surendra Kumar Jain	Investment	0	0	200,00,00,000
Utsav Securities Private Limited	Virendra Jain Director of Utsav Securities Pvt. Ltd. is Brother of Surendra Kumar Jain	Investment	0	0	325,00,00,000
Nishu Jain	Company Secretary	KMP Remuneration	12	1,80,000/-	0

Note: Related party relationship is as identified by the Company and relied upon by the auditor.

The following Director of the company are Director in other Companies:

Surendra Kumar Jain	Priti Jain	Sujan Lal Mehta	Anil Prakash	Rekha Bhandari	TUSHAR RAI SHARMA	SUBODH KUMAR
Sunshine Capital Limited	PB Housing Dev. Pvt. Ltd.	Kallinugger And Khoreel Tea Co. Ltd.	ECHT Finance Limited	Aulina Design Pvt. Ltd.	Alstone Textiles (India) Limited	Hillridge Investments Limited
Shri Niwas Leasing And Finance Limited	Great Bear Aviation Pvt. Ltd.	Barduar Tea & Timber Co. Ltd.		Avail Financial Services Pvt. Ltd.	India Solomon Holdings Limited	Legend Info ways Limited
RKG Finvest Limited	JP Buildcon Pvt. Ltd.	C Batia & Co. Pvt. Ltd.				
-	Shourya Developers Pvt. Ltd.	Sunshine Capital Limited				
-	PB Properties Pvt. Ltd.	Transnational Growth Fund Ltd.				
-	ECHT Finance Limited	RKG Finvest Limited	-			
-	-	ECHT Finance Limited	-			
-	-	Jaipur Investment Limited	-			

38. The Company estimates the deferred tax created / (credit) using the applicable rate of Taxation based on the impact of timing Differences between financial Statements and Estimated taxable income for the current Year.

Details of Deferred Tax Assets (Liabilities) are As follows:

Calculation of Deferred Tax Assets	
WDV as per Companies Act	55,12,908.00
WDV as per Income Tax act	80,41,150.00
Timing Difference	(25,28,242.00)
Deferred Tax Assets	23,53,184.00

40. Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 along with the Rules there under and revised Schedule VII to the Act, concerning Corporate Social Responsibility (CSR), have been notified on 27th February 2014, which came into effect from 1st April 2014, the Company being covered under the provisions of the said section has taken necessary initial steps in this regard.

The Corporate Social Responsibility Policy of the Company is displayed on website of the company www.sitalleasingfinance.com. As the Company has to spend 2,08,503/- for the Financial Year 2022-23 towards CSR activities. Nature of CSR activities which is related to education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. The company will attach the details and receipt of spending when it will be paid by the company with AOC-4 which has to be filed for the FY 2022-23. Further the brief details about CSR is annexed herewith.

41. Details of Crypto / Virtual Currency

There were no Transaction and Financial Dealing in Crypto / Virtual Currency during the Financial Year 2022-23.

42. There are no micro, Small and Medium Enterprises, to whom the Company owes dues which outstanding for more than 45 days as at 31st March 2022. This information as required to be disclosed under the micro, small and medium Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with company.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED.

FOR TIWARI & MISHRA
(CHARTERED ACCOUNTANTS)
FRN: 018393N

FOR SITAL LEASING & FINANCE LIMITED

CA. MANINDRA K TIWARI
(PARTNER)
M. NO. 501419
UDIN : 23501419BGWNAZ4930

SURENDRA KUMAR JAIN
(MANAGING DIRECTOR)
DIN: 00530035

PRITI JAIN
(DIRECTOR)
DIN: 00537234

PLACE: GURUGRAM
DATE: 10.05.2023

NISHU JAIN
(COMPANY SECRETARY)
M. NO. A58126

PIYUSH JAIN
(C.F.O.)

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2022

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

To,

The Members,

SITAL LEASING AND FINANCE LIMITED

(L65910HR1983PLC050169)

Office No. 322, 3rd Floor, Plaza Commercial complex,

Compel Mayfield Garden, Sector-47 Gurgaon Haryana - 122001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SITAL LEASING AND FINANCE LIMITED**. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **SITAL LEASING AND FINANCE LIMITED** 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **SITAL LEASING AND FINANCE LIMITED** ("the Company") for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and rule made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- 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, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **[Not Applicable in the period of Audit]**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **[Not Applicable in the period of Audit]**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. **[Not Applicable in the period of Audit]**
 - 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 in the period of Audit]**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **[Not Applicable in the period of Audit]**

I 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 Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015.
- (iii) The Reserve Bank of India Act, 1934 and Guidelines applicable on the Company.

During the period under review the Company has Complied with the provisions of the Act, Rules, Regulation, Guidelines, Standards, etc. mentioned above subject to the following observation.

Some of the Independent Directors appointed on the Board of the Company are not registered with Indian Institute of Corporate Affairs;

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors as on March 31, 2023. 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.
- Proof of sending notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance maintained by the Company.
- On the basis of the Minutes of the Board Meeting, it is apparent that all the decisions are carried through unanimous consensus and there were no dissenting members' views.
- Based on review of compliances mechanism established by the Company and on the basis of certificates issued by officers of the Company, we are of the opinion that the management has adequate systems and processes commensurate with its sizes and operations, to monitor and ensure compliance with applicable laws, rules and regulations and guidelines.
- The compliance by the Company of applicable financial laws, likes direct and indirect tax laws and financial accounts, has not been reviewed in this Audit since the same has been subject to review by statutory financial audit and designated professionals.

**For Parul Agrawal & Associates
Company Secretaries**

**PCS Parul Agrawal
ACS No. 35968
C P No.: 22311
Peer Review No. 3397/2023
UDIN: A035968E000425962**

**Place: Delhi
Date: May 30, 2023**

This report is to be read with our letter of even date which is annexed as Annexure "A" and forms an integral part of this report.

To,
The Members,
SITAL LEASING AND FINANCE LIMITED
(L65910HR1983PLC050169)
Office No. 322, 3rd Floor, Plaza Commercial complex,
Compel Mayfield Garden, Sector-47 Gurgaon Haryana - 122001.

Subject: My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the Secretarial records. The verification was done on to ensure that correct facts are reflected in secretarial records. I believe that the process and practice, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Where ever required, I have obtained the Management Representation about the compliance of Laws, rules, regulations and happening of events etc.
5. The compliance of provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future validity of the company nor of the efficiency or effectiveness with which management has conducted the affairs of the Company.

For Parul Agrawal & Associates
Company Secretaries

PCS Parul Agrawal
ACS No. 35968
C P No.: 22311
Peer Review No.3397/2023
UDIN: A035968E000425962

Place: New Delhi
Date: May 30, 2023

CERTIFICATE

(Pursuant to Regulation 34(3) read with clause 10 of Part C of Schedule V of LODR)

To,
The Members,
SITAL LEASING AND FINANCE LIMITED
(L65910HR1983PLC050169)
Office No. 322, 3rd Floor, Plaza Commercial complex,
Compel Mayfield Garden, Sector-47 Gurgaon Haryana - 122001.

In pursuance of sub-clause (i) of clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I hereby certify that:

On the basis of the written declaration received from the directors and taken on record by the Board of Directors, as on March 31, 2023, none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

For Parul Agrawal & Associates
Company Secretaries
PCS Parul Agrawal

Place: New Delhi
Date: May 31, 2023

ACS No. 35968
C P No.: 22311

Peer Review No. 3397/2023
UDIN: A035968E000434652

Indicative List of Balance Sheet Disclosure for Non-Deposit Taking NBFCs with Asset Size Rs. 500 Crore and Above and Deposit Taking NBFCs (hereinafter called as Applicable NBFCs)

1. Minimum Disclosures

At a minimum, the items listed in this Annex should be disclosed in the NTA by all applicable NBFCs. The disclosures listed are intended only to supplement, and not to replace, other disclosure requirements as applicable.

2. Summary of Significant Accounting Policies

NBFCs should disclose the accounting policies regarding key areas of operations at one place along with NTA in their financial statements. A suggestive list includes- Basis of Accounting, Transactions involving Foreign Exchange, Investments-Classification, Valuation, etc, Advances and Provisions thereon, Fixed Assets and Depreciation, Revenue Recognition, Employee Benefits, Provision for Taxation, Net Profit, etc.

3.1 Capital

(Amount in Rs. Crore)

Particulars	Current Year	Previous Year
i) CRAR (%)	128.44	125.86
ii) CRAR - Tier I Capital (%)	128.32	125.75
iii) CRAR - Tier II Capital (%)	0.12	0.11
iv) Amount of subordinated debt raised as Tier-II capital	-	-
v) Amount raised by issue of Perpetual Debt Instruments	-	-

3.2 Investments

(Amount in Rs. Crore)

Particulars	Current Year	Previous Year
(1) Value of Investments	950	950
i) Gross Value of Investments		
(a) In India	950	950
(b) Outside India	-	-
ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
iii) Net value of Investments		
(a) In India	-	-
(b) Outside India	-	-
(2) Movement of provisions held towards depreciation on investments		
(i) Opening Balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

3.3 Derivatives

3.3.1 Forward Rate Agreement / Interest Rate Swap

(Amount in Rs Crore)

Particulars	Current Year	Previous Year
(i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the NBFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps \$	-	-
(v) The fair value of the swap book @	-	-

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.

\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the NBFC would receive or pay to terminate the swap agreements as on the balance sheet date.

3.3.2 Exchange Traded Interest Rate (IR) Derivatives

(Amount in Rs. Crore)

S.n	Particulars	Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	
	a) -	-
	b) -	-
	c) -	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March (instrument-wise)	
	a) -	-
	b) -	-
	c) -	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	
	a) --	-
	b) -	-
	c) --	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	
	a) -	-
	b) -	-
	c) -	-

3.3.3 Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

NBFCs shall describe their risk management policies pertaining to derivatives with particular reference to the extent to which derivatives are used, the associated risks and business purposes served. The discussion shall also include:

- a) The structure and organization for management of risk in derivatives trading,
- b) The scope and nature of risk measurement, risk reporting and risk monitoring systems,
- c) Policies for hedging and/ or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/ mitigants, and
- d) Accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation.

Quantitative Disclosures

(Amount in Rs. Crore)			
S. No.	Particular	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)		
	For hedging	-	
(ii)	Marked to Market Positions [1]		
	a) Asset (+)	-	-
	b) Liability (-)	-	-
(iii)	Credit Exposure [2]	-	-
(iv)	Unhedged Exposures	-	-

3.4 Disclosures relating to Securitization

3.4.1 The NTA of the originating NBFCs should indicate the outstanding amount of securitized assets as per books of the SPVs sponsored by the NBFC and total amount of exposures retained by the NBFC as on the date of balance sheet to comply with the Minimum Retention Requirements (MRR). These figures should be based on the information duly certified by the SPV's auditors obtained by the originating NBFC from the SPV. These disclosures should be made in the format given below.

S. No.	Particulars	No./ Amount in Rs. Crore
1.	No of SPVs sponsored by the NBFC for securitisation transactions*	-
2.	Total amount of securitised assets as per books of the SPVs sponsored	-
3.	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	-
	a) Off-balance sheet exposures	-
	First loss	--
	Others	-
	b) On-balance sheet exposures	-
	First loss	-
	Others	-
4.	Amount of exposures to securitisation transactions other than MRR	
	a) Off-balance sheet exposures	-
	i) Exposure to own securitizations	-
	First loss	-
	Loss	-

	ii) Exposure to third party securitisations	-
	First loss	-
	Others	-
b)	On-balance sheet exposures	-
	i) Exposure to own securitisations	-
	First loss	-
	Others	-
	ii) Exposure to third party securitisations	-
	First loss	-
	Others	-
*Only the SPVs relating to outstanding securitisation transactions may be reported here		

3.4.2 Details of Financial Assets sold to Securitisation/ Reconstruction Company for Asset Reconstruction

(Amount in Rs. Crore)

Particulars	Current year	Previous Year
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts sold to SC/ RC	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain/ loss over net book value	-	-

3.4.3 Details of Assignment transactions undertaken by NBFCs

(Amount in Rs. Crore)

Particulars	Current year	Previous Year
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts sold	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain/ loss over net book value	-	-

3.4.4 Details of non-performing financial assets purchased/ sold

NBFCs which purchase non-performing financial assets from other NBFCs shall be required to make the following disclosures in the NTA to their Balance Sheets: -NIL

A. Details of non-performing financial assets purchased:

(Amount in Rs. Crore)		
Particulars	Current year	Previous Year
(1) (a) No. of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
(2) (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold:

(Amount in Rs. Crore)		
Particulars	Current year	Previous Year
(1) No. of accounts sold	-	-
(2) Aggregate outstanding	-	-
(3) Aggregate consideration received	-	-

3.5 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities (amount in Cr.)

	Up to 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	22.80	-	22.80
Investments	-	-	-	-	-	-	-	950	950
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

3.6 Exposures**3.6.1 Exposure to Real Estate Sector**

(Amount in Rs. Crore)		
Category	Current Year	Previous Year
a) Direct Exposure		
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real-estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
(iii) Investments in Mortgage Backed Securities	-	-

(MBS) and other securitised exposures –		
a Residential	-	-
b Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	0.00	0.00

3.6.2 Exposure to Capital Market

(Amount in Rs. Crore)

Particulars	Current Year	Previous Year
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii) Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) Loans sanctioned to corporate against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to companies against expected equity flows/ issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

3.6.3 Details of financing of parent company products -NIL

3.6.4 Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by the NBFC

The NBFC should make appropriate disclosure in the NTA to the annual financial statements in respect of the exposures where the NBFC had exceeded the prudential exposure limits during the year. The sanctioned limit or entire outstanding, whichever is high, shall be reckoned for exposure limit. -NIL

3.6.5 Unsecured Advances

a) For determining the amount of unsecured advances the rights, licenses, authorizations, etc., charged to the NBFCs as collateral in respect of projects (including infrastructure projects) financed by them, should not be reckoned as tangible security. Hence such advances shall be reckoned as unsecured. – **All loans are unsecured.**

b) NBFCs should also disclose the total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral. The disclosure may be made under a separate head in NTA. This would differentiate such loans from other entirely unsecured loans. - **NIL**

4. Miscellaneous

4.1 Registration obtained from other financial sector regulators:

A. MSEI Registration No.: SITAL/ ISIN: INE341001029

B. RBI Registration No.:B-14.002131 dated 21/12/2001

4.2 Disclosure of Penalties imposed by RBI and other regulators

Consistent with the international best practices in disclosure of penalties imposed by the regulators, placing the details of the levy of penalty on the NBFC in public domain will be in the interests of the investors and depositors. Further, strictures or directions on the basis of inspection reports or other adverse findings should also be placed in the public domain. The penalties should also be disclosed in the NTA. - **None**

4.3 Related Party Transactions

a) Details of all material transactions with related parties shall be disclosed in the annual report - **Disclosed in Annual report.**

b) The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report. - **Disclosed in Annual report.**

4.4 Ratings assigned by credit rating agencies and migration of ratings during the year- Disclosed in the Annual Report.

4.5 Remuneration of Directors

All pecuniary relationship or transactions of the non-executive director's vis-à-vis the company shall be disclosed in the Annual Report- **Disclosed in the Annual Report.**

4.6 Management

As part of the directors' report or as an addition thereto, a Management Discussion and Analysis report should form part of the Annual Report to the shareholders. This Management Discussion & Analysis should include discussion on the following matters within the limits set by the company's competitive position:

- a) Industry structure and developments.
- b) Opportunities and Threats.
- c) Segment-wise or product-wise performance.
- d) Outlook
- e) Risks and concerns.
- f) Internal control systems and their adequacy.
- g) Discussion on financial performance with respect to operational performance.
- h) Material developments in Human Resources/ Industrial Relations front, including number of people employed.

4.7 Net Profit or Loss for the period, prior period items and changes in accounting policies

Since the format of the profit and loss account of NBFCs does not specifically provide for disclosure of the impact of prior period items on the current year's profit and loss, such disclosures, wherever warranted, may be made in the NTA.

4.8 Revenue Recognition

An enterprise should also disclose the circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

4.9 Accounting Standard 21 -Consolidated Financial Statements (CFS)

NBFCs may be guided by general clarifications issued by ICAI from time to time. A parent company, presenting the CFS, should consolidate the financial statements of all subsidiaries - domestic as well as foreign. The reasons for not consolidating a subsidiary should be disclosed in the CFS. The responsibility of determining whether a particular entity should be included or not for consolidation would be that of the Management of the parent entity. In case, its Statutory Auditors are of the opinion that an entity, which ought to have been consolidated, has been omitted, they should incorporate their comments in this regard in the "Auditors Report".

4.10 Details of Crypto / Virtual Currency

There were no Transaction and Financial Dealing in Crypto / Virtual Currency during the YEAR.

4.11 Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 along with the Rules there under and revised Schedule- VII to the Act, concerning Corporate Social Responsibility (CSR), have been notified on 27th February 2014, which came into effect from 1st April 2014, the Company being covered under the provisions of the said section has taken necessary initial steps in this regard.

The Corporate Social Responsibility Policy of the Company is displayed on website of the company **www.sitalleasingfinance.com**. As the Company has to spend 2,74,788 for the Financial Year towards CSR activities. Nature of CSR activities which is related to education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. The company will attach the details and receipt of spending when it will be paid by the company with AOC-4 which has to be filed for the year. Further the brief details about CSR are annexed herewith.

5. Additional Disclosures

5.1 Provisions and Contingencies

To facilitate easy reading of the financial statements and to make the information on all Provisions and Contingencies available at one place, NBFCs are required to disclose in the NTA the following information:

(Amount in Rs. Crore)		
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Current Year	Previous Year
Provisions for depreciation on Investment	-	-
Provision towards NPA	0.00	1.35
Provision made towards Income tax	0.16	0.32
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	0.09	0.08

5.2 Draw Down from Reserves:

Suitable disclosures are to be made regarding any draw down of reserves in the NTA.

5.3 Concentration of Deposits, Advances, Exposures and NPAs

5.3.1 Concentration of Deposits (for deposit taking NBFCs)

(Amount in Rs. Crore)	
Total Deposits of twenty largest depositors	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	-

5.3.2 Concentration of Advances

(Amount in Rs. Crore)	
Total Advances (loan) to twenty largest borrowers	-
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	-

5.3.3 Concentration of Exposures

(Amount in Rs. Crore)	
Total Exposure to twenty largest borrowers / customers	-
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	-

5.3.4 Concentration of NPAs

(Amount in Rs. Crore)	
Total Exposure to top four NPA accounts	-

5.3.5 Sector-wise NPAs

S. No.	Sector	Percentage of NPAs to Total Advances in that sector
1.	Agriculture & allied activities	NA
2.	MSME	NA
3.	Corporate borrowers	NA
4.	Services	NA
2.	Unsecured personal loans	NA
3.	Auto loans	NA
4.	Other personal loans	NA

5.4 Movement of NPAs

(Amount in Rs. Crore)			
Particulars		Current Year	Previous Year
(i)	Net NPAs to Net Advances (%)	-	-
(ii)	Movement of NPAs (Gross)	-	-
	(a) Opening balance	-	-
	(b) Additions during the year	-	-
	(c) Reductions during the year-	-	-
	(d) Closing balance	-	-
(iii)	Movement of Net NPAs		
	(a) Opening balance	-	-
	(b) Additions during the year	-	-

	(c)	Reductions during the year	-	-
	(d)	Closing balance	-	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)			
	(a)	Opening balance	-	-
	(b)	Provisions made during the year	-	-
	(c)	Write-off / write-back of excess provisions	-	-
	(d)	Closing balance	-	-

5.5 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

Name of the Joint Venture/ Subsidiary	Other Partner in the JV	Country	Total Assets
NONE			

5.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

secName of the SPV sponsored	
Domestic	Overseas
NONE	

6. Disclosure of Complaints

6.1 Customer Complaints

(a)	No. of complaints pending at the beginning of the year	NONE
(b)	No. of complaints received during the year	
(c)	No. of complaints redressed during the year	
(d)	No. of complaints pending at the end of the year	