

# **KRA LEASING LIMITED**

(CIN- L65993DL1990PLC039637)

**29<sup>TH</sup> ANNUAL REPORT 2017-18**

**(D-28, SMA Co-operative Industrial Estate, GT Karnal Road, Delhi-110 033)**

## **-: CORPORATE INFORMATION:-**

### **BOARD OF DIRECTORS**

- |                         |                      |
|-------------------------|----------------------|
| ➤ Mr. Rajesh Mehra      | Managing Director    |
| ➤ Mr. Sri Krishan Mehra | Director             |
| ➤ Mr. Ajay Mehra        | Director             |
| ➤ Mr. Amit Kumar Modi   | Independent Director |
| ➤ Mr. Ravi Sharma       | Independent Director |
| ➤ Mrs. Deeksha Bajaj    | Independent Director |

### **KEY MANAGERIAL PERSON**

- |                     |  |
|---------------------|--|
| ➤ Mr. Atul Mittal   | Chief Financial Officer                  |
| ➤ Mr. Ankit Dhamija | Company Secretary cum Compliance Officer |

### **STATUTORY AUDITORS**

- **M/s. Arun K Maheshwari & Co.,**  
Chartered Accountants,  
New Delhi

### **REGISTERED OFFICE**

- D 28, SMA Co-Operative Industrial Estate, G T Karnal Road, Delhi- 110033.

### **CORPORATE OFFICE**

- Plot No-3, Sector-11, IMT Manesar, Gurgaon, Haryana-122050

### **LISTED WITH STOCK EXCHANGE**

- **Metropolitan Stock Exchange of India Limited**  
Vibgyor Tower, 4<sup>th</sup> Floor, G Block C-62, BandraKurla Complex, Bandra (E), Mumbai  
City, Maharashtra-400098.

### **REGISTRAR & SHARE TRANSFER AGENT**

- **M/s Link Intime India Pvt. Ltd,**  
2<sup>nd</sup> Floor, 44 Community Center, Naraina Industrial Area, Phase I, Near PVR,  
Naraina, New Delhi – 110028

### **BANKERS**

- **Standard Chartered Bank,**  
Narain Manzil, 23 Barakhamba Road, New Delhi- 110001

**-:NOTICE:-**

**NOTICE** is hereby given that the 29<sup>th</sup> Annual General Meeting of the Company i.e. **M/s KRA LEASING LIMITED** will be held on 29<sup>th</sup> September, 2018 at 11:00 A.M. at the registered office of the company at D-28, SMA Co-operative Industrial Estate, G T Karnal Road, Delhi-110033 to transact the following businesses:

**ORDINARY BUSINESS:-**

1. To consider and adopt:
  - a) The audited financial statement of the company for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors thereon; and
  - b) The audited consolidated financial statement of the company for the financial year ended March 31, 2018 and Auditors report thereon.
2. To appoint director in place of Mr. Ajay Mehra (DIN: 00058245), who retires by rotation at this annual general Meeting and being eligible, has offered himself for re-appointment.

**Special Business: -**

3. To approve and ratify the related party transaction for the financial year 2017-18 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

**“Resolved that** pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable rules under Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of Regulation 23 Of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 executed with Stock Exchange (Including any amendment, modification or re-enactment thereof), consent of the member of the Company be and is hereby accorded to approve and ratify the related party transactions carried out during the year 2017-18 between Company and other related parties as mentioned below:

Name of the Related Party and Nature of Interest	Nature of Transaction	Amount in Rs.
Jaquar and Company Private Limited (Company under same management)	Services	6,75,000/-

**“Resolved further that** Mr. Rajesh Mehra, Managing Director of the Company be and is hereby authorized to sign any document on behalf of the Company and take necessary steps and to do all acts, deeds and things as may be necessary and incidental to give effect to this resolution.”

By the order of the Board  
**For KRA Leasing Limited**

Sd/-  
Ankit Dhamija  
Company Secretary & Compliance Officer  
Membership No: – ACS- 26765  
Address: H No. 165, Sector-4,  
Part-II, Urban Estate, Karnal-132001

Date: 14.08.2018  
Place: Gurugram

**Notes:****1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF.**

The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding FIFTY (50) Members and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. For the convenience of the shareholders, Attendance slip-cum- Entry pass & Proxy Form is annexed to this Report. Shareholders/ Proxy holders/ representatives are requested to affix their signatures at the space provided therein and surrender the Attendance slip- cum-Entry pass at the venue.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

**7. BOOK CLOSURE**

- (a) The Company has notified closure of Register of Members and Share Transfer Books from **Saturday 22<sup>nd</sup>, 2018 to Saturday, September 29<sup>th</sup> 2018** (both days inclusive) for determining the names of members eligible for Annual General Meeting.
8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical Forms are requested to advise any change in their address or bank mandates immediately to the Company / Link Intime India Private Limited.
9. The Securities and Exchange Board of India (SEBI) 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 to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Link Intime India Private Limited.

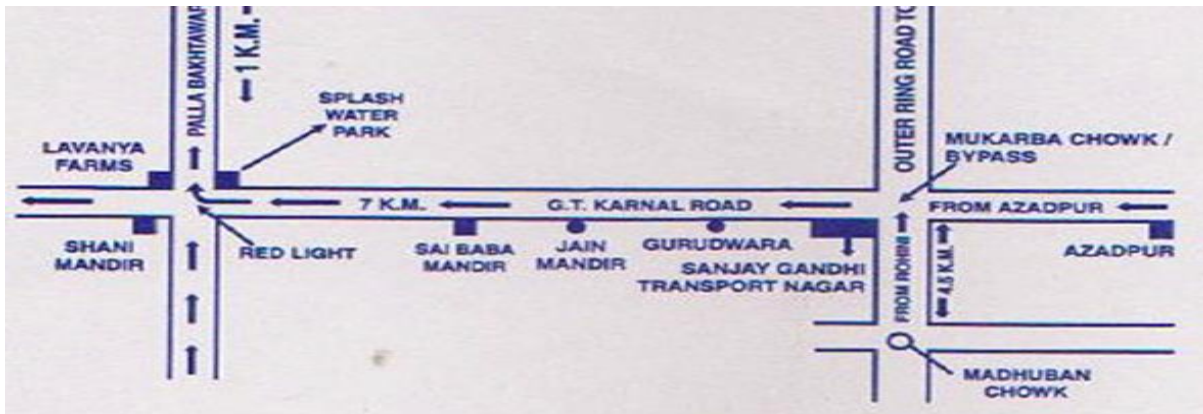
10. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website i.e. [www.kraleasing.com](http://www.kraleasing.com) under the section 'Investor Relations'.
11. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Link Intime, for consolidation into a single folio.
12. Non-Resident Indian Members are requested to inform Link Intime India Private Limited, immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with Pincode, if not furnished earlier.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
14. Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification of attendance at the meeting.
15. Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company Secretary at least 7 days in advance of the meeting so that the information called for can be made available at the meeting.
16. Soft copy of the Annual Report for the financial period ended 31<sup>st</sup> March, 2018 will be sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report will be sent in the permitted mode.
17. Additional Information pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 in respect of Director seeking Appointment as mentioned under item No. 2 of this notice is appended. Further the Company has received relevant disclosures/consent from the Director seeking appointment.

## 18. VOTING OPTIONS

- i. Pursuant to Section 108 of Companies Act, 2013, Companies (Management & Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the shareholders can vote on all the business to be transacted at the Annual general meeting by way of any one of the following methods:
- a) Remote e-voting i.e. the facility of casting votes by a member using an electronic voting system from a place other than venue of the Annual general meeting.
  - b) Voting at venue of the Annual General Meeting through poll.
- ii. The shareholders who have cast their votes through remote e-voting shall be entitled to attend the meeting, however, shall not be eligible to cast their vote again at the venue of the Annual General Meeting.
- iii. In case a shareholder votes through remote e-voting as well as cast his/her vote at the venue of the meeting, then the vote cast through remote e-voting shall only be considered and the voting done at the venue of the meeting shall not be considered by the scrutinizer.
- iv. The shareholders as on the cut-off date viz. **Saturday 22<sup>nd</sup> September, 2018** shall only be eligible to vote on the resolutions mentioned in the notice of Annual General Meeting.
- v. The voting period started on Wednesday, 26<sup>th</sup> September, 2018 at 9.00 a.m. and ends on Friday, 28<sup>th</sup> September, 2018. The e- voting module shall also be disabled by CSDL for voting thereafter.
- vi. The shareholders shall have one vote per equity share held by them. The facility of voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- vii. The Company has appointed Mr. Debasis Dixit, Practicing Company Secretary, as the scrutinizer for conducting the voting process in a fair and transparent manner.
- viii. The scrutinizer will submit his final and consolidated report to the Chairman of the Company within three days after the conclusion of Annual general meeting. The scrutinizer's decision on the validity of all kinds of voting will be final.
- ix. The results of Annual general meeting shall be declared by the Chairman or his authorized representative or anyone Director of the Company after the Annual general meeting within the prescribed time limits.
- x. The results of voting will also be placed at website of the Company and shall also be displayed at Company's registered office.
19. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e.

**Saturday 22nd September, 2018** may follow the same instructions as mentioned above for e-Voting.

20. As required by Rule 20(3)(V) and Rule 22(3) of the Companies (Management & Administration) Rules 2014, details of dispatch of AGM Notice to the Shareholders will be published in at least one English language and one vernacular language newspaper circulating in Delhi.
21. A route map along with prominent landmark for easy reach to the venue of Annual General Meeting is annexed with this notice.



### **Explanatory Statement as Required under section 102 of the Companies Act, 2013**

#### **Item No.3**

#### **To approve and ratify the Related Party Transaction for the financial year 2017-18**

Pursuant to provisions of Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement), Regulations, 2015 the shareholders by way of a Special Resolution should approve all the material related party transactions of a listed company.

Since the related party transaction for the financial year 2017-18 is between the Companies/Firms which are related parties as per the provisions of Section 2(76) of the Companies Act, 2013 the executed/proposed, rendering of services and loans would attract provisions of Section 188 of the Companies Act, 2013 and therefore require shareholder's approval.

The disclosure required being provided under the provisions of the Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014 are given below for perusal of the members: -

1. Name of the related party and nature of relationship: As per table below
2. Name of the Director or key managerial personnel who is related, if any: As per table below

Name of the Related Party	Name of the Director or KMP who are interested	Nature of Relationship
Jaquar and Company Private Limited	Sri Kishan Mehra, Rajesh Mehra and Ajay Mehra	Company under same management

3. Nature, material terms, monetary value and particulars of the contract or arrangement: As may be decided by the Board of Directors at relevant time within the overall limits approved by the members.
4. Any other information relevant or important for the members to take a decision on the proposed resolution: NIL

The Directors approved the transaction prior to its execution and recommends the solutions as set out in the accompanying Notice for the approval of members of the Company by Special Resolution.

Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution to the extent of their shareholding and directorship in other companies.

**Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Regulation 36(3) of the SEBI (LODR) Regulation, 2015)**

Name of the Director	Mr. Ajay Mehra
Brief Resume	Mr. Ajay Mehra is a Graduate. Acting as Whole Time Director in the Group Company.
Nature of expertise	Mr. Ajay Mehra having vast experience in production and manufacturing.
Disclosure of relationship between directors inter-se	Mr. Ajay Mehra is relative of Mr. Sri Krishan Mehra and Mr. Rajesh Mehra Directors of the Company.
Names of listed companies in which director hold directorship and membership of committees of the board	No other Company
Shareholding in the Company.	465240



***-: DIRECTOR'S REPORT:-***

To,  
The Members of,  
**KRA Leasing Limited**

The Directors have pleasure to present their Twenty Ninth (29<sup>th</sup>) Annual Report and Audited Financial Statements for the Financial Year ("F.Y.") ended March 31, 2018.

**1. FINANCIAL PERFORMANCE OF THE COMPANY (STANDALONE)**

The performance of the Company for the financial year ended March 31, 2018 is, summarized below:

<i>PARTICULARS</i>	<b>Rs. In Lacs</b>	
	<i>2017-18</i>	<i>2016-17</i>
Gross Income	106.39	203.26
<b>Profit/(Loss) Before Interest and Depreciation</b>	35.98	151.39
Finance Charges	Nil	Nil
<b>Gross Profit</b>	35.98	151.39
Provision for Depreciation	13.29	15.81
<b>Net Profit/(Loss) Before Tax</b>	22.68	135.58
Provision for Tax	13.53	14.49
Exceptional Items	.58	0.14
<b>Net Profit/(Loss) After Tax</b>	8.57	121.23
Balance of Profit brought forward	1949.03	1852.04
Proposed Dividend on Equity Shares	Nil	Nil
Tax on proposed Dividend	Nil	Nil
Transfer to Special Reserve U/s 45 IC of RBI Act	1.71	24.24
<b>Surplus carried to Balance Sheet</b>	1955.89	1949.03

**2. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

Company has undertaken NBFC activities providing Corporate Loan to credit worthy Companies. Non-banking financial Company (NBFCs) form an integral part of the Indian company. They play an important role in nation building and financial inclusion by complementing the banking sectors in reaching out credit to the unbanked segments of the society, especially to the micro, small and medium enterprises.

During the year Company focused on its core business and earned substantial revenue from its core business activity. Apart from its core business activity, it has also earned revenue from renting of Resort and agriculture activity. The company has focused on the enhancing its NBFC business. The company always focused on its core activity therefore the Company makes investment amounting to Rs.17.85 Crore and granted the loans and advances amounting to Rs. 6.40 Crore outstanding as at year end (Previous year Rs. 10.55 Crore Investment and Rs. 6.55 Crore Loans).

The company gross income for the financial year 31<sup>st</sup> March, 2018 under review is 1.06 Crore as against Rs. 2.03 Crore in the Previous year where as the standalone profit after tax for the financial year 31<sup>st</sup> March, 2018 under review stand of Rs. 8.57 Lakhs as against Rs. 1.21crore as on 31<sup>st</sup> March , 2017.

The Basic and diluted earnings per share (EPS) computed as per accounting standard 0.13 per share as at 31<sup>st</sup> March, 2018 as against Rs. 1.81 per share as on 31<sup>st</sup> March, 2017.

An amount of Rs. 0.91 Crore retained to the statutory reserve fund pursuant to section 45-IC of Reserve Bank of India Act, 1934.

The Board is hopeful to increase the core business activities of the company in coming years.

### **3. CHANGE IN NATURE OF BUSINESS, IF ANY**

During the current year, there has been no major change in the business. The Company engaged in the NBFC business activity.

### **4. DIVIDEND**

In order to conserve the resources of the company and considering the business plan of the company, the Board of Directors do not recommend any dividend to Equity Shareholders of the company for the F.Y. ended March 31, 2018.

### **5. SHARE CAPITAL**

The Authorized Share Capital of the company is Rs. 7,00,00,000/-(Rupees Seven Crore) comprising of 70,00,000(Seventy Lacs) Equity Shares of Rs. 10/- each. The Issued, Subscribed and Paid-up Equity Share Capital of the company is Rs. 6,70,71,640(Rupees Six Crore Seventy Lacs Seventy One Thousand Six Hundred Forty) consisting of 67,07,164 (Sixty Seven Lacs seven Thousand One Hundred Sixty Four) Equity Shares of Rs. 10/- each.

During the year, the company has not issued any equity shares with differential rights under Section43 read with rule4 (4) of the Companies (Share Capital and debenture rules, 2014 of the Companies Act, 2013 and also has not issued any Equity Shares or any sweat equity shares under section 54(1) (d) read with rule 8(13) of Companies (Shares Capital and Debentures Rules, 2014) of the Act.

There was no change in the paid –up equity share capital of the company during the period under review.

## **6. RESERVES**

Out of the amount available for apportionment, Company's Director proposes to transfer NIL amounts to General Reserve and Retain Rs. 8.57 lakhs to surplus account.

During the year the Company has transferred INR 1,71,460/- towards statutory reserve fund created under section 45-IC of the Reserve Bank of India Act, 1934.

Statutory reserve represents the reserve fund created under section 45-IC of the Reserve Bank of India Act, 1934. Under Section 45-IC, the Company is required to transfer sum not less than twenty percent of its net profits every year. Accordingly the Company has transferred INR 1,71,460/- (previous year INR 2,424,576/-) being twenty percent of net profits for the financial year to the statutory reserve. The statutory reserve can be utilized for the purposes as specified by the Reserve Bank of India.

## **7. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED AND RESIGNED DURING THE YEAR**

There are no directors or key managerial personnel who were appointed or had resigned during the financial year.

## **8. PARTICULARS OF EMPLOYEES & EMPLOYEES REMUNERATION**

None of the employees of the Company draws remuneration exceeding the limit prescribed in the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

## **9. BOARD MEETING**

During the financial year, Five Board Meetings were held. The details of which are given in the Corporate Governance Report. The intervening gaps between the Meetings were within the period prescribed under the Companies Act, 2013.

## **10. BOARD EVALUATION**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Regulation 4(2), 17(10) and 19(4) read with schedule II part D of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Secretarial Standard – I the Nomination and Remuneration committee has framed the evaluation process and the performance evaluation of independent directors, executive directors and board whole as well as working of its Audit, Nomination and Remuneration and compliance Committee has been carried out during the financial year 2017-2018.

## **11. STATEMENT OF DECLARATION OF INDEPENDENT DIRECTORS**

All the Independent directors of the company have given their independent declaration pursuant to sub-section (7) of Section 149 of the Companies Act, 2013.

## **12.REMUNERATION POLICY**

In compliance with section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (LODR) Regulation, 2015 the Board, on recommendation of the Nomination & Remuneration Committee, adopted policy for selection and appointment of directors, Senior Management and their remuneration. The Brief Remuneration Policy is stated in the Corporate Governance Report.

### **Managerial Remuneration: -**

1. Ratio of remuneration of each director to median remuneration of employees.	As the Company not paying any remuneration to its director, therefore it is not applicable to the company.
2. Percentage increase in remuneration of each director and KMPs	As the Company has not paid any remuneration to its Directors therefore question of increase in remuneration for directors does not arise, however company has paid remuneration to its Chief Financial Officer (CFO) and Company Secretary (CS) during the financial year 2017-18 but no increment is being made for them.
3. Percentage increase in the median remuneration of employees	Nil
4. Number of permanent employees	3
5. Average percentile increase in salary of employees, other than managerial personnel, comparison with percentile increase in managerial remuneration and justification	N.A.
6. Affirmation that the remuneration is as per the remuneration policy of the company	Yes, the Company has paid the remuneration as per the remuneration policy of the Company

## **13. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

Pursuant to sub-section (3) of Section 129 of the Act and rules made thereunder, the statement containing the salient feature of the financial statement of a Company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is given as Annexure-III.

The key financial of its subsidiaries, associates and joint ventures and its overall impact on the performance of the Company is as per consolidated financial of the company.

Further the Annual Accounts and related documents of the subsidiary and associate company shall be kept open for inspection at the Registered & Corporate Office of the Company. The Company will also make available copy thereof upon specific request by any Member of the Company interested in obtaining the same. Further, pursuant to Accounting Standards AS-21 issued by the Institute of Chartered Accountants of India,

Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of the subsidiary.

#### **14. AUDITORS**

M/s. Arun K Maheshwari & Co., Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on September, 2017, for a term of five consecutive years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditor has confirmed that they are not disqualified under any provisions of Section 141(3) of Companies Act, 2013 and also their engagement with the company is within the prescribed limits under section 141 (3)(g) of Companies Act, 2013

#### **15. AUDITOR'S REPORT**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

#### **16. SECRETARIAL AUDIT REPORT**

In terms of Section 204 of the Act and Rules made there under, M/s. D Dixit & Associates, Practicing Company Secretary has been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor is enclosed as **Annexure IV** to this report. The point-wise comments are enumerated as follows.

- i. Delay in filing forms  
Due to the oversight, the company failed to file some of the forms in prescribed time frame of Companies Act, 2013 and applicable additional fees has already been paid to Ministry of Corporate Affairs.
- ii. Registration with Credit Information Companies as required by RBI guidelines.  
In compliance with the RBI guidelines, registration with the credit Information Companies is in process and company may complete the same by the end of FY 18-19.

#### **17. INTERNAL AUDIT AND CONTROL**

The Company continues to engage **M/s Kumar Ravinder and Associates**, Chartered Accountants as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are

discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

### **18. VIGIL MECHANISM**

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.krleasing.com/under investors/Policy link](http://www.krleasing.com/under_investors/Policy).

### **19. AUDIT COMMITTEE**

In pursuance of section 177 of the companies Act, 2013 read with regulation 18 of the Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulation 2015 the company has constituted the Audit Committee. Further the disclosure in pursuance to sub-section 8 of section 177 of Companies Act, 2013 in respect of composition of audit committee given in the corporate Governance report of the Company.

### **20. EXTRACT OF ANNUAL RETURN**

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE I**. The annual return will also be available in the website of the company <https://krleasing.com/financial-info.html>

### **21. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There has been no material change in the business, which may affect financial position of the Company.

### **22. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

The Company has not received any significant or material orders passed by any regulatory authority, Court or Tribunal, which shall impact the going concern status & Company's operations in future.

### **23. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.**

The Company has a well placed internal financial control system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Company's internal financial control system also comprises due compliances with Company's policies and Standard Operating Procedures (SOPs) and audit and compliance by Internal Audit team.

**24. DEPOSITS**

The Company has neither accepted nor renewed any deposits falling under the preview of Chapter V of the Companies Act, 2013 and shall not accept any deposits from the public without obtaining the prior approval of the Reserve Bank of India.

**25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF COMPANIES ACT, 2013.**

As the Company is a NBFC Company and as per section 186(11)(a), nothing contained in Section 186 is applicable to the Company.

**26. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract or arrangements entered by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2 (refer as Annexure-II). Further all contracts and arrangement with related parties under Sec 188(1) entered by the Company during the financial year were in ordinary course of business also on arms length basis.

**27. CORPORATE GOVERNANCE CERTIFICATE**

The Compliance certificate from the auditors regarding compliance of conditions of corporate governance as stipulated in Regulation 27 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 shall be annexed with the report.

**28. MANAGEMENT DISCUSSIONS AND ANALYSIS**

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31<sup>st</sup> March, 2018.

**29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

As the Company is a NBFC Company and engaged in business of rendering of financial services, renting and other allied services, which does not required to take steps for conservation of energy, utilize alternate sources of energy and to make capital Investment on energy conservation equipment's. Further company also does not required to make efforts towards technology absorption and neither imports any technology nor makes any expenditure on research and development.

Further Company has not earned and make any expenditure in foreign currency during the financial year 2017-18, therefore foreign exchange In-Flow and Out-Flow was Rs. Nil during the year.

**30. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per the provisions of section 135 of the Companies Act, 2013, the company does not required to constitute CSR Committee during the financial year 2017-18.



### **31. HUMAN RESOURCES**

Your Company does not have large “human resources” as the primary business is investing activity. However, your Company continuously invests in attraction, retention and development of talent on an ongoing basis.

### **32. DIRECTORS’ RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors based on the representations received from the operating management and after due inquiry confirms that: -

- I. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- III. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- IV. The directors had prepared the annual accounts on a going concern basis; and
- V. 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.
- VI. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **33. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of the said sections are not applicable to the company as no unpaid dividend is lying with the company.

### **34. LISTING WITH STOCK EXCHANGES**

The Equity Shares of the Company are listed on the platform of Metropolitan Stock Exchange of India Limited. Further the Company confirms that it has paid the Annual Listing Fees for the year 2017-2018 to MCX where the Company’s Shares are listed.

### **35. COMPLIANCE**

The Company has complied and continues to comply with all regulations and guidelines issued by RBI and other regulators such as Security and Exchange Board of India.



During the year, there were no frauds by the Company and no material frauds on the Company by its officers and employees.

**36. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

During the financial year, the company has not received any complaint of harassment under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

**37. COST RECORDS**

The Central Government has not specified maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of our company's products.

**38. RISK MANAGEMENT**

The company has comprehensive risk assessment, which is reviewed by the top management. Risk management is very important part of the company's business. The Company has in place an integrated risk management system. It proactively identifies, monitors and takes precautionary and mitigation measures in respect of various risks that threaten its operations and resources.

**39. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has duly followed the applicable Secretarial standards, SS-1 & SS-2 relating to Meeting of the Board of Directors and General Meeting respectively.

**40. ACKNOWLEDGEMENTS**

Your director places on record their gratitude to all stakeholders for their assistance, cooperation and encouragement. Your Director also wishes to place on record their sincere thanks to all investors and employees for their outstanding performance and cooperation.

By the order of the Board  
**For KRA Leasing Limited**

Sd/-  
Rajesh Mehra  
Managing Director  
DIN: 00058232

Sd/-  
Ajay Mehra  
Director  
DIN: 00058245

Date: 14.08.2018  
Place: Gurugram

**ANNEXURE INDEX**

<b>Annexure</b>	<b>CONTENT</b>
1.	<i>Extract of Annual Return MGT-9</i>
2.	<i>Related Party Transaction AOC-2</i>
3.	<i>Details of Subsidiary/Joint Venture-AOC-1</i>
4.	<i>Secretarial Audit report MR-3</i>

Annexure-I to Directors Report for the year ended 31<sup>st</sup> March, 2018*Form No. MGT-9*

**Extract of Annual Return as on the financial year ended 31st March 2018  
(Pursuant to Section-92(3) of the Companies Act 2013 & Rule 12(1) of the  
Companies Management & Administration) Rules, 2014**

**I. REGISTRATION AND OTHER DETAILS:**

1.	Corporate Identification Number	L65993DL1990PL039637
2.	Registration Date	26/03/1990
3.	Name of the Company	KRA Leasing Limited
4.	Category/Sub-category of the company	Company Limited by shares Non-Government Company
5.	Address of the Registered office of the company and contact details	D-28, SMA Co-operative Industrial Estate, G.T. Karnal Road, Delhi-110033 Contact No.: 0124-4756969
6.	Whether Listed or not	Yes
7.	Name, Address & Contact Details of the Registrar and Transfer Agent, if any.	M/s Link Intime India Pvt. Ltd. 2 <sup>nd</sup> Floor, 44 Community Center, Naraina Industrial Area, Phase I, Near PVR, Naraina, New Delhi – 110028 Contact No.- 011-41410592, 41410593 Fax No.- 011-41410591

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

SL No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Interest Income	659	54.86%
2.	Rental Income	701	24.62%

**III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES**

SL No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%age of Shares Held	Applicable Section
1.	SMG Enterprises Limited	U29199DL1999PL C097822	Subsidiary	51.84%	2(87)



Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>SUB TOTAL: (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	351070	4361600	4712670	70.26	4073920	638750	4712670	70.26	-
<b>B. Public Shareholding</b>	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Bank/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) (Overseas Bodies Corporate)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1): -</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	400	1309400	1309800	19.53	400	1309400	1309800	19.53	-



Category of Shareholders	No. of Shares held at the beginning of the year[As on 1-April-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Grand Total (A+B+C)</b>	352150	6355014	6707164	100	4075000	2632164	6707164	100	-

### B. SHAREHOLDING OF PROMOTERS

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ajay Mehra	465,240	6.93%	-	465,240	6.93%	-	-
2	Ajay Mehra HUF	230,200	3.43%	-	230,200	3.43%	-	-
3	Deepika Mehra	18,800	0.28%	-	38,800	0.57%	-	0.29
4	Kanav Mehra	99,500	1.48%	-	99,500	1.48%	-	-
5	Malti Mehra	18,260	0.27%	-	38,260	0.57%	-	0.30
6	N. L. Mehra (HUF)	183,150	2.73%	-	183150	2.73%	-	-
7	Nishi Mehra	17,600	0.26%	-	37,600	0.56%	-	0.30

8	Parichay Mehra	216,400	3.23%	-	216,400	3.23%	-	-
9	Parinay Mehra	182,000	2.71%	-	182,000	2.71%	-	-
10	Parkash Sehgal	56,000	0.83%	-	56,000	0.83%	-	-
11	Rajesh Mehra	184,170	2.75%	-	213,170	3.17%	-	0.42
12	Rajesh Mehra HUF	144,500	2.15%	-	144,500	2.15%	-	-
13	Ranbir Raj Mehra	49,800	0.74%	-	78,800	1.17%	-	0.43
14	S. K. Mehra	146,250	2.18%	-	175,750	2.62%	-	0.44
15	S. K. Mehra (HUF)	153,800	2.29%	-	153,800	2.29%	-	-
16	Sabhyata Mehra	57,200	0.85%	-	57,200	0.85%	-	-
17	Essco Sanitation Pvt. Ltd.	719,400	10.73%	-	719,400	10.73%	-	-
18	G R Sales Pvt. Ltd.	466,200	6.95%	-	466,200	6.95%	-	-
19	Jaquar & Co. PVT. Ltd.	326,000	4.86%	-	178,500	2.66%	-	2.20
20	Prompt Capital & Finanser Pvt. Ltd.	568,400	8.47%	-	568,400	8.47%	-	-
21	SMG Enterprises Limited	409,800	6.11%	-	409,800	6.11%	-	-
<b>Total</b>		<b>4712670</b>	<b>70.26%</b>	<b>-</b>	<b>4712670</b>	<b>70.26</b>	<b>-</b>	<b>-</b>



**C. Change in Promoters' Shareholding (please specify, if there is no change)**

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>At the beginning of the year</b> Jaquar and Company Private Limited	326000	4.86%	326000	4.86
	Date:28.04.2017 Reason: Sale	147500	2.20%	178500	2.66%
	<b>At the end of the year</b>	178500	2.66%	-	-
2.	<b>At the beginning of the year</b> Deepika Mehra	18800	0.28%	18800	0.28%
	Date: 28.04.2017 Reason: Purchase	20000	0.29%	38800	0.57%
	<b>At the end of the year</b>	38800	0.57%	-	-
3.	<b>At the beginning of the year</b> Malti Mehra	18260	0.27%	18260	0.27%
	Date:28.04.2017 Reason: Purchase	20000	0.30%	38260	0.57%
	<b>At the end of the year</b>	38260	0.57%	-	-
4.	<b>At the beginning of the year</b> Nishi Mehra	17600	0.26%	17600	0.26%
	Date:28.04.2017 Reason: Purchase	20000	0.29%	37600	0.55%
	<b>At the end of the year</b>	37600	0.55%	-	-
5.	<b>At the beginning of the year</b> Rajesh Mehra	184170	2.75%	184170	2.75%

	Date:28.04.2017 Reason: Purchase	29000	0.43%	213170	3.18%
	<b>At the end of the year</b>	213170	3.18%	-	-
<b>6.</b>	<b>At the beginning of the year</b> Ranbir Raj Mehra	49800	0.74%	49800	0.74%
	Date:28.04.2017 Reason: Purchase	29000	0.43%	78800	1.17%
	<b>At the end of the year</b>	78800	1.17%	-	-
<b>7.</b>	<b>At the beginning of the year</b> Sri Krishan Mehra	146250	2.18%	146250	2.18%
	Date:28.04.2017 Reason: Purchase	29500	0.43%	175750	2.61%
	<b>At the end of the year</b>	175750	2.61%	-	-

There is no change in promoters shareholding other than mentioned above

**D. Shareholding Pattern of top ten Shareholders  
(Other than Directors, Promoters and Holders of GDRs and ADRs)**

1	Bastion Industrial Leasing Systems Private Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	417,200	6.22%	417,200	6.22%
	Change during the year	Nil	Nil	417,200	6.22%
	At the end of the year	417,200	6.22%	417,200	6.22%
<b>2</b>	<b>Saimaa Consultants LLP</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the Year</b>	

	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	313,400	4.68%	313,400	4.68%
Change during the year	Nil	Nil	313,400	4.68%
At the end of the year	313400	4.68%	313,400	4.68%

3	Titan Securities Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	150,000	2.24%	150,000	2.24%
	Change during the year	Nil	Nil	150,000	2.24%
	At the end of the year	150,000	2.24%	150,000	2.24%

4	Pratyancha Financial Services Ltd	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	150,000	2.24%	150,000	2.24%
	Change during the year	Nil	Nil	150,000	2.24%
	At the end of the year	150,000	2.24%	150,000	2.24%

5	Ketki India Limited	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

5	<b>Ketki India Limited</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the Year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	148,800	2.22%	148,800	2.22%
	Change during the year	Nil	Nil	148,800	2.22%
	At the end of the year	148,800	2.22%	148,800	2.22%

6	<b>Bhurelal</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the Year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	148,800	2.22%	148,800	2.22%
	Change during the year	Nil	Nil	148,800	2.22%
	At the end of the year	148,800	2.22%	148,800	2.22%

7	<b>Jeetender Kumar</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the Year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	126,500	1.89%	126,500	1.89%
	Change during the year	Nil	Nil	126,500	1.89%
	At the end of the year	126,500	1.89%	126,500	1.89%

8.	<b>Indo Pacific Lease Ltd.</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the Year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>

8.	Indo Pacific Lease Ltd.	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	106,000	1.89%	106,000	
	Change during the year	Nil	Nil	106,000	
	At the end of the year	106,000	1.89%	106,000	

**E. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Sri Krishan Mehra-Director</b>				
	At the beginning of the year	146250	2.18	146250	2.18
	Change during the year Date: 28.04.2017 Reason: Purchase	29500	0.44%	175750	2.62%
	At the end of the year	175750	2.62%	-	-
2	<b>Ajay Mehra-Director</b>				
	At the beginning of the year	465240	6.93	465240	6.93
	No Change during the year	Nil	Nil	465240	6.93
	At the end of the year	465240	6.93	-	-
3	<b>Rajesh Mehra-Managing Director</b>				

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	184170	2.75	184170	2.75
	Change during the year Date: 28.04.2017 Reason: Purchase	29000	0.42%	213170	3.17%
	At the end of the year	213170	3.17	-	-
4	<b>Ravi Sharma-Independent Director</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	No Change during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	-	-
5	<b>Amit Kumar Modi- Independent Director</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	No Change during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	-	-
6	<b>Deeksha Bajaj- Independent Director</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	No Change during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	-	-
7	<b>Atul Mittal (Chief Financial Officer)</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	No Change during the year	Nil	Nil	Nil	Nil

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	At the end of the year	Nil	Nil	Nil	Nil
	<b>Ankit Dhamija (Company Secretary)</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	No Change during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

**V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i)Principal Amount	-	-	-	-
ii)Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (I +ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Net Change	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i)Principal Amount	-	-	-	-
ii)Interest due but not paid	-	-	-	-
iii)Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole time director and/or Manager**

				(Rs. Lacs)
S N.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount	
1	<b>Gross salary</b>	Rajesh Mehra (Managing Director)		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	Nil	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	
2	Stock Option	Nil	Nil	
3	Sweat Equity	Nil	Nil	



4	Commission	Nil	Nil
5	Others, please specify	Nil	Nil
	<b>Total (A)</b>	Nil	Nil
	Ceiling as per the Act	Max 5% of Profit	Max 5% of Profit

**B. REMUNERATION TO OTHER DIRECTORS**

SN.	Particulars of Remuneration	Name of Directors			
1	<b>Independent Directors</b>	<b>Amit Kumar Modi</b>	<b>Ravi Sharma</b>	<b>Deeksha Bajaj</b>	<b>Total</b>
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil
2	<b>Other Non-Executive Directors</b>	<b>Ajay Mehra</b>	<b>Sri Krishan Mehra</b>		<b>Total</b>
	Fee for attending board committee meetings	Nil	Nil		Nil
	Commission	Nil	Nil		Nil
	Others, please specify	Nil	Nil		Nil
	Total (2)	Nil	Nil		Nil
	Total (B)=(1+2)	Nil	Nil		Nil
	Total Managerial Remuneration	Nil	Nil		Nil

Ceiling as per the Act	1% of Profit
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**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD.**

S.N	Particulars of Remuneration	Key Managerial Personnel		
		Ankit Dhamija (CS)	Atul Mittal (CFO)	Total
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	144,000	264,000	408,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	144,000	264,000	408,000

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
------	------------------------------	-------------------	---	------------------------------	------------------------------------

**A. COMPANY**

Penalty

Punishment

Compounding

Nil

**B. DIRECTORS**

Penalty

Punishment

Compounding

Nil

**C. OTHER OFFICERS IN DEFAULT**

Penalty

Punishment

Compounding

Nil

By the order of the Board  
**For KRA Leasing Limited**

Sd/-

Rajesh Mehra  
 Managing Director  
 DIN: 00058232

Address: 5, Flag Staff Road,  
 Civil Lines, Delhi-110054.

Sd/-

Ajay Mehra  
 Director  
 DIN: 00058245

Address: 5, Flag Staff Road,  
 Civil Lines, Delhi-110054.

Date:14.08.2018  
 Place: Gurugram

**Annexure -II to Directors Report for the year ended 31st March, 2018**

**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 arms length transaction under third proviso thereto.

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

<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transaction	Not Applicable
c)	Duration of the contracts/arrangements/transaction	Not Applicable
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Not Applicable
e)	Justification for entering into such contracts or arrangements or transactions'	Not Applicable
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Not Applicable
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable

2. *Details of contracts or arrangements or transactions at Arm's length basis.*

<i>(Amount in Rs.)</i>						
S. N o	Name of the Related Party & Nature of relationship	Nature of Contracts/A rrangement s/Transactio n	Duration of the Contracts/ar rangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of Approval by the Board	Amount paid as advances, if any
1.	Jaquar and Company Private Limited	Continues	FY 2017-18	As per Mutual Consent Rs. 675,000/-	N.A.	Nil

For and on behalf of Board of Directors  
M/s KRA Leasing Limited

Sd/-  
Rajesh Mehra  
DIN: 00058232  
Managing Director

Sd/-  
Ajay Mehra  
DIN: 00058245  
Director

**Annexure -III to Directors Report for the year ended 31st March, 2018  
AOC-1**

**Statement Pursuant to First Proviso to Sub -Section (3) of Section 129 read with  
Rule 5 of Companies (Accounts) Rules,2014**

***PART-A: SUBSIDIARIES***

S. No.	Name of the Subsidiary	Date since when subsidiary was acquired	Reporting period of the subsidiary if different From The Holding Company's Reporting Period	Reporting Currency And Exchange Rate As On The Last Date Of The Relevant Financial Year In The Case Of Foreign Subsidiaries.	Share Capital	Reserves And Surpluses	Total Assets	Total Liabilities	Investments	Turn Over	Profit / Loss Before Tax	Provision For Tax	Profit/Loss After Tax	Proposed Dividend	Extent Of Shareholding (In Percentage)
1.	SMG Enterprises Limited	24.03.2015	N.A.	N.A.	Rs. 3002230	Rs. 135,45856	Rs. 62256052	Rs. 62256052	Rs. 61669565	Rs. 216000	Rs. 180345	Rs. 29754	Rs. 150595	Nil	51.84%

- Names of Subsidiaries, which are yet to commence operations: Nil
- Names of subsidiaries, which have been liquidated or sold during the year: Nil

Sd/-  
Rajesh Mehra  
Managing Director

Sd/-  
Ajay Mehra  
Director

Sd/-  
AnkitDhamija  
Company Secretary

Sd/-  
Atul Mittal  
CFO

## PART- B

## ASSOCIATES AND JOINT VENTURES

S.No	Name of Associates or Joint Ventures	N.A.
.		
1.	Last Audited Balance Sheet date	N.A.
2.	Date on which the Associate or Joint Venture was associated oracquired	N.A.
3.	Shares of the Associate or Joint Venture held by the company on the year end:	N.A.
	Number.	N.A.
	Amount of Investment in the Associate or Joint Venture	N.A.
	Extent of holding (in percentage)	N.A.
4.	Description of how there is significant influence	N.A.
5.	Reason why the associate/joint venture is not consolidated	N.A.
6.	Networth attributable to shareholding as per latest audited balancesheet	N.A.
7.	Profit or Loss for the year	N.A.
(i)	Considered in consolidation	N.A.
(ii)	Not Considered in consolidation	N.A.

- Names of associates or joint ventures-which are yet to commence operations: Nil
- Names of associates or joint ventures-which have been liquidated or sold during the year: Nil

Sd/-  
Rajesh Mehra  
Managing Director

Sd/-  
Ajay Mehra  
Director

Sd/-  
AnkitDhamija  
Company Secretary

Sd/-  
Atul Mittal  
CFO

**Annexure-IV to Director report for the financial year ended 31<sup>st</sup>March, 2018****Form No. MR-3  
SECRETARIAL AUDIT REPORT****For the financial year ended 31<sup>st</sup>March, 2018.****[Pursuant to section 204(1) of the Companies Act, 2013 and ruleNo.9 of the  
Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
KRA Leasing Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s KRA Leasing Limited** (hereinafter called "the Company"). 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2018** 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:

**PARA ONE**

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup>March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (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 the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Reserve Bank of India Act, 1934.
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



(c) \*The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

\*(d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

\*(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;;

\*(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-; and

\*(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-.

\*No Event took place under these regulations

(vii) I have also examined the Compliances of the Provisions of the following other laws applicable specifically to the Company wherein I have also relied on the Compliance Certificates/declaration issued by the head of the respective department/management in addition to the checks carried out by me and found that company has complied with all the provisions of said Acts except the below mentioned observation in respect of the said Acts.

**Observations in Clause (i) & (v) Para One of our Report (Companies Act, 2013)& Reserve Bank of India Act, 1934**

1. According to information and explanation and verification of forms and returns maintained by the Company, the Company as required under section 403 pays the prescribed additional fees in case of delayed filing.
2. As per the clarification given by the management, the company is process of registering itself with all the credit information companies as required by the RBI Guidelines.

**PARA SECOND**

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards on meeting of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) issued by Institute of Company Secretaries of India.
- ii. The Listing Regulations executed by Company with the Metropolitan Stock Exchange of India Limited.

Based on our verification of the Company's Books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and its authorized representatives during the conduct of Secretarial Audit we hereby report that in our opinion during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted as per section 149(4) of the Companies Act, 2013 and applicable clause of the Listing Agreement and LODR, 2015, if any. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the company has:

1. Taken Approval of Shareholders in Annual General Meeting of the Company held on 29<sup>th</sup>September, 2017
  - (a) Ratification and Approval of material related party transactions under section 188 of the Companies Act, 2013 in respect of sanction of services and in term of regulation 23 of security Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 for the financial year 2016-17.

**For D Dixit and Associates**  
Company Secretaries

Sd/-  
CS Debasis Dixit  
FCS No. 7218, CP No. 7871

Place: New Delhi  
Date: 10<sup>th</sup> August, 2018

Note: This report is to be read with our letter of even date, which is annexed as Annexure-A, and form forms as integral part of this report.

## Annexure A to the Secretarial Audit Report

To,  
The Members,  
KRA Leasing Limited

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

Date: 10<sup>th</sup>August, 2018

Place: New Delhi

## -: MANAGEMENT DISCUSSION AND ANALYSIS:-

NBFCs are emerging as growing alternative to Banks and making Indian Financial system more and more strong. In the past growth in the NBFC has gone up from single digit to double digit.

The Company KRA Leasing Limited is essentially a Loan company.

KRA Leasing Limited is registered with the Reserve Bank of India as a Non-Banking Financial Institution and is categorised as ‘Non- Deposit Acceptance NBFC Company.’”

- a) **Industry structure and development:** Company is engaged in Loan and Investment activity and having vast potential to grow as NBFC now being getting attention of the organized sector. Industries are getting attract towards financial contribution of NBFCs for the development and growth.

The Indian economy is the fastest growing large economy in the world.

For the development of industries they require funds from time to time and often they don't have sufficient resources to comply for Banking norms and left in lurch. At this moment NBFCs play vital roles by giving them financial supports at very less spam of time after company with the statutory formalities of the various acts i.e. Companies Act, Income Act, RBI Act and other acts which are in force for the time being. So NBFCs are like support to backbone for financial sectors.

In August 2015, licenses to 11 new payment banks were granted by RBI. This can be seen as revolution in the country's financial services sector. These payments banking model will transform the way conventional banks approach. The move was to boost financial inclusion and up the ante of mobile revolution in the industry.

- b) **Opportunities and threats:**The golden rule in the Business sector is “No Risk No Gain” opportunities and threats walk hand to hand. As like the opportunities lying in future which we see for future growth threats are also lying in future which may or may not be met in future. However, the Company is taking proper steps to mitigate the business risk.
- c) **Segment-wise performance:** The Company is operating in one major segment and hence separate segmental reporting is not applicable. The Company has no activity outside India. The business of the Company comprises loans for income generation as well as investment and other sectors. It has been a conscious decision of the Management to have diversified businesses to protect or maintain the overall profitability for the sustained benefit of the company.
- d) **Outlook:** As per world economic outlook, the emerging and developing Asia region grew by 6.5% in 2017 and similar level of growth rate is expected to be achieved in 2018-19 as well. The recapitalization package announced by Government of India for public sector banks is expected to strengthen the banks and accordingly they can continue to provide financial assistance to various sectors of the economy.
- e) **Risk and concerns:**The Risk Management Framework of the Company is derived from the overall Enterprise Risk Management Framework.The Company is exposed to general market risk and is initiating adequate step to mitigate it.

- f) **Internal control system:** The Company maintains adequate internal control systems, which provides adequate safeguards and proper monitoring of the transactions. The Company has put in place internal controls to ensure that all transactions are authorized, recorded and reported correctly and in accordance with the Policies, Guidelines, Processes and Frameworks approved by the Board and / or its Committees.  
Periodic reviews by management as well as an extensive Programme of audits (both internal and external) supplement the controls and provide necessary checks and balances.
- g) **Discussion on financial performance with respect to operating performance:** The operating performance of the Company has been discussed in Directors Report under the head 'Financial Highlights and Operations and Overall Performance' in the current year.
- h) **Material Development in Human resources and industrial relations:** The Human Resources initiative focuses on structured training programs intended to equip employees at all levels, with the necessary knowledge and experience in order to demonstrate high levels of performance. There was no such material development in respect of Human resources and Industrial relations which have effect on the company. During the year under review the Employee/Industrial relations remained cordial between them and as well as with the outsiders. There are total three employees in the company.
- i) **Cautionary Statement:** The Management Discussions and Analysis describe Company's projections, expectations or predictions and are forward looking statements' within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply and price conditions in domestic and international market, changes in Government regulations, tax regimes, economic developments and other related and incidental factors.

#### **Cautionary Statement/Disclaimer in relation to Management Discussion & Analysis Report**

*Certain statements in this Report, which describe the Company's objectives, predictions, may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document, due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and government policies that may impact the Company's business, as well as its ability to implement the strategy. The Company does not undertake to update these statements.*

**CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2018****1. COMPANY PHILOSOPHY**

Your Company has been adhering to Good Corporate Governance Principle and Practices to maintain a professional approach, transparency, accountability, all of which ensures good quality in dealing with all the stakeholders, departments, regulatory bodies, Bankers, Employees and others. As good corporate citizen, your company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paying the way for its long-term success.

**2. BOARD OF DIRECTORS****A. Composition, Category and Attendance of the Board of Directors.**

The Board of your Company presently consist Six (6) Directors who constitute an optimum combination of professionalism, knowledge and experience. Out of these six Directors, three are Promoter and out of which one is executive and other two are non-executive Directors, and other three are Non Executive Independent Directors. None of the Directors on the Board are members of more than ten (10) committees or hold the post of Chairman on more than five Committees. The Directors have made necessary disclosures regarding the Committee positions on the Board of other Public Companies, as on March 31<sup>st</sup>.2018.

The Composition of the Board, number of Board Meeting held, attendance of the Directors at the Board Meetings and number of Directorship and Chairmanship/ Membership of the Committees in other companies in respect of each Director from the last date of report of Corporate Governance is given herein below:-

Name of Director	Category	Shareholding in Company (No. of Shares)	No. of Board Meetings during the year 2017-18		Whether Attended the Last AGM	No. of Directorship (s) held in Other Indian public Company	Number of Committee(s) position held in Public Company	
			Hel d	Atten ded			Membe r	Chai rman
Rajesh Mehra	Managing Director	213,170	5	4	Yes	1	Nil	Nil
Sri Krishan Mehra	Director	175,750	5	5	Yes	1	Nil	Nil
Ajay Mehra	Director	465,240	5	5	Yes	1	Nil	Nil
Ravi Sharma	Independent Director	Nil	5	5	Yes	0	3	3

Amit Kumar Modi	Independent Director	Nil	5	5	Yes	0	3	Nil
Deeksha Bajaj	Independent Director	Nil	5	5	No	0	2	Nil

### B. Number of Board Meetings held.

During the Financial Year 2017-18, The Board of Directors met 5 (Five) times, the date of the meetings were 25<sup>th</sup> April, 2017, 30<sup>th</sup> May, 2017, 14<sup>th</sup> August, 2017, 14<sup>th</sup> November, 2017 and 14<sup>th</sup> February, 2018.

### C. Disclosure of Relationship

There is no inter-se relationship between the independent Directors. Mr. Sri Krishan Mehra, Mr. Rajesh Mehra and Mr. Ajay Mehra are related to each other.

### D. Number of shares and convertible instruments.

Out of 6707164 of equity shares, Mr. Rajesh Mehra hold 213170 equity shares, Mr. Sri Krishan Mehra hold 175,750 equity shares and Mr. Ajay Mehra Hold 465,240 equity shares .The Company has not issue convertible instruments during the year.

E. The Board reviews the compliance report pertaining to all applicable law, as well as the steps taken by the company to rectify the instance of non-compliance.

F. During the year, information mention in Regulation 17 (7) of SEBI (Listing Obligation and Disclosure Requirements) has been placed before the Board for its consideration.

## 3. COMMITTEE OF BOARDS

### A. Audit committee

The audit committee of the board has been constituted in accordance with the requirements prescribed under section 177 of the Companies Act, 2013 and regulation 18 of securities and exchange board of India (listing obligation and disclosures requirements) regulation, 2015. Members of Audit Committee possess financial accounting expertise and exposures.

The committee oversees the work carried out by the management and internal auditor on the financial reporting process and safeguards employed by them.

### Power of Audit Committee

1. To investigate any activity within term of reference.
2. To seek information to many employees.
3. To obtain outside legal or other professional advice.

### **Audit Committee Term of reference**

- Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon/audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgement by the Management, significant adjustments made in the financial statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- Review the Management Discussion & Analysis of financial and operational performance.
- Recommendation for appointment, remuneration and term of appointment of auditor of the company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditor.
- Evaluation of internal financial control and risk management system.
- Reviewing with the management, the performance of the statutory auditor, internal and adequacy of internal auditor.
- Formulating the Scope, Functioning, periodicity and methodology for conducting the internal audit.
- Reviewing the adequacy of internal audit function.
- .
- Discussion with the statutory auditors before the audit committee about the nature and scope of audit as well as post –audit discussion to ascertain any area of concern.
- Carrying out any other function as mentioned in the term of reference of the Audit Committee.

During the financial year, four audit committee meetings held. The Chairman of the Audit Committee is an Independent Director. The composition of the Audit Committee and Attendance of Directors at the Meeting, during the financial year 2017-18 is shown below:



Sl No.	Name of Member	Category	No. of Meetings Held	No. of Meeting Attended
1.	Mr. Ravi Sharma (Chairman)	Independent, Non-Executive	4	4
2.	Mr. Amit Kumar Modi	Independent, Non-Executive	4	4
3.	Mrs. Deeksha Bajaj	Independent, Non-Executive	4	4
4.	Mr. Rajesh Mehra	Non-Independent, Executive	4	4

All the members of the Audit Committee are financially literate.

### B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the board has been constituted in accordance with the requirements prescribed under section 178 of the Companies Act, 2013 and regulation 19 of securities and exchange board of India (listing obligation and disclosures requirements) regulation, 2015. The Committee comprises three independent directors viz. Mr. Ravi Sharma, Mr. Amit Kumar Modi and Ms. Deeksha Bajaj, respectively.

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management
- Devising a policy on diversity of board of director.
- Review the performance of the Board of Directors and Senior Management Employees and independent directors based on certain criteria as approved by the Board and carry out the evaluation of every Director and perform all other functions as enumerated by the Companies Act, 2013.

The chairman of the committee is an Independent director. The composition of the Nomination and Ruminaton committee and attendance of Directors at the meetings, during the financial year 2017-18, is shown below:

Sl No.	Name of Member	Category	No. of Meeting Held	Attendance
1.	Mr. Ravi Sharma (Chairman)	Independent Director	1	1
2.	Mr. Amit Kumar Modi	Independent Director	1	1
3.	Mrs. Deeksha Bajaj	Independent Director	1	1

During the financial year 2017-18, The Nomination and Remuneration Committee of Directors met 1 (One) time on 14<sup>th</sup> February, 2018.

### **C. Stakeholder's Relationship Committee**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, and regulation 20 of securities and exchange board of India (listing obligation and disclosures requirements) regulation, 2015. the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee" and constituted.

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The chairman of the committee is an Independent director, the composition of the Stakeholder Relationship Committee and attendance of director at the meetings, during the financial year 2017-18, is shown below:

Sl No.	Name of Member	Category	No. of Meetings Held	No. of Meeting Attended
1.	Mr. Ravi Sharma (Chairman)	Independent, Non-Executive	2	2
2.	Mr. Amit Kumar Modi	Independent, Non-Executive	2	2
3.	Rajesh Mehra	Managing Director, Executive	2	2

During the financial year 2017-18, the Stakeholder' Relationship committee of directors met two times, the dates of the meeting were 30<sup>th</sup> May 2017 and 14<sup>th</sup> November, 2017.

### Company Secretary & Compliance Officer

Name: AnkitDhamija  
Address: House No. 165, Sector-4, Part-II,  
Urban Estate Karnal, Haryana -132001  
Contact Details: Mail Id: [ankitdhamija.cs@gmail.com](mailto:ankitdhamija.cs@gmail.com)  
Ph: 91-9996946788

### Shareholder's Complaints: 2017-18

During the year, the Company has not received any Shareholder's Complaints.

### D. Definition of Independent Director

The Companies Act, 2013 and SEBI (Listing Obligation and Discloser Requirements) Regulations, 2015 define an 'Independent Director' as a person who is not a promoter or employee or one of the key managerial personnel of the Company. The law also states that the person should not have a material pecuniary relationship with the Company or its subsidiaries, apart from receiving remuneration as an Independent Director.

### Familiarization programme of Independent Director

All new Non Executive Director inducted into the Board are introduced to the Company Culture through orientation sessions. Current executive Directors and the senior management provide an overview of the operation to familiarize the new Non – executive Director. They have also been introduced to the organization's structure, service, group structure and subsidiaries, constitution, Board procedures, matters reserved for the Board major risks and risk management strategies.

### Performance Evaluation of Independent Directors

The Board of Directors upon recommendation of Nomination and Remuneration Committee have laid down the criteria for performance evaluation of the Board of the Company, its Committees and the individual Board members including Independent Directors. The performance evaluation of the Board is done by each Director and during such evaluation the Director being evaluated has not participated.

### Separate Meeting of Independent Director

The listed Company needs to conduct at least one meeting in a year wherein Independent Directors can evaluate the Board, Independent Directors, committees as well as the Board

procedure of the Company. All independent Directors met separately on 14<sup>th</sup> February, 2018 without presence of non- executive Directors.

#### 4. GENERAL BODY MEETINGS.

##### A. Date, Venue and Time for the last three Annual General Meeting.

AGM Date	Venue	Time	Particulars of Special Resolution
30/09/2015	23/18, Village Budhpur, Behind Jain Mandir, G.T. Karnal Road, Delhi - 110033	02:30 PM	→ Approval of Related Party Transactions. → Re-appointment of Mr. Rajesh Mehra as Managing Director of the company.
30/09/2016	D-28, SMA Co-operative Industrial Estate, G T Karnal Road, Delhi-110033	11:00AM	→ Approval of Related Party Transactions.
29/09/2017	D-28, SMA Co-operative Industrial Estate, G T Karnal Road, Delhi-110033	11:00AM	→ Approval of Related Party Transactions.

**Further there is no resolution has been passed through postal ballot during the financial year 2017-18.**

#### 5. DISCLOSURES

##### TRANSACTION WITH THE RELATE PARTY DURING THE FINANCIAL YEAR MARCH 31<sup>ST</sup>, 2018.

There is no related party transaction in respect of loan and advances in the nature of, loan to any of its subsidiary or associate company or firm/Companies in which directors are interested during the financial year 2017-18.

No pecuniary relationship /transaction between Non executive Directors and the Company. No remuneration is paid to any Director.

#### 6. MEANS OF COMMUNICATION

The Annual Report and other statutory information are being sent to Shareholders. In compliance of the provisions of the Listing Regulation,2015 the financial results of the company are general published in the newspaper “**THE PIONEER**” and posted on the company website [www.krleasing.com](http://www.krleasing.com).

## 7. GENERAL SHAREHOLDER INFORMATION.

- As per attached Notice to this Annual Report, the Annual General Meeting of the Company will be held on 29<sup>th</sup> September, 2018 at 11:00 A.M. at the registered office of the company.
- The Financial Year of the company ends on 31<sup>st</sup> March every year.
- In order to conserve the resources of the company and considering the business plan of the company, the Board of Directors do not recommend any dividend to equity shareholders of the company during the year.
- Shareholding pattern as on March 31, 2018 are given as below:

Particulars	No. of shares held	%
Promoter-Individual/Hindu Undivided	2370370	35.34%
Body Corporate	2342300	34.92%
Bank, Financial Institutions, Insurance Companies & Mutual Funds	0.00	0.00
Bank	0.00	0.00
Financial Institutions	0.00	0.00
Insurance Companies	0.00	0.00
Mutual Funds/UTI	0.00	0.00
Central & State Governments	0.00	0.00
Foreign Institutional Investors	0.00	0.00
NRIs/Foreign Nationals	0.00	0.00
Non- Institutional	0.00	0.00
Public and Others	1994494	29.73%
Total	6707164	100

- **Address for correspondence**

→ Name and Address: **KRA Leasing Limited**  
D-28, SMA Co-operative Industrial Estate, G T Karnal Road, Delhi-110033.

→ E-mail: [kraleasing1990@gmail.com](mailto:kraleasing1990@gmail.com)

→ Website: [www.kraleasing.com](http://www.kraleasing.com)

- **Stock Exchange**

→ Name and address: **Metropolitan Stock Exchange of India Limited**  
Vibgyor Tower, 4<sup>th</sup> Floor, G Block C62, BandraKurla Complex, Bandra (E), Mumbai City, Maharashtra-400098

ISIN: INE300F01015 **Stock Code:** KRALEASING

Annual Listing Fees has been duly paid by the Company for the Financial Year 2017-18.

### Share Price on MCX

Month	MCX Close	Share Price			No. of shares traded during the month	Turnover (Crores)
		High	Low	Close		
<b>Shares of the company weren't Traded at any Stock Exchange.</b>						

- **SHARE TRANSFER SYSTEM AND REGISTRAR & SHARE TRANSFER AGENTS**

All request if any for demate, remate, transfer, transmission are being handled by Registrar and Share transfer Agents and registered within 15 days of receipt of documents. All request if any for transfer of shares in physical form are processed duly transferred share certificate are returned to the transferee within the time prescribed by law.

**Address & Contact No.of Registrar & Share Transfer Agent are as follows**

- **Registrar to the Issue**

→ Name and Address: **Link Intime India Private Limited**  
2<sup>nd</sup> Floor, 44, community Centre, Phase - I, Near PVR,  
Naraina Industrial Area, New Delhi – 110028.

→ Telephone: 011-41410592

- **DEMATERIALIZATION/REMATIALIZATION OF SHARES**

Procedure For Dematerialization /Rematerialization of Shares

Shareholders seeking demat /remate of their shares must approach the Depository Participants (DP) with whom they maintain a demat accounts. The DP will generate an electronic request and will send the physical share certificate to the registrar and share transfer Agents ("the Registrar") of the Company. Upon receipt of request and Share Certificate, the registrar will verify the same. Upon verification, the Registrar will request the National Security Depository Ltd./Central Depository Service Ltd. (CDSL) to confirm the demat request. The demat Account of the concerned shareholder will be credited with an equivalent number of share. In case of a rejection of the request, it will be communicated to the shareholder.

In case of remate, upon receipt of a request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The registrar then request the NSDL and CDSL to confirm the request, the approval of the Company is sought and an equivalent number of shares are issued in the physical form to the shareholder.

The share certificates are dispatch within 15 days from the date of issue of share.

- No GDR/ADR/Warrants or any convertible instruments have been issued by the Company.
- No Non- Compliance has been done by the company or no penalties , strictures was imposed on the company by the Stock Exchange , SEBI or any statutory authority on account of non –compliance by the company on any matters related to the capital market during the last three Financial year.
- In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, as amended till date, on prevention of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guideline and the procedure to be followed and disclosure to be made, while dealing with the Company. It also cautions them on the consequences of non-compliance thereof.
- The Company follows the practice of ‘closure of Trading Window’ prior to the publication of price sensitive information. During this period, has set up a mechanism whereby the management and relevant staff and business associates of the Company are informed regarding the same and are advised not to trade in the Company’s securities.

#### **VIGIL MECHANISM /WHISTLE BLOWER POLICY**

- In pursuant to the provision of section 177(9) & (10) of the Company Act, 2013 read with regulation 22 of Securities And Exchange Board of India ( Listing Obligations And Disclosure Requirements) Regulation, 2015 a vigil mechanism for directors and employees to report genuine concern has been established . The vigil mechanism policy has been uploaded on the website of the Company at [www.kraleasing.com](http://www.kraleasing.com) under investor/policy link.
- Whistle blower mechanism provide a way to the stakeholders, employees to report any instance of unethical behavior , actual or suspected fraud or violation of the Company’s Code of Conduct or ethics policy to the Independent Ombudsman.

#### **MATERIAL SUBSIDIARY**

- In pursuance of regulation 16(c) Material Subsidiary mean a subsidiary whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.
- The Company has formulated a policy for determining the Material Subsidiaries and the same is availed on our website [www.kraleasing.com](http://www.kraleasing.com) under investor/policy link.

#### **RELATED PARTY**

- The Company has formulated a policy for determining the related party transactions and the same is availed on our website [www.kraleasing.com](http://www.kraleasing.com) under investor/policy link.
- The CEO / CFO certificate in term of regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirement), 2015 has been placed before the Board.

- The Company complies with all the mandatory requirements of Listing Regulation, 2015. It is in the process of also complying with the non- mandatory requirements of the Listing Agreement on Corporate Governance.
- **Reconciliation of Share Capital Audit**  
A Qualified Company Secretary carried out a secretarial audit to reconcile the total admitted equity capital with the National Securities Depository (NSDL) and the central Depository Service Limited (CDSL) and the total issued and listed equity capital. The Reconciliation of Share Capital Audit confirms that the total issued /paid up is in agreement with the total number of shares in the physical form and the total number of dematerialized shares held with NSDL and CDSL.
- Clause F of schedule V of Security and Exchange Board of India (Listing Obligation and Disclosures Requirements)Regulation, 2015 is not applicable.
- Clause C (10) (g) of Security and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulation, 2015 is not applicable on the Company.
- Required disclosures on the Company website is been done timely for the matters as stipulated in regulation 17 to 27 and clause and clause (b) to (i) of sub section (2) of regulation 46 of LODR .

#### **CODE OF CONDUCT**

The Company has adopted Code of Conduct and ethics for Directors and Senior Management Personnel a copy of Code of conduct has been placed on the Company website [www.kralesing.com](http://www.kralesing.com)



**DECLARATION BY THE MANAGING DIRECTOR UNDER SEBI(LISTING  
OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATION ACT, 2015**

To,  
The Members  
**KRA Leasing Limited**

I hereby declare that all the Directors and the designated employees in the senior management of the Company have affirmed compliance with their respective codes for the Financial Year ended March 31, 2018.

For and on behalf of  
**KRA Leasing Limited**

Sd/-  
Rajesh Mehra  
Managing Director

Date:14.08.2018  
Place: New Delhi

## AUDITOR CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by M/s KRA Leasing Limited, for the year ended March 31<sup>st</sup>, 2018 as stipulated in applicable Regulations 17, 18, 19, 20, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Arun K. Maheshwari**  
Chartered Accountants  
(Registration No. 21421N)

Sd/-  
Arun Maheshwari  
Proprietor  
Membership No. 508847

Date: -14.08.2018  
Place: - New Delhi

**CEO/CFO Certification pursuant to regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements), 2015 for the financial year ending 2017-18**

To,  
The Board of Directors  
**KRA Leasing limited**  
D-28, SMA Co-operative Industrial Estate,  
G T Karnal Road, Delhi-110033

This is to certify that

- a. We have reviewed financial statements and cash flow statements for the year ended 2017-18 and that to the best of our 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 the existing accounting standards, applicable laws and regulation,
- b. There are, to the best of our knowledge and belief, no transaction entered into by the company during the years which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept the responsibility for establishing and maintaining internal controls of financial reporting and that we evaluate the effectiveness of internal control systems of the company pertaining to the financial reporting and we have disclosed to the auditors and the Audit committee, deficiencies in operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors an Audit Committee,
  - I. Significant changes in internal control over financial reporting during the year,
  - II. Significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, and
  - III. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee have a significant role in the company's internal system over financial reporting.

Thanking You.

For **KRA Leasing Limited**

Sd/-  
Atul Mittal  
Chief Financial Officer

Sd/-  
Rajesh Mehra  
Managing Director

Date:14.08.2018  
Place: Gurugram

## INDEPENDENT AUDITOR'S REPORT

The Members of

**M/s KRA Leasing Limited**

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of M/s KRA Leasing Limited, which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### 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 Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## **OPINION**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March 2018, its profit/loss and its cash flows for the year ended on that date.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT**

1. 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 Act, we give in the "**Annexure A**" a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss, and 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 written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018, 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 operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

- iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**For Arun K. Maheshwari & Co.  
Chartered Accountants  
FRN :21421N**

**Place: New Delhi  
Date : 30.05.2018**

**Sd/-  
(Arun Maheshwari)  
(Proprietor)  
Membership No. : 508847**

## Annexure A to audit report for F.Y. 2017-18

### Re: M/s KRA Leasing Limited

Referred to in paragraph 3 of our report of even date.

- (i) (a) The company has maintained proper records showing full particulars, including quantitative and situation of fixed assets.
- (b) According to information and explanation given to us, all the assets have been physically verified by the management during the year. There is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As per management, no material discrepancies were noticed on such verification.
- (c) According to information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
- (ii) According to information and explanation given to us, the company does not have any inventories. Therefore, given compliances are not applicable to the company.
- (iii) According to our audit procedure and on the basis of information & explanations given to us, the company has granted unsecured loan to parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the company.
  - b) No schedule of repayment of principal and interest has been stipulated as they are receivable on demand. In view of no stipulation, no comment is given on regularity of repayment of receipts.
  - c) In view of (b) above, this clause is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable to the company as the company is registered NBFC.
- (v) The company has not accepted deposits which require compliances with the directives issued by the Reserve Bank of India and the provision of sections 73 to 76 or any other provisions of the Companies Act and the rules framed there under.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub section 1 of section 148 of the Companies Act, in respect of any of the products of the company.
- (vii) (a) According to the information and explanations given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, Service Tax, custom duty, excise duty, cess and other material

statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.

- (b) According to the information and explanation given to us, there are no dues of income tax, sale tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions, government or has not issued any debentures.
- (ix) According to our audit procedure and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the company had not paid any managerial remuneration during the year; therefore company is not required to comply with the provision of section 197 & schedule V of the act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) 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 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) 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.
- (xv) 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 any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- (xvi) The company is registered under section 45 IA of the Reserve Bank of India Act, 1934.

**For Arun K. Maheshwari & Co.**  
**Chartered Accountants**  
**FRN :21421N**



Place: New Delhi

Date :30/05/2018

Sd/-  
(ARUN MAHESHWARI)  
(Proprietor)  
Membership No. : 508847

**Annexure B** to audit report for F.Y. 2017-18

**Re: M/s KRA Leasing Limited**

**Report on Internal Financial Controls Over Financial Reporting**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

We have audited the internal financial controls over financial reporting of M/s KRA Leasing Limited as on March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

**AUDITORS’ RESPONSIBILITY**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

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

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

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

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

### **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 Arun K.Maheshwari & Co.**  
**Chartered Accountants**  
**FRN : 21421N**

**Place: New Delhi**  
**Date : 30.05.2018**

**Sd/-**  
**(ARUN MAHESHWARI)**  
**(Proprietor)**  
**Membership No. : 508847**

**NON BANKING FINANCIAL COMPANIES AUDITOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

To,  
The Board of Directors,  
**M/s KRA Leasing Limited**

We have audited the attached Balance Sheet of **M/s KRA Leasing Limited** as at 31<sup>st</sup> March, 2018 and also profit and loss Account for the year ended on that date.

These financial Statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 2008 issued by the Reserve Bank of India (RBI) vide Notification No. DNBS (PD) CC No. 129/03.02.82/ 2008-09 dated September 23, 2008, based on our audit, we give hereunder a statement on the matter specified in paragraphs 3 & 4 of the said directions:

1. The Company is engaged in the business of Non- Banking Financial Institution and has obtained a Certificate of Registration from Reserve Bank of India (RBI) as a Non-Banking Financial Company without accepting public deposit vide certificate No. B-14.00888 dated 13<sup>th</sup> May, 1998.
2. The Company is entitled to continue to hold the Certificate of Registration in terms of its asset/income pattern as on 31<sup>st</sup> March, 2018.
3. A resolution for non-acceptance of any public deposit was passed in the meeting of Board of Directors on 30<sup>th</sup> May, 2017 for the financial year 2017-18.
4. The Company has not accepted any public deposits during the year ended 31<sup>st</sup> March, 2018.
5. In our opinion and to the best of our information and according to the explanations given to us. The Company has complied with the prudential norms relating to Income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.
6. In terms of RBI circular No. DNBS.PD/CC.No. 93/03.05.002/2006-07 dated 27<sup>th</sup> April, 2007, the company is not required to file NBS-7 to Reserve Bank of India.

**For ArunMaheshwari & Co.**  
**Chartered Accountants**  
**FRN :21421N**

**Place: New Delhi**  
**Date :30/05/2018**

**Sd/-**  
**(ARUN MAHESHWARI)**  
**(Proprietor)**  
**Membership No. : 508847**

**KRA LEASING LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH, 2018**

Particulars	Note No.	Figures as at the end of current reporting period (Rs)	Figures as at the end of previous reporting period (Rs)
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	2	67,071,640	67,071,640
(b) Reserves and Surplus	3	2046,66,349	2038,09,047
<b><u>(2) Non Current Liabilities</u></b>			
(a) Deferred Tax Liabilities(Net)		8,16,652	11,87,913
(b) Long-Term Provisions	4	26,40,473	25,82,208
(c) Long-Term Liabilities	5	78,57,000	-
<b><u>(3) Current Liabilities</u></b>			
(a) Trade Payables-Other Long –term liabilities			
(A) Micro Enterprises and small enterprises			
(B) Other	6	1,09,223	21,23,673
(b) Other Current Liabilities	7	3,18,033	60,793
(c) Short-Term Provisions	8	4,32,331	27,64,365
<b>Total Equity &amp; Liabilities</b>		<b>2839,11,701</b>	<b>2795,99,639</b>
<b>II.ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) Fixed Assets			
(i) Gross Block	9	103,41,685	116,29,888
(ii) Depreciation			
(iii) Net Block			
(b) Non-current investments	10	1785,61,977	1055,61,977
(c) Long term loans and advances	11	9,12,780	9,12,780
<b><u>(2) Current Assets</u></b>			
(a) Trade Receivable	12	234,13,325	174,30,755
(b) Cash and cash equivalents	13	12,60,623	721,34,094
(c) Short-term loans and advances	14	694,21,311	719,30,145
		-	-
<b>Total Assets</b>		<b>2839,11,701</b>	<b>2795,99,639</b>

Notes to Accounts

1

Notes referred to above and notes attached there to form an integral part of BalanceSheet

This is the Balance Sheet referred to in our Report of even date.

For and on behalf of Board of Directors

For Arun K. Maheshwari &amp; Co.

For KRA Leasing Ltd

Chartered Accountants

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

Arun Maheshwari  
(Proprietor)Rajesh Mehra  
(Managing Director)  
DIN-00058232Ajay Mehra  
(Director)  
DIN-00058245Ankit Dhamija  
(Company Secretary)Atul Mittal  
(CFO)

Membership No: 508847

Firm Reg. No: 21421N

Place: New Delhi

Date: 30/05/2018

<b>KRA LEASING LIMITED</b>				
<b>PROFIT &amp; LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2018</b>				
Sr. No	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	<b>Revenue from Operations</b>	15	106,38,849	203,25,657
	<b>Total Revenue</b>		<b>106,38,849</b>	<b>203,25,657</b>
II	<b>Expenses:</b>			
	Employee Benefit Expenses	16	4,08,000	3,78,000
	Other Administrative Expenses	17	66,32,686	48,08,480
	Depreciation	9	13,29,304	15,80,957
	<b>Total Expenses</b>		<b>83,69,990</b>	<b>67,67,437</b>
III	<b>Profit before exceptional, extraordinary and prior period items and tax</b>	(I - II)	<b>22,68,859</b>	<b>135,58,220</b>
IV	<b>Tax expense and Provision:</b>			
	(1) Current tax		15,99,214	16,17,432
	(2) Previous Year Tax		1,25,338	1,76,709
	(3) Deferred Tax		(3,71,261)	(3,44,577)
	(4) Contingent prov. against standard asset		58,266	(14,223)
V	<b>Profit/(Loss) for the period</b>	(III-IV)	<b>8,57,302</b>	<b>121,22,879</b>
VI	<b>Earning per equity share:</b>			
	(1) Basic		0.13	1.81
	(2) Diluted		0.13	1.81
	Number of Equity Shares of Rs.10 each		6,707,164	6,707,164

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

For Arun K. Maheshwari

For and on behalf of Board of Directors

Chartered Accountants For KRA Leasing Limited

Sd/-

Sd/-

Sd/- Sd/-

Sd/-

Arun Maheshwari

Rajesh Mehra

Ajay Mehra Ankit Dhamija

Atul Mittal

(Proprietor)

(Managing Director)

(Director)

(Company Secretary)

(CFO)

M. No: 508847

DIN: 00058232

DIN: 00058245

Firm Reg No: 21421N

Place: New Delhi

Date : 30/05/2018

**KRA LEASING LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018**

	Particulars	Amount (In Rs)	
		Year ended 31.03.2018	Year ended 31.03.2017
<b>A.</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
	NET PROFIT AFTER TAX & ADJUSTMENTS AS PER P&L A/C	8,57,302	1,21,22,879
	<b>Adjustments for :</b>		
	Depreciation	13,29,304	15,80,957
	Long term capital Gain	-	-1,18,49,505
	Short term Capital Gain	-	-
	Provision for Deferred Tax Liability	-3,71,261	-3,44,577
	Provision on standard assets	58,266	-14,223
	<b>Operating Profit before working capital Changes</b>	<b>18,73,611</b>	<b>14,95,531</b>
	<b>Adjustments for :</b>		
	Increase in current assets, Loan and Advances	-34,73,736	7,26,05,295
	Decrease in current liabilities	2,57,240	-8,811
	Increase in current liabilities	-20,14,450	18,15,622
	Decrease in Provisions	-23,32,034	-25,96,446
	Increase in Provisions	-	-
	<b>Cash generation from operations</b>	<b>-56,89,369</b>	<b>7,33,11,191</b>
	<b>NET CASH FLOW GENERATING FROM OPERATING ACTIVITIES</b>	<b>-56,89,369</b>	<b>7,33,11,191</b>
<b>B.</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
	Purchase of fixed assets (Addition during the year)	-41,101	-89,100
	Increase in Investment	-7,30,00,000	-71,26,100
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-7,30,41,101</b>	<b>-72,15,200</b>
<b>C.</b>	<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
	Increase in long term liabilities	78,57,000	-
	<b>NET CASH FLOW GENERATING FROM FINANCIAL ACTIVITIES</b>	<b>78,57,500</b>	<b>-</b>
	<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>-7,08,73,470</b>	<b>6,60,95,991</b>
	<b>CASH AND CASH EQUIVALENTS-OPENING BALANCE</b>	<b>7,21,34,094</b>	<b>60,38,103</b>
	<b>CASH AND CASH EQUIVALENTS-CLOSING BALANCE</b>	<b>12,60,624</b>	<b>7,21,34,094</b>

**NOTES:**

- Cash and Cash equivalents include cash, FDR and balance with schedules banks
- Previous Year's figures have been re-grouped/re-arranged wherever necessary to confirm to the current years presentations.

**For Arun K. Maheshwari & Co.****Chartered Accountants****Firm Reg. No: 21421N****Sd/-****Arun Maheshwari****Proprietor****M No: 508847****Sd/-****Rajesh Mehra****Managing Director****DIN: 00058232****For and on behalf of Board of Directors****For KRA Leasing Limited****Sd/-****Ajay Mehra****Director****DIN: 00058245****Sd/-Sd/-****Ankit Dhamija****Company Secretary****CFO****Place: Gurugram****Date: 30/05/2018**

## KRA LEASING LTD

**Notes Forming Integral Part of the Balance Sheet as at 31st March, 2018**

**Note : 2 Share Capital**

Sr. No	Particulars	Current Year	Previous Year
1	<b>AUTHORISED CAPITAL</b> 70,00,000 (31.03.2017: 7000000) Equity Shares of Rs. 10/- each.	70,000,000	70,000,000
		70,000,000	70,000,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> Paid up Share capital by allotment 6707164 (31.03.2017: 6707164)Equity Shares of Rs. 10/- each, Fully paid up	67,071,640	67,071,640
	<b>Total</b>	<b>67,071,640</b>	<b>67,071,640</b>
3	Reconciliation of the number of shares and amount at the beginning and at the end of the reporting year Number of shares:- Opening Balance (In Nos) Add Issued during the year Closing Balance (Nos)	6,707,164 NIL 6,707,164	6,707,164 NIL 6,707,164
	Amount in rupees:- Opening Balance (In Rs.) Add Issued during the year Closing Balance (Rs)	67,071,640 NIL 67,071,640	67,071,640 NIL 67,071,640
4	<b>Terms/Rights attached to equity shares</b> The Company has only one class of equity shares having at par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares shall be entitled to receive remaining assets of the company, after distribution of all preferential amounts, The distribution will be in proportion to the number of equity share held by the shareholders		
5	Number of shares held by each share holders, holding more than 5% of shares:- <b>Name of share holders</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
		<b>Shares %</b>	<b>Shares %</b>
	1. Prompt Capital & Finser (P) Ltd	568400 8.47	568400 8.47
	2. G.R.Sales (P) Ltd	466200 6.95	466200 6.95
	3. Essco Sanitations (P) Ltd	719400 10.73	719400 10.73
	4. Bastion Industrial Leasing Finance Pvt.Ltd	417200 6.22	417200 6.22
	5. SMG Enterprises (P) Ltd	409800 6.11	409800 6.11
	6. Ajay Mehra	465240 6.94	465240 6.94

6	There is no shares reserved for issue under options and contract /commitments for the sale of shares /disinvestment, including the terms and amounts:	
7	<b>For the period of five years immediately preceding the date as at which the balance sheet is prepared:</b>	
	(A) Aggregate number and class of shares allotted as fully paid –up pursuant to contract (s) without payment being received in cash	Nil
	(b) ) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares	Nil
	(c) Aggregate number and class of shares bought back.	Nil



**Note: 3 Reserve & Surplus**

Sr. No	Particulars	Current Year	Previous Year
1	<b>Surplus in Statement of Profit &amp; Loss</b>		
	Balance brought forward from previous year	1949,03,169	1852,04,866
	Add: Profit/Loss for the period	8,57,302	121,22,879
		1657,60,471	1973,27,745
	Less: Amount Transfer to Special Reserve u/s 45 IC of RBI	1,71,460	24,24,576
		<b>1955,89,011</b>	<b>1949,03,169</b>
2	Special Reserve u/s 45 IC of RBI Act,1934	90,77,338	89,05,878
	<b>Total</b>	<b>2046,66,349</b>	<b>2038,09,047</b>

**Note : 4 Long Term Provisions**

Sr. No	Particulars	Current Year	Previous Year
a)	Contingent Provision against Standard Assets	3,40,473	2,82,208
b)	Provision for Doubtful debts	2,300,000	2,300,000
	<b>Total</b>	<b>26,40,473</b>	<b>25,82,208</b>

**Note : 5 Long Term Liabilities**

Sr. No	Particulars	Current Year	Previous Year
1.	Security Deposit received	78,57,000	-
	<b>Total</b>	<b>78,57,000</b>	<b>-</b>

**Note : 6 Trades Payable-Other**

Sr. No	Particulars	Current Year	Previous Year
1.	Sundry Creditors for Services ( amount due on account of goods purchased or services rendered in the normal course of business)	1,09,223	21,23,673
	<b>Total</b>	<b>1,09,223</b>	<b>21,23,673</b>

**Note : 7 Other Current Liabilities**

Sr. No	Particulars	Current Year	Previous Year
1	Expenses payable	1,74,732	22,615
2	Government Dues	1,43,301	38,178
	<b>Total</b>	<b>3,18,033</b>	<b>60,793</b>

**Note : 8 Short Term Provisions**

Sr. No	Particulars	Current Year	Previous Year
1.	Provision for Income Tax	4,32,331	27,64,365
	<b>Total</b>	<b>4,32,331</b>	<b>27,64,365</b>

## KRA LEASING LTD

Note Forming Integral Part of the Balance Sheet as at 31st March.2018

Note : 9 Fixed Asset As Per Companies Act 2013				DEPRECIATION CHART FOR F. Y. 2017-18										(Amount in Rs)	
Date of Purchase / Put to use	Particular	Original Cost (Rs)	Dep. charged upto 31.03.2017	WDV as on 01.04.2016	Purchase during the year	Life as per Co. Act, 2013	Life Used till 31/03/2018	Remaining Life	Salvage value	Depreciable amount over whole life	Excess Dep. (Already charged)	Rate of Dep.	Dep. for the Year 2017-18	Adjusted with Retained Earnings	WDV as on 31st Mar 2018
<b>(A) Land</b>															
	Resort & Agriculture Land	30,16,765	-	30,16,765											30,16,765
<b>(B) Buildings</b>															
	Resort Building	211,56,013	148,88,418	62,67,595		30.00			10,57,803	200,98,210	-		9,20,916	-	53,46,679
<b>(C) Plant and Machinery</b>															
	Plant & Machinery	66,22,024	45,74,621	20,47,403		15.00			3,31,103	62,90,921	-		3,68,319	-	16,79,084
<b>(D) Electrical Equipment</b>															
	Electrical Equipment's	38,95,308	36,12,994	2,82,314	41,110	10.00			1,96,820	37,39,588	-		40,069	-	2,83,345
<b>(E) Office Equipment's</b>															
	Office Equipment	70,200	66,690	3,510		5.00			3,510	66,690	-		-	-	3,510
<b>(F) Furniture and Fixtures</b>															
	Furniture & Fixtures	2,46,038	2,33,736	12,302		10.00			12,302	233,736	-		-	-	12,302
<b>TOTAL ASSETS (A+B+C+D+E+F)</b>		<b>350,06,348</b>	<b>233,76,459</b>	<b>116,29,889</b>	<b>41,110</b>				<b>16,01,538</b>	<b>304,29,145</b>	<b>-</b>		<b>13,29,304</b>	<b>-</b>	<b>103,41,685</b>

**Note : 10 Non Current Investment**

Sr. No	Particulars	Current Year	Previous Year
(a)	<b><u>Investment in Equity Instrument (unquoted):-</u></b>		
	<b><u>In Others</u></b>		
1	56044 shares of Jaquar & Co (P) Ltd Unquoted, fully paid, at cost (15.14% of Total Holding)	210,74,100	210,74,100
2	45000 share of G.R. Sales (P) Ltd Unquoted, fully paid, at cost (3.83% of Total Holding)	5,77,582	5,77,582
3	160000 shares of Sanraj Farms (P) Ltd Unquoted, fully paid, at cost (19.65% of Total Holding)	160,00,000	160,00,000
4	165415 shares of Essco Sanitations (P) Ltd Associate, unquoted, fully paid, at cost (16.62% of Total Holding)	28,56,505	28,56,505
	<b><u>Subsidiary</u></b>		
1	155623 shares of SMG Enterprises Ltd Subsidiary, unquoted, fully paid, at cost (51.84% of Total Holding)	48,41,830	48,41,830
		<b>453,50,017</b>	<b>453,50,017</b>
(b)	<b><u>Investment in Mutual Fund:-</u></b>		
	Investment in Mutual Fund	<b>1005,00,000</b>	<b>275,00,000</b>
	<b>Total (a+b)</b>	<b>1458,50,017</b>	<b>728,50,017</b>
(c)	<b><u>Investment in Properties:-</u></b>		
	Office Building (Connaught Place)	327,11,960	327,11,960
		<b>327,11,960</b>	<b>327,11,960</b>
	<b>Gross Investments-Total (a + b + c)</b>	<b>1785,61,977</b>	<b>1055,61,977</b>
	<b>Net Investments</b>	<b>1785,61,977</b>	<b>1055,61,977</b>
	<b>Aggregate amount of quoted Investments</b>	<b>1005,00,000</b>	<b>275,00,000</b>
	<b>Aggregate amount of unquoted Investments</b>	<b>780,61,977</b>	<b>780,61,977</b>

**Note : 11 Long Term Loans and Advances**

Sr. No	Particulars	Current Year	Previous Year
a)	<b>(Unsecured , Considered Goods)</b>		
	Security Deposit Given	9,12,780	9,12,780
	<b>Total</b>	<b>9,12,780</b>	<b>9,12,780</b>

**Note : 12 Trade Receivables**

Sr. No	Particulars	Current Year	Previous Year
1	<b><u>Outstanding for more than Six Months</u></b>		
	Unsecured, considered good	200,90,772	147,62,310
2	Other Debts	33,22,553	26,68,445
	<b>Total (1 + 2)</b>	<b>234,13,325</b>	<b>174,30,755</b>

**Note : 13 Cash & Cash Equivalent**

Sr. No	Particulars	Current Year	Previous Year
1	Cash Balance	6,34,314	86,899
2	Bank Balance	6,26,309	720,47,195
	<b>Total [ 1 + 2 ]</b>	<b>12,60,623</b>	<b>721,34,094</b>

**Note :14 Short Terms Loans and Advances**

Sr. No	Particulars	Current Year	Previous Year
1	Loans	640,00,000	655,00,000
2	Advance Income Tax	26,20,679	24,62,611
3	Mat Recoverable	27,94,078	39,60,961
4	Other Current Assets	6,554	6,573
	<b>Total (1 + 2 + 3 + 4)</b>	<b>694,21,311</b>	<b>719,30,145</b>

**Note : 15 Revenue from Operations**

Sr. No	Particulars	Current Year	Previous Year
1	Interest received	58,37,301	68,00,628
2	Interest of FDR	6,048	6,524
3	Rent Received	15,01,500	-
4	Resort Receipts	6,75,000	7,50,000
5	Agricultural Income	15,01,500	9,19,000
6	Long Term Share Profit	-	118,49,505
	<b>Total</b>	<b>106,38,849</b>	<b>203,25,657</b>

**Note : 16 Employee Benefit Expenses**

Sr. No	Particulars	Current Year	Previous Year
1	Salaries & Perquisites	4,08,000	3,78,000
	<b>Total</b>	<b>4,08,000</b>	<b>3,78,000</b>

**Note : 17 Other Administrative Expenses**

Sr. No	Particulars	Current Year	Previous Year
1	Agricultural Expenses	6,11,404	4,88,166
2	Auditor's Remuneration	25,000	1,50,000
3	Electricity Expenses	4,25,839	3,93,118
4	Internal Audit Fees	48,000	48,000
5	Legal & Professional Charges	3,80,916	1,75,000
6	Listing Charges	1,03,972	1,55,588
7	Postage & Telegram	5,446	6,051
8	Printing & Stationery	1,648	1,682
9	Property Tax	2,83,622	2,83,622
10	Property Tax ( CP Property)	6,44,314	6,44,387
11	Rates & Taxes	6,124	22,200
12	Maintenance Charges (CP Property)	16,02,419	20,79,230
13	Resort Maintenance	3,20,196	3,02,735
14	Service Tax paid	750	25,710
15	Telephone Expenses	8,467	9,402
16	Bank Charges	29	-

17	Advertisement	33,853	23,589
18	Brokerage for renting of premises	19,64,250	-
19	GST Expenses	4,500	-
20	Penalty & Fine	3,570	-
21	Registration duty of rent agreement	1,58,367	-
	<b>Total</b>	<b>66,32,686</b>	<b>48,08,480</b>

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

## NOTE-1

**1. DISCLOSURE OF ACCOUNTING POLICIES:-**

The financial statement of the company has been prepared in accordance with generally accepting principles and applicable accounting standards as adopted consistently by the company. The Accounts are maintained under the historical cost convention on accrual basis as a going concern.

The company generally follows Mercantile System of accounting and recognizes items of income and Expenditure on accrual basis except as otherwise stated

**2. VALUATION OF INVENTORIES: -**

As company does not have any inventory, this AS is not applicable to the company.

**3. CASH FLOW STATEMENT**

Cash Flow statement has been attached to the balance sheet and profit and loss account.

**4. EVENT OCCURRING AFTER BALANCE SHEET DATE:-**

There is no event occurring after the balance sheet date requires adjustment or disclosure.

**5. NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES:-****a) Net Profit for the period:**

All items of income and expenses in the period are included in the determination of net profit for the period, unless specifically mentioned elsewhere in the financial statements or as required by an Accounting Standard.

**b) Prior period items:**

No prior period item has been debited to profit and loss account during the year.

**6. DEPRECIATION:-**

Depreciation has been provided under WDV method in accordance with Schedule II to the Companies Act, 2013.

**7. CONSTRUCTION CONTRACTS:-**

The above is not applicable to the company as it is not engaged in the business of construction.

**8. REVENUE RECOGNITION:-**

The company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis on going concern concept.

**9. ACCOUNTING FOR FIXED ASSETS:-**

Fixed assets are stated at cost less accumulated depreciation. Costs include all expenses incurred to bring the asset to its present location and condition.

**10. ACCOUNTING FOR INVESTMENTS:-**

Investments are accounted at the cost of acquisition. All the investments are long term investments. Diminution in the market value of long term investments is provided for only when there is a permanent diminution in the value of such investments.

Investments made during the year: - The Company has made fresh investment in Mutual Fund during the year.

**11. ACCOUNTING FOR AMALGAMATIONS:-**

The above is not applicable as there is no amalgamation during the year.

**12. EMPLOYEES BENEFIT:-**

The company has liability only on account of short term employee benefits to employees like Salary, wages which is accounted as expenses in the year of payment. As per Management, there is no liability of the company on account of Gratuity.

**13. FOREIGN EXCHANGE :-**

Exchange Difference transfer to Profit & Loss Account	Nil
Earning in Foreign Exchange during the year	Nil
Expenditure in Foreign Exchange during the year	Nil

**14. GOVERNMENT GRANTS: -**

There are no grants or subsidies received from the government during the previous year.

**15. BORROWING COST:-**

There is no borrowing cost incurred by the company during the year.

**16. LEASE:-**

No asset acquire by the company on lease during the current year.

**17. SEGMENT REPORTING:-**

The Company is a NBFC Company and it's main earning is interest income. The gross revenue from all other segments is less than 10%. Therefore, no separate segment under AS 17 (Segment Reporting) issued by the Institute of Chartered Accountants of India.

**18. IMPAIRMENT OF ASSETS:-**

Impairment means reduction in value of asset, such impairment can be due to market conditions, accident, physical damage to asset, decline in market value of asset, etc. No impairment of asset has been done as no external or internal indicator exists on Balance Sheet date.

**19. RELATED PARTY DISCLOSURES:-**

(A) Related Parties and their Relationship

**(i) Key management Personnel****Name**

Mr. Rajesh Mehra

Mr. ShriKishanMehra

Mr. Ajay Mehra

**(ii) Associates Companies & Firms**

M/s Jauqar & Co Pvt Ltd

M/s Sweet Hospitality (P) Ltd

NOTE: - Details above have been given for only those parties who have some transactions with the company during the year.

(B)

Transaction	Associate Companies	Key Managerial Personnel	Relative of Key Management Personnel	HUF of Key Management Personnel	Total
Loans received back during the year	1500000	-	-	-	1500000
Resort Receipt	675000	-	-	-	675000
Interest received	5837301	-	-	-	5837301
<b>Balance as on 31.03.2018</b>					
Investment in shares	45350017	-	-	-	45350017
Loans given	64000000	-	-	-	64000000
Interest receivable	19439448	-	-	-	19439448

<b>20. <u>EARNING PER SHARE:-</u></b>	<b>Current year (Rs.)</b>	<b>Previous year (Rs.)</b>
Net Profit after tax available for Equity shareholders	Rs.857302	Rs.12122879
Basic/diluted EPS	0.13	1.81
Number of Shares	6707164	6707164
Face value per share	Rs. 10/-	Rs. 10/-

**21. ACCOUNTING FOR TAXES ON INCOME:-**

Current tax is determined as the amount of tax payable in respect of taxable income for the relevant period.

Deferred tax liability/asset is as per the balance sheet.

**22. INTERIM FINANCIAL REPORTING:-**

Quarterly financial results are published in accordance with the guidelines issued by the SEBI.

**23. INTANGIBLE ASSETS:-**

The Company has not acquired any intangible asset during the year.

**24. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:-**

Provision is recognized in the accounts when there is present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**NOTES ON ACCOUNTS****(1) CONTINGENT LIABILITIES:-**

Company has given bank guarantee of Rs.90000/- in favour of The Commissioner, DVAT against the registration of the Company with DVAT Department.

- (2) All balance of loans/advances given or taken are subject to confirmation.  
 (3) Previous year figure have been regrouped/rearranged wherever necessary.  
 (4) Foreign Currency Transaction: NIL  
 (5) **AUDITOR'S REMUNERATION**

<b>Particulars</b>	<b>Current Year (in Rs.)</b>	<b>Previous Year (in Rs)</b>
Audit Fees	25000	75000
Taxation Fees	Nil	75000
<b>Total</b>	<b>25000</b>	<b>150000</b>

- (6) Pursuant to the listing agreement with stock exchange, cash flow statement has been attached to the balance sheet and profit & loss account.  
 (7) ) In the opinion of the Board of Directors, Current Assets, Loans and advances have appeared on the value to be realized in the ordinary course of Business at least equal to the amount at which they are stated.  
 (8) As per management, the loans and advances have been categorized Short Term as the same are receivable on demand.

**For Arun K. Maheshwari & Co.**  
**Chartered Accountants**  
**FRN: 21421N**

**For and on behalf of Board of Directors**  
**For KRA Leasing Ltd**

**Sd/-**  
 Arun Maheshwari  
**(Propreitor)**  
**M. No. 508847**

**Sd/-**  
 Rajesh Mehra  
**Managing Director**  
**DIN: 00058232**

**Sd/-**  
 Ajay Mehra  
**Director**  
**DIN: 0058245**

**Sd/-**  
 AnkitDhamija  
**Company Secretary**

**Sd/-**  
 Atul Mittal  
**CFO**

Place: Gurugram  
 Date: 30/05/2018



## INDEPENDENT AUDITOR'S REPORT

The Members of

**M/s KRA Leasing Ltd.**

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **M/s KRA Leasing Ltd.**(herein after referred to as “the Holding Company”) and its subsidiary (the Holding company and its subsidiary together referred to as “the Group”),comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information(herein after referred to as “the Consolidated financial Statements”).

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (“the Act”) that give a true and fair view of the consolidated financial position and financial performance of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group for preventing and detecting the frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant

to the Holding Company's preparation of the consolidated financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31<sup>st</sup> March, 2018 and their consolidated profit and loss Statement for the year ended on that date.

We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total assets of Rs. 6,22,56,052/- as at March 31, 2018 and total revenues of Rs. 2,16,000/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor and the financial statement/financial information certified by the management.

### **Report on Other Legal and Regulatory Requirement**

3. As required by sub-section 3 of Section 143(3) of the Act, based on our audit and other financial information of subsidiary, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b) In our opinion proper books of account as required by law related to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of its subsidiary company, incorporated in India, none of the directors of the Group companies, incorporated in India is

disqualified as on 31st March, 2018 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 Holding company, its subsidiary company incorporated in India and operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.

g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and the other financial information of the subsidiary, as noted in the ‘other matter’ paragraph:

- iv. The Group does not have any pending litigations which would impact its financial position.
- v. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- vi. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India during the year ended 31<sup>st</sup> March, 2018.

**For Arun K. Maheshwari & Co.**  
**Chartered Accountants**  
**FRN:21421N**

**Place: Gurugram**  
**Date :30.05.2018**

**Sd/-**  
**(ARUN MAHESHWARI)**  
**(Proprietor)**  
**Membership No. : 508847**

Annexure A to audit report for F.Y. 2017-18

Re: M/s KRA Leasing Ltd.

**Report on Internal Financial Controls over Financial Reporting**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

In conjunction with our audit of the consolidated financial statements of the M/s KRA Leasing Ltd. (the ‘Holding company’) and its subsidiary company (the Holding company and subsidiary together referred to as the ‘Group’), as of and for the year ended 31 March 2018, we have audited the internal financial control over financial reporting of the holding company and its subsidiary company which is a company incorporated in India, as of that date.

**MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

**AUDITORS’ RESPONSIBILITY**

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

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

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

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

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

### **OPINION**

In our opinion, the Holding Company and its subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 Arun K Maheshwari & Co.  
Chartered Accountants  
FRN:21421N**

**Place: New Delhi  
Date :30/05/2018**

**Sd/-  
(ARUN MAHESHWARI)  
(Proprietor)  
Mem. No. : 508847**

**KRA LEASING LTD**  
**CIN : L65993DL1990PLC039637**  
**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018**

Particulars	Note No.	<i>Figures as at 31st March, 2018</i>	<i>Figures as at 31st March, 2017</i>
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	2	6,29,73,640	6,29,73,640
(b) Reserves and Surplus	3	20,00,37,967	19,91,31,028
(c) Minority Interest	4	1,43,82,539	1,42,81,580
<b><u>(2) Non Current Liabilities</u></b>			
(a) Deferred Tax Liabilities		8,16,652	11,87,913
(b) Long-Term Provisions	5	26,40,473	25,82,208
(c) Long-Term Liabilities	6	78,57,000	-
<b><u>(3) Current Liabilities</u></b>			
(a) Short-Term Borrowings	7	4,00,50,000	4,00,50,000
(b) Trade Payables	8		
(A) Micro and small enterprises			
(B) Others		1,32,823	21,54,638
(c) Other Current Liabilities	9	3,18,033	60,793
(d) Short-Term Provisions	10	4,66,697	27,99,319
<b>Total Equity &amp; Liabilities</b>		<b>33,52,75,824</b>	<b>32,52,21,119</b>
<b>II.ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) Fixed Assets	11	1,03,41,685	1,16,29,888
(b) Non-current investments	12	22,93,39,612	15,05,56,123
(c) Long term loans and advances	13	10,47,030	10,47,030
<b><u>(2) Current Assets</u></b>			
(a) Trade Receivable	14	2,35,99,726	1,74,30,755
(b) Cash and cash equivalents	15	14,85,668	7,25,89,998
(c) Short-term loans and advances	16	6,94,62,103	7,19,67,325
<b>Total Assets</b>		<b>33,52,75,824</b>	<b>32,52,21,119</b>

**Notes to Accounts**

*Notes: referred to above and notes attached there to form an integral part of Consolidated Balance Sheet*

This is the Balance Sheet referred to in our Report of even date.

**For Arun K. Maheshwari & Co.**

**For and on behalf of Board of Directors**

**Chartered Accountants**

**FRN: 21421N**

**For KRA Leasing Ltd**

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

**Arun Maheshwari Rajesh Mehra**

**Ajay Mehra**

**Ankit Dhamija**

**Atul Mittal**

**Proprietor**

**Managing Director**

**Director**

**Company Secretary CFO**

**M No: 508847**

**DIN: 00058232**

**DIN: 00058245**

**Place: Gurugram**

**Date: 30/05/2018**



**KRA LEASING LTD**  
**CIN : L65993DL1990PLC039637**  
**CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE PERIOD**  
**ENDED ON 31ST MARCH,2018**

Sr. No	Particulars	Note No.	31st March, 2018	31st March, 2017
I	Revenue from Operations	17	1,08,54,849	2,05,41,657
	<b>Total Revenue</b>		<b>1,08,54,849</b>	<b>2,05,41,657</b>
II	<b>Expenses:</b>			
	Employee Benefit Expenses	18	4,08,000	3,78,000
	Depreciation	11	13,29,304	15,80,957
	Other Administrative Expenses	19	66,68,340	48,42,659
	<b>Total Expenses</b>		<b>84,05,644</b>	<b>68,01,616</b>
III	<b>Profit before exceptional, extraordinary and prior period items and tax</b>	<b>(I - II)</b>	<b>24,49,205</b>	<b>1,37,40,041</b>
	Exceptional items			
IV	<b>Profit before extraordinary and prior period items and tax</b>		<b>24,49,205</b>	<b>1,37,40,041</b>
	Extraordinary items		-	-
	Prior period item		-	-
V	<b>Profit before tax</b>			<b>1,37,40,041</b>
VI	<b>Tax expense and Provision:</b>			
	(1) Current tax		16,28,968	16,52,386
	(2) Previous Year Tax		1,25,334	1,76,709
	(3) Deferred Tax		3,71,261	(3,44,577)
	(4) Provision for NPA		58,266	(14,223)
VII	<b>Profit/(Loss) after tax for the year</b>	<b>(III-IV)</b>	<b>10,07,898</b>	<b>1,22,69,746</b>
IX	Share of Profit/(Loss) : Minority Interest		72,533	70,737
X	Profit/(Loss) of Associate Companies			-
XI	<b>Group Profit/(Loss) After Tax for the year</b>		<b>9,35,365</b>	<b>1,21,99,009</b>
VI	Earning per equity share:			
	(1) Basic		0.15	1.94
	(2) Diluted		0.15	1.94
	Number of Equity Shares of Rs.10 each		62,97,364	62,97,364

**Notes to Accounts**

*Notes: referred to above and notes attached there to form an integral part of Consolidated profit and loss Statement*

This is the Profit and Loss Statement referred to in our Report of even date.

**For Arun K.Maheshwari & Co.**

**For and on behalf of Board of Directors**

**Chartered Accountants**

**For KRA Leasing Ltd**

**FRN: 21421N**

**Sd/-**

**Arun Maheshwari**

**Proprietor**

**M No: 508847**

**Sd/-**

**Rajesh Mehra**

**Managing Director**

**DIN: 00058232**

**Sd/-**

**Ajay Mehra**

**Director**

**DIN: 00058245**

**Sd/-**

**Ankit Dhamija**

**Company Secretary**

**Sd/-**

**Atul Mittal**

**CFO**

**Place: Gurugram**

**Date: 30/05/2018**

**KRA LEASING LTD**  
**CIN : L65993DL1990PLC039637**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

	Year Ended 31.03.2018	Year Ended 31.03.2017
<b>A. <u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net profit before tax, share of profit/(loss) of associates and minority interest	24,49,205	1,37,40,041
<b>Adjustments for:</b>		
Depreciation	13,29,304	15,80,957
Taxes paid	-	-11,75,283
Long term Capital Gain	-	-1,18,49,505
Provision for Deferred Tax Liability	3,71,261	3,44,577
Provision for NPA	(58,266)	14,223
<b>Operating Profit before working capital Changes:</b>	40,91,504	26,55,010
<b>Adjustments for:</b>		
Increase in current assets, Loans and Advances	(61,68,971)	-49,43,802
Decrease in current assets, Loans and Advances	25,05,222	7,44,93,793
Decrease in current liabilities	(20,21,815)	-3,89,819
Increase in current liabilities	58,57,240	18,15,622
	42,63,180	7,36,30,804
Less: Direct Taxes Paid	40,86,924	-
<b>NET CASH FLOW GENERATING FROM OPERATING ACTIVITIES</b>	<b>1,76,256</b>	<b>7,36,30,804</b>
<b>B. <u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Purchase of Mutual Funds	7,30,00,000	-2,75,00,000
Sale of Non Current Investments	-57,83,489	2,03,73,900
Purchase of fixed assets	-41,100	-89,100
<b>NET CASH FLOW GENERATING FROM INVESTING ACTIVITIES</b>	<b>7,88,24,589</b>	<b>-72,15,200</b>
<b>C. <u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Increase in Non Current Liabilities	75,44,004	-
<b>NET CASH FLOW GENERATING FROM FINANCING ACTIVITIES</b>	<b>75,44,004</b>	<b>-</b>
<b>NET INCREASE/ DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>-7,11,04,329</b>	<b>6,64,15,604</b>
<b>CASH AND CASH EQUIVALENT BALANCE -OPENING BALANCE</b>	<b>7,25,89,998</b>	<b>61,74,394</b>
<b>CASH AND CASH EQUIVALENT BALANCE -CLOSING BALANCE</b>	<b>14,85,669</b>	<b>7,25,89,998</b>

## NOTES:

1. Cash and Cash equivalent include cash, FDR and balance with scheduled banks.

In Terms of our report of even date attached

**For Arun K. Maheshwari Co.**

Chartered Accountants

FRN: 21421N

Sd/-

**Arun Maheshwari**

**Proprietor**

**M No: 508847**

Sd/-

**Rajesh Mehra**

**Managing Director**

**DIN: 00058232**

Sd/-

**Ajay Mehra**

**Director**

**DIN: 00058245**

Sd/-

**Ankit Dhamija**

**Company Secretary**

Sd/-

**Atul Mittal**

**CFO**

**For and on behalf of Board of Directors**

For KRA Leasing Ltd

**Place: Gurugram**

**Date: 30/05/2018**



**NOTE-1:****SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 31 MARCH, 2018****(a) Background**

**KRA Leasing Limited has direct controlling interest in the following entities during the year ended March 31, 2018:**

<b>Entity</b>	<b>Country of Incorporation</b>	<b>Name of Parent</b>	<b>Percentage of holding (%)</b>
<b><u>Subsidiaries</u></b>			
SMG Enterprises Limited (Subsidiary Company)	India	M/s KRA Leasing Limited	51.84%
<b><u>Cross Holding</u></b>			
M/s KRA Leasing Limited (Subsidiary company M/s SMG Enterprises Limited holds shares in Holding Company)	India	M/s SMG Enterprises Limited	6.11%

**(b) Basis of Consolidation**

The consolidated financial statements have been prepared to comply with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the 'Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Group.

**(c) Principles of Consolidation**

The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement collectively referred to as ('consolidated financial statements') include the financial statements of KRA Leasing Ltd, i.e. the Parent Company and its subsidiary (hereinafter referred to as 'the Group'). The consolidated financial statements of the Group have been prepared in accordance with the notified Accounting Standard 21 'Consolidated Financial Statements'.

The consolidated financial statements have been prepared on the following basis:

- i. In case of subsidiary, the consolidated financial statements have been combined on a line by line basis by adding the book value of the like items of the assets, liabilities, income and expenses after eliminating intra-group transactions and resulting unrealised profits/losses in full (if any). The amounts shown in respect of reserves comprise the amount of the relevant reserves as per balance sheet of the Parent Company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.
- ii. The excess/deficit of cost to the Parent Company of its investment over its portion of equity (Net Assets) in the subsidiary at the respective date on which the investment in such entity was made is recognized in the financial statements as goodwill/capital reserve on consolidation on the basis of last audited Balance Sheet of the subsidiary. The Parent Company's portion of equity (net assets) in such entities is determined on the basis of book value of assets and liabilities as per financial statements of the entity as on the date of investment.

iii. Minority Interest in the net assets of consolidated subsidiary consists of the amount of equity (net assets) attributable to the minority shareholders at the dates on which investments are made by the company in subsidiary company.

iv. The Consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.

**(d) Use of Estimates**

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and the disclosure relating to contingent liabilities as at the date of financial statements and reported amounts of income and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Any revisions to accounting estimates are recognised in the current and future periods.

Note: 2 Share Capital

Sr. No	Particulars	31st March, 2018	31st March, 2017
1	<b><u>AUTHORISED CAPITAL</u></b> 70, 00,000 (7000000) Equity Shares of Rs. 10/- each.	7,00,00,000	7,00,00,000
		7,00,00,000	7,00,00,000
2	<b><u>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</u></b> Paid up Share capital by allotment 6707164 (6707164) Equity Shares of Rs. 10/- each, Fully paid up Less: Share held by subsidiary Company (Adjustment on account of Cross holding)	6,70,71,640    (40,98,000)	6,70,71,640    (40,98,000)
	<b>Total</b>	<b>6,29,73,640</b>	<b>6,29,73,640</b>
3	<b>Reconciliation of the number of shares and amount at the beginning and at the end of the reporting year</b> Number of shares:- Opening Balance (In Nos) Add Issued during the year Closing Balance (Nos)  Amount in rupees:- Opening Balance (In Rs.) Add Issued during the year Closing Balance (Rs)	 67,07,164 NIL 67,07,164  6,70,71,640 NIL 6,70,71,640	 67,07,164 NIL 67,07,164  6,70,71,640 NIL 6,70,71,640
4	<b><u>Terms/Rights attached to equity shares</u></b> The Company has only one class of equity shares having at par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares shall be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The		

	distribution will be in proportion to the number of equity share held by the share holders.		
5	Number of shares held by each share holders, holding more than 5% of shares:-		
	<b>Name of share holders</b>	<b>31/03/2018</b>	<b>31/03/2017</b>
		<b>Shares %</b>	<b>Shares %</b>
	1. Essco Sanitations (P) Ltd	719400 10.73	719400 10.73
	2. Prompt Capital & Finser (P) Ltd	568400 8.47	568400 8.47
	3. G.R. Sales (P) Ltd	466200 6.95	466200 6.95
	4. Ajay Mehra	465240 6.94	465240 6.94
	5. Bastion Industrial Leasing Finance Pvt. Ltd	417200 6.22	417200 6.22
	6. SMG Enterprises Ltd	409800 6.11	409800 6.11

## Note: 3 Reserve &amp; Surplus

Sr. No	Particulars	31st March, 2018	31st March, 2017
1	<b>Surplus in Statement of Profit &amp; Loss</b>		
	Balance brought forward from previous year	19,54,64,621	20,03,89,523
	Add: Profit/Loss for the period	9,35,365	1,21,99,009
	Less: Profit/loss of associates to be consolidated	-	1,46,99,335
		19,63,99,986	19,78,89,197
	Less : Amount Transfer to Special Reserve u/s 45 IC of RBI	1,71,460	24,24,576
	: Arrear of depreciation due to change in rate of deprecation (as per Companies Act,2013)	-	-
		19,62,28,526	19,54,64,621
	Less: Profits of KRA (holding company) hold by Minority Shareholders of SMG due to cross holding	64,12,962	63,84,536
	<b>TOTAL (A)</b>	<b>18,98,15,564</b>	<b>18,90,80,085</b>
2	<b>Capital Reserve</b>		
	Capital Reserve on Consolidation (include security premium)	30,97,165	30,97,165
	Add: Profit/(Loss) on calculations of own shares	-19,52,100	-19,52,100
	<b>TOTAL (B)</b>	<b>11,45,065</b>	<b>11,45,065</b>
3	Special Reserve u/s 45 IC of RBI Act,1934 <b>TOTAL (C)</b>	90,77,338	89,05,878
	<b>TOTAL (A+B+C)</b>	<b>20,00,37,967</b>	<b>19,91,31,028</b>

## Note: 4 Minority Interest

Sr. No	Particulars	31st March, 2018	31st March, 2017
1	Opening Balance of Minority shareholder's in Capital and reserves	1,42,81,580	1,38,40,112
	Add: Post Acquisition profit portion related to Minority	1,00,959	4,41,468
	<b>Total</b>	<b>1,43,82,539</b>	<b>1,42,81,580</b>

## Note: 5 Long Term Provisions

Sr. No	Particulars	31st March, 2018	31st March, 2017
a)	Contingent Provision against Standard Assets	3,40,473	2,82,208
b)	Provision for Doubtful debts	23,00,000	23,00,000
	<b>Total</b>	<b>26,40,473</b>	<b>25,82,208</b>

## Note: 6 Long Term Liabilities

Sr. No	Particulars	31st March, 2018	31st March, 2017
a)	Security Deposit received	78,57,000	-
	<b>Total</b>	<b>78,57,000</b>	<b>-</b>

## Note: 7 Short-Term Borrowings

Sr. No	Particulars	31st March, 2018	31st March, 2017
	Unsecured Loans, considered good, from related parties, payable on demand	4,56,50,000	4,00,50,000
	<b>Total</b>	<b>4,56,50,000</b>	<b>4,00,50,000</b>

## Note:8 Trades Payable

Sr. No	Particulars	31st March, 2018	31st March, 2017
	Sundry Creditors for Services (amount due on account of goods purchased or services rendered in the normal course of business)	1,32,823	21,54,638
	<b>Total</b>	<b>1,32,823</b>	<b>21,54,638</b>

## Note: 9 Other Current Liabilities

Sr. No	Particulars	31st March, 2018	31st March, 2017
1	Expenses payable	1,74,732	22,615
2	Government Dues	1,43,301	38,178
	<b>Total</b>	<b>3,18,033</b>	<b>60,793</b>

## Note : 10 Short Term Provisions

Sr. No	Particulars	31st March, 2018	31st March, 2017
1	Provision for Income Tax	4,66,697	27,99,319
	<b>Total</b>	<b>4,66,697</b>	<b>27,99,319</b>

## KRA LEASING LTD

CIN: L65993DL1990PLC039637

Note Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2018

Note Forming Integral Part of the Consolidated Balance Sheet as at 31st March, 2018

Note : 11 Fixed Asset As Per Companies Act 2013					DEPRECIATION CHART FOR F. Y. 2017-18											(Amount in Rs)	
Date of Purchase / Put to use	Particular	Original Cost (Rs)	Dep charged upto 31.03.2017	WDV as on 01.04.2017	Purchase during the year	Sale/ adjustment during the year	Life as per Co. Act, 2013	Life Used till 31/03/2017	Remaining Life	Salvaged value	Depreciable amount over whole life	Excess Dep. (Already charged)	Rate of Dep.	Dep for the Year 2017-18	Adjusted with Retained Earnings	WDV as on 31st Mar 2018	
<b>(A) Land</b>																	
	Resort & Agriculture Land	30,16,765	-	30,16,765												30,16,765	
<b>(B) Buildings</b>																	
	Resort Building	211,56,013	1,48,88,418	62,67,595			30.00			10,57,803	200,98,210	-		9,20,916	-	53,46,679	
<b>(C) Plant and Machinery</b>																	
	Plant & Machinery	66,22,024	45,74,621	20,47,403			15.00			3,31,103	62,90,921	-		3,68,319	-	16,79,084	
<b>(D) Electrical Equipment</b>																	
	Electrical Equipments	38,95,308	36,12,994	2,82,314	41,100		10.00			1,96,820	37,39,588	-		40,069	-	2,82,345	
<b>(E) Office Equipments</b>																	
	Office Equipment	70,200	66,690	3,510			5.00			3,510	66,690	-		-	-	3,510	

(F) Furniture and Fixtures

	Furniture & Fixtures	2,46,038	2,33,736	12,302							10.00										12,302	2,33,736	-	-	-	12,302
	<b>TOTAL ASSETS (A+B+C+D+E+F)</b>	<b>350,06,348</b>	<b>233,76,459</b>	<b>116,29,889</b>	<b>41,100</b>	<b>-</b>									<b>16,01,538</b>	<b>304,29,145</b>	<b>-</b>				<b>13,29,304</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103,41,685</b>	

Rajesh Mehra  
(Managing Director)  
DIN 00058232

Ajay Mehra  
(Director)  
DIN 00058245

Ankit Dhamija  
(Company Secretary)

Atul Mittal  
(CFO)

# KRA LEASING LIMITED

CIN : L65993DL1990PLC039637

Regd. Office: D-28, SMA Co-Operative Industrial Estate, G.T. Karnal Road, Delhi-110033

Notes Forming Part of the Consolidated Financial Statements for the period ended 31st March, 2018

Note: 12 Non Current Investments

Sr. No	Particulars	31st March, 2018	31st March, 2017
<b>Investment in Equity Instrument (Unquoted):-</b>			
<b>In Others</b>			
1	85000 share of G.R. Sales (P) Ltd Unquoted, fully paid, at cost	10,17,582	10,17,582
2	60000 shares of Prompt Capital & Finser (P) Ltd Unquoted, fully paid, at cost	9,62,400	9,62,400
3	363415 shares of Essco Sanitations (P) Ltd unquoted, fully paid, at cost	1,75,45,135	-
4	332000 shares of Sanraj Farms (P) Ltd unquoted, fully paid, at cost	3,32,00,000	3,32,00,000
5	92449 shares of Jaquar & Co (P) Ltd unquoted, fully paid, at cost	3,67,80,718	3,67,80,718
		<b>8,95,05,835</b>	<b>8,95,05,835</b>
<b>(b) Investment in Mutual Fund:-</b>			
Investment in Mutual Fund		<b>10,05,00,000</b>	<b>2,75,00,000</b>
<b>Total (a+b)</b>		<b>19,00,05,835</b>	<b>11,70,05,835</b>
<b>(c) Investment in Properties:-</b>			
Factory Building (C-21)		66,21,817	8,38,328
Office Building (Connaught Place)		3,27,11,960	3,27,11,960
		<b>3,93,33,777</b>	<b>3,35,50,288</b>
<b>Total (a + b + c)</b>		<b>22,93,39,612</b>	<b>15,05,56,123</b>
<b>Net Investments</b>		<b>15,05,56,123</b>	<b>14,62,79,853</b>
<b>Aggregate amount of quoted investments</b>		<b>10,05,00,000</b>	<b>2,75,00,000</b>
<b>Aggregate amount of unquoted investments</b>		<b>22,93,39,612</b>	<b>12,30,56,123</b>

Note: 13 Long Term Loans and Advances

Sr. No	Particulars	31st March, 2018	31st March, 2017
<b>(Unsecured, considered good)</b>			
	Security Deposit	10,47,030	10,47,030
	<b>Total</b>	<b>10,47,030</b>	<b>10,47,030</b>

Note: 14 Trade Receivables

Sr. No	Particulars	31st March, 2018	31st March, 2017
<b>(Unsecured, considered good)</b>			
1	Outstanding for more than Six Months	1,74,30,755	1,47,62,310
2	Other Debts	61,68,971	26,68,445



# KRA LEASING LIMITED

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<b>Total (1 + 2)</b>	<b>2,35,99,726</b>	<b>1,74,30,755</b>
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Note: 15 Cash & Cash Equivalent

Sr · No	Particulars	31st March, 2018	31st March, 2017
1	Cash Balance	7,50,628	1,28,928
2	Bank Balance	7,35,040	7,24,61,070
	<b>Total [ 1 + 2 ]</b>	<b>14,85,668</b>	<b>7,25,89,998</b>

Note: 16 Short Terms Loans and Advances

Sr · No	Particulars	31st March, 2018	31st March, 2017
	<b>(Unsecured, considered good)</b>		
1	Loans	6,40,00,000	6,55,00,000
2	Advance Income Tax	26,20,679	24,62,611
3	Income Tax Refund A.Y. 2013-14	1,580	1,580
4	MAT Recoverable	27,98,690	39,60,961
5	Other Current Assets	6,554	6,573
6	TDS (Income Tax) A.Y 2017-18	-	21,600
7	TDS (Income Tax) A.Y 2018-19	21,600	-
8	Advance Income Tax A.Y. 2018-19	13,000	-
9	Advance Income Tax A.Y 2017-18	-	14,000
	<b>Total (1 + 2 + 3)</b>	<b>6,94,62,103</b>	<b>7,19,67,325</b>

Note: 17 Revenue from Operations

Sr. No	Particulars	31st March, 2018	31st March, 2017
1	Interest received	58,37,301	68,00,628
2	Interest of FDR	6,048	6,524
3	Dividend Received	-	-
4	Resort Receipts	6,75,000	7,50,000
5	Agricultural Income	15,01,500	9,19,000
6	Profit from Partnership Firm	-	-
7	Short Term Capital Gain	-	-
8	Long Term Capital Gain	-	1,18,49,505
9	Rent received	28,35,000	2,16,000
	<b>Total</b>	<b>1,08,54,849</b>	<b>2,05,41,657</b>

Note : 18 Employee Benefit Expenses

Sr. No	Particulars	31st March, 2018	31st March, 2017
1	Salaries & Perquisites	4,08,000	3,78,000

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	<b>Total</b>	<b>4,08,000</b>	<b>3,78,000</b>
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Note : 19 Other Administrative Expenses

<b>Sr. No</b>	<b>Particulars</b>	<b>31st March, 2018</b>	<b>31st March, 2017</b>
1	Advertisement	33,853	23,589
2	Printing & Stationery	2,018	2,000
3	Brokerage for renting of premises	19,64,250	-
4	Telephone Expenses	8,467	9,402
5	Auditor's Remuneration	35,000	1,60,000
6	Internal Audit Fees	48,000	48,000
7	Listing Charges	1,03,971	1,55,588
8	Rates & Taxes	10,311	30,200
9	Electricity Expenses	4,25,839	3,93,118
10	Resort Maintenance	3,20,196	3,02,735
11	Property Tax	2,83,622	2,83,622
12	Legal & Professional Charges	3,97,953	1,87,450
13	Postage & Telegram	5,791	6,326
14	Maintenance Charges (CP Property)	16,02,419	20,79,230
15	Property Tax ( CP Property)	6,44,314	6,44,387
16	Agricultural Expenses	6,11,404	4,88,166
17	Service Tax paid	835	27,852
18	Bank Charges	1560	994
19	Penalty and Fine	3,570	-
20	GST Expenses	6,600	-
21	Registration duty of rent agreement	1,58,367	-
	<b>Total</b>	<b>66,68,340</b>	<b>48,42,659</b>

# KRA LEASING LIMITED

CIN : L65993DL1990PLC039637

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## A. GROUP'S SIGNIFICANT ACCOUNTING POLICIES:

### 1. Basis of Accounting:

The consolidated financial statements are generally prepared on a going concern basis under the historical cost convention on accrual basis, unless specifically mentioned. These consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India.

### 2. Inventories :

The holding company and subsidiary company does not have any closing stock of inventories.

### 3. Cash Flow statements: -

Consolidated Cash flow statement has been attached to the Consolidated Balance sheet and Profit & loss statement as per "Accounting Standard -3" prescribed by the Institute of Chartered Accountant of India.

### 4. Events occurring after balance sheet date: -

There are no events occurring after the balance sheet date that require adjustment or disclosure.

### 5. Net Profit or loss for the period, prior period items and changes in accounting policies:

#### i) Net profit for the period:

All items of income and expenses in the period are included in the determination of net profit for the period, unless specifically mentioned elsewhere in the consolidated financial statements or as required by an Accounting Standard.

#### ii) Prior period items:

All prior period items have been shown under the head 'other expenses' in the Consolidated Profit & Loss account.

### 6. Depreciation & Amortization:

Depreciation on fixed assets has been provided on WDV method at the rates and in the manner prescribed under schedule II to the Companies Act, 2013. The adjustment on account of change in method prescribed under aforesaid act has been adjusted with Reserve & Surplus in Consolidated Balance Sheet.

### 7. Accounting for Construction Contracts:

The above standard is not applicable to the Group as it is not engaged in the business of construction

### 8. Revenue recognition :

i) The group follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis on going concern concept.

ii) Interest receipts, rent receipts, royalty receipts and service charges are accounted for on accrual basis.

### 9. Fixed Assets:

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Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost comprises the purchase price (net of cenvat credit availed) and any attributable cost of bringing the assets to its working condition for its intended use.

## **10. Investments :**

Investments are accounted at the cost of acquisition. All the investments are long term investments. Diminution in the market value of long term investments is provided for only when there is a permanent diminution in the value of such investments. Profit/loss on sale of investments are computed with reference to their cost determined on first in first out basis.

## **11. Accounting for Amalgamations:**

The above standard is not applicable as there was no amalgamation during the year.

## **12. Employees benefits :**

The parent company and its subsidiary has liability only on account of short term employee benefits to employees like Salary, wages which is accounted as expenses in the year of payment. In these companies, there is no contribution to Provident Fund or ESI as these are not applicable to the company and as per management there is no liability of the company on account of Gratuity.

## **13. Borrowing cost: -**

Borrowing costs includes capitalized interest and other costs if any that are directly attributable to the acquisition, construction and production of an asset and have been debited to the cost of the asset which these are incurred. Borrowing cost in ordinary course of business are recognized as an expense in the period in which these are incurred.

## **14. Segment Reporting :**

The group has identified business segment as its primary segment which comprise NBFC activities. The Group has earned income from rent receipt and agriculture receipt also has given in notes to Profit and Loss Account.

## **15. Related Party Disclosures:**

(A) Related parties and their Relationship:

### **(i) Holding company**

M/s KRA Leasing Limited

### **(ii) Subsidiary Company**

M/s SMG Enterprises Limited

### **(iii) Others**

M/s Jaquar & Co. Pvt. Ltd.

M/s Sweet Hospitality Pvt. Ltd.

### **(iv) Key Management Personnel**

Mr. Rajesh Mehra, Mr. Ajay Mehra and Mr. S.K. Mehra

# KRA LEASING LIMITED

CIN : L65993DL1990PLC039637

Regd. Office: D-28, SMA Co-Operative Industrial Estate, G.T. Karnal Road, Delhi-110033

(B) Transactions during the year with related parties and their balance outstanding at year end:

TRANSACTIONS	OTHER GROUP COMPANIES	KEY MANAGERIAL PERSONNEL	RELATIVES OF KEY MANAGERIAL PERSONNEL	HUF OF KEY MANAGERIAL PERSONNEL	TOTAL
Interest Received	58,37,301	-	-	-	58,37,301
Loan Received Back	15,00,000	-	-	-	15,00,000
Resort Receipts	6,75,000	-	-	-	6,75,000
Rent Received	2,16,000	-	-	-	2,16,000
<b><u>BALANCE AT YEAR END</u></b>					
Investment in Shares	8,95,05,835	-	-	-	8,95,05,835
Closing balance of receivable	8,43,54,849	-	-	-	8,43,54,849
Closing balance of payable	-	4,56,50,000	-	-	4,56,50,000

## 16. Leases:

The Group has entered with any significant lease agreement during the year for its assets.

## 17. Earnings per share:

Particulars	2017-18	2016-17
Group Profit after tax	10,07,898	1,21,99,009
Number of shares	62,97,364	62,97,364
Basis/Diluted EPS	0.15	1.94

## 18. Taxes on income:

# KRA LEASING LIMITED

CIN : L65993DL1990PLC039637

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Tax expense comprises current income tax and deferred income tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred income tax reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference of earlier years. Deferred tax assets are recognised only to the extent that there is reasonable/virtual certainty, depending on the timing difference, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**19. Discontinuing Operations:**

The Group has not discontinued any operations during the year.

**20. Provisions, Contingent Liabilities and Contingent Assets:**

Provision is recognized in the accounts when there is present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**i) Contingent Liabilities:**

Company has given bank guarantee of Rs. 90,000 in favour of The Commissioner, DVAT against the registration of the company with DVAT Department.

Contingent assets are neither recognized nor disclosed in the financial statement.

**B. Notes to the Financial Statement**

1. Previous year figures have been regrouped or rearranged whichever necessary.
2. **Payment to auditor:**

Particulars	Current Year (in Rs.)	Previous Year (in Rs.)
Audit Fees	35,000	80,000
Taxation matters		80,000
<b>Total</b>	<b>35,000</b>	<b>1,60,000</b>

# KRA LEASING LIMITED

CIN : L65993DL1990PLC039637

Regd. Office: D-28, SMA Co-Operative Industrial Estate, G.T. Karnal Road, Delhi-110033

- The balances of Sundry Debtors and Creditors are as per books of accounts and have been confirmed from parties on test check basis.
- The Unsecured Loans have been considered under the head 'Short Term Borrowings' because as per management these are payable on demand.
- Additional information to consolidated financial statements as at 31<sup>st</sup> March, 2018 (pursuant to Schedule III of the Companies Act, 2013):

(Amount in Rs)

Name of Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or (loss)	
	Amount	As a % of Consolidated net assets	Amount	As a % of consolidated profit and loss
<b><u>Parent Company</u></b>				
M/s KRA Leasing Limited	271,737,990	97.96	857,303	91.65
<b><u>Subsidiaries</u></b>				
M/s SMG Enterprises Limited	(8,726,383)	(3.15)	150,595	16.10
<b><u>Minority Interest</u></b>				
M/s SMG Enterprises Limited	14,382,539	5.18	(72,533)	(7.75)
<b>Total</b>	<b>277,394,146</b>	<b>100.00</b>	<b>935,365</b>	<b>100.00</b>

- The subsidiary company (M/s SMG Enterprises Limited) also holds 6.11% shares in holding company (M/s KRA Leasing Ltd). While calculating the minority interest, proper effect has been given to subsidiary's share in holding company.
- Notes. 1 to 18 are integral part of balance sheet.

AUDITOR'S REPORT

AS PER OUR SEPARATE AUDIT REPORT OF EVEN DATE ATTACHED

For Arun K. Maheshwari & Co

For And on Behalf of The Board

# **KRA LEASING LIMITED**

**CIN : L65993DL1990PLC039637**

Regd. Office: D-28, SMA Co-Operative Industrial Estate, G.T. Karnal Road, Delhi-110033

Chartered Accountants

F. R. No. 21421N

**Sd/-**

**Sd/-**

**Sd/-**

**Sd/-**

**Sd/-**

**Arun Maheshwari Rajesh Mehra Ajay Mehra**

**Ankit Dhamija Atul Mittal**

**Proprietor Managing Director Director**

**Company Secretary**

**CFO**

**M No: 508847 DIN: 00058232 DIN: 00058245**

**Place: Gurugram**

**Date: 30/05/2018**



# KRA LEASING LIMITED

CIN : L65993DL1990PLC039637

Regd. Office: D-28, SMA Co-Operative Industrial Estate, G.T. Karnal Road, Delhi-110033

## KRA LEASING LIMITED

CIN: L65993DL1990PLC039637; Ph. No: 0124-4746817

E-mail: krleasing1990@gmail.com; Website: www.krleasing.com

Regd. Off: D-28, SMA Co-operative Industrial Estate, G.T. Karnal Road, Delhi-110033

Corp. Off: Plot No.3, Sector-11, IMT Manesar, Gurugram 122050, Haryana

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### ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at the venue of the meeting)

Full name of the members attending  
\_\_\_\_\_ (In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_

No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the Annual General Meeting of the KRA Leasing Limited held on Saturday, the 29<sup>th</sup> day of September, 2018 at 11:00 A.M. and at any adjournment thereof.

(Member's /Proxy's Signature)

#### Note:

- 1) Members are requested to bring their copies of the Notice to the meeting, since further copies may not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHTHOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

# KRA LEASING LIMITED

CIN : L65993DL1990PLC039637

Regd. Office: D-28, SMA Co-Operative Industrial Estate, G.T. Karnal Road, Delhi-110033

## KRA LEASING LIMITED

CIN: L65993DL1990PLC039637; Ph. No: 0124-4746817

E-mail: krleasing1990@gmail.com; Website: www.krleasing.com

Regd. Off: D-28, SMA Co-operative Industrial Estate, G.T. Karnal Road, Delhi-110033

Corp. Off: Plot No.3, Sector-11, IMT Manesar, Gurugram 122050, Haryana

### FORM MGT-11- PROXY FORM

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

Name of the Member (s):

Registered Address:

E-mail ID:

Folio NO/Client ID:

DP ID:

I/We, being the member(s) of \_\_\_\_\_ share(s) of KRA Leasing Limited, hereby appoint

1. Name:

Address:

E-mail id:

Signature, or

2. Name:

Address:

E-mail id:

Signature, or

As my/our proxy to attend and vote (on a poll) on me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on 29<sup>th</sup> Day of September, 2018 at the Registered office of the company and at any adjournment thereof in respect of such resolution as are indicated below:

Item No.	Resolution(s)/Matter	Optional	
		For	Against
1.	To consider and adopt: a) The audited Standalone financial statement of the company for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors thereon; and b) The audited consolidated financial statement of the company for the financial year ended March 31, 2018 and Auditors report thereon.		
2.	To appoint director in place of Mr. Ajay Mehra (DIN: 00058245), who retires by rotation at this annual general Meeting and being eligible, has offered himself for re-appointment.		
3.	To approve and ratify the related party transactions for the financial year 2017-18.		

Signed this ..... day of ..... 2018.

Signature of Shareholder.....

Signature of Proxyholder(s) .....

# **KRA LEASING LIMITED**

**CIN : L65993DL1990PLC039637**

Regd. Office: D-28, SMA Co-Operative Industrial Estate, G.T. Karnal Road, Delhi-110033

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