

32ND

ANNUAL REPORT

KRA LEASING LIMITED

(CIN-L65993DL1990PLC039637)

-: CORPORATE INFORMATION:-

BOARD OF DIRECTORS

| | |
|-----------------------|---------------------------|
| Mr. Rajesh Mehra | Managing Director cum CFO |
| 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 |

COMPANY SECRETARY & COMPLIANCE OFFICER

| | |
|-------------------|------------------------------------------|
| Ms. Ridhima Gupta | Company Secretary cum Compliance Officer |
|-------------------|------------------------------------------|

STATUTORY AUDITORS AND SECRETARIAL AUDITORS

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

M/s D Dixit and Associates,
Company Secretaries,
New Delhi

REGISTERED OFFICE

| |
|------------------------------------------------------------------------|
| C-20,SMA Co-Operative Industrial Estate, G T Karnal Road,Delhi-110033. |
|------------------------------------------------------------------------|

CORPORATE OFFICE

| |
|---------------------------------------------------------|
| Plot No-3,Sector-11,IMT Manesar,Gurugram,Haryana-122050 |
|---------------------------------------------------------|

LISTED WITH STOCK EXCHANGE

| |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Metropolitan Stock Exchange of India Limited Building A, Unit No 205A, 02 nd Floor, Piramal Agastya Corporate Park, LBS Road, Kurla West, Mumbai, Maharashtra-400070. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

REGISTRAR & SHARE TRANSFER AGENT

| |
|------------------------------------------------------------------------------------------------------------------------------|
| M/s Link Intime India Pvt. Ltd, Noble Heights, 01 st Floor, C-1Block, LSC, Janak Puri, New Delhi-110058 |
|------------------------------------------------------------------------------------------------------------------------------|

BANKERS

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

:DIRECTOR'S REPORT:-

To,
The Members of,
KRA Leasing Limited

The Directors have pleasure in presenting their Thirty Second (32nd) Annual Report and Audited Financial Statements for the Financial Year ended March 31, 2021.

1. FINANCIAL PERFORMANCE OF THE COMPANY (STANDALONE)

The performance of the Company for the financial year ended March 31, 2021 is, summarized below: -
Rs. In Lacs

| PARTICULARS | 2020-21 | 2019-20 |
|-------------------------------------------------------|----------------|----------------|
| Gross Income | 266.39 | 1315.65 |
| Profit/(Loss) Before Interest and Depreciation | 211.64 | 1212.46 |
| Finance Charges | 003.41 | 0003.92 |
| Gross Profit | 208.22 | 1208.54 |
| Provision for Depreciation | 005.17 | 0005.17 |
| Net Profit/(Loss) Before Tax | 203.05 | 1203.38 |
| Provision for Tax | 040.38 | 144.02 |
| Contingent prov. Against standard asset | 006.15 | -24.91 |
| Net Profit/(Loss) After Tax | 162.68 | 1059.36 |
| Balance of Profit brought forward | 3069.19 | 3118.11 |
| Proposed Dividend on Equity Shares | Nil | Nil |
| Tax on proposed Dividend | Nil | Nil |
| Transfer to Special Reserve U/s45IC of RBI Act | 32.54 | 211.60 |
| Surplus carried to Balance Sheet | 3036.65 | 2906.51 |

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

Company has undertaken NBFC activities providing Loan to credit worthy Companies & also investing in securities. Non-banking financial Company (NBFCs) form an integral part of the Indian economy. 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. Despite sluggish economic growth, slowdown in demand and sharper bank focus on retail loans, NBFC's have been gaining market share across major asset classes.

During the year Company focused on its core business and earned substantial revenue from its core business activity. The company has focused on the enhancing its NBFC business. The Company always focused on its core activity therefore the Company has made fresh Investment of INR 357.83 Lacs and total investment as at 31st March 2021 stand at INR 08.11 Crore and granted the loans and advances amounting to Rs. 26.11 Crore outstanding as at year end.

The company's gross income for the financial year 31st March, 2021 under review is INR 2.66 Crore as against INR 13.16 Crore in the Previous year where as the standalone profit after tax for the financial year 31st March, 2021 under review stand of INR 01.63 Crore as against INR 10.59 Crore as on 31st March, 2020.

The steady decline in revenue and profit in comparison to previous year is only because company has earned substantial income in previous year on sale of its real estate.

The Basic and diluted earnings per share (EPS) computed as per IND-AS is 1.22 per share as at 31st March, 2021 as against INR 15.80 per share as on 31st March, 2020. An amount of Rs. 3.79 Crore (including carried forward balance) 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.

There was no application made or any proceedings pending under Insolvency and Bankruptcy Code during the year along with status.

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 year ended March 31, 2021.

5. SHARE CAPITAL

The Authorized Share Capital of the company is Rs. 7,00,00,000/- (Rupees Seven Crore) comprising of 1,40,00,000 (One Crore Forty Lacs) Equity Shares of Rs. 05/- 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 1,34,14,328 (One Crore Thirty Four Lakhs Fourteen Thousand Three Hundred and Twenty Eight) Equity Shares of Rs. 5/- each.

During the year, the company has not issued any equity shares with differential rights under Section 43 read with rule 4 (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. The company has undertaken stock split during the year and has reduced the face value of its shares from Rs. 10/- to Rs. 5/-.

6. RESERVES

Out of the amount available for apportionment, Company's Director proposes to transfer Nil amounts to General Reserve and Retain INR 162.68 Lakhs to surplus account. During the year the Company has transferred INR 32.53 lakhs 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 32.53 Lakhs (previous year INR 211.60 Lakhs) 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

During the financial year Mr. Mukesh Kumar has resigned from the post of Company Secretary w.e.f 03/10/2020 and Ms. Ridhima Gupta has been appointed as Company Secretary w.e.f 03/10/2020. Further Mr. Rajesh Mehra also re-appointed as Managing Director of the Company for a period of five years from 20th December, 2020.

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 Seven 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 EVALUTAION

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) Regulations, 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 year2020-21.

11. STATEMENT OF DECLARATION OF INDEPENDENT DIRECTORS

All the Independent directors of the company have given their independency declaration pursuant to sub-Section (7) of Section 149 of the Companies Act,2013. In the opinion of the board with regard to integrity, expertise and experience (including proficiency) of the Independent Directors appointed during the year.

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 is not paying any remuneration to its directors, except sitting fees to independent Directors, 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 Company Secretary (CS) during the financial year 2020-21. |
| 3. Percentage increase in the median remuneration of employees | Nil |
| 4. Number of permanent employees | 2 |
| 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 there-under, the statement containing the salient feature of the financial statement of a Company's subsidiary, associate company and joint venture 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 Financials of the Subsidiary is available at website of the company. Further, pursuant to Indian Accounting Standards Ind-AS 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. Further no company has ceased to be the subsidiary of the Company during the financial year.

14. AUDITORS

Arun K Maheshwari & Co., Chartered Accountants was appointed as Statutory Auditors at the Annual General Meeting held on September, 2017, for a term of five consecutive years. However Arun Maheshwari and Co., Chartered Accountants has tendered their resignation from the post of Statutory Auditors of the Company with effect from the conclusion of the ensuing Annual General Meeting due to reasons as specified in the resignation letter and Company has intimated the such information to Stock Exchange pursuant to Regulation 30 Schedule III Part A sub-clause 7A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD1/114/2019 dated 18th October, 2019.

Therefore in order to comply provisions of Section 139 of the Companies Act, 2013, the board has approached M/s AAAM and Co. LLP, Chartered Accountants, (FRN No: 008113/C400292), Noida, UP, to appoint themselves as Statutory Auditors of the Company for a period of five years with effect from the ensuing Annual General Meeting till the conclusion of 36th Annual General Meeting of the Company, subject to approval of Shareholders of the Company.

The new Auditor vide their consent letter dated 14th August 2021 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-III** to this report.

The Disclaimer's and Observations of the Secretarial Auditors of the Company and management Comments thereon are as follows: -

| Auditor's Comments | Management Comments |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Registration of the Company with Credit Information Companies in process pursuant to RBI NBFC Directions | As on date of this Report, Company has already obtained the Registration of Two Credit Information Companies i.e. Equifax and CRIF High Mark and in process of other entities registration |
| Delay in submission of Related Party Transactions for the quarter ended 30 th September 2020 and Stock Exchange has imposed fine/penalty of INR 218300/- on the Company towards Non-compliance of Reg. 23 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for half year ended September 30, 2020. | The Company vide email dated 02 nd February 2021 made submission and requested the Stock Exchange to waive off the aforesaid fine/penalty and Stock Exchange vide their email dated 19 th April, 2021 has confirmed that Internal Committee for handling waiver requests has accepted such waiver request and such fine has been waived off by the Stock Exchange. |
| The Company has entered into related Party Transactions without obtaining shareholder approval and also exceeding the limits as approved by Shareholders by way of Postal Ballot Notice dated 18 th November, 2020 | The Company makes sure to enter into related party transactions with due shareholders approval in its future course of Business and Company also placing such transactions for ratification in the ensuing AGM of the Company. |

17. INTERNAL AUDIT AND CONTROL

The Company continues to engage 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.comunderinvestors/ Policy link](http://www.krleasing.comunderinvestors/Policylink).

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) Regulations, 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. 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 no material change in the business, which may affect financial position of the Company.

21. 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.

22. 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 safe guarded 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.

23. 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.

24. 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.

25. 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-I**). Further all contracts and arrangement with related parties under Section 188(1) entered by the Company during the financial year were in ordinary course of business also on arms length basis.

26. CORPORATE GOVERNANCE CERTIFICATE

The Compliance certificate regarding compliance of conditions of corporate governance as stipulated in Regulation 34(3), read with Para C of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is being annexed with the Report.

27. MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management Discussion and Analysis forms part of this Annual Report for the year ended 31st March, 2021.

28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO

As the Company is a NBFC Company and engaged in business of rendering financial services, renting and other allied services which does not require taking 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 require making 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 2020-21, therefore foreign exchange In-Flow and Out-Flow was Nil during the year.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per the provisions of section 135 of the Companies Act, 2013, the Company is not required to constitute CSR Committee during the financial year 2020-21.

30. 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.

31. 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.

32. 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.

33. LISTING WITH STOCK EXCHANGE

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 2020-21 to MCX where the Company's Shares are listed.

34. COMPLIANCE

The Company has complied and continues to comply with all regulations and guidelines issued by RBI and other regulators such as Securities 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.

35. 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.

36. 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.

37. 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 monitor and take precautionary and mitigation measures in respect of various risks that threaten its operations and resources.

38. ANNUAL RETURN

As per the requirement of sub-section 3 of the Section 92 of the Companies Act, 2013, the Annual Return of the Company in the prescribed form MGT-7 has been uploaded on the website of the Company at **www.krleasing.com. under investors tab.**

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, co-operation and encouragement. Your Director also wishes to place on record their sincere thanks to all investor and employees for their outstanding performance and co-operation.

By the order of the Board
For KRA Leasing Limited

Sd/-
Rajesh Mehra
Managing Director
DIN:00058232

Sd/-
Ajay Mehra
Director
DIN:00058245

Date: 01.09.2021
Place: Gurugram

ANNEXURE INDEX

| Annexure | CONTENT |
|-----------------|---------------------------------------------------------------------------|
| 1. | Related Party Transaction AOC-2 |
| 2. | Details of Subsidiary/JointVenture-AOC-1 |
| 3. | Secretarial Audit report MR-3 |
| 4. | Corporate Governance Report and Management Discussion and Analysis Report |

Annexure-I 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.

| S. No. | Particulars | Details |
|--------|-------------------------------------------------------------------------------------------------------------------|----------------|
| 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 in to 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.

| S. No. | Particulars | Details | |
|--------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------|
| a) | Name(s) of the related party & nature of relationship | Jaquar and Company Private Limited | G R Sales Private Limited |
| b) | Nature of contracts/arrangements/transaction | Sale of Investment and Loan Granted | Loan Granted |
| c) | Duration of the contracts/arrangements/transaction | FY 2020-2021 | FY 2020-2021 |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | As per mutual consent INR 15.50 Crore INR 15.50 Crore | As per mutual consent INR 4.40 Crore |
| e) | Date of approval by the Board | 18 th November, 2020 | 01 st September, 2021 |
| f) | Amount paid as advances, if any | Nil | Nil |

For KRA Leasing Limited

Sd/-
Rajesh Mehra
Managing Director
DIN:00058232

Sd/-
Ajay Mehra
Director
DIN:00058245

Date:01.09.2021
Place: Gurugram

Annexure -II FORMNO.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. | Particulars | Details |
|-------|---------------------------------------------------------------------------------------------------------------------------|-------------------------|
| 1 | Name of the Subsidiary | SMG Enterprises Limited |
| 2 | Date since when subsidiary was acquired | 24.03.2015 |
| 3 | Reporting period of the subsidiary different from the holding company's reporting period | N.A. |
| 4 | Reporting Currency and Exchange rate as on the last date of the relevant financial year in the case offering subsidiaries | N.A. |
| 5 | Share capital | 3002230 |
| 6 | Reserve and Surplus | 13958158 |
| 7 | Total Assets | 66518988 |
| 8 | Total liabilities | 49558600 |
| 9 | Investment | 65710406 |
| 10 | Turnover | 216000 |
| 11 | Profit/(Loss) before tax | 129765 |
| 12 | Provision for Tax | 23186 |
| 13 | Profit/(Loss)after tax | 106579 |
| 14 | Proposed dividend | Nil |
| 15 | Extent of shareholding | 51.48% |

PART-B: Associates and Joint Ventures

| S. No. | Particulars | Details |
|--------|---------------------------------------------------------------------------------|---------|
| 1 | Name of the Associates and Joint Ventures | N.A. |
| 2 | Last audited Balance Sheet date | N.A. |
| 3 | Date on which the Associate or Joint venture was associates or acquired | N.A. |
| 4 | Shares of the Associate or Joint Venture held by the Company On the year end | N.A. |
| | No. of Shares | N.A. |
| | Amount of Investment in the Associate or Joint Venutre | N.A. |
| 5 | Extent of Holding(in %age) | N.A. |
| 6 | Description of how there is significant influence | N.A. |
| 7 | Reason why the associate/joint venture is not consolidated | N.A. |
| 8 | Net-worth attributable to shareholding as per latest audited balance sheet | N.A. |
| 9 | Profit/loss for the year | N.A. |
| | Considered in consolidation | N.A. |
| | Not considered in consolidation | N.A. |

By the order of the Board
For KRA Leasing Limited

Sd/-
Rajesh Mehra
Managing Director
DIN:00058232

Sd/-
Ajay Mehra
Director
DIN:00058245

Date:01.09.2021
Place: Gurugram

SECRETARIAL AUDIT REPORT

For the financial year ended 31ST March, 2021

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

To,
The Members,
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 **31st March 2021** 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 31st March, 2021 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made there-under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) *Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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 (v) Para One of our Report Reserve Bank of India Act, 1934

a. As per the clarification given by the management, the company is in 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:-

1. 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.
2. 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.

Observations in Clause (II) Para Second of our Report SEBI (LODR), Regulations, 2015

- a. As per Regulation 23(9) of SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015, the listed entity shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis and Company has Delayed in submission of Related Party Transactions for the quarter ended 30th September 2020 and subsequently Stock Exchange has imposed fine/penalty of INR 218300/- on the Company towards Non-compliance of Reg. 23 (9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for half year ended September 30, 2020;*
- b. The Company has entered into related Party Transactions without obtaining shareholder approval and also exceeding the limits as approved by Shareholders by way of Postal Ballot Notice dated 18th November, 2020.*

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 30thSeptember,2020: -
 - 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 Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement)Regulations,2015 for the financial year 2019-20;
 - b. To Appoint Mr. Rajesh Mehra (DIN:00058232) as Managing Director for a period of Five years;
2. Taken Approval Shareholders by way of Postal Ballot Notice dated 21st December 2020;
 - a. To Sub-Divide the Equity Shares of the Company from Rs. 10/- to Rs. 05/-
 - b. Approval of Proposed related party transactions.

For D Dixit and Associates
Company Secretaries

Sd/-
Debasis Dixit
Prop.
M. No. F7218 CP. No. 7871

Date:28th August 2021
Place: New Delhi
UDIN: **F007218C000851919**

Note: This report is to be read with our letter of even date, which is annexed as Annexure-A, and 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 the 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 are as on able 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.

For D Dixit and Associates
Company Secretaries

Sd/-
Debasis Dixit
Prop.
M. No. F7218 CP. No. 7871

Date:28th August 2021
Place: New Delhi
UDIN: **F007218C000851919**

The Covid-19 Pandemic

The COVID-19 pandemic is a once in a lifetime occurrence that has brought with it unimaginable suffering to people and to almost all sections of the economy. When the pandemic struck and led to nationwide lockdowns to curtail the transmission of disease, it was natural to fear that the global economy would stay in extreme stress of the kind not seen since the Great Depression and would have a long-lasting economic impact. To counter the crippling impact of the lockdowns on economies, the world's policymakers have resorted to fiscal and monetary measures never seen before in global economic history. It still remains to be seen if these relief measures sufficed, and whether actions taken by Governments across the globe adequately compensated for the disruptions created in the lives of people.

Fortunately, science prevailed. Multiple vaccines were found with impressive efficacy levels in less than a year — which will probably rank as among one of the most incredible achievements in science. The announcement of successful development of vaccines seemed to lift spirits around the world. Unfortunately, the advent of winter saw several countries battle second waves of COVID-19 infections, including more virulent strains leading to partial lockdowns. The race between vaccines and variants is heating up as massive vaccination drives are underway. Much depends on blocking transmission and not just the disease.

After an estimated historic correction of (3.3%) in 2020, the International Monetary Fund (IMF) has projected the global economy to grow 6% in calendar year 2021 and 4.4% in 2022 on the back of the fiscal and monetary support provided by Governments of the world over coupled with widespread vaccination.

The lockdown that continued throughout the first quarter of the FY2021 saw India's GDP for April-June 2020 contracting by a massive 24.4%. Even the second quarter was terrible, with GDP shrinking by 7.3% in July-September 2020. Thereafter, we have seen a rebound — thanks to the resilience of our citizens, our entrepreneurs and of our economy.

The third quarter (October-December 2020) saw a small positive growth of 0.4% compared to the same period in the previous year. The second advance estimates of national income for FY2021 released by the Central Statistics Office (CSO) on 26 February 2021 anticipates the total contraction for FY2021 to be 8% — implying a significant 'V' shaped bounce-back in the second half of the year. The most recent IMF forecast has also raised India's GDP growth estimate for FY2022 from 11.5% to 12.5%. If that were to occur, it will be the most significant growth turnaround among all the major nations of the world, including China.

The only grey cloud at present is the huge surge in infections that started with the second wave beginning in early March 2021. Hopefully, a serious increase in the pace of vaccinations across the country will bring this surge down; and if we keep all enterprises and workers open for business, it should not affect the economy in any significant manner.

Macroeconomic Overview

Given the impact of the pandemic, FY2021 was expected to be an extremely demanding year. The consensus was that GDP growth in FY2021 would not only be negative but also would constitute the greatest fall in growth since 1979-80.

In fact, the de-growth in GDP was much larger than expected. For April-June 2020, real GDP contracted by a massive 24.4%. India had never recorded a quarter of negative growth since it began issuing such data publicly in 1996. No other large economy shrank so much during the pandemic. In the second quarter, July-September 2020, GDP again contracted by 7.3%. The consensus was that growth in the second half of the fiscal year would be far less than what was needed to erase the effect of the deep recession in the first half.

Thankfully, we began to witness early signs on resumption of economic activity in the second half of the year with several high frequency indicators suggesting that the economy was back on to positive growth. The third quarter (October-December 2020) recorded a GDP growth of 0.4%. And, as mentioned earlier, the second advance estimates of national income for FY2021 released by the CSO indicates a negative GDP growth of 8% for FY2021. Though this was bad enough, the contraction will be far less than earlier thought of — and we should see the fourth quarter (January-March 2021) showing relatively robust growth.

Various measures taken by the RBI ensured sufficient liquidity at all times during FY2021, and thus calmed sentiments in bond markets which had seen volatile conditions in March and April 2020. The RBI reduced its policy rates only once during this fiscal on 22 May 2020 by 40 basis points (bps) to 4%. As an additional measure to increase credit intermediation, the RBI increased the margin between repo and reverse repo from 25 bps to 65 bps. The central bank's unprecedented monetary easing and open market purchases kept interest rates at comfortable levels during the year despite a record growth in Government borrowings. It was only after the announcement of a growth-centric and expansionary Union Budget for 2021-22 that yields in bond markets rose on expectations of the increased borrowing programme of the Government of India.

Industry Overview

NBFCs have become important constituents of the financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs are continuously leveraging their superior understanding of regional dynamics, well-developed collection system and personalised services to expedite financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt provision of services have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, these are well-suited for bridging the financing gap. Systemically important NBFCs have demonstrated agility, innovation and frugality to provide formal financial services to millions of Indians.

Over the last decade, NBFCs have witnessed phenomenal growth. From being around 12% of the balance sheet size of banks in 2010, these are now more than a quarter of the size of banks.

NBFCs are the largest net borrowers of funds from the financial system with gross payables of INR 9.37 lakh crore as of 30th September 2020. HFCs are the second largest borrowers of funds from the financial system with gross payables of around INR 6.20 lakh crore as at 30th September 2020.

Given their large interconnection with the financial system and the importance of the NBFC in credit intermediation, the RBI has been enhancing the regulatory oversight of large NBFCs. Keeping in mind potential systemic risks that NBFCs might pose to the financial system, the RBI in its 'Discussion Paper on Revised Regulatory Framework for NBFCs: A Scale-Based Approach' (12 January 2021) seeks to balance regulatory arbitrage in favour of NBFCs and the recent growth trajectory of NBFCs by adopting a new approach towards regulating NBFCs.

On 27 March 2020, the RBI had announced a moratorium for EMIs / payments falling due from 1 March 2020 till 31 May 2020. This moratorium was further extended on 23 May 2020 for all EMIs / payments falling due up to 31 August 2020.

Approximately 40.4% of total outstanding loans of financial institutions as on 31 August 2020 were under moratorium covering approximately 45.6% of customers (Source: RBI Report on Trend and Progress of Banking in India).

To provide further relief to distressed customers, the RBI in its notification dated 06th August 2020, allowed banks, NBFCs and HFCs to undertake one-time restructuring of stressed loans on account of COVID-19 pandemic. NBFCs and HFCs were more impacted than banks as these entities had to provide moratorium to their customers, without getting similar relief on their liabilities.

To provide additional relief, the Government of India announced ex-gratia payment to lenders for waiving off compound interest for loans up to INR 2 crore for some category of borrowers.

Recently, the Honourable Supreme Court has directed all banks and financial institutions to refund compound interest, interest on interest or penal interest collected during the moratorium period irrespective of the loan amount and category of borrowers. The Supreme Court also lifted the ban it had imposed on declaring accounts of borrowers as non-performing assets.

NBFC's are emerging as growing alternative to Banks and making Indian Financial system more and stronger. 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.

Details of significant Changes in Key financial ratios

| Ratio | Current Financial Year | Previous Financial Year |
|---------------------------------------------|------------------------|-------------------------|
| Net interest income to average loans | 0.05 | 0.08 |
| Total operating expenses to NII | 0.07 | 0.09 |
| Return on Equity (ROE) | 0.04 | 0.27 |
| Capital to risk weighted assets ratio(CRAR) | | |
| Tier-1 | 1.08 | 1.02 |
| Tier-2 | - | - |
| Gross NPA | - | - |
| Net NPA | - | - |
| Provisions coverage ratio | - | - |
| EPS-Basic | 1.22 | 15.80 |
| Diluted | 1.22 | 15.80 |

Explanation to the significant changes in the Ratio: - During the financial year company has earned income from its normal operations, however during the previous year Company has disposed off its fixed assets (land) on which company has earned capital gain of INR 10.30 Crore and resulted the sudden hike in the ROE and EPS of the company.

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 31ST MARCH 2021

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 there by 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 consists of 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 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 31st 2021. 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 here in below:-

| Name of Director | Category | Shareholding in Company (No. of Shares) | No. of Board Meetings during the year 2020-21 | | Whether Attended the Last AGM | No. of Directorship(s) held in Other Indian public Company | Number of Committee(s) position held in Public Company | |
|-------------------|---------------------------|-----------------------------------------|-----------------------------------------------|----------|-------------------------------|------------------------------------------------------------|--------------------------------------------------------|----------|
| | | | Held | Attended | | | Member | Chairman |
| Rajesh Mehra | Executive-Promoter | 426340 | 7 | 7 | No | 1 | Nil | Nil |
| Sri Krishan Mehra | Non-executive-Promoter | 351500 | 7 | 7 | No | 1 | Nil | Nil |
| Ajay Mehra | Non-executive-Promoter | 930480 | 7 | 7 | No | 1 | Nil | Nil |
| Ravi Sharma | Independent Non-executive | Nil | 7 | 7 | Yes | 1 | 3 | 0 |
| Amit Kumar Modi | Independent Non-executive | Nil | 7 | 7 | Yes | 0 | 0 | 0 |
| Deeksha Bajaj | Independent Non-executive | Nil | 7 | 7 | No | 0 | 0 | 0 |

Details of listed Companies in which persons are Directors and category of Directorships-

| Name of Directors of the Company | Name of other listed Companies | Category of Directorship |
|----------------------------------|--------------------------------|--------------------------|
| Rajesh Mehra | Nil | Executive-Promoter |
| Sri Krishan Mehra | Nil | Non-Executive-Promoter |
| Ajay Mehra | Nil | Non-Executive-Promoter |
| Ravi Sharma | Hindustan Clean Energy Limited | Independent-Director |
| Amit Kumar Modi | None | Independent Director |
| Deeksha Bajaj | None | Independent Director |

B. Number of Board Meetings held

During the Financial Year 2020-21, The Board of Directors met 7 (Seven) times, the date of the meetings were 30.06.2020, 04.09.2020, 15.09.2020, 03.10.2020, 12.11.2020, 18.11.2020, 12.02.2021

C. Disclosure of Relationship

There is no inter-se relationship between the independent Directors. Ms. Deeksha Bajaj, Mr. Ravi Sharma and Mr. Amit Kumar Modi are not related to each other or related to rest of the directors. However, the other directors are related to each other.

D. Number of shares and convertible instruments.

Out of 9425340 equity shares of Promoter Group, Mr. Rajesh Mehra holds 426340, Mr. Sri Krishan Mehra holds 351500 and Mr. Ajay Mehra holds 930480 Equity Shares of the Company. 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.

G. None of the Non executive Directors have any material or pecuniary relationship or transactions with the Company.

H. The Board reviews the compliance report pertaining to all applicable laws, as well as the steps taken by the Company to rectify the instances of non-compliance.

I. The Non-executive Directors do not hold any convertible instruments in the Company.

J. The Senior management has disclosed to the Board of directors that they have not entered into any material, financial, commercial transactions which may have potential conflicts with the interest of the Company.

K. No employee, including Key Managerial Personnel or Director or Promoter of a listed entity may enter into an agreement for himself or on behalf of any other person, with any shareholder or other third party, with regard to compensation or profit sharing in connection with dealings in the securities of such listed entity.

L. Skills of the Board of Directors required by the Company in context with its business and those that they possess

| Name of Directors of the Company | Qualification | Skills required in context with the business |
|----------------------------------|-------------------|-------------------------------------------------------------------------|
| Rajesh Mehra | Graduate | Promoter having vast experience in financing activities |
| Sri Krishan Mehra | Graduate | Promoter having vast experience in financing activities |
| Ajay Mehra | Graduate | Promoter having vast experience in financing activities |
| Ravi Sharma | Company Secretary | Professional having knowledge of finance & Corporate Governance matters |
| Amit Kumar Modi | Company Secretary | Professional having knowledge of finance matters |
| Deeksha Bajaj | Company Secretary | Professional having knowledge of finance matters |

M. No Independent Director has resigned during the financial year 20-21.

N. The Board confirms that the Independent Directors fulfill the conditions specified in these regulations and are Independent of the management.

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 requirement) Regulations, 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

- a. Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- b. Reviewing with the Management the quarterly unaudited financial statements and the Auditor's 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.
- c. Review the Management Discussion & Analysis of financial and operational performance.
- d. Recommendation for appointment, remuneration and term of appointment of auditor of the Company.
- e. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- f. Evaluation of internal financial control and risk management system.
- g. Reviewing with the management, the performance of the Statutory Auditors, internal and adequacy of Internal Auditor.

- h. Formulating the Scope Functioning, periodicity and methodology for conducting the Internal Audit.
- i. Reviewing the adequacy of Internal Audit function.
- j. 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.
- k. Carrying out any other function as mentioned in the term of reference of the Audit Committee.

During the financial year 2020-2021, Six 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 is shown below:

| Sl No. | Name of Member | Category | No. of Meeting Held | No. of Meeting Attended |
|--------|-------------------------------|----------------------------|---------------------|-------------------------|
| 1. | Mr. Ravi Sharma (Chairman) | Independent, Non-Executive | 6 | 6 |
| 2. | Mr. Amit Kumar Modi | Independent, Non-Executive | 6 | 6 |
| 3. | Mrs. Deeksha Bajaj | Independent, Non-Executive | 6 | 6 |
| 4. | Mr. Rajesh Mehra | Promoter, Executive | 6 | 6 |

All the members of the Audit Committee are financially literate.

The Company Secretary of the Company acts as the Secretary of the meeting.

Mr. Ravi Sharma was present at the 32nd Annual General Meeting of the Company to answer the queries of shareholders.

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 Requirement) Regulations, 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 interalia, include the following:-

- a. Succession planning of the Board of Directors and Senior Management Employees;
- b. Identifying and selection of candidates for appointment as Directors/Independent Directors based on certain laid down criteria;
- c. Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- d. Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management;
- e. Devising a policy on diversity of board of director.
- f. Review of 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 Remuneration committee and attendance of Directors at the meetings, during the financial year 2020-21, is shown below:

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

During the financial year 2020-21, The Nomination and Remuneration Committee of Directors met 2(Two) time on 04th September 2020 and 03rd October 2020 and No pecuniary relationship or transaction happened between the Non-Executive Directors vis-à-vis the Listed entity. Further No remuneration given to any Director except sitting fees to the independent directors. Board Evaluation policy is posted on the website of the Company-<https://krleasing.com>

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: -

- a. transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- b. issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- c. issue new certificates against sub-division of shares, renewal, split or consolidation of share certificates/certificates relating to other securities;
- d. 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;
- e. to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any and to allot shares pursuant to options exercised;
- f. to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- g. to approve and monitor dematerialization of shares/debentures/other securities and all matters incidental or related thereto;
- h. 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;
- i. monitoring expeditious redressal of investors/stakeholders grievances;
- j. all other matters incidental or related to shares and debentures.

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 2020-21, 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 | 3 | 3 |
| 2. | Mr. Amit Kumar Modi | Independent, Non-Executive | 3 | 3 |
| 3. | Rajesh Mehra | Promoter, Executive | 3 | 3 |

During the financial year 2020-21, the Stakeholder' Relationship committee of directors met three times, the dates of the meetings were 04th September 2020, 12th November 2020 and 18th November 2020.

Company Secretary & Compliance Officer

Name: Ridhima Gupta
Plot No. 03, Sector-11, IMT Manesar, Gurugram Haryana 122050
Contact Details: - krleasing1990@gmail.com
Ph: +919891653539

Shareholder's Complaints: -2020-21

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 Disclosure Requirement) 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 has 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 12th February, 2021 without the presence of non- executive Directors.

3. GENERAL BODY MEETINGS.

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

| AGM Date | Venue | Time | Particulars of Special Resolution |
|------------|-------------------------------------------------------------------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 29/09/2018 | D-28, SMA Co-operative Industrial Estate, G T Karnal Road, Delhi-110033 | 11:00AM | Approval of Related party Transactions |
| 30/09/2019 | C-20,SMA Co-operative Industrial estate, G T Karnal Road, Delhi- 110033 | 11:00AM | Approval of Related party Transactions Appointment of Mr. Ravi Sharma as Independent Director(DIN:05182383) Appointment of Mr. Amit Kumar Modi as Independent Director(DIN:05182566) Appointment of Mrs. Deeksha Bajaj as Independent Director(DIN:06883669) |
| 30/09/2020 | Held Through Video Conference Mode | 11:00AM | Approval of Related party Transactions To re-appoint Mr. Rajesh Mehra (DIN: 00058232) as a Managing Director of the Company |

Resolution Passed through Postal Ballot:-

During the FY 2020-2021 Company has sub divide its Equity Shares from INR 10/- to INR 05/- & also approve Related Party Transactions by way of Postal Ballot Notice dated 18th November 2020 which results was declared on 21st December 2020.

The Company has not proposed any special resolution to be passed through postal ballot in terms of Section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014.

Further the Company followed the procedure laid down in the provisions of Section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014.

The Board of Directors in their meeting held on 18th November, 2020 has approved the draft Notice of Postal Ballot containing following two agenda: -

- a. To Sub-Divide/Split Equity Shares of the Company, subject to approval of shareholders;
- b. To Approve Proposed Related Party Transactions, subject to approval of shareholders;

CS Debasis Dixit, FCS 7218 has been appointed as Scrutinizer to conduct such postal ballot in fair and transparent manner. The Company has published the advertisement in "The Financial Express" (English) and "Jansatta" (in Hindi) dated 21st November, 2020 as per requirement of the Provisions of the Companies Act, 2013.

The details of Voting Pattern were as follows: -

Resolution 1: Sub- Division of Share Capital into smaller amount

| Resolution Required : (Ordinary/Special) | | | | Special | | | | |
|-------------------------------------------------------------------------|----------------|-------------------|-------------------|-----------------------------------------|------------------------|---------------------|--------------------------------------|------------------------------------|
| Whether Promoter/Promoter Group was interested in the Agenda/resolution | | | | No | | | | |
| Category | Mode of Voting | No. of share held | No. of Votes Poll | % of Votes Polled on Outstanding Shares | No. of Votes in Favour | No. of Vote Against | % of Votes in Favour on Votes polled | % of votes against on votes polled |
| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| Promoter and Promoter Group | E-voting | | 3546610 | 75.26 | 3546610 | NIL | 100 | NIL |
| | Poll (N.A.) | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Postal Ballot | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total | 4712670 | 3546610 | 75.26 | 3546610 | NIL | 100 | NIL |
| Public-Institutions | E-voting | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Poll (N.A.) | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Postal Ballot | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Public-Non Institutions | E-voting | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Poll (N.A.) | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Postal Ballot | | 867400 | 43.49 | 867400 | NIL | 100 | NIL |
| | Total | 1994494 | 867400 | 43.49 | 867400 | NIL | 100 | NIL |
| Total | | 6707164 | 4414010 | 65.81 | 44104010 | NIL | 100 | NIL |

Resolution 2: To approve the proposed material related party transaction

| Resolution Required : (Ordinary/Special) | | | | | Ordinary | | | |
|-------------------------------------------------------------------------|----------------|-------------------|-------------------|-----------------------------------------|------------------------|---------------------|--------------------------------------|------------------------------------|
| Whether Promoter/Promoter Group was interested in the Agenda/resolution | | | | | Yes | | | |
| Category | Mode of Voting | No. of share held | No. of Votes Poll | % of Votes Polled on Outstanding Shares | No. of Votes in Favour | No. of Vote Against | % of Votes in Favour on Votes polled | % of votes against on votes polled |
| | | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| Promoter and Promoter Group | E-voting | | Nil | Nil | Nil | NIL | Nil | NIL |
| | Poll (N.A.) | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Postal Ballot | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total | 4712670 | Nil | Nil | Nil | NIL | Nil | NIL |
| Public-Institutions | E-voting | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Poll (N.A.) | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Postal Ballot | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Total | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Public-Non Institutions | E-voting | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Poll (N.A.) | | NIL | NIL | NIL | NIL | NIL | NIL |
| | Postal Ballot | | 867400 | 43.49 | 867400 | NIL | 100 | NIL |
| | Total | 1994494 | 867400 | 43.49 | 867400 | NIL | 100 | NIL |
| Total | | 6707164 | 867400 | 12.93 | 867400 | NIL | 100 | NIL |

DISCLOSURES

TRANSACTION WITH THE RELATED PARTY DURING THE FINANCIAL YEAR MARCH 31ST, 2021.

The details of related party transactions in respect of loan and advances in the nature of, loan to any of its Directors and their relatives, subsidiary or associate company or firm/Companies in which directors are interested during the financial year 2020-21 given as per AOC-2. No pecuniary relationship/transaction between Non executive Directors and the Company. No remuneration is paid to any Director.

4. 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 “**Financial Express (In English) and Jansatta (In Hindi)**” and posted on the Company website www.krleasing.com.

GENERAL SHAREHOLDER INFORMATION

- As per attached Notice to this Annual Report, the Annual General Meeting of the Company will be held on 30th September, 2021 at 11:00 A.M. through VC or OAVM.
- The Financial Year of the Company ends on 31st 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.
- The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 24, 2021 to Thursday, September 30, 2021, both days inclusive.
- Share holding pattern as on March 31, 2021 are given as below:

| Particulars | No. of shares held | % |
|------------------------------------------------------------------|--------------------|--------|
| Promoter-Individual/Hindu Undivided | 4740740 | 35.34% |
| Body Corporate | 4684600 | 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 | 3988988 | 29.74% |
| Total | 13414328 | 100 |

- Address for correspondence**
Name: KRA Leasing Limited
Registered Office: C-20, SMA Co-Operative Industrial Estate, GT Karnal Road, Delhi 33
Corporate Office: Plot No. 03, Sector-11, IMT Manesar, Gurugram, Haryana 122050
Email: krleasing1990@gmail.com Ph: 0124-4746817

- In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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.

VIGILMECHANISM/WHISTLEBLOWERPOLICY

- 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) Regulations, 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.comunderinvestor/policylink.
- 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.
- No personnel has been denied access to the Audit Committee under Vigil mechanism

MATERIALSUBSIDIARY

- 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.comunderinvestor/policylink.

RELATED PARTY

- The Company has formulated a policy for determining the related party transactions and the same is availed on our website www.kraleasing.comunderinvestor/policylink.

OTHER DISCLOSURES-

- The CEO / CFO certificate in term of regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 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.

During the FY 2020-2021, as per regulation 23 (9) of SEBI (LODR), Regulations, 2015 Company was required to made submission of Related Party Transactions for the half year ended 30th September, 2020 within due time, however Company has made delay submission and Stock Exchange has imposed penalty of INR 218300/-. Thereafter Company vide email dated 02nd February, 2021 made submission and requested to Stock Exchange to waive off the aforesaid penalty and Stock Exchange vide their email dated 19th April, 2021 has confirmed that Internal Committee for handling waiver requests has accepted such waiver request and such fine has been waived off by the Stock Exchange.

- **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 Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulations, 2015 is not applicable.
- Clause C (10) (g) of Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulations, 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.
- Total fee INR 35,000/- for all the services paid by the Company and its subsidiary, on a consolidated basis to the statutory auditor and all entities in the network firm /network entity of which the statutory auditor is a part.
- No Complaint received by Sexual Harassment committee.

- **Compliance of Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of Listing Regulations**

| Annual Affirmations | | |
|---------------------------------------------------------------------------------|------------------------------|------------------------------|
| Particulars | Regulation Number | Compliance status(Yes/No/NA) |
| Board composition | 17(1),17(1A)& 17(1B) | yes |
| Meeting of board of directors | 17(2) | yes |
| Quorum of board meeting | 17(2A) | yes |
| Review of Compliance Reports | 17(3) | yes |
| Plans for orderly succession for appointments | 17(4) | yes |
| Code of Conduct | 17(5) | yes |
| Fees/compensation | 17(6) | yes |
| Minimum Information | 17(7) | yes |
| Compliance Certificate | 17(8) | yes |
| Risk Assessment& Management | 17(9) | yes |
| Performance Evaluation of Independent Directors | 17(10) | yes |
| Recommendation of board | 17(11) | yes |
| Maximum number of directorship | 17A | yes |
| Composition of Audit Committee | 18(1) | yes |
| Meeting of Audit Committee | 18(2) | yes |
| Composition of Nomination & Remuneration Committee | 19(1)&(2) | yes |
| Quorum of Nomination and Remuneration Committee meeting | 19(2A) | yes |
| Meeting of Nomination & Remuneration Committee | 19(3A) | yes |
| Composition of Stakeholder Relationship Committee | 20(1),20(2) and 20(2A) | yes |
| Meeting of Stakeholder Relationship Committee | 20 (3A) | yes |
| Composition and role of Risk Management Committee | 21(1),(2),(3),(4) | NA |
| Meeting of Risk Management Committee | 21(3A) | NA |
| Vigil Mechanism | 22 | yes |
| Policy for related party Transaction | 23(1),(1A),(5),(6), (7)& (8) | yes |
| Prior or Omnibus approval of Audit Committee for all related party transactions | 23(2),(3) | NA |
| Approval for material related party Transactions | 23(4) | yes |

| | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----|
| Disclosure of related party transactions on consolidated basis | 23(9) | yes |
| Composition of Board of Directors of Unlisted material Subsidiary | 24(1) | NA |
| Other Corporate Governance requirements With respect to subsidiary of listed entity | 24(2),(3),(4),(5)&(6) | yes |
| Annual Secretarial Compliance Report | 24(A) | yes |
| Alternate Director to Independent Director | 25(1) | NA |
| Maximum Tenure | 25(2) | yes |
| Meeting of independent directors | 25(3)&(4) | yes |
| Familiarization of independent directors | 25(7) | yes |
| Declaration from Independent Director | 25(8)&(9) | yes |
| Directors and Officers insurance | 25(10) | NA |
| Memberships in Committees | 26(1) | yes |
| Affirmation with compliance to code of conduct from members of Board of Directors and Senior management Personnel | 26(3) | yes |
| Disclosure of Shareholding by Non- Executive Directors | 26(4) | yes |
| Policy with respect to Obligations of directors and senior management | 26(2)&26(5) | yes |
| Other Corporate Governance Discretionary requirements | 27 | NA |
| Filing of Quarterly Compliance Report on Corporate Governance | 27 | Yes |
| Website a. Terms and conditions of appointment of independent directors; b. Composition of various committees of board of directors; c. Code of conduct of board of directors and senior management personnel; d. Details of establishment of vigil mechanism/Whistle Blower policy; e. criteria of making payments to non-executive directors , if the same has not been disclosed in annual report; f. policy on dealing with related party transactions; g. policy for determining 'material subsidiaries; h. details of familiarization programmes imparted to independent directors including the following details:- (i) number of programmes attended by independent directors (during the year and on accumulative basis till date), (ii) number of hours spent by independent directors in such programmes (during the year and on cumulative basis till date),and (iii) other relevant details | 27 | Yes |

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 i.e www.kraleasing.com

DECLARATION BY THE MANAGING DIRECTOR UNDER SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 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, 2021.

For KRA Leasing Limited
Sd/-
Rajesh Mehra
Managing Director cum CFO
DIN:00058232

Date:01.09.2021
Place: Gurugram

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 31st, 2021 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 D Dixit and Associates
Company Secretaries

Sd/-
CS Debasis Dixit
Prop.
M. No. F7218
C. P. No 7871
UDIN: F007218C000852150

Date: 28th August 2021
Place: New Delhi

CEO/CFO Certification pursuant to regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements), Regulations, 2015 for the financial year ending 2020-21

To,
The Board of Directors
KRA Leasing Limited
C-20, 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 2020-21 and that to the best of our knowledge and belief: -
 - I. These Statements do not contain any materially untrue statement or omit any material factor 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/-
Rajesh Mehra
Managing Director cum CFO
DIN:00058232

Date:01.09.2021
Place: Gurugram

PRACTICING COMPANY SECRETARY'S CERTIFICATE THAT NONE OF THE DIRECTORS ON THE BOARD OF THE COMPANY HAVE BEEN DEBARRED OR DISQUALIFIED FROM BEING APPOINTED OR CONTINUING AS DIRECTOR OF THE COMPANIES BY THE BOARD/MINISTRY OF CORPORATE AFFAIRS OR ANY STATUTORY AUTHORITY.

As required by item 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, I certify that none of the Directors on the Board of KRA Leasing Limited have been debarred or disqualified from being appointed or continuing as the Director of the company by SEBI/Ministry of Corporate Affairs or any such statutory authority.

**For D Dixit and Associates
Company Secretaries**

Sd/-

CS Debasis Dixit

Prop.

M. No. F7218

C. P. No 7871

UDIN: F007218C000852172

Date: 28th August 2021

Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s KRA Leasing Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

I have audited the accompanying consolidated financial statements of **M/s KRA Leasing Limited** (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In my opinion and to the best of my information and according to the explanations given to me, 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 their consolidated state of affairs of the group as at March 31, 2021, of consolidated profit/loss, and its consolidated cash flows for the year then ended.

Basis for Opinion

I have conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies act, 2013. My responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of my report. I am independent of the Group in accordance with the *Code of Ethics issued by ICAI*, and I have fulfilled my other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective

Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing- the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a .basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit Procedures those are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, I am also responsible for expressing my opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- **Conclude** on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists- related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate. audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements of which I am the independent auditors. I am responsible for the direction, supervision and performance of the audit of the financial statements of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. I remain solely responsible for my audit opinion. My responsibilities in this regard are further described in pare (a) of the section titled 'Other Matters' in this audit report.

I believe that the audit evidence obtained by me along with the consideration of audit report of the other auditor referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for my audit opinion on the consolidated financial statements.

I communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which I am the independent auditors regarding, among other matters, the planned scope' and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

I did not audit the financial statements/financial information of subsidiary company, whose financial statements/financial information reflect total assets of Rs.66518988/- as at 31st March, 2021, total revenue of Rs. 216000/-, total net profit after tax of Rs. 106579/-, total comprehensive income of Rs. Nil, and net cash flow amount to Rs. -75196/- for the year ended on that date, as considered in the

consolidated financial statements after adjustment of figures of respective original foreign currency conversion to Indian currency for the purpose of consolidation. The financial statements/financial information of these subsidiary have been audited by the other auditors whose reports have been furnished to me by the management and my opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and my report in terms of sub-sections (3) of Section 143.of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

My opinion on the consolidated financial statements, and my report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to my reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on my audit and other, financial information of subsidiary, as noted in the "Other Matters" paragraph, I report, to the extent applicable, that:

- a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief .were necessary for the purposes of my audit of the aforesaid consolidated financial statements.
- b. In my opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from my examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant book account maintained for the purpose of preparation of the consolidated financial statements.
- d. In my opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group, is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act:
- f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to my 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 my .opinion and to the best of my information and according to the explanations given to me and the other financial information of the subsidiary, as noted in the "other matter" paragraph:
 - i. The Group did not have pending litigations which would impact its financial position.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary during the year ended 31st March, 2021.

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

Sd/-
(ARUN MAHESHWARI)
(Proprietor)
Membership No. : 508847
UDIN: 21508847AAAABK2453

Date: 30.06.2021
Place: New Delhi

Annexure "A"

Independent Auditor's Report on the internal controls with reference to consolidated financial statements under Clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ('the Act')

In conjunction with my audit of the consolidated financial statements of the Group as of and for the year ended 31st March 2021, I have audited the internal financial controls with reference to consolidated financial statements of M/s KRA Leasing Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiary which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective 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 Act.

AUDITORS' RESPONSIBILITY

My responsibility is to express an opinion on the Holding Company and its subsidiary which are companies incorporated in India, internal financial controls over financial reporting with reference to these consolidated financial statements based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated financial statements and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the internal financial controls system over financial reporting of the company and its subsidiary companies, which are companies incorporated in India. I am not expressing any opinion on subsidiary incorporated outside India as there is no such requirement.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In my opinion, to the best of my information and according to the explanations given to me the company and its subsidiary companies which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding 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.

OTHER MATTERS

My report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting is limited with reference to these consolidated financial statements of the Holding Company, and in so far as it relates to separate financial statements of 1 subsidiary which are companies incorporated in India only.

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

Sd/-
(ARUN MAHESHWARI)
(Proprietor)
Membership No. : 508847
UDIN: 21508847AAAABK2453

Date: 30.06.2021
Place: New Delhi

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

(Figures in Rs.)

| | Note No. | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|----------------------------------------------------|----------|---------------------|---------------------|---------------------|
| ASSETS | | | | |
| Non Current Assets | | | | |
| (a) Property, Plant and equipment | 5 | - | - | 9,232,693 |
| (b) Investment properties | 6 | 31,486,019 | 32,002,867 | 32,519,715 |
| (c) Financial assets | | | | |
| (i) Investments | 7 | 98,750,735 | 208,005,835 | 89,505,835 |
| (ii) Other financial assets | 8 | 1,047,030 | 1,047,030 | 1,047,030 |
| Total Non Current Assets | | 131,283,784 | 241,055,732 | 132,305,273 |
| Current Assets | | | | |
| (a) Financial assets | | | | |
| (i) Investments | 9 | 30,178,777 | 20,797,358 | - |
| (ii) Trade receivables | 10 | 36,477,691 | 36,290,215 | 33,500,866 |
| (iii) Cash and cash equivalents | 11 | 13,463,790 | 48,388,568 | 20,050,206 |
| (iv) Other Bank Balance | 12 | 90,000 | 90,000 | 90,000 |
| (v) Short term loans and advances | 13 | 261,100,000 | 107,400,000 | 160,500,000 |
| (b) Current tax assets (net) | 14 | 1,420,360 | 1,589,636 | 4,235,384 |
| (c) Other current assets | 15 | 69,630 | 13,182 | 61,157 |
| Total Current Assets | | 342,800,248 | 214,568,959 | 218,437,613 |
| Total assets | | 474,084,032 | 455,624,691 | 350,742,886 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity share capital | 16 | 62,973,640 | 62,973,640 | 62,973,640 |
| (b) Other equity | 17 | 332,860,926 | 316,926,870 | 214,107,833 |
| (c) Non Controlling Interest | | 18,965,440 | 18,418,046 | 15,123,342 |
| Total equity | | 414,800,006 | 398,318,556 | 292,204,815 |
| Liabilities | | | | |
| Non current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Other financial liabilities | 18 | 7,857,000 | 7,839,514 | 7,836,326 |
| (b) Provisions | 19 | 1,189,527 | 574,063 | 3,065,335 |
| (c) Deferred tax liabilities (net) | 20 | 44,995 | 8,977 | 656,301 |
| Total non-current liabilities | | 9,091,522 | 8,422,554 | 11,557,962 |
| Current liabilities | | | | |
| (a) Financial liabilities | | | | |
| (i) Borrowings | 21 | 49,515,000 | 46,015,000 | 46,015,000 |
| (ii) Trade payables | 22 | 184,350 | 801,139 | 394,191 |
| (b) Other current liabilities | 23 | 493,154 | 2,067,442 | 570,918 |
| Total current liabilities | | 50,192,504 | 48,883,581 | 46,980,109 |
| Total liabilities | | 59,284,026 | 57,306,135 | 58,538,071 |
| Total equity and liabilities | | 474,084,032 | 455,624,691 | 350,742,886 |
| See accompanying notes to the financial statements | 1-32 | - | - | - |

This is the Balance sheet referred to in our report of even date attached

For Arun K. Maheshwari & Co.

Chartered Accountants

(Firm regn no. 21421N)

For and on behalf of Board of Directors

Sd/-

Arun K. Maheshwari
(Proprietor)
Membership No. 508847

Place: New Delhi

Date: 30.06.2021

Sd/-

Rajesh Mehra
(Managing Director)
DIN:00058232

Sd/-

Ajay Mehra
(Director)
DIN:00058245

Sd/-

Ridhima Gupta
Co. Secretary

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Figures in Rs.)

| | Note No. | As at 31/03/2021 | As at 31/03/2020 |
|----------------------------------------------------------------------------|----------|---------------------|---------------------|
| I Revenue from operations | 23 | 26,855,027 | 131,780,784 |
| II Total Income | | 26,855,027 | 131,780,784 |
| III Expenses | | | |
| Employee benefit expenses | 24 | 216,000 | 160,000 |
| Finance Cost | 25 | 341,339 | 391,812 |
| Depreciation and amortization expense | 26 | 516,848 | 516,848 |
| Other expenses | 27 | 4,730,275 | 12,684,096 |
| Contingency prov. Against standard assets | | 615,464 | - 2,491,272 |
| Total expenses (III) | | 6,419,926 | 11,261,484 |
| IV Profit before tax (II-III) | | 20,435,101 | 120,519,300 |
| V Tax expense | | | |
| (1) Current tax | | 4,640,972 | 13,514,142 |
| (2) Deferred tax | | - | 656,301 |
| (3) Tax for previous years | | - 580,229 | 1,574,408 |
| | | 4,060,743 | 14,432,249 |
| VI Profit for the period from continuing operations (IV-V) | | 16,374,358 | 106,087,051 |
| VII Profit from discontinued operations before tax | | - | - |
| VIII Tax expense of discontinued operations | | - | - |
| IX Profit from discontinued operations after tax (VII-VIII) | | - | - |
| X Profit for the period (VI+IX) | | 16,374,358 | 106,087,051 |
| XI Other comprehensive income | | | |
| (i) Items that will be reclassified to profit or loss in subsequent period | | | |
| Changes in fair value of mutual fund | | 178,777 | 35,667 |
| Income-tax relating to these items | | 44,995 | 8,977 |
| Other comprehensive income, net of tax | | 133,782 | 26,690 |
| XII Total comprehensive income for the year | | 16,508,140 | 106,113,741 |
| Net profit attributable to: | | | |
| Owners of holding company | | 16,323,025 | 106,014,144 |
| Non controlling interest | | 51,333 | 72,907 |
| Other comprehensive income attributable to: | | | |
| Owners of holding company | | 133,782 | 26,690 |
| Non controlling interest | | - | - |
| Total comprehensive income attributable to: | | | |
| Owners of holding company | | 16,456,807 | 106,040,834 |
| Non controlling interest | | 51,333 | 72,907 |
| XIII Earning per equity share | | | |
| (1) Basic (share face value Rs. 5 each (Prev. year Rs. 10 each)) | | 1.23 | 15.82 |
| (2) Diluted (share face value Rs. 5 each (Prev. year Rs. 10 each)) | | 1.23 | 15.82 |

See accompanying notes to the financial statements

1-32

This is the Statement of profit & loss referred to in our report of even date attached

For Arun K. Maheshwari & Co.

Chartered Accountants

(Firm regn no. 21421N)

For and on behalf of Board of Directors

Sd/-

Arun K. Maheshwari

(Proprietor)

Membership No. 508847

Place: New Delhi

Date: 30.06.2021

Sd/-

Rajesh Mehra

(Managing Director)

DIN00058232

Sd/-

Ajay Mehra

(Director)

DIN:00058245

Sd/-

Ridhima Gupta

Co. Secretary

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Figures in Rs.)

| | Year ended 31/03/2021 | Year ended 31/03/2020 |
|----------------------------------------------------------------------------------------|--------------------------|--------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit for the year (Before tax but after extraordinary items and prior period items) | 20,435,101 | 120,519,300 |
| Adjustment for: | | |
| Depreciation provided in profit & loss statement | 516,848 | 516,848 |
| Long term capital gain | - | 103,045,610 |
| Fixed Assets written off | - | 6,215,925 |
| Finance cost | 341,339 | 391,812 |
| Dividend reinvested | - 390,067 | - 761,690 |
| Short term capital loss | 45,579 | - |
| Profit on sales of Investment | - 564,875 | - |
| Cont. provision against standard assets | 615,464 | - 2,491,272 |
| | 20,999,389 | 21,345,313 |
| <u>Movement in working Capital:</u> | | |
| (Increase)/decrease in trade and other receivables | - 187,476 | - 2,789,349 |
| (Increase)/decrease in other assets | - 153,756,448 | 53,147,975 |
| Increase/(decrease) in trade payables | - 616,789 | 406,948 |
| Increase/(decrease) in other liabilities | - 1,556,802 | 1,499,712 |
| Cash generated from operations | - 135,118,126 | 73,610,599 |
| Income taxes paid | 3,891,467 | 12,442,802 |
| Net cash generated by operating activities (Total A) | - 139,009,593 | 61,167,797 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Mutual Funds | - 30,000,000 | - 20,000,001 |
| Sale of Non current investment | 151,359,500 | - |
| Purchase of Non Current Investments | - 41,539,525 | - 118,500,000 |
| Sale of Mutual Fund | 21,106,179 | - |
| Sale of fixed assets | - | 109,746,828 |
| Purchase of fixed assets | - | - 3,684,450 |
| Net cash generated by investing activities (Total B) | 100,926,154 | - 32,437,623 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Increase in Borrowing | 3,500,000 | |
| Interest paid | - 341,339 | - 391,812 |
| Net cash used in financing activities (Total C) | 3,158,661 | - 391,812 |
| Net increase in cash and cash equivalents (Total A+B+C) | - 34,924,778 | 28,338,362 |
| Cash and cash equivalents at the beginning of the year | 48,388,568 | 20,050,206 |
| Cash and cash equivalents at the end of the year | 13,463,790 | 48,388,568 |

This is the Cash Flow Statement referred to in our report of even date attached

For Arun K. Maheshwari & Co.

Chartered Accountants

(Firm regn no. 21421N)

For and on behalf of Board of Directors

Sd/-

Arun K. Maheshwari

(Proprietor)

Membership No. 508847

Place: New Delhi

Date: 30.06.2021

Sd/-

Rajesh Mehra
(Managing Director)

DIN:00058232

Sd/-

Ajay Mehra
(Director)

DIN:00058245

Sd/-

Ridhima Gupta
Co. Secretary

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(Figures in Rs.)

| Particulars | Equity share capital | Other equity | | | Retained earnings | Total Attributable to owners of the Holding Company | Attributable to non-controlling interest | Total |
|------------------------------------|----------------------|------------------|----------------------------|----------------------------------|--------------------|-----------------------------------------------------|------------------------------------------|--------------------|
| | | Capital Reserve | Comprehensive Income items | Special Reserves u/s 451C of RBI | | | | |
| Balance as at April 1, 2019 | 62,973,640 | 1,145,065 | - | 13,447,347 | 199,515,421 | 277,081,473 | 15,123,342 | 292,204,815 |
| Addition during the year | - | - | - | 21,159,883 | - | 21,159,883 | 3,294,704 | 24,454,587 |
| Profit for the year | - | - | 26,690 | - | 106,014,144 | 106,040,834 | - | 106,040,834 |
| Adjustment (cross holding) | - | - | - | - | 3,221,797 | 3,221,797 | - | 3,221,797 |
| Transferred to special reserve | - | - | - | - | 21,159,883 | 21,159,883 | - | 21,159,883 |
| Balance at March 31, 2020 | 62,973,640 | 1,145,065 | 26,690 | 34,607,230 | 281,147,885 | 379,900,510 | 18,418,046 | 398,318,556 |
| Addition during the year | - | - | - | 3,253,556 | - | 3,253,556 | 547,394 | 3,800,950 |
| Profit for the year | - | - | 133,782 | - | 16,323,025 | 16,456,807 | - | 16,456,807 |
| Transfer to retained earning | - | - | 26,690 | - | - | 26,690 | - | 26,690 |
| Adjustment (cross holding) | - | - | - | - | 496,061 | 496,061 | - | 496,061 |
| Transferred to special reserve | - | - | - | - | 3,253,556 | 3,253,556 | - | 3,253,556 |
| Balance at March 31, 2021 | 62,973,640 | 1,145,065 | 133,782 | 37,860,786 | 293,721,293 | 395,834,566 | 18,965,440 | 414,800,006 |

This is the Statement of change in equity referred to in our report of even date attached

For Arun K. Maheshwari & Co.

Chartered Accountants
(Firm regn no. 21421N)

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

Place: New Delhi
Date: 30.06.2021

For and on behalf of Board of Directors

| | | |
|----------------------------------------------------|------------------------------------------|--------------------------------|
| Sd/- | Sd/- | Sd/- |
| Rajesh Mehra (Managing Director) DIN00058232 | Ajay Mehra (Director) DIN:00058245 | Ridhima Gupta Co. Secretary |

KRA LEASING LIMITED

REGD. OFFICE: C-20, SMA Co-Operative Industrial Estate, G T Karnal Road, Delhi-33
CIN: L65993DL1990PLC039637

Notes to the consolidated financial statement for the year ended March 31, 2021

1. Corporate Information

KRA Leasing Limited is a listed company incorporated on 26March1990. It is classified as Non-govt Company and is registered at Registrar of Companies, Delhi. Its authorized share capital is Rs. 7,00,00,000 and its paid-up capital is Rs. 6,70,71,640.

(a.) Background

KRA Leasing Ltd. has controlling interest, directly or indirectly in the following entities during the year ended March 31, 2021:

| Entity | Country of Incorporation | Name of Parent | Percentage of holding (%) |
|-------------------------|--------------------------|------------------|---------------------------|
| <u>Subsidiary</u> | | | |
| SMG Enterprises Limited | India | KRA Leasing Ltd. | 51.84% |

(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 (Ind AS) specified under Section 133 of the Companies Act, 2013 (the 'Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Amendment Rules, 2015and Companies (Indian Accounting Standards) Amendment Rules, 2016. The consolidated 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 Limited**, i.e. the Parent company and it's subsidiary (hereinafter referred to as 'the Group'). The consolidated financial statements of the Group have been prepared in accordance with the notified Accounting Standard IndAS 110 'Consolidated Financial Statements'.

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

- i. 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 unrealized 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.

KRA LEASING LIMITED

REGD. OFFICE: C-20, SMA Co-Operative Industrial Estate, G T Karnal Road, Delhi-33
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Notes to the consolidated financial statement for the year ended March 31, 2021

- ii. The excess/deficit of cost to the Parent company of its investment over its portion of equity in the subsidiaries 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/associate. The Parent company's portion of equity 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. Non-Controlling share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the group.
- 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 financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future result could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/ materialize.

2. Application of new and revised Indian Accounting Standard (Ind AS)

Consolidated Financial statement is prepared on Ind AS basis since company is Listed Company, who is required to apply Indian Accounting Standards.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under The Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the consolidated financial statements are authorized have been considered in preparing these consolidated financial statements.

3. Significant accounting policies and other explanatory information

3.01. Basis of Preparation and presentation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, unless specifically mentioned. The Ind AS are prescribed under Section 133 of the Act read with rule 3 of companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

KRA LEASING LIMITED

REGD. OFFICE: C-20, SMA Co-Operative Industrial Estate, G T Karnal Road, Delhi-33
CIN: L65993DL1990PLC039637

Notes to the consolidated financial statement for the year ended March 31, 2021

The Group's financial statements are presented in Indian Rupees (Rs.), which is also its functional currency.

3.02. Summary of significant accounting policies

3.02.01 Cash flow statement (Ind AS-7)

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transaction of a non-cash nature, any deferral or accrual of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the group are segregated based on the available information.

Cash & Cash Equivalent

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.02.02 Taxes on income (Ind AS-12)

Tax Expenses comprises current income Tax and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current Income tax

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred income tax assets and liabilities

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

KRA LEASING LIMITED

REGD. OFFICE: C-20, SMA Co-Operative Industrial Estate, G T Karnal Road, Delhi-33
CIN: L65993DL1990PLC039637

Notes to the consolidated financial statement for the year ended March 31, 2021

3.02.03 Property, plant and equipment (Ind AS-16)

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. The group depreciates property, plant and equipment over their estimated useful lives using method and the estimated useful lives as per schedule II.

Cost of assets not put to use before such date are disclosed under 'capital work-in-progress' Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the group and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the consolidated statement of Profit and Loss.

3.02.04 Borrowing costs (Ind AS-23)

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

The group is not required to capitalize any amount during the financial year as borrowing cost.

3.02.05 Financial Instruments (Ind AS-32/107/109)

(i) Financial Assets

Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value are adjusted to the fair value on initial recognition through profit & loss account.

Subsequent measurement

Financial assets carried at amortized cost (AC)

KRA LEASING LIMITED

REGD. OFFICE: C-20, SMA Co-Operative Industrial Estate, G T Karnal Road, Delhi-33
CIN: L65993DL1990PLC039637

Notes to the consolidated financial statement for the year ended March 31, 2021

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Other Equity Investments

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the group has elected to present the value changes in 'Other Comprehensive Income'.

Impairment of financial assets

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach permitted by Ind AS 109 Financial instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derivative financial instruments

KRA LEASING LIMITED

REGD. OFFICE: C-20, SMA Co-Operative Industrial Estate, G T Karnal Road, Delhi-33
CIN: L65993DL1990PLC039637

Notes to the consolidated financial statement for the year ended March 31, 2021

The group does not hold derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. Therefore, related disclosures not provided in financial statement.

3.02.06.Earning per equity share (Ind AS-33)

Basic earning per equity per share is computed by dividing the net profit attributable to the equity holders of the group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3.02.07.Impairment of assets (Ind AS-36)

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

No impairment loss has been provided on non-financial assets considering that no indications internal/ external exists those suggests that recoverable amount of asset is less than its carrying value.

3.02.08.Provisions and contingent liabilities (Ind AS-37)

Provisions

A provision is recognized in the consolidated financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liabilities are not recognized but are disclosed in the notes unless the outflow of resources is considered to be remote.

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Notes to the consolidated financial statement for the year ended March 31, 2021

3.02.09. Non-current assets held for sale (Ind AS-105)

The group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognized immediately in the statement of profit and loss.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet. No non-current asset classified as 'held for sale' on 31st March, 2021.

3.02.10 Operating Segment (Ind AS-108)

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Therefore, disclosures as prescribed under mentioned standards not required.

3.02.11. Fair value measurement (Ind AS-113)

The group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) in the principal market for asset or liability, or
- (ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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Notes to the consolidated financial statement for the year ended March 31, 2021

3.02.12 Revenue from Contracts with Customers (Ind AS-115)

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, and it is probable that the group will collect the consideration to which it is entitled to in exchange for the goods. Amount disclosed in Profit & Loss statement are net of GST.

- i. Interest receipts are accounted on accrual basis.
- ii. Rent received in accordance with policy mentioned under 'Ind AS -116 Leases'.
- iii. Dividend received in accordance when right to receive the dividend establishes.

3.02.13 Leases (Ind AS-116)

Group as a lessor

Leases in which the group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease, except when the lease rentals, increase are in line with general inflation index. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease rent credited to the statement of profit and loss of the current year is Rs. 1,62,53,853/- (31st March 2020: Rs. 1,63,18,624/-)

4. Significant accounting judgments, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1 Estimation of current tax and deferred tax

Management judgment is required for the calculation of provision for income - taxes and deferred tax assets and liabilities. The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the consolidated financial statements.

4.2 Recoverability of trade receivable

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Notes to the consolidated financial statement for the year ended March 31, 2021

Trade receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognized based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

4.3 Fair value measurement

Wherever required, the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets wherever possible. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.4 Global Health Pandemic (Covid-19)

The outbreak of COVID19 pandemic is causing significant disturbance and slow-down of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities.

The Management has considered the possible effects that may result from the pandemic on the recoverability/ carrying value of the assets. Based on the current indicators of future economic conditions, the Management expects to recover the carrying amount of the assets; however, the Management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Group's assets in future may differ from that estimated as at the date of approval of these consolidated financial statements.

Sd/-
Rajesh Mehra
(Managing Director)
DIN-00058232

Sd/-
Ajay Mehra
(Director)
DIN-00058245

Sd/-
Ridhima Gupta
Company Secretary

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note -5 "Property, plant and equipment"

(Figures in Rest.)

| Particulars | Life | COST OR DEEMED COST | | | | ACCUMULATED DEPRECIATION AND IMPAIRMENT | | | | CARRYING AMOUNT | |
|----------------------|------|-------------------------------|---------------------------|--------------------------|-------------------------|-----------------------------------------|--------------------------|------------------------------|-------------------------|----------------------|----------------------|
| | | Value at beginning 01/04/2019 | Additions during the year | Deletion during the year | Value at end 31/03/2020 | Value at beginning 01/04/2019 | Provided during the year | Adjusted on Sales/ write off | Value at end 31/03/2020 | WDV as on 31/03/2020 | WDV as on 31/03/2019 |
| Land | | 3,016,765 | 3,684,450 | 6,701,215 | - | - | - | - | - | - | 3,016,765 |
| Building | 30 | 21,156,013 | - | 21,156,013 | - | 16,592,820 | - | 16,592,820 | - | - | 4,563,193 |
| Office Equipment | 5 | 70,200 | - | 70,200 | - | 66,690 | - | 66,690 | - | - | 3,510 |
| Electrical Equipment | 10 | 3,936,408 | - | 3,936,408 | - | 3,681,675 | - | 3,681,675 | - | - | 254,733 |
| Plant & Machinery | 15 | 6,622,024 | - | 6,622,024 | - | 5,239,834 | - | 5,239,834 | - | - | 1,382,190 |
| Furniture & Fixtures | 10 | 246,038 | - | 246,038 | - | 233,736 | - | 233,736 | - | - | 12,302 |
| Total | | 35,047,448 | 3,684,450 | 38,731,898 | - | 25,814,755 | - | 25,814,755 | - | - | 9,232,693 |

| Particulars | Life | COST OR DEEMED COST | | | | ACCUMULATED DEPRECIATION AND IMPAIRMENT | | | | CARRYING AMOUNT | |
|----------------------|------|-------------------------------|---------------------------|--------------------------|-------------------------|-----------------------------------------|--------------------------|------------------------------|-------------------------|----------------------|----------------------|
| | | Value at beginning 01/04/2020 | Additions during the year | Deletion during the year | Value at end 31/03/2021 | Value at beginning 01/04/2020 | Provided during the year | Adjusted on Sales/ write off | Value at end 31/03/2021 | WDV as on 31/03/2021 | WDV as on 31/03/2020 |
| Land | | - | - | - | - | - | - | - | - | - | - |
| Building | | - | - | - | - | - | - | - | - | - | - |
| Plant & Machinery | | - | - | - | - | - | - | - | - | - | - |
| Office Equipment | | - | - | - | - | - | - | - | - | - | - |
| Electrical Equipment | | - | - | - | - | - | - | - | - | - | - |
| Furniture & Fixtures | | - | - | - | - | - | - | - | - | - | - |
| Total | | - | - | - | - | - | - | - | - | - | - |

| | | |
|---------------------|-------------------|----------------------|
| Sd/- | Sd/- | Sd/- |
| Rajesh Mehra | Ajay Mehra | Ridhima Gupta |
| (Managing Director) | (Director) | Co. Secretary |
| DIN:00058232 | DIN:00058245 | |

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note 6 "Investment property"

(Figures in Rs.)

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|------------------------------------|---------------------|---------------------|---------------------|
| Opening balance | 39,734,118 | 39,734,118 | 39,734,118 |
| Additions (Subsequent expenditure) | - | - | - |
| Closing balance | 39,734,118 | 39,734,118 | 39,734,118 |
| Depreciation and impairment | | | |
| Opening balance | 7,731,251 | 7,214,403 | - |
| Depreciation | 516,848 | 516,848 | - |
| Closing balance | 8,248,099 | 7,731,251 | 7,214,403 |
| Net block | 31,486,019 | 32,002,867 | 32,519,715 |

Information regarding income and expenditure of Investment property

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Rental income derived from investment properties | 15,930,000 | 15,930,000 | 15,930,000 |
| Direct operating expenses (Property Tax) that generate rental income | 3,760,735 | 4,309,124 | 2,096,214 |
| Direct operating expenses (Property tax and repair & maintenance) that did not generate rental income | - | - | - |
| Profit arising from investment properties before depreciation and indirect expenses | 12,169,265 | 11,620,876 | 13,833,786 |
| Less: Depreciation | 516,848 | 516,848 | 516,848 |
| Profit arising from investment properties before indirect expenses | 11,652,417 | 11,104,028 | 13,316,938 |

1. As at 31 March, 2021, the fair value of investment properties are Rs. 33.74 crores. These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

2. Investment properties are leased to tenants under operating lease agreements.

| | | |
|---------------------|---------------------|----------------------|
| Sd/- | Sd/- | Sd/- |
| Rajesh Mehra | Ajay Mehra | Ridhima Gupta |
| (Director) | (Director) | Co. Secretary |
| DIN:00058232 | DIN:00058245 | |

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note 7 "Non Current Investments"

(Figures in Rs.)

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| (a) Investment in equity instruments(unquoted) | | | |
| In Others | | | |
| 1. 92449 shares of Jaquar & Co (P) Ltd. unquoted, fully paid, at cost(24.98% of total holding) | 36,780,718 | 36,780,718 | 36,780,718 |
| 2. 95000 shares of G.R. Sales (P)Ltd. unquoted, fully paid, at cost(7.23% of total holding) | 1,017,582 | 1,017,582 | 1,017,582 |
| 3. 332000 shares of Sanraj Farms(P) Ltd. unquoted, fully paid, at cost(38.37% of total holding) | 33,200,000 | 33,200,000 | 33,200,000 |
| 4. 363415 shares of Essco Sanitations (P) Ltd. unquoted, fully paid, at cost(36.52% of total holding) | 17,545,135 | 17,545,135 | 17,545,135 |
| 5. 924490 shares of Jai Kaur Enterprises Pvt Ltd unquoted, fully paid, at cost(24.98% of total holding) | 9,244,900 | - | - |
| 6. 60000 shares of Prompt Capital & Finser Pvt Ltd unquoted, fully paid, at cost(7.23% of total holding) | 962,400 | 962,400 | 962,400 |
| | 98,750,735 | 89,505,835 | 89,505,835 |
| (b) Advance against Purchase of shares | - | 118,500,000 | - |
| Gross Investments- Total(a+b) | 98,750,735 | 208,005,835 | 89,505,835 |
| Net investments | 98,750,735 | 208,005,835 | 89,505,835 |
| Aggregate amount of quoted investments. | - | - | - |
| Aggregate amount of unquoted Investments. | 98,750,735 | 208,005,835 | 89,505,835 |
| Market value of quoted investments. | - | - | - |

Note 8 "Other financial assets"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|--------------------------------------|---------------------|---------------------|---------------------|
| <i>(Unsecured, Considered goods)</i> | | | |
| Security deposits paid | 1,047,030 | 1,047,030 | 1,047,030 |
| Total | 1,047,030 | 1,047,030 | 1,047,030 |

| | | |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note 9 "Current Investments"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-----------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Other than trade | | | |
| Investment measured at fair value through other comprehensive income | | | |
| (a) Investment in mutual funds(quoted) | | | |
| Axis Corporate Debt Fund - Regular Growth | 30,178,777 | - | - |
| HDFC Low duration fund (Retail) (Regular Plan) Monthly Dividend payout | - | 20,797,358 | - |
| Gross Investments- Total(a+b+c) | 30,178,777 | 20,797,358 | - |
| Net investments | 30,178,777 | 20,797,358 | - |
| Aggregate amount of quoted investments | 30,178,777 | 20,797,358 | - |
| Cost value of quoted investments | 30,000,000 | 20,761,691 | - |

Note 10 "Trade receivables"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-----------------------------------|---------------------|---------------------|---------------------|
| <i>Unsecured, considered good</i> | | | |
| - From related parties | 30,406,247 | 26,076,185 | 23,324,635 |
| - From others | 6,071,444 | 10,214,030 | 10,176,231 |
| | 36,477,691 | 36,290,215 | 33,500,866 |

(1) There is no conditions provided in agreement for interest on late payment.

(2) Ageing of receivables

| Particulars | 31/03/2021 | 31/03/2020 | 01/04/2019 |
|----------------------------|-------------------|-------------------|-------------------|
| upto 6 months | 7,001,197 | 9,692,536 | 11,502,368 |
| from 6 months to 12 months | 29,476,494 | 26,597,679 | 21,998,498 |
| | 36,477,691 | 36,290,215 | 33,500,866 |

Note 11 "Cash and Cash Equivalents"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|------------------------|---------------------|---------------------|---------------------|
| (A) Balance with Banks | | | |
| - In Current Account | 13,122,621 | 48,038,199 | 19,134,643 |
| (B) Cash on hand | 341,169 | 350,369 | 915,563 |
| Total (A+B) | 13,463,790 | 48,388,568 | 20,050,206 |

Note 12 "Other Bank balance "

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|------------------------------------|---------------------|---------------------|---------------------|
| FDR with current bank | 90,000 | 90,000 | 90,000 |
| (FDR is given as security deposit) | | | |
| | 90,000 | 90,000 | 90,000 |

| | | |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note 13 "Short term loans and advances"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-------------------------------------|---------------------|---------------------|---------------------|
| <i>(Unsecured, Considered good)</i> | | | |
| Loans given - Related parties | 211,100,000 | 37,400,000 | 50,500,000 |
| - Others | 50,000,000 | 70,000,000 | 110,000,000 |
| | 261,100,000 | 107,400,000 | 160,500,000 |

Note 14 "Current tax assets (net)"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|--------------------|---------------------|---------------------|---------------------|
| Income tax refunds | 1,420,360 | 1,582,800 | 2,660,056 |
| MAT Recoverable | - | 6,836 | 1,575,328 |
| | 1,420,360 | 1,589,636 | 4,235,384 |

Note 15 "Other current assets"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-----------------------------|---------------------|---------------------|---------------------|
| GST Receivable | 25,920 | - | 52,380 |
| Prepaid expenses | 42,600 | 11,963 | 7,558 |
| Receivable(Interest on FDR) | 1,110 | 1,219 | 1,219 |
| | 69,630 | 13,182 | 61,157 |

| | | |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note 16 "Equity share capital"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|----------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Equity share capital | 67,071,640 | 67,071,640 | 67,071,640 |
| | 67,071,640 | 67,071,640 | 67,071,640 |
| Authorised share capital : | | | |
| 1,40,00,000 (P.Y. 70,00,000) fully paid equity shares of Rs. 5 each (Prev. year Rs. 10 each) | 70,000,000 | 70,000,000 | 70,000,000 |
| Issued, subscribed and paid capital | | | |
| 1,34,14,328 (P.Y. 67,07,164) fully paid equity shares of Rs. 5 each (Prev. year Rs. 10 each) | 67,071,640 | 67,071,640 | 67,071,640 |
| Less : Shares held by Subsidiary Company (Adjustment on account of cross holding) | - 4,098,000 | - 4,098,000 | - 4,098,000 |
| | 62,973,640 | 62,973,640 | 62,973,640 |
| Reconciliation statement of No. of equity shares and amount of equity share | | | |
| <i>(A) Number of share</i> | | | |
| Opening Balance | 6,707,164 | 6,707,164 | 6,707,164 |
| Increase due to change in Face value of share from Rs. 10 to Rs. 5 each | 6,707,164 | - | - |
| Closing Balance | 13,414,328 | 6,707,164 | 6,707,164 |
| <i>(B) Amount of share capital</i> | | | |
| Opening Balance | 67,071,640 | 67,071,640 | 67,071,640 |
| Closing Balance | 67,071,640 | 67,071,640 | 67,071,640 |

Terms/ rights attached to equity shares

The company has only one class of equity shares having at part value of Rs. 5/- (Prev. year 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.

Details of shares held by each share holders, holding more than 5% shares

| Name of share holder | No. of shares with % | | No. of shares with % | | No. of shares with % | |
|---------------------------------------------|----------------------|--------|----------------------|--------|----------------------|--------|
| Prompt Capital & Finser(P) Ltd. | 1136800 | 8.47% | 568400 | 8.47% | 568400 | 8.47% |
| G.R Sales(P) Ltd. | 932400 | 6.95% | 466200 | 6.95% | 466200 | 6.95% |
| Essco sanitations (P) Ltd) | 1438800 | 10.73% | 719400 | 10.73% | 719400 | 10.73% |
| Bastion industrial leasing finance (P) Ltd. | 834400 | 6.22% | 417200 | 6.22% | 417200 | 6.22% |
| Ajay Mehra | 930480 | 6.94% | 465240 | 6.94% | 465240 | 6.94% |
| SMG Enterprises Ltd | 819600 | 6.11% | 409800 | 6.11% | 409800 | 6.11% |

| | | |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note 17 "Other Equity"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-----------------------------------------------------|---------------------|---------------------|---------------------|
| Retained Earnings | 293,721,293 | 281,147,885 | 199,515,421 |
| Reserve u/s 45I of RBI | 37,860,786 | 34,607,230 | 13,447,347 |
| Capital reserve | 1,145,065 | 1,145,065 | 1,145,065 |
| Other Comprehensive items | 133,782 | 26,690 | - |
| | 332,860,926 | 316,926,870 | 214,107,833 |
| Retained earnings | | | |
| Balance at beginning of the year | 281,147,885 | 199,515,421 | 189,034,796 |
| Profit during the year | 16,323,025 | 106,014,144 | 21,930,057 |
| Transfer to Reserve | 3,253,556 | 21,159,883 | 4,370,009 |
| Less: Profit adjustment on account of cross holding | 496,061 | 3,221,797 | 7,079,423 |
| Closing Balance at year end | 293,721,293 | 281,147,885 | 199,515,421 |
| Reserve u/s 45IC of RBI | | | |
| Balance at beginning of the year | 34,607,230 | 13,447,347 | 9,077,338 |
| Addition/(deletion) during the year | 3,253,556 | 21,159,883 | 4,370,009 |
| Closing Balance at year end | 37,860,786 | 34,607,230 | 13,447,347 |
| Capital Reserve | | | |
| Capital reserve on consolidation | 3,097,165 | 3,097,165 | 3,097,165 |
| Adjustment on account of cross holding | - 1,952,100 | - 1,952,100 | - 1,952,100 |
| Closing Balance at year end | 1,145,065 | 1,145,065 | 1,145,065 |
| Other comprehensive items | | | |
| Balance at beginning of the year | 26,690 | - | - |
| Addition/(deletion) during the year | 107,092 | 26,690 | - |
| Closing Balance at year end | 133,782 | 26,690 | - |

Note 18 "Other financial Liabilities"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|----------------------------------------|---------------------|---------------------|---------------------|
| Security deposit received (Fair value) | 7,857,000 | 7,515,661 | 7,123,849 |
| Advance rent received (Fair value) | - | 323,853 | 712,477 |
| | 7,857,000 | 7,839,514 | 7,836,326 |

Note 19 "Long Term Provisions"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|----------------------------------------------|---------------------|---------------------|---------------------|
| Contingent provision against Standard Assets | 1,189,527 | 574,063 | 765,335 |
| Provision for Doubtful Debts | - | - | 2,300,000 |
| | 1,189,527 | 574,063 | 3,065,335 |

| | | |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note 20 "Deferred tax liabilities (net)"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|---------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| (A) Deferred tax liability arising on account of | | | |
| (a) Difference between book balance and tax balance of tangible and intangible assets | - | - | 656,301 |
| (b) Investment at fair value through OCI | 44,995 | 8,977 | - |
| Total (A) | 44,995 | 8,977 | 656,301 |
| (B) Deferred tax asset arising on account of | | | |
| Total (B) | - | - | - |
| Deferred Tax liability (Net) | 44,995 | 8,977 | 656,301 |

Note 14 "Borrowings"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|------------------------------|---------------------|---------------------|---------------------|
| Unsecured, payable on demand | | | |
| - Loan from related parties | 49,515,000 | 46,015,000 | 46,015,000 |
| | 49,515,000 | 46,015,000 | 46,015,000 |

Note: Borrowings are from directors and interest free, repayable on demand

Note 21 "Trade payables"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|----------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Sundry creditors for services (amount due on account of goods purchased or services rendered in normal course of business) | 184,350 | 801,139 | 394,191 |
| | 184,350 | 801,139 | 394,191 |

Note:

No interest is payable on amount payable outstanding at year end. As per general practice of the company, amount due is paid within time as agreed therefore no interest is paid on trade payables.

Note 22 "Other current liabilities"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|---------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Expenses payable (on account of services rendered in normal course of business) | 334,200 | 1,866,276 | 346,121 |
| Government Dues | 158,954 | 201,166 | 224,797 |
| | 493,154 | 2,067,442 | 570,918 |

| | | |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | sd/- Ridhima Gupta Co. Secretary |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note 23 "Revenue from operation"

(Figures in Rs.)

| | As at 31/03/2021 | As at 31/03/2020 |
|---------------------------------------|---------------------|---------------------|
| Rent Received | 15,930,000 | 15,930,000 |
| Rent received (fair value) | 323,853 | 388,624 |
| Interest received | 9,640,693 | 10,752,958 |
| Short term capital gain | 564,875 | - |
| Interest on FDR | 5,539 | 5,852 |
| Dividend received | 390,067 | 761,690 |
| <u>Other operating revenue</u> | | - |
| Resort receipts | - | 300,000 |
| Agricultural income | - | 596,050 |
| Long term capital gain | - | 103,045,610 |
| Total | 26,855,027 | 131,780,784 |

Note 24 "Employee Benefit Expenses"

| | As at 31/03/2021 | As at 31/03/2020 |
|--------------------|---------------------|---------------------|
| Salaries and wages | 216,000 | 160,000 |
| Total | 216,000 | 160,000 |

Note 25 "Finance Cost"

| | As at 31/03/2021 | As at 31/03/2020 |
|-------------------------------------------|---------------------|---------------------|
| Interest on security deposit (fair value) | 341,339 | 391,812 |
| Total | 341,339 | 391,812 |

Note 26 "Depreciation and amortization expense"

| | As at 31/03/2021 | As at 31/03/2020 |
|-------------------------------------|---------------------|---------------------|
| Depreciation on investment property | 516,848 | 516,848 |
| Total | 516,848 | 516,848 |

Sd/-
Rajesh Mehra
(Managing Director)
DIN:00058232

Sd/-
Ajay Mehra
(Director)
DIN:00058245

Sd/-
Ridhima Gupta
Co. Secretary

Notes to Consolidated financial statement for the year ended 31st March, 2021

Note 27 "Other expenses"

| | As at 31/03/2021 | As at 31/03/2020 |
|----------------------------------------|---------------------|---------------------|
| Bank Charges | 5,744 | 1,836 |
| Property Tax | - | 333,671 |
| Payment to Auditors | 35,000 | 35,000 |
| Short & excess | 2,241 | - |
| Legal & Professional Charges | 393,876 | 548,164 |
| Director's sitting fees | 144,000 | - |
| Electricity Expenses | - | 388,518 |
| Short Term Capital Loss on Mutual Fund | 45,579 | - |
| Maintenance(CP property) | 722,650 | 300,951 |
| Printing & Stationery | 21,305 | 2,844 |
| Postage and telegram | 7,550 | 8,295 |
| Internal Audit fees | 48,000 | 48,000 |
| Fixed Assets Written off | - | 6,215,925 |
| Advertisement | 40,572 | 44,856 |
| Property tax(CP Property) | 3,038,085 | 3,674,502 |
| Telephone expenses | - | 6,672 |
| Agricultural expense | - | 576,675 |
| Listing charges | 81,550 | 109,280 |
| Resort Maintenance | - | 383,435 |
| Rates and Taxes | 144,123 | 5,472 |
| Total | 4,730,275 | 12,684,096 |

| | | |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|

KRA LEASING LIMITED

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Notes to the consolidated financial statement for the year ended March 31, 2021

28. First time Ind AS adoption reconciliations

28.1 Effects of Ind AS adoption on the consolidated balance sheet as at 31st March, 2020 and 1st April, 2019 (Figure in Rs.)

| | As at 31 st March, 2020 | | | As at 1 st April, 2019 | | |
|-------------------------------------|------------------------------------|--------------------------------|-----------------------------|-----------------------------------|--------------------------------|-----------------------------|
| | Previous GAAP | Effect of transition to Ind AS | As per Ind AS Balance Sheet | Previous GAAP | Effect of transition to Ind AS | As per Ind AS Balance Sheet |
| ASSETS | | | | | | |
| Non-current assets | 26,95,48,674 | 2,84,92,942 | 24,10,55,732 | 13,95,19,676 | 72,14,403 | 13,23,05,273 |
| Current assets | 20,72,83,685 | -72,85,274 | 21,45,68,959 | 22,45,24,653 | 60,87,040 | 21,84,37,613 |
| TOTAL ASSETS | 47,68,32,359 | 2,12,07,668 | 45,56,24,691 | 36,40,44,329 | 1,33,01,443 | 35,07,42,886 |
| EQUITY AND LIABILITIES | | | | | | |
| Equity | 40,60,05,631 | 76,87,075 | 39,83,18,556 | 29,93,98,544 | 71,93,729 | 29,22,04,815 |
| Non-current liabilities | 84,31,063 | 8,509 | 84,22,554 | 1,15,78,636 | 20,674 | 1,15,57,962 |
| Current liabilities | 6,23,95,665 | 1,35,12,084 | 4,88,83,581 | 5,30,67,149 | 60,87,040 | 4,69,80,109 |
| TOTAL EQUITY AND LIABILITIES | 47,68,32,359 | 2,12,07,668 | 45,56,24,691 | 36,40,44,329 | 1,33,01,443 | 35,07,42,886 |

28.2 Reconciliation of other equity between Ind AS and previous GAAP

| Particulars | As at 31 March 2020 | As at 1 April 2019 |
|----------------------------------------------|------------------------|-----------------------|
| Other equity as per previous GAAP | 32,46,18,086 | 22,13,01,562 |
| Add/Less: Adjustment to equity due to Ind AS | 76,91,216 | 71,93,729 |
| Other equity as reported under Ind AS | 31,69,26,870 | 21,41,07,833 |

29. Payment to Auditors

| Particulars | Financial Year 2020-21 | Financial Year 2019-20 |
|----------------------|---------------------------|---------------------------|
| Statutory audit fees | 35,000 | 35,000 |
| Total | 35,000 | 35,000 |

30. Earnings per share

| Particulars | Financial Year 2020-21 | Financial Year 2019-20 |
|------------------------------------------------------------------------------------------------|---------------------------|---------------------------|
| Earnings available for distribution to equity shareholders | 1,65,08,140 | 10,61,13,741 |
| Weighted average number of equity shares (face value of Rs. 5 each (Prev. year Rs. 10each)) | 13414328 | 6707164 |

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Notes to the consolidated financial statement for the year ended March 31, 2021

| | | |
|----------------------------|------|-------|
| Basic earnings per share | 1.23 | 15.82 |
| Diluted earnings per share | 1.23 | 15.82 |

31. Financial instruments

31.1 Capital management

The group manages its capital to ensure that entity will continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of group consists of debt which includes the borrowings as disclosed in note 21 as reduced by cash and cash equivalents and current investments. Equity attributable to equity holders of the group comprises issued share capital, reserves and retained earnings as disclosed in the statement of changes in equity.

Gearing ratio

The gearing ratio at end of the reporting period was as follows.

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|---------------------------------|---------------------|---------------------|---------------------|
| Debt (a) | 4,95,15,000 | 4,60,15,000 | 4,60,15,000 |
| Cash and bank balances (b) | 1,34,63,790 | 4,83,88,568 | 2,00,50,206 |
| Net debt (a-b) | 3,60,51,210 | -23,73,568 | 2,59,64,794 |
| Total equity | 41,48,00,006 | 39,83,18,556 | 29,22,04,815 |
| Net debt to equity ratio | 8.69% | - | 8.89% |

Debt is defined as long-term and short-term borrowings as described in note no. 21(Balance sheet).

31.2 Financial instruments by category

(Figures in Rs.)

| Particulars | 31 March 2021 | | | 31 March 2020 | | | 1 April 2019 | | |
|-------------------------------------|---------------|--------------------|-----------------------------|---------------|---------------------|-----------------------------|--------------|--------------------|-----------------------------|
| | FVOCI | FVTPL | Amortized cost [#] | FVOCI | FVTPL | Amortized cost [#] | FVOCI | FVTPL | Amortized cost [#] |
| Non-current financial assets | | | | | | | | | |
| Investment | - | 9,87,50,735 | - | - | 20,80,05,835 | - | - | 8,95,05,835 | - |
| Other financial assets | - | - | 10,47,030 | - | - | 10,47,030 | - | - | 10,47,030 |
| Total | - | 9,87,50,735 | 10,47,030 | - | 20,80,05,835 | 10,47,030 | - | 8,95,05,835 | 10,47,030 |
| Current financial assets | | | | | | | | | |
| Investment | 3,01,78,777 | - | - | 2,07,97,358 | - | - | - | - | - |
| Trade | - | - | 3,64,77, | - | - | 3,62,90 | - | - | 3,35,00,8 |

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Notes to the consolidated financial statement for the year ended March 31, 2021

| | | | | | | | | | |
|------------------------------------------|--------------------|---|---------------------|---|---|---------------------|---|---|---------------------|
| receivables | | | 691 | | | ,215 | | | 66 |
| Cash & cash equivalents | - | - | 1,34,63,790 | - | - | 4,83,88,568 | - | - | 2,00,50,206 |
| Other bank balance | - | - | 90,000 | - | - | 90,000 | - | - | 90,000 |
| Loans & advances | - | - | 26,11,00,000 | - | - | 10,74,00,000 | - | - | 16,05,00,000 |
| Total | 3,01,78,777 | - | 31,11,31,481 | - | - | 19,21,68,783 | - | - | 21,41,41,072 |
| Non-Current financial liabilities | | | | | | | | | |
| Other financial liabilities | - | - | 78,57,000 | - | - | 78,39,514 | - | - | 78,36,326 |
| Total | | | 78,57,000 | | | 78,39,514 | | | 78,36,326 |
| Current financial liabilities | | | | | | | | | |
| Borrowings | - | - | 4,95,15,000 | - | - | 4,60,15,000 | - | - | 4,60,15,000 |
| Trade payable | - | - | 1,84,350 | - | - | 8,01,139 | - | - | 3,94,191 |
| Total | - | - | 4,96,99,350 | - | - | 4,68,16,139 | - | - | 4,64,09,191 |

#Balance of financial assets/ liabilities having short term maturity and valued at transaction price for fair value purpose is included in amortized cost.

#there were no reclassification from one measurement category to another during the financial year ended.

31.3 Financial risk management objectives

The group is not exposed to any financial risks in relation to financial instruments those require further disclosures. The probable risk is credit risk, interest rate risk and liquidity risk for which explanations provided below. The group is not engaged in any speculative activities to manage risk but optimize related risk through internal risk management strategies.

31.4 Interest rate risk management

The company has borrowed funds from directors. It is not subject to any risks arising from fluctuations in interest rates since loans are interest free.

31.5 Credit risk management

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss and the group is exposed to credit risk for cash and cash equivalents for which further explanations provided below:

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Notes to the consolidated financial statement for the year ended March 31, 2021

31.5.1 Cash and cash equivalent

The group considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The group does not maintain significant deposit balances other than those required for its day to day operations.

31.6 Liquidity risk management

Liquidity risk reflects the risk that the group will have insufficient resources to meet its financial liabilities as they fall due. The group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The group regularly monitors liquidity requirements to ensure that it has sufficient cash to meet operational needs.

The details of contractual maturities of significant financial liabilities: (Figures in Rs.)

| Particulars | As of 31 March 2021 | | As of 31 March 2020 | | As of 1 April 2019 | |
|------------------------------|---------------------|--------------------|---------------------|---------------------|---------------------|--------------------|
| | Less than 1 year | More than 1 year | Less than 1 year | More than 1 year | Less than 1 year | More than 1 year |
| Financial assets | | | | | | |
| Trade receivable | 3,64,77,691 | - | 3,62,90,215 | - | 3,35,00,866 | - |
| Cash & cash equivalent | 1,34,63,790 | - | 4,83,88,568 | - | 2,00,50,206 | - |
| Investment | 3,01,78,777 | 9,87,50,735 | 2,07,97,358 | 20,80,05,835 | - | 8,95,05,835 |
| Other Bank balance | 90,000 | - | 90,000 | - | 90,000 | - |
| Other financial assets | - | 10,47,030 | - | 10,47,030 | - | 10,47,030 |
| Loans & Advances | 26,11,00,000 | - | 10,74,00,000 | - | 16,05,00,000 | - |
| Total | 34,13,10,258 | 9,97,97,765 | 21,29,66,141 | 20,90,52,865 | 21,41,41,072 | 9,05,52,865 |
| Financial liabilities | | | | | | |
| Other financial liabilities | - | 78,57,000 | - | 78,39,514 | - | 78,36,326 |
| Borrowing | 4,95,15,000 | - | 4,60,15,000 | - | 4,60,15,000 | - |
| Trade payable | 1,84,350 | - | 8,01,139 | - | 3,94,191 | - |
| Total | 4,96,99,350 | 78,57,000 | 4,68,16,139 | 78,39,514 | 4,64,09,191 | 78,36,326 |

32. Fair value measurement

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties.

1. Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

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Notes to the consolidated financial statement for the year ended March 31, 2021

2. Fair value hierarchy

The group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2019

| Particulars | Carrying amount 31-March-2019 | Fair value | | |
|------------------------------------------------|----------------------------------|------------|---------|---------------------|
| | | Level 1 | Level 2 | Level 3 |
| Financial assets at FVTOCI | | | | |
| Investment | - | - | - | - |
| Financial assets at amortized cost | | | | |
| Investment | 8,95,05,835 | - | - | 8,95,05,835 |
| Other financial asset (Non-current) | 10,47,030 | - | - | 10,47,030 |
| Trade receivables | 3,35,00,866 | - | - | 3,35,00,866 |
| Cash & cash equivalent | 2,00,50,206 | - | - | 2,00,50,206 |
| Other bank balance | 90,000 | - | - | 90,000 |
| Loan & Advances | 16,05,00,000 | - | - | 16,05,00,000 |
| Total | 30,46,93,937 | - | - | 30,46,93,937 |
| Financial liabilities at amortized cost | | | | |
| Other financial liabilities | 78,36,326 | - | - | 78,36,326 |
| Borrowings | 4,60,15,000 | - | - | 4,60,15,000 |
| Trade payable | 3,94,191 | - | - | 3,94,191 |
| Total | 5,42,45,517 | - | - | 5,42,45,517 |

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2020

| Particulars | Carrying amount 31-March-2020 | Fair value | | |
|-----------------------------------|----------------------------------|-------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Financial assets at FVTOCI | | | | |
| Investment | 2,07,97,358 | 2,07,97,358 | - | - |

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Notes to the consolidated financial statement for the year ended March 31, 2021

| | | | | |
|------------------------------------------------|---------------------|--------------------|----------|---------------------|
| Total | 2,07,97,358 | 2,07,97,358 | - | - |
| Financial assets at amortized cost | | | | |
| Investment | 20,80,05,835 | - | - | 20,80,05,835 |
| Other financial asset (Non-current) | 10,47,030 | - | - | 10,47,030 |
| Trade receivables | 3,62,90,215 | - | - | 3,62,90,215 |
| Cash & cash equivalent | 4,83,88,568 | - | - | 4,83,88,568 |
| Other bank balance | 90,000 | - | - | 90,000 |
| Loan & Advances | 10,74,00,000 | - | - | 10,74,00,000 |
| Total | 40,12,21,648 | - | - | 40,12,21,648 |
| Financial liabilities at amortized cost | | | | |
| Other financial liabilities | 78,39,514 | - | - | 78,39,514 |
| Borrowings | 4,60,15,000 | - | - | 4,60,15,000 |
| Trade payable | 8,01,139 | - | - | 8,01,139 |
| Total | 5,46,55,653 | - | - | 5,46,55,653 |

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2021

| Particulars | Carrying amount 31-March-2021 | Fair value | | |
|------------------------------------------------|----------------------------------|--------------------|----------|---------------------|
| | | Level 1 | Level 2 | Level 3 |
| Financial assets at FVTOCI | | | | |
| Investment | 3,01,78,777 | 3,01,78,777 | - | - |
| Total | 3,01,78,777 | 3,01,78,777 | - | - |
| Financial assets at amortized cost | | | | |
| Investment | 9,87,50,735 | - | - | 9,87,50,735 |
| Other financial asset (Non-current) | 10,47,030 | - | - | 10,47,030 |
| Trade receivables | 3,64,77,691 | - | - | 3,64,77,691 |
| Cash & cash equivalent | 1,34,63,790 | - | - | 1,34,63,790 |
| Other bank balance | 90,000 | - | - | 90,000 |
| Loan & Advances | 26,11,00,000 | - | - | 26,11,00,000 |
| Total | 41,09,29,246 | - | - | 41,09,29,246 |
| Financial liabilities at amortized cost | | | | |
| Other financial liabilities | 78,57,000 | - | - | 78,57,000 |
| Borrowings | 4,95,15,000 | - | - | 4,95,15,000 |
| Trade payable | 1,84,350 | - | - | 1,84,350 |

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Notes to the consolidated financial statement for the year ended March 31, 2021

| | | | | |
|--------------|--------------------|---|---|--------------------|
| Total | 5,75,56,350 | - | - | 5,75,56,350 |
|--------------|--------------------|---|---|--------------------|

33. Related party transactions

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

List of related parties

| Relationship | Name of related party |
|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key managerial personnel (KMP) | Mr. S K Mehra, Director Mr. Rajesh Mehra, Managing Director/ CFO Mr. Ajay Mehra, Director Mrs. Disha Bajaj, Ind. Director Mr. Amit Kumar Modi, Ind. Director Mr. Ravi Sharma, Ind. Director Ms. Ridhima Gupta (Co. Secretary) |
| Relative of Directors | Mrs. Deepika Mehra Mrs. Disha Mehra Mr. Kanav Mehra Mrs. Malti Mehra Mrs. Nishi Mehra Mr. Parichay Mehra Mr. Ranbir Raj Mehra Mrs. Vidhi Mehra Mrs. Vidhi Ranbir Mehra |
| Entities where significant influence is exercised by KMP and/or their relatives having transactions with the group | M/s Jaquar & Co. Pvt. Ltd. M/s Jai Kaur Enterprises Pvt Ltd M/s Sweet Hospitality Pvt Ltd. M/s G.R. Sales Pvt Ltd. M/s Essco Sanitation Pvt Ltd. M/s Kaveri Farms Pvt. Ltd. |

Details of transaction between the Group and its related parties are disclosed below:

| Particulars | Key managerial personnel (KMP) and their relatives | | Entities where significant influence is exercised by KMP and/or their relatives having transactions with the group | |
|-------------|----------------------------------------------------|---------------|--------------------------------------------------------------------------------------------------------------------|---------------|
| | 31 March 2021 | 31 March 2020 | 31 March 2021 | 31 March 2020 |
| | | | | |

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Notes to the consolidated financial statement for the year ended March 31, 2021

| (i) Transactions during the year | | | | |
|----------------------------------------|-------------|-------------|--------------|--------------|
| Interest income received on loan given | - | - | 68,22,105 | 33,01,246 |
| Resort receipt | - | - | - | 3,00,000 |
| Rent received | - | - | 2,16,000 | 2,16,000 |
| Director sitting fees paid | 1,44,000 | - | - | - |
| Salary payment to KMP | 2,16,000 | - | - | - |
| Investment during the year | - | - | 16,36,80,025 | - |
| Investment sold during the year | - | - | 15,50,00,000 | - |
| Loan taken during the year | 35,00,000 | - | - | - |
| Loan given during the year | 99,00,000 | - | 19,90,00,000 | - |
| Loan received back during the year | 99,00,000 | - | 1,73,01,706 | 1,31,00,000 |
| (ii) Closing Balance as at year end | | | | |
| Investment as at year end | - | - | 9,87,50,735 | 20,80,05,835 |
| Debtor Balance | - | - | 3,04,06,247 | 2,60,76,185 |
| Loan receivable | - | - | 21,11,00,000 | 3,74,00,000 |
| Loan Payable | 4,95,15,000 | 4,60,15,000 | - | - |

34. Income tax reconciliation

The income tax expenses for the year can be reconciled to the accounting profit as follows:

(Figures in Rs.)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|------------------------------------------------------------------------|---------------------|---------------------|
| Profit before tax | 2,04,35,101 | 12,05,19,300 |
| Applicable tax rates (including surcharge) | 25.168% | 25.168% |
| Computed tax expense as per applicable tax rate | 51,43,106 | 3,03,32,297 |
| Tax effect of : | | |
| Additional Expenses allowed | -9,73,391 | -9,25,878 |
| Disallowance of Expenses | 4,71,257 | 14,52,492 |
| Difference due to tax rates | - | -9,08,435 |
| Income difference as per IT Provisions | - | -1,64,37,847 |
| Current tax provision (A) | 46,40,972 | 1,35,12,629 |
| Mat credit allowed (B) | - | 2,058 |
| Tax expenses recognized in statement of Profit & Loss (A+B) | 46,40,972 | 1,35,14,142 |
| Effective tax rate | 22.71% | 11.21% |

35. Contingent liabilities not provided for in respect of:

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Notes to the consolidated financial statement for the year ended March 31, 2021

The Group during the year did not incur any contingent liability and also did not provided in consolidated profit & loss statement. Further there is no outstanding demand pending against group as at year end.

36. Capital and other commitments

There is no capital and other commitments pending as at year end.

37.The group has not received any information from any of the suppliers being small-scale industrial units. Hence amount due of small-scale industries units as on 31.03.2021 is not ascertainable based on the information available with the group in respect of micro, small and medium enterprises. Hence the question of payments of interest or provision thereof towards belated payments does not arise. Therefore, disclosure of balances outstanding of suppliers being small-scale industrial units shown in profit & loss account is as NIL.

For Arun K. Maheshwari & Co.
Chartered Accountants
Firm Regn no. 21421N

For and on behalf of Board of Directors
for KRA Leasing Ltd.

Sd/-

Arun K. Maheshwari
(Proprietor)

Membership No. 508847

Place: New Delhi

Date: 30.06.2021

Sd/-

Rajesh Mehra
(Managing Director)

DIN-00058232

Sd/-

Ajay Mehra
(Director)

DIN-00058245

Sd/-

Ridhima Gupta
Co. Secretary

INDEPENDENT AUDITOR'S REPORT

The Members of M/s KRA Leasing Limited

Opinion

I have audited the accompanying standalone financial statements of **M/s KRA Leasing Limited** (“the company”), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss including statement of other comprehensive income, the statement of change in equity and Cash Flow Statement and a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, its profit including statement of other comprehensive income, changes in equity and its cash flows for the year ended on that date.

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to my audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the Financial Statements for the financial year ended March 31, 2021. These matters were addressed in the context of my audit of the Financial Statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Fair valuation of Investments

The Company has investments in Unlisted Equity Shares of Group entities and their value shown in financial statement is at cost considering the exemption given for unlisted equity shares. Investment in Mutual funds are shown at fair value through other comprehensive income and valued at market rate available as on 31st March 2021 and considered as level 1 for fair value hierarchy.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and my auditors’ report thereon. My opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with my audit of the Standalone Financial Statements, my responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or my knowledge

obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I have required to report that fact. I have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

My objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements. As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I have required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my

opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation. I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2021 and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory 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, I give in Annexure -1 a statement on the matters specified in paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, I report that:
 - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit;
 - b) In my opinion proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books;
 - c) The Balance Sheet, the Statement of Profit & Loss including statement of other comprehensive income, the statement of changes in equity and Cash flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In my 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,;
 - e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, 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 my separate report in Annexure -2 to this report.
 - g) In my opinion and to the best of my information and according to the explanations given to me, I 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 did not have 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.

Place: New Delhi
Date : 30.06.2021

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

Sd/-
(ARUN MAHESHWARI)
(Proprietor)
Membership No. : 508847
UDIN:21508847AAAABJ8262

Re: M/s KRA Leasing Limited

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

- (i) According to information and explanation given to me, the company has no fixed assets as at year end.
- (ii) According to information and explanation given to me, the company does not hold any physical inventories. Therefore, given compliances are not applicable to the company.
- (iii) According to my audit procedure and on the basis of information & explanations given to me, the company has granted unsecured loan to parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has granted loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.
 - a) In my 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. Though no stipulation as to repayment of loan, interest receipts from body corporate is pending.
 - c) In view of (b) above, this clause is not applicable.
- (v) In my opinion and according to the information and explanations given to me, the provision of section 185 and 186 of the Companies Act, 2013 are not applicable to the company as the company is registered as NBFC.
- (vi) 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.
- (vii) According to the information and explanations given to me, 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.
- (viii)
 - (a) According to the information and explanations given to me, the company is regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, GST, wealth tax, Service Tax and other material statutory dues applicable to it. According to the information and explanations given to me, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 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 me, there are no dues of income tax, sale tax, GST, wealth tax, service tax which have not been deposited on account of any dispute.

- (ix) In my opinion and according to the information and explanations given to me, the Company has not defaulted in the repayment of dues to banks, financial institutions, government or has not issued any debentures.
- (x) According to my 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.
- (xi) According to the information and explanations given to me, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xii) According to the information and explanations given to me and based on my 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.
- (xiii) In my opinion and according to the information and explanations given to me, the Company is not a Nidhi Company. Therefore, the paragraph 3(xii) of the Order is not applicable to the company.
- (xiv) According to the information and explanations given to me and based on my 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.
- (xv) According to the information and explanations given to me and based on my 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.
- (xvi) According to the information and explanations given to me and based on my 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.
- (xvii) 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 : 30.06.2021

Sd/-
(ARUN MAHESHWARI)
(Proprietor)
Membership No. : 508847
UDIN: 21508847AAAABJ8262

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")

I have audited the internal financial controls over financial reporting of M/s KRA Leasing Limited as on March 31, 2021 in conjunction with my 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

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I have conducted my 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 I have 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.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for

my 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 my 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, 2021, 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 : 30.06.2021**

**Sd/-
(ARUN MAHESHWARI)
(Proprietor)
Membership No. : 508847
UDIN:21508847AAAABJ8262**

NON BANKING FINANCIAL COMPANIES AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

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

I have audited the attached Balance Sheet of **M/s KRA Leasing Limited** as at 31st March, 2021 and also profit and loss Account for the year ended on that date.

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

I have conducted my audit in accordance with the auditing standards generally accepted in India. Those standards require that I have 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 my audit, I have 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 13th May, 1998.
2. The Company is entitled to continue to hold the Certificate of Registration in terms of its asset/income pattern as on 31st March, 2021.
3. A resolution for non-acceptance of any public deposit was passed in the meeting of Board of Directors on 30th June, 2020 for the financial year 2020-21.
4. The Company has not accepted any public deposits during the year ended 31st March, 2021.
5. In my opinion and to the best of my information and according to the explanations given to me. 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 27th April, 2007, the company is not required to file NBS-7 to Reserve Bank of India.

Place: New Delhi
Date : 30.06.2021

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

Sd/-
(ARUN MAHESHWARI)
(Proprietor)
Membership No. : 508847
UDIN:21508847AAAABL1248

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

(Figures in Rs.)

| | Note No. | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|--------------------------------------|----------|---------------------|---------------------|---------------------|
| ASSETS | | | | |
| Non Current Assets | | | | |
| (a) Property, Plant and equipment | 5 | - | - | 9,232,693 |
| (b) Investment properties | 6 | 24,463,861 | 24,980,709 | 25,497,557 |
| (c) Financial assets | | | | |
| (i) Investments | 7 | 50,954,417 | 163,850,017 | 45,350,017 |
| (ii) Other financial assets | 8 | 912,780 | 912,780 | 912,780 |
| Total Non Current Assets | | 76,331,058 | 189,743,506 | 80,993,047 |
| Current Assets | | | | |
| (a) Financial assets | | | | |
| (i) Investments | 9 | 30,178,777 | 20,797,358 | - |
| (ii) Trade receivables | 10 | 36,281,891 | 36,115,736 | 33,133,816 |
| (iii) Cash and cash equivalents | 11 | 13,037,271 | 47,886,853 | 19,887,982 |
| (iv) Other Bank Balance | 12 | 90,000 | 90,000 | 90,000 |
| (v) Short term loans and advances | 13 | 261,100,000 | 107,400,000 | 160,500,000 |
| (b) Current tax assets (net) | 14 | 1,398,014 | 1,571,304 | 4,225,151 |
| (c) Other current assets | 15 | 39,963 | 13,182 | 61,157 |
| Total Current Assets | | 342,125,916 | 213,874,433 | 217,898,106 |
| Total assets | | 418,456,974 | 403,617,939 | 298,891,153 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| (a) Equity share capital | 16 | 67,071,640 | 67,071,640 | 67,071,640 |
| (b) Other equity | 17 | 341,659,908 | 325,285,037 | 219,322,667 |
| Total equity | | 408,731,548 | 392,356,677 | 286,394,307 |
| Liabilities | | | | |
| Non current liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Other financial liabilities | 18 | 7,857,000 | 7,839,514 | 7,836,326 |
| (b) Provisions | 19 | 1,189,527 | 574,063 | 3,065,335 |
| (c) Deferred tax liabilities (net) | 20 | 44,995 | 8,977 | 656,301 |
| Total non-current liabilities | | 9,091,522 | 8,422,554 | 11,557,962 |
| Current liabilities | | | | |
| (a) Financial liabilities | | | | |
| (i) Trade payables | 21 | 160,750 | 795,691 | 382,391 |
| (b) Other current liabilities | 22 | 473,154 | 2,043,017 | 556,493 |
| Total current liabilities | | 633,904 | 2,838,708 | 938,884 |
| Total liabilities | | 9,725,426 | 11,261,262 | 12,496,846 |
| Total equity and liabilities | | 418,456,974 | 403,617,939 | 298,891,153 |

See accompanying notes to the financial statements 1-32

This is the Balance sheet referred to in our report of even date attached

For Arun K. Maheshwari & Co.

Chartered Accountants

(Firm regn no. 21421N)

For and on behalf of Board of Directors

Sd/-

Arun K. Maheshwari
(Proprietor)
Membership No. 508847

Sd/-

Rajesh Mehra
(Managing Director)
DIN:00058232

Sd/-

Ajay Mehra
(Director)
DIN:00058245

Sd/-

Ridhima Gupta
Co. Secretary

Place: New Delhi

Date: 30.06.2021

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(Figures in Rs.)

| | Note No. | As at 31/03/2021 | As at 31/03/2020 |
|----------------------------------------------------------------------------|----------|---------------------|---------------------|
| I Revenue from operations | 23 | 26,639,027 | 131,564,784 |
| II Total Income | | 26,639,027 | 131,564,784 |
| III Expenses | | | |
| Employee benefit expenses | 24 | 216,000 | 160,000 |
| Finance Cost | 25 | 341,339 | 391,812 |
| Depreciation and amortization expense | 26 | 516,848 | 516,848 |
| Other expenses | 27 | 4,644,040 | 12,649,884 |
| Contingency prov. Against standard assets | | 615,464 | - 2,491,272 |
| Total expenses (III) | | 6,333,691 | 11,227,272 |
| IV Profit before tax (II-III) | | 20,305,336 | 120,337,512 |
| V Tax expense | | | |
| (1) Current tax | | 4,624,622 | 13,483,725 |
| (2) Deferred tax | | - | - 656,301 |
| (3) Tax for previous years | | - 587,065 | 1,574,408 |
| | | 4,037,557 | 14,401,832 |
| VI Profit for the period from continuing operations (IV-V) | | 16,267,779 | 105,935,680 |
| VII Profit from discontinued operations before tax | | - | - |
| VIII Tax expense of discontinued operations | | - | - |
| IX Profit from discontinued operations after tax (VII-VIII) | | - | - |
| X Profit for the period (VI+IX) | | 16,267,779 | 105,935,680 |
| XI Other comprehensive income | | | |
| (i) Items that will be reclassified to profit or loss in subsequent period | | | |
| Changes in fair value of mutual fund | | 178,777 | 35,667 |
| Income-tax relating to these items | | 44,995 | 8,977 |
| Other comprehensive income, net of tax | | 133,782 | 26,690 |
| XII Total comprehensive income for the year | | 16,401,561 | 105,962,370 |
| XIII Earning per equity share (for continuing operations) | | | |
| (1) Basic (share face value Rs. 5 each (Prev. year Rs. 10 each)) | | 1.22 | 15.80 |
| (2) Diluted (share face value Rs. 5 each (Prev. year Rs. 10 each)) | | 1.22 | 15.80 |
| See accompanying notes to the financial statements | 1-32 | | |

This is the Statement of profit & loss referred to in our report of even date attached

For Arun K. Maheshwari & Co.

For and on behalf of Board of Directors

Chartered Accountants

(Firm regn no. 21421N)

Sd/-

Arun K. Maheshwari
(Proprietor)

Membership No. 508847

Place: New Delhi

Date: 30.06.2021

Sd/-

Rajesh Mehra
(Managing Director)

DIN00058232

Sd/-

Ajay Mehra
(Director)

DIN:00058245

Sd/-

Ridhima Gupta
Co. Secretary

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Figures in Rs.)

| | Year ended 31/03/2021 | Year ended 31/03/2020 |
|----------------------------------------------------------------------------------------|--------------------------|--------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit for the year (Before tax but after extraordinary items and prior period items) | 20,305,336 | 120,337,512 |
| Adjustment for: | | |
| Depreciation provided in profit & loss statement | 516,848 | 516,848 |
| Long term capital gain | - | - 103,045,610 |
| Fixed Assets written off | - | 6,215,925 |
| Finance cost | 341,339 | 391,812 |
| Dividend reinvested | - 390,067 | - 761,690 |
| Short term capital loss | 45,579 | |
| Profit on sales of Investment | - 564,875 | |
| Cont. provision against standard assets | 615,464 | - 2,491,272 |
| | 20,869,624 | 21,163,525 |
| <u>Movement in working Capital:</u> | | |
| (Increase)/decrease in trade and other receivables | - 166,155 | - 2,981,920 |
| (Increase)/decrease in other assets | - 153,726,781 | 53,147,975 |
| Increase/(decrease) in trade payables | - 634,941 | 413,300 |
| Increase/(decrease) in other liabilities | - 1,552,377 | 1,489,712 |
| Cash generated from operations | - 135,210,630 | 73,232,592 |
| Income taxes paid | 3,864,267 | 12,404,286 |
| Net cash generated by operating activities (Total A) | - 139,074,897 | 60,828,306 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | - |
| Purchase of Mutual Funds | - 30,000,000 | - 20,000,001 |
| Sale of Non current investment | 155,000,000 | |
| Purchase of Non Current Investments | - 41,539,525 | - 118,500,000 |
| Sale of Mutual Fund | 21,106,179 | - |
| Sale of fixed assets | - | 109,746,828 |
| Purchase of fixed assets | - | - 3,684,450 |
| Net cash generated by investing activities (Total B) | 104,566,654 | - 32,437,623 |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Interest paid | - 341,339 | - 391,812 |
| Net cash used in financing activities (Total C) | - 341,339 | - 391,812 |
| Net increase in cash and cash equivalents (Total A+B+C) | - 34,849,582 | 27,998,871 |
| Cash and cash equivalents at the beginning of the year | 47,886,853 | 19,887,982 |
| Cash and cash equivalents at the end of the year | 13,037,271 | 47,886,853 |

This is the Cash Flow Statement referred to in our report of even date attached

For Arun K. Maheshwari & Co.

Chartered Accountants

(Firm regn no. 21421N)

For and on behalf of Board of Directors

Sd/-

Arun K. Maheshwari

(Proprietor)

Membership No. 508847

Place: New Delhi

Date: 30.06.2021

Sd/-

Rajesh Mehra
(Managing Director)

DIN:00058232

Sd/-

Ajay Mehra
(Director)

DIN:00058245

Sd/-

Ridhima Gupta
Co. Secretary

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(Figures in Rs.)

| Particulars | Equity share capital | Other equity | | | Total equity attributable to equity holders of the company |
|------------------------------------|----------------------|----------------------------|----------------------------------|--------------------|------------------------------------------------------------|
| | | Comprehensive Income items | Special Reserves u/s 451C of RBI | Retained earnings | |
| Balance as at April 1, 2019 | 67,071,640 | - | 13,447,347 | 205,875,320 | 286,394,307 |
| Addition during the year | - | - | 21,159,883 | - | 21,159,883 |
| Profit for the year | - | 26,690 | - | 105,935,680 | 105,962,370 |
| Transferred to special reserve | - | - | - | 21,159,883 | 21,159,883 |
| Balance at March 31, 2020 | 67,071,640 | 26,690 | 34,607,230 | 290,651,117 | 392,356,677 |
| Addition during the year | - | - | 3,253,556 | - | 3,253,556 |
| Profit for the year | - | 133,782 | - | 16,267,779 | 16,401,561 |
| Transfer to retained earning | - | 26,690 | - | - | 26,690 |
| Transferred to special reserve | - | - | - | 3,253,556 | 3,253,556 |
| Balance at March 31, 2021 | 67,071,640 | 133,782 | 37,860,786 | 303,665,340 | 408,731,548 |

This is the Statement of change in equity referred to in our report of even date attached

For Arun K. Maheshwari & Co.

For and on behalf of Board of Directors

Chartered Accountants

(Firm regn no. 21421N)

Sd/-

Arun K. Maheshwari
(Proprietor)
Membership No. 508847

Sd/-

Rajesh Mehra
(Managing Director)
DIN00058232

Sd/-

Ajay Mehra
(Director)
DIN:00058245

Sd/-

Ridhima Gupta
Co. Secretary

Place: New Delhi

Date: 30.06.2021

KRA LEASING LIMITED

REGD. OFFICE: C-20, SMA Co-Operative Industrial Estate, G T Karnal Road, Delhi-33
CIN: L65993DL1990PLC039637

Notes to the standalone financial statement for the year ended March 31, 2021

1. Corporate Information

KRA Leasing Limited is a listed company incorporated on 26March1990. It is classified as Non-govt Company and is registered at Registrar of Companies, Delhi. Its authorized share capital is Rs. 7,00,00,000 and its paid-up capital is Rs. 6,70,71,640.

2. Application of new and revised Indian Accounting Standard (Ind AS)

Financial statement is prepared on Ind AS basis since company is Listed Company, who is required to apply Indian Accounting Standards.

All the Ind AS issued and notified by the Ministry of Corporate Affairs under The Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the standalone financial statements are authorized have been considered in preparing these standalone financial statements.

3. Significant accounting policies and other explanatory information

3.01. Basis of Preparation and presentation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, unless specifically mentioned. The Ind AS are prescribed under Section 133 of the Act read with rule 3 of companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Company's financial statements are presented in Indian Rupees (Rs.), which is also its functional currency.

3.02. Summary of significant accounting policies

3.02.01 Cash flow statement (Ind AS-7)

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transaction of a non-cash nature, any deferral or accrual of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

Cash & Cash Equivalent

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

KRA LEASING LIMITED

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Notes to the standalone financial statement for the year ended March 31, 2021

3.02.02 Taxes on income (Ind AS-12)

Tax Expenses comprises current income Tax and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current Income tax

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred income tax assets and liabilities

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

3.02.03 Property, plant and equipment (Ind AS-16)

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. The company depreciates property, plant and equipment over their estimated useful lives using method and the estimated useful lives as per schedule II.

Cost of assets not put to use before such date are disclosed under 'capital work-in-progress' Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

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Notes to the standalone financial statement for the year ended March 31, 2021

3.02.04 Borrowing costs (Ind AS-23)

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

The company is not required to capitalize any amount during the financial year as borrowing cost.

3.02.05 Financial Instruments (Ind AS-32/107/109)

(i) Financial Assets

Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value are adjusted to the fair value on initial recognition through profit & loss account.

Subsequent measurement

Financial assets carried at amortized cost (AC)

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Investment in subsidiaries and Associates

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CIN: L65993DL1990PLC039637

Notes to the standalone financial statement for the year ended March 31, 2021

The Company has accounted for its investments in subsidiaries and associates at cost in accordance with Ind AS 27 'separate financial statement'.

Other Equity Investments

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

(ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and in case of borrowings and payables, net of directly attributable cost.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derivative financial instruments

The company does not hold derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposure. Therefore, related disclosures not provided in financial statement.

3.02.06. Earning per equity share (Ind AS-33)

Basic earning per equity per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

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Notes to the standalone financial statement for the year ended March 31, 2021

3.02.07. Impairment of assets (Ind AS-36)

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

No impairment loss has been provided on non-financial assets considering that no indications internal/ external exists those suggests that recoverable amount of asset is less than its carrying value.

3.02.08. Provisions and contingent liabilities (Ind AS-37)

Provisions

A provision is recognized in the standalone financial statements where there exists a present obligation as a result of a past event, the amount of which can be reliably estimated, and it is probable that an outflow of resources would be necessitated in order to settle the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liabilities are not recognized but are disclosed in the notes unless the outflow of resources is considered to be remote.

3.02.09. Non-current assets held for sale (Ind AS-105)

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognized immediately in the statement of profit and loss.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet. No non-current asset classified as 'held for sale' on 31st March, 2021.

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Notes to the standalone financial statement for the year ended March 31, 2021

3.02.10 Operating Segment (Ind AS-108)

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Therefore, disclosures as prescribed under mentioned standards not required.

3.02.11.Fair value measurement (Ind AS-113)

The company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) in the principal market for asset or liability, or
- (ii) in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3.02.12 Revenue from Contracts with Customers (Ind AS-115)

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, and it is probable that the Company will collect the consideration to which it is entitled to in exchange for the goods. Amount disclosed in Profit & Loss statement are net of GST.

- i. Interest receipts are accounted on accrual basis.
- ii. Rent received in accordance with policy mentioned under ' Ind AS -116 Leases '.
- iii. Dividend received in accordance when right to receive the dividend establishes.

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Notes to the standalone financial statement for the year ended March 31, 2021

3.02.13 Leases (Ind AS-116)

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease, except when the lease rentals, increase are in line with general inflation index. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease rent credited to the statement of profit and loss of the current year is Rs. 1,60,37,853/- (31st March 2020: Rs. 1,61,02,624/-)

4. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1 Estimation of current tax and deferred tax

Management judgment is required for the calculation of provision for income - taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to adjustment to the amounts reported in the financial statements.

4.2 Recoverability of trade receivable

Trade receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is recognized based on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

4.3 Fair value measurement

Wherever required, the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are

KRA LEASING LIMITED

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Notes to the standalone financial statement for the year ended March 31, 2021

taken from observable markets wherever possible. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.4 Global Health Pandemic (Covid-19)

The outbreak of COVID19 pandemic is causing significant disturbance and slow-down of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities.

The Management has considered the possible effects that may result from the pandemic on the recoverability/ carrying value of the assets. Based on the current indicators of future economic conditions, the Management expects to recover the carrying amount of the assets; however, the Management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial statements.

Sd/-
Rajesh Mehra
(Managing Director)
DIN-00058232

Sd/-
Ajay Mehra
(Director)
DIN-00058245

Sd/-
Ridhima Gupta
Company Secretary

KRA LEASING LIMITED

CIN:L65993DL1990PLC039637

Notes to financial statement for the year ended 31st March, 2021

Note -5 "Property, plant and equipment"

(Figures in Rest.)

| Particulars | Life | COST OR DEEMED COST | | | | ACCUMULATED DEPRECIATION AND IMPAIRMENT | | | | CARRYING AMOUNT | |
|----------------------|------|-------------------------------|---------------------------|--------------------------|-------------------------|-----------------------------------------|--------------------------|------------------------------|-------------------------|----------------------|----------------------|
| | | Value at beginning 01/04/2019 | Additions during the year | Deletion during the year | Value at end 31/03/2020 | Value at beginning 01/04/2019 | Provided during the year | Adjusted on Sales/ write off | Value at end 31/03/2020 | WDV as on 31/03/2020 | WDV as on 31/03/2019 |
| Land | | 3,016,765 | 3,684,450 | 6,701,215 | - | - | - | - | - | - | 3,016,765 |
| Building | 30 | 21,156,013 | - | 21,156,013 | - | 16,592,820 | - | 16,592,820 | - | - | 4,563,193 |
| Office Equipment | 5 | 70,200 | - | 70,200 | - | 66,690 | - | 66,690 | - | - | 3,510 |
| Electrical Equipment | 10 | 3,936,408 | - | 3,936,408 | - | 3,681,675 | - | 3,681,675 | - | - | 254,733 |
| Plant & Machinery | 15 | 6,622,024 | - | 6,622,024 | - | 5,239,834 | - | 5,239,834 | - | - | 1,382,190 |
| Furniture & Fixtures | 10 | 246,038 | - | 246,038 | - | 233,736 | - | 233,736 | - | - | 12,302 |
| Total | | 35,047,448 | 3,684,450 | 38,731,898 | - | 25,814,755 | - | 25,814,755 | - | - | 9,232,693 |

| Particulars | Life | COST OR DEEMED COST | | | | ACCUMULATED DEPRECIATION AND IMPAIRMENT | | | | CARRYING AMOUNT | |
|----------------------|------|-------------------------------|---------------------------|--------------------------|-------------------------|-----------------------------------------|--------------------------|------------------------------|-------------------------|----------------------|----------------------|
| | | Value at beginning 01/04/2020 | Additions during the year | Deletion during the year | Value at end 31/03/2021 | Value at beginning 01/04/2020 | Provided during the year | Adjusted on Sales/ write off | Value at end 31/03/2021 | WDV as on 31/03/2021 | WDV as on 31/03/2020 |
| Land | | - | - | - | - | - | - | - | - | - | - |
| Building | | - | - | - | - | - | - | - | - | - | - |
| Plant & Machinery | | - | - | - | - | - | - | - | - | - | - |
| Office Equipment | | - | - | - | - | - | - | - | - | - | - |
| Electrical Equipment | | - | - | - | - | - | - | - | - | - | - |
| Furniture & Fixtures | | - | - | - | - | - | - | - | - | - | - |
| Total | | - | - | - | - | - | - | - | - | - | - |

| | | |
|---------------------|-------------------|----------------------|
| Sd/- | Sd/- | Sd/- |
| Rajesh Mehra | Ajay Mehra | Ridhima Gupta |
| (Managing Director) | (Director) | Co. Secretary |
| DIN:00058232 | DIN:00058245 | |

Notes to financial statement for the year ended 31st March, 2021

Note 6 "Investment property"

(Figures in Rs.)

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|------------------------------------|---------------------|---------------------|---------------------|
| Opening balance | 32,711,960 | 32,711,960 | 32,711,960 |
| Additions (Subsequent expenditure) | - | - | - |
| Closing balance | 32,711,960 | 32,711,960 | 32,711,960 |
| Depreciation and impairment | | | |
| Opening balance | 7,731,251 | 7,214,403 | - |
| Depreciation | 516,848 | 516,848 | - |
| Closing balance | 8,248,099 | 7,731,251 | 7,214,403 |
| Net block | 24,463,861 | 24,980,709 | 25,497,557 |

Information regarding income and expenditure of Investment property

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Rental income derived from investment properties | 15,714,000 | 15,714,000 | 15,714,000 |
| Direct operating expenses (Property Tax) that generate rental income | 3,760,735 | 4,309,124 | 2,096,214 |
| Direct operating expenses (Property tax and repair & maintenance) that did not generate rental income | - | - | - |
| Profit arising from investment properties before depreciation and indirect expenses | 19,474,735 | 20,023,124 | 17,810,214 |
| Less: Depreciation | 516,848 | 516,848 | 516,848 |
| Profit arising from investment properties before indirect expenses | 18,957,887 | 19,506,276 | 17,293,366 |

1. As at 31 March, 2021, the fair value of investment properties are Rs. 13.33 crores. These valuations are based on valuations performed by accredited independent valuer. Fair value is based on market value approach. The fair value measurement is categorised in Level 3 of fair value hierarchy. There has been no restriction on disposal of property or remittance of income and proceeds of disposal.

2. Investment properties are leased to tenants under operating lease agreements.

| | | |
|----------------------------|---------------------|----------------------|
| Sd/- | Sd/- | Sd/- |
| Rajesh Mehra | Ajay Mehra | Ridhima Gupta |
| (Managing Director) | (Director) | Co. Secretary |
| DIN:00058232 | DIN:00058245 | |

Notes to financial statement for the year ended 31st March, 2021

Note 7 "Investments"

(Figures in Rs.)

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|----------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| (a) Investment in equity instruments (unquoted) | | | |
| In Others | | | |
| 1. 56044 shares of Jaquar & Co (P) Ltd. unquoted, fully paid, at cost(15.14% of total holding) | 21,074,100 | 21,074,100 | 21,074,100 |
| 2. 45000 shares of G.R. Sales (P)Ltd. unquoted, fully paid, at cost(3.83% of total holding) | 577,582 | 577,582 | 577,582 |
| 3. 160000 shares of Sanraj Farms(P) Ltd. unquoted, fully paid, at cost(18.49% of total holding) | 16,000,000 | 16,000,000 | 16,000,000 |
| 4. 165415 shares of Essco Sanitations (P) Ltd. unquoted, fully paid, at cost(16.62% of total holding) | 2,856,505 | 2,856,505 | 2,856,505 |
| 5. 560440 shares of Jai Kaur Enterprises Pvt Ltd unquoted, fully paid, at cost(15.14% of total holding) | 5,604,400 | - | - |
| Subsidiary | | | |
| 1. 155623 shares of SMG Enterprises Ltd. subsidiary, unquoted, fully paid, at cost. (51.84% of total holdings) | 4,841,830 | 4,841,830 | 4,841,830 |
| | 50,954,417 | 45,350,017 | 45,350,017 |
| (c) Advance against Purchase of shares | - | 118,500,000 | - |
| | 50,954,417 | 163,850,017 | 45,350,017 |
| Gross Investments- Total(a+b+c) | 50,954,417 | 163,850,017 | 45,350,017 |
| Net investments | 50,954,417 | 163,850,017 | 45,350,017 |
| Aggregate amount of quoted investments. | - | - | - |
| Aggregate amount of unquoted Investments. | 50,954,417 | 163,850,017 | 45,350,017 |
| Market value of quoted investments. | - | - | - |

Note 8 "Other financial assets"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|--------------------------------------|---------------------|---------------------|---------------------|
| <i>(Unsecured, Considered goods)</i> | | | |
| Security deposits paid | 912,780 | 912,780 | 912,780 |
| Total | 912,780 | 912,780 | 912,780 |

| | | |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|

Notes to financial statement for the year ended 31st March, 2021

Note 9 "Investments"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-----------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Other than trade | | | |
| Investment measured at fair value through other comprehensive income | | | |
| (a) Investment in mutual funds(quoted) | | | |
| Axis Corporate Debt Fund - Regular Growth | 30,178,777 | - | - |
| HDFC Low duration fund (Retail) (Regular Plan) Monthly Dividend payout | - | 20,797,358 | - |
| Gross Investments- Total(a+b+c) | 30,178,777 | 20,797,358 | - |
| Net investments | 30,178,777 | 20,797,358 | - |
| Aggregate amount of quoted investments | 30,178,777 | 20,797,358 | - |
| Cost value of quoted investments | 30,000,000 | 20,761,691 | - |

Note 10 "Trade receivables"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-----------------------------------|---------------------|---------------------|---------------------|
| <i>Unsecured, considered good</i> | | | |
| - From related parties | 30,210,447 | 25,901,706 | 22,957,585 |
| - From others | 6,071,444 | 10,214,030 | 10,176,231 |
| | 36,281,891 | 36,115,736 | 33,133,816 |

(1) There is no conditions provided in agreement for interest on late payment.

(2) Ageing of receivables

| Particulars | 31/03/2021 | 31/03/2020 | 01/04/2019 |
|----------------------------|-------------------|-------------------|-------------------|
| upto 6 months | 6,893,197 | 9,584,536 | 11,394,368 |
| from 6 months to 12 months | 29,388,694 | 26,531,200 | 21,739,448 |
| | 36,281,891 | 36,115,736 | 33,133,816 |

Note 11 "Cash and Cash Equivalents"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|------------------------|---------------------|---------------------|---------------------|
| (A) Balance with Banks | | | |
| - In Current Account | 12,809,150 | 47,650,872 | 19,087,897 |
| (B) Cash on hand | 228,121 | 235,981 | 800,085 |
| Total (A+B) | 13,037,271 | 47,886,853 | 19,887,982 |

| | | |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|

Notes to financial statement for the year ended 31st March, 2021

Note 12 "Other Bank balance "

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-------------------------------------------------------------|---------------------|---------------------|---------------------|
| FDR with current bank (FDR is given as security deposit) | 90,000 | 90,000 | 90,000 |
| | 90,000 | 90,000 | 90,000 |

Note 13 "Short term loans and advances"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-------------------------------------|---------------------|---------------------|---------------------|
| <i>(Unsecured, considered good)</i> | | | |
| Loans given - Related Party | 211,100,000 | 37,400,000 | 50,500,000 |
| - Others | 50,000,000 | 70,000,000 | 110,000,000 |
| | 261,100,000 | 107,400,000 | 160,500,000 |

Note 14 "Current tax assets (net)"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|--------------------|---------------------|---------------------|---------------------|
| Income tax refunds | 1,398,014 | 1,571,304 | 2,658,717 |
| MAT Recoverable | - | - | 1,566,434 |
| | 1,398,014 | 1,571,304 | 4,225,151 |

Note 15 "Other current assets"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-----------------------------|---------------------|---------------------|---------------------|
| GST Receivable | 25,920 | - | 52,380 |
| Prepaid expenses | 12,933 | 11,963 | 7,558 |
| Receivable(Interest on FDR) | 1,110 | 1,219 | 1,219 |
| | 39,963 | 13,182 | 61,157 |

| | | |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|

Notes to financial statement for the year ended 31st March, 2021

Note 16 "Equity share capital"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Equity share capital | 67,071,640 | 67,071,640 | 67,071,640 |
| | 67,071,640 | 67,071,640 | 67,071,640 |
| Authorised share capital : | | | |
| 140,00,000 (P.Y. 70,00,000) fully paid equity shares of Rs. 5 each (Prev. year Rs. 10 each) | 70,000,000 | 70,000,000 | 70,000,000 |
| Issued, subscribed and paid capital | | | |
| 1,34,14,328 (P.Y. 67,07,164) fully paid equity shares of Rs. 5 each (Prev. year Rs. 10 each) | 67,071,640 | 67,071,640 | 67,071,640 |
| | 67,071,640 | 67,071,640 | 67,071,640 |
| Reconciliation statement of No. of equity shares and amount of equity share | | | |
| <i>(A) Number of share</i> | | | |
| Opening Balance | 6,707,164 | 6707164 | 6707164 |
| Increase due to change in Face value of share from Rs. 10 to Rs. 5 each | 6,707,164 | - | - |
| Closing Balance | 13,414,328 | 6707164 | 6707164 |
| <i>(B) Amount of share capital</i> | | | |
| Opening Balance | 67,071,640 | 67,071,640 | 67,071,640 |
| Closing Balance | 67,071,640 | 67,071,640 | 67,071,640 |

Terms/ rights attached to equity shares

The company has only one class of equity shares having at part value of Rs. 5/- (Prev. year 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.

Details of shares held by the holding company, its subsidiaries and associates

| Particulars | 31/03/2021 | 31/03/2020 | 01/04/2019 |
|------------------------------------------|------------|------------|------------|
| Shares hold by Subsidiary company | | | |
| - SMG Enterprises Ltd. | 8,196,000 | 4098000 | 4098000 |

Details of shares held by each share holders, holding more than 5% shares

| Name of share holder | No. of shares with % | | No. of shares with % | | No. of shares with % | |
|---------------------------------------------|-------------------------|--------|-------------------------|--------|-------------------------|--------|
| Prompt Capital & Finser(P) Ltd. | 1136800 | 8.47% | 568400 | 8.47% | 568400 | 8.47% |
| G.R Sales(P) Ltd. | 932400 | 6.95% | 466200 | 6.95% | 466200 | 6.95% |
| Essco sanitations (P) Ltd) | 1438800 | 10.73% | 719400 | 10.73% | 719400 | 10.73% |
| Bastion industrial leasing finance (P) Ltd. | 834400 | 6.22% | 417200 | 6.22% | 417200 | 6.22% |
| SMG Enterprises | 819600 | 6.11% | 409800 | 6.11% | 409800 | 6.11% |
| Ajay Mehra | 930480 | 6.94% | 465240 | 6.94% | 465240 | 6.94% |

| | | |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|

Notes to financial statement for the year ended 31st March, 2021

Note 17 "Other Equity"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|-------------------------------------|---------------------|---------------------|---------------------|
| Retained Earnings | 303,665,340 | 290,651,117 | 205,875,320 |
| Reserve u/s 45I of RBI | 37,860,786 | 34,607,230 | 13,447,347 |
| Other Comprehensive items | 133,782 | 26,690 | - |
| | 341,659,908 | 325,285,037 | 219,322,667 |
| Retained earnings | | | |
| Balance at beginning of the year | 290,651,117 | 205,875,320 | 188,395,282 |
| Profit during the year | 16,267,779 | 105,935,680 | 21,850,047 |
| Transfer to Reserve | 3,253,556 | 21,159,883 | 4,370,009 |
| Closing Balance at year end | 303,665,340 | 290,651,117 | 205,875,320 |
| Reserve u/s 45I of RBI | | | |
| Balance at beginning of the year | 34,607,230 | 13,447,347 | 9,077,338 |
| Addition/(deletion) during the year | 3,253,556 | 21,159,883 | 4,370,009 |
| Closing Balance at year end | 37,860,786 | 34,607,230 | 13,447,347 |
| Other comprehensive items | | | |
| Balance at beginning of the year | 26,690 | - | - |
| Addition/(deletion) during the year | 107,092 | 26,690 | - |
| Closing Balance at year end | 133,782 | 26,690 | - |

Note 18 "Other financial Liabilities"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|----------------------------------------|---------------------|---------------------|---------------------|
| Security deposit received (Fair value) | 7,857,000 | 7,515,661 | 7,123,849 |
| Advance rent received (Fair value) | - | 323,853 | 712,477 |
| | 7,857,000 | 7,839,514 | 7,836,326 |

Note 19 "Long Term Provisions"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|----------------------------------------------|---------------------|---------------------|---------------------|
| Contingent provision against Standard Assets | 1,189,527 | 574,063 | 765,335 |
| Provision for Doubtful Debts | - | - | 2,300,000 |
| | 1,189,527 | 574,063 | 3,065,335 |

| | | |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|

Notes to financial statement for the year ended 31st March, 2021

Note 20 "Deferred tax liabilities (net)"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|---------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| (A) Deferred tax liability arising on account of | | | |
| (a) Difference between book balance and tax balance of tangible and intangible assets | - | - | 656,301 |
| (b) Investment at fair value through OCI | 44,995 | 8,977 | - |
| Total (A) | 44,995 | 8,977 | 656,301 |
| (B) Deferred tax asset arising on account of | | | |
| Total (B) | - | - | - |
| Deferred Tax liability (Net) | 44,995 | 8,977 | 656,301 |

Note 21 "Trade payables"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|----------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Sundry creditors for services (amount due on account of goods purchased or services rendered in normal course of business) | 160,750 | 795,691 | 382,391 |
| | 160,750 | 795,691 | 382,391 |

Note:

No interest is payable on amount payable outstanding at year end. As per general practice of the company, amount due is paid within time as agreed therefore no interest is paid on trade payables.

Note 22 "Other current liabilities"

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|---------------------------------------------------------------------------------|---------------------|---------------------|---------------------|
| Expenses payable (on account of services rendered in normal course of business) | 314,200 | 1,841,851 | 331,696 |
| Government Dues | 158,954 | 201,166 | 224,797 |
| | 473,154 | 2,043,017 | 556,493 |

| | | |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|

Notes to financial statement for the year ended 31st March, 2021

Note 23 "Revenue from operation"

(Figures in Rs.)

| | As at 31/03/2021 | As at 31/03/2020 |
|---------------------------------------|---------------------|---------------------|
| Rent Received | 15,714,000 | 15,714,000 |
| Rent received (fair value) | 323,853 | 388,624 |
| Interest received | 9,640,693 | 10,752,958 |
| Short term capital gain | 564,875 | - |
| Interest on FDR | 5,539 | 5,852 |
| Dividend received | 390,067 | 761,690 |
| <u>Other operating revenue</u> | | |
| Resort receipts | - | 300,000 |
| Agricultural income | - | 596,050 |
| Long term capital gain | - | 103,045,610 |
| Total | 26,639,027 | 131,564,784 |

Note 24 "Employee Benefit Expenses"

| | As at 31/03/2021 | As at 31/03/2020 |
|--------------------|---------------------|---------------------|
| Salaries and wages | 216,000 | 160,000 |
| Total | 216,000 | 160,000 |

Note 25 "Finance Cost"

| | As at 31/03/2021 | As at 31/03/2020 |
|-------------------------------------------|---------------------|---------------------|
| Interest on security deposit (fair value) | 341,339 | 391,812 |
| Total | 341,339 | 391,812 |

Note 26 "Depreciation and amortization expense"

| | As at 31/03/2021 | As at 31/03/2020 |
|-------------------------------------|---------------------|---------------------|
| Depreciation on investment property | 516,848 | 516,848 |
| Total | 516,848 | 516,848 |

| | | |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|-------------------------------------------------------------|--------------------------------------------------|----------------------------------------|

Notes to financial statement for the year ended 31st March, 2021

Note 27 "Other expenses"

| | As at 31/03/2021 | As at 31/03/2020 |
|----------------------------------------|---------------------|---------------------|
| Bank Charges | 5,721 | - |
| Property Tax | - | 333,671 |
| Payment to Auditors | 25,000 | 25,000 |
| Short & excess | 2,241 | |
| Legal & Professional Charges | 368,801 | 530,464 |
| Director's sitting fees | 144,000 | - |
| Electricity Expenses | - | 388,518 |
| Short Term Capital Loss on Mutual Fund | 45,579 | - |
| Maintenance(CP property) | 722,650 | 300,951 |
| Printing & Stationery | 20,865 | 2,464 |
| Postage and telegram | 6,650 | 7,580 |
| Internal Audit fees | 48,000 | 48,000 |
| Fixed Assets Written off | - | 6,215,925 |
| Advertisement | 40,572 | 44,856 |
| Property tax(CP Property) | 3,038,085 | 3,674,502 |
| Telephone expenses | - | 6,672 |
| Agricultural expense | - | 576,675 |
| Listing charges | 81,550 | 109,280 |
| Resort Maintenance | - | 383,435 |
| Rates and Taxes | 94,326 | 1,891 |
| Total | 4,644,040 | 12,649,884 |

| | | |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|
| Sd/- Rajesh Mehra (Managing Director) DIN:00058232 | Sd/- Ajay Mehra (Director) DIN:00058245 | Sd/- Ridhima Gupta Co. Secretary |
|--------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------|

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Notes to the standalone financial statement for the year ended March 31, 2021

28. First time Ind AS adoption reconciliations

28.1 Effects of Ind AS adoption on the standalone balance sheet as at 31st March, 2020 and 1st April, 2019 (Figure in Rs.)

| | As at 31 st March, 2020 | | | As at 1 st April, 2019 | | |
|-------------------------------------|------------------------------------|--------------------------------|-----------------------------|-----------------------------------|--------------------------------|-----------------------------|
| | Previous GAAP | Effect of transition to Ind AS | As per Ind AS Balance Sheet | Previous GAAP | Effect of transition to Ind AS | As per Ind AS Balance Sheet |
| ASSETS | | | | | | |
| Non-current assets | 21,82,36,448 | 2,84,92,942 | 18,97,43,506 | 8,82,07,450 | 72,14,403 | 8,09,93,047 |
| Current assets | 20,65,60,800 | -73,13,633 | 21,38,74,433 | 22,39,49,380 | 60,51,274 | 21,78,98,106 |
| TOTAL ASSETS | 42,47,97,248 | 2,11,79,309 | 40,36,17,939 | 31,21,56,830 | 1,32,65,677 | 29,88,91,153 |
| EQUITY AND LIABILITIES | | | | | | |
| Equity | 40,00,43,752 | 76,87,075 | 39,23,56,677 | 29,35,88,036 | 71,93,729 | 28,63,94,307 |
| Non-current liabilities | 84,31,063 | 8,509 | 84,22,554 | 1,15,78,636 | 20,674 | 1,15,57,962 |
| Current liabilities | 1,63,22,433 | 1,34,83,725 | 28,38,708 | 69,90,158 | 60,51,274 | 9,38,884 |
| TOTAL EQUITY AND LIABILITIES | 42,47,97,248 | 2,11,79,309 | 40,36,17,939 | 31,21,56,830 | 1,32,65,677 | 29,88,91,153 |

28.2 Reconciliation of other equity between Ind AS and previous GAAP

| Particulars | As at 31 March 2020 | As at 1 April 2019 |
|----------------------------------------------|---------------------|--------------------|
| Other equity as per previous GAAP | 33,29,72,112 | 22,65,16,396 |
| Add/Less: Adjustment to equity due to Ind AS | 76,87,075 | 71,93,729 |
| Other equity as reported under Ind AS | 32,52,85,037 | 21,93,22,667 |

29. Payment to Auditors

| Particulars | Financial Year 2020-21 | Financial Year 2019-20 |
|----------------------|------------------------|------------------------|
| Statutory audit fees | 25,000 | 25,000 |
| Total | 25,000 | 25,000 |

30. Earnings per share

| Particulars | Financial Year 2020-21 | Financial Year 2019-20 |
|---------------------------------------------------------------------------------------------|------------------------|------------------------|
| Earnings available for distribution to equity shareholders | 1,64,01,561 | 10,59,62,370 |
| Weighted average number of equity shares (face value of Rs. 5 each (Prev. year Rs. 10each)) | 13414328 | 6707164 |
| Basic earnings per share | 1.22 | 15.80 |

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Notes to the standalone financial statement for the year ended March 31, 2021

| | | |
|----------------------------|------|-------|
| Diluted earnings per share | 1.22 | 15.80 |
|----------------------------|------|-------|

31. Financial instruments

31.1 Capital management

The company manages its capital to ensure that entity will continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of company consists of debt which includes the borrowings as disclosed in note NIL as reduced by cash and cash equivalents and current investments. Equity attributable to equity holders of the Company comprises issued share capital, reserves and retained earnings as disclosed in the statement of changes in equity.

Gearing ratio

The gearing ratio at end of the reporting period was as follows.

| | As at 31/03/2021 | As at 31/03/2020 | As at 01/04/2019 |
|---------------------------------|---------------------|---------------------|---------------------|
| Debt (a) | - | - | - |
| Cash and bank balances (b) | 1,30,37,271 | 4,78,86,853 | 1,98,87,982 |
| Net debt (a-b) | -1,30,37,271 | -4,78,86,853 | -1,98,87,982 |
| Total equity | 40,87,31,548 | 39,23,56,677 | 28,63,94,307 |
| Net debt to equity ratio | - | - | - |

Debt is defined as long-term and short-term borrowings as described in note no. Nil (Balance sheet).

31.2 Financial instruments by category

(Figures in Rs.)

| Particulars | 31 March 2021 | | | 31 March 2020 | | | 1 April 2019 | | |
|-------------------------------------|---------------|--------------------|-----------------------------|---------------|---------------------|-----------------------------|--------------|--------------------|-----------------------------|
| | FVOCI | FVTPL | Amortized cost [#] | FVOCI | FVTPL | Amortized cost [#] | FVOCI | FVTPL | Amortized cost [#] |
| Non-current financial assets | | | | | | | | | |
| Investment | - | 5,09,54,417 | - | - | 16,38,50,017 | - | - | 4,53,50,017 | - |
| Other financial assets | - | - | 9,12,780 | - | - | 9,12,780 | - | - | 9,12,780 |
| Total | - | 5,09,54,417 | 9,12,780 | - | 16,38,50,017 | 9,12,780 | - | 4,53,50,017 | 9,12,780 |
| Current financial assets | | | | | | | | | |
| Investment | 3,01,78,777 | - | - | 2,07,97,358 | - | - | - | - | - |
| Trade | - | - | 3,62,81, | - | - | 3,61,15 | - | - | 3,31,33,8 |

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Notes to the standalone financial statement for the year ended March 31, 2021

| | | | | | | | | | |
|------------------------------------------|--------------------|---|---------------------|---|---|---------------------|---|---|---------------------|
| receivables | | | 891 | | | ,736 | | | 16 |
| Cash & cash equivalents | - | - | 1,30,37,271 | - | - | 4,78,86,853 | - | - | 1,98,87,982 |
| Other bank balance | - | - | 90,000 | - | - | 90,000 | - | - | 90,000 |
| Loans & advances | - | - | 26,11,00,000 | - | - | 10,74,00,000 | - | - | 16,05,00,000 |
| Total | 3,01,78,777 | - | 31,05,09,162 | - | - | 19,14,92,589 | - | - | 21,36,11,798 |
| Non-Current financial liabilities | | | | | | | | | |
| Other financial liabilities | - | - | 78,57,000 | - | - | 78,39,514 | - | - | 78,36,326 |
| Total | | | 78,57,000 | | | 78,39,514 | | | 78,36,326 |
| Current financial liabilities | | | | | | | | | |
| Trade payable | - | - | 1,60,750 | - | - | 7,95,691 | - | - | 3,82,391 |
| Total | - | - | 1,60,750 | - | - | 7,95,691 | - | - | 3,82,391 |

#Balance of financial assets/ liabilities having short term maturity and valued at transaction price for fair value purpose is included in amortized cost.

#there were no reclassification from one measurement category to another during the financial year ended.

31.3 Financial risk management objectives

The company is not exposed to any financial risks in relation to financial instruments those require further disclosures. The probable risk is credit risk, interest rate risk and liquidity risk for which explanations provided below. The company is not engaged in any speculative activities to manage risk but optimize related risk through internal risk management strategies.

31.4 Credit risk management

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss and the company is exposed to credit risk for cash and cash equivalents for which further explanations provided below:

31.4.1 Cash and cash equivalent

The company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. The company does not maintain significant deposit balances other than those required for its day to day operations.

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Notes to the standalone financial statement for the year ended March 31, 2021

31.5 Liquidity risk management

Liquidity risk reflects the risk that the company will have insufficient resources to meet its financial liabilities as they fall due. The company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. The company regularly monitors liquidity requirements to ensure that it has sufficient cash to meet operational needs.

The details of contractual maturities of significant financial liabilities:

(Figures in Rs.)

| Particulars | As of 31 March 2021 | | As of 31 March 2020 | | As of 1 April 2019 | |
|------------------------------|---------------------|--------------------|---------------------|---------------------|---------------------|--------------------|
| | Less than 1 year | More than 1 year | Less than 1 year | More than 1 year | Less than 1 year | More than 1 year |
| Financial assets | | | | | | |
| Trade receivable | 3,62,81,891 | - | 3,61,15,736 | - | 3,31,33,816 | - |
| Cash & cash equivalent | 1,30,37,271 | - | 4,78,86,853 | - | 1,98,87,982 | - |
| Investment | 3,01,78,777 | 5,09,54,417 | 2,07,97,358 | 16,38,50,017 | - | 4,53,50,017 |
| Other Bank balance | 90,000 | - | 90,000 | - | 90,000 | - |
| Other financial assets | - | 9,12,780 | - | 9,12,780 | - | 9,12,780 |
| Loans & Advances | 26,11,00,000 | - | 10,74,00,000 | - | 16,05,00,000 | - |
| Total | 34,06,87,939 | 5,18,67,197 | 21,22,89,947 | 16,47,62,797 | 21,36,11,798 | 4,62,62,797 |
| Financial liabilities | | | | | | |
| Other financial liabilities | - | 78,57,000 | - | 78,39,514 | - | 78,36,326 |
| Trade payable | 1,60,750 | - | 7,95,691 | - | 3,82,391 | - |
| Total | 1,60,750 | 78,57,000 | 7,95,691 | 78,39,514 | 3,82,391 | 78,36,326 |

32. Fair value measurement

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties.

1. Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

2. Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

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Notes to the standalone financial statement for the year ended March 31, 2021

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2019

| Particulars | Carrying amount 31-March-2019 | Fair value | | |
|------------------------------------------------|----------------------------------|------------|---------|---------------------|
| | | Level 1 | Level 2 | Level 3 |
| Financial assets at FVTOCI | | | | |
| Investment | - | - | - | - |
| Financial assets at amortized cost | | | | |
| Investment | 4,53,50,017 | - | - | 4,53,50,017 |
| Other financial asset (Non-current) | 9,12,780 | - | - | 9,12,780 |
| Trade receivables | 3,31,33,816 | - | - | 3,31,33,816 |
| Cash & cash equivalent | 1,98,87,982 | - | - | 1,98,87,982 |
| Other bank balance | 90,000 | - | - | 90,000 |
| Loan & Advances | 16,05,00,000 | | | 16,05,00,000 |
| Total | 25,98,74,595 | - | - | 25,98,74,595 |
| Financial liabilities at amortized cost | | | | |
| Other financial liabilities | 78,36,326 | - | - | 78,36,326 |
| Trade payable | 3,82,391 | - | - | 3,82,391 |
| Total | 82,18,717 | - | - | 82,18,717 |

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2020

| Particulars | Carrying amount 31-March-2020 | Fair value | | |
|-------------------------------------------|----------------------------------|--------------------|---------|--------------|
| | | Level 1 | Level 2 | Level 3 |
| Financial assets at FVTOCI | | | | |
| Investment | 2,07,97,358 | 2,07,97,358 | - | - |
| Total | 2,07,97,358 | 2,07,97,358 | - | - |
| Financial assets at amortized cost | | | | |
| Investment | 16,38,50,017 | - | - | 16,38,50,017 |
| Other financial asset (Non-current) | 9,12,780 | - | - | 9,12,780 |
| Trade receivables | 3,61,15,736 | - | - | 3,61,15,736 |

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Notes to the standalone financial statement for the year ended March 31, 2021

| | | | | |
|------------------------------------------------|---------------------|----------|----------|---------------------|
| Cash & cash equivalent | 4,78,86,853 | - | - | 4,78,86,853 |
| Other bank balance | 90,000 | - | - | 90,000 |
| Loan & Advances | 10,74,00,000 | | | 10,74,00,000 |
| Total | 35,62,55,386 | - | - | 35,62,55,386 |
| Financial liabilities at amortized cost | | | | |
| Other financial liabilities | 78,39,514 | - | - | 78,39,514 |
| Trade payable | 7,95,691 | - | - | 7,95,691 |
| Total | 86,35,205 | - | - | 86,35,205 |

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2021

| Particulars | Carrying amount 31-March-2021 | Fair value | | |
|------------------------------------------------|----------------------------------|--------------------|----------|---------------------|
| | | Level 1 | Level 2 | Level 3 |
| Financial assets at FVTOCI | | | | |
| Investment | 3,01,78,777 | 3,01,78,777 | - | - |
| Total | 3,01,78,777 | 3,01,78,777 | - | - |
| Financial assets at amortized cost | | | | |
| Investment | 5,09,54,417 | - | - | 5,09,54,417 |
| Other financial asset (Non-current) | 9,12,780 | - | - | 9,12,780 |
| Trade receivables | 3,62,81,891 | - | - | 3,62,81,891 |
| Cash & cash equivalent | 1,30,37,271 | - | - | 1,30,37,271 |
| Other bank balance | 90,000 | - | - | 90,000 |
| Loan & Advances | 26,11,00,000 | | | 26,11,00,000 |
| Total | 36,23,76,359 | - | - | 36,23,76,359 |
| Financial liabilities at amortized cost | | | | |
| Other financial liabilities | 78,57,000 | - | - | 78,57,000 |
| Trade payable | 1,60,750 | - | - | 1,60,750 |
| Total | 80,17,750 | - | - | 80,17,750 |

33. Related party transactions

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

KRA LEASING LIMITED

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CIN: L65993DL1990PLC039637

Notes to the standalone financial statement for the year ended March 31, 2021

List of related parties

| Relationship | Name of related party |
|----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key managerial personnel (KMP) | Mr. S K Mehra, Director Mr. Rajesh Mehra, Managing Director/ CFO Mr. Ajay Mehra, Director Mrs. Disha Bajaj, Ind. Director Mr. Amit Kumar Modi, Ind. Director Mr. Ravi Sharma, Ind. Director Ms. Ridhima Gupta (Co. Secretary) |
| Relative of Directors | Mrs. Deepika Mehra Mrs. Disha Mehra Mr. Kanav Mehra Mrs. Malti Mehra Mrs. Nishi Mehra Mr. Parichay Mehra Mr. Ranbir Raj Mehra Mrs. Vidhi Mehra Mrs. Vidhi Ranbir Mehra |
| Subsidiary Company | M/s SMG Enterprises Limited |
| Entities where significant influence is exercised by KMP and/or their relatives having transactions with the company | M/s Jaquar & Co. Pvt. Ltd. M/s Jai Kaur Enterprises Pvt Ltd M/s Sweet Hospitality Pvt Ltd. M/s G.R. Sales Pvt Ltd. M/s Essco Sanitation Pvt Ltd. M/s Kaveri Farms Pvt. Ltd. |

Details of transaction between the Company and its related parties are disclosed below:

| Particulars | Subsidiary Company | | Key managerial personnel (KMP) and their relatives | | Entities where significant influence is exercised by KMP and/or their relatives having transactions with the company | |
|-----------------------------------------|--------------------|---------------|----------------------------------------------------|---------------|----------------------------------------------------------------------------------------------------------------------|---------------|
| | 31 March 2021 | 31 March 2020 | 31 March 2021 | 31 March 2020 | 31 March 2021 | 31 March 2020 |
| (i) Transactions during the year | | | | | | |
| Interest income received on loan given | - | - | - | - | 68,22,105 | 33,01,246 |
| Resort receipt | | | | | - | 3,00,000 |
| Director sitting fees | - | - | 1,44,000 | - | - | - |
| Salary payment | - | - | 2,16,000 | - | - | - |
| Investment during the year | - | - | - | - | 16,00,39,525 | - |

KRA LEASING LIMITED

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CIN: L65993DL1990PLC039637

Notes to the standalone financial statement for the year ended March 31, 2021

| | | | | | | |
|--------------------------------------------|---|---|-----------|---|--------------|-------------|
| Investment sold during the year | - | - | - | - | 15,50,00,000 | - |
| Loan given during the year | - | - | 99,00,000 | - | 19,90,00,000 | - |
| Loan received back during the year | - | - | 99,00,000 | - | 1,73,01,706 | 1,31,00,000 |
| (ii) Closing Balance as at year end | | | | | | |
| Investment as at year end | - | - | - | - | 5,09,54,417 | 4,53,50,017 |
| Debtor Balance | - | - | - | - | 3,02,10,447 | 2,59,01,706 |
| Loan receivable | - | - | - | - | 21,11,00,000 | 3,74,00,000 |

34. Income tax reconciliation

The income tax expenses for the year can be reconciled to the accounting profit as follows:

(Figures in Rs.)

| Particulars | As at 31 March 2021 | As at 31 March 2020 |
|------------------------------------------------------------------------|---------------------|---------------------|
| Profit before tax | 2,03,05,336 | 12,03,37,512 |
| Applicable tax rates (including surcharge) | 25.168% | 25.168% |
| Computed tax expense as per applicable tax rate | 51,10,447 | 3,02,86,545 |
| Tax effect of : | | |
| Additional Expenses allowed | -9,57,082 | -9,09,030 |
| Disallowance of Expenses | 4,71,257 | 14,52,492 |
| Difference due to tax rates | - | -9,08,435 |
| Income difference as per IT Provisions | - | -1,64,37,847 |
| Current tax provision (A) | 46,24,622 | 1,34,83,725 |
| Mat credit allowed (B) | - | - |
| Tax expenses recognized in statement of Profit & Loss (A+B) | 46,24,622 | 1,34,83,725 |
| Effective tax rate | 22.76% | 11.20% |

35. Contingent liabilities not provided for in respect of:

The Company during the year did not incur any contingent liability and also did not provided in profit & loss statement. Further there is no outstanding demand pending against company as at year end.

36. Capital and other commitments

There is no capital and other commitments pending as at year end.

KRA LEASING LIMITED

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Notes to the standalone financial statement for the year ended March 31, 2021

37. The company has not received any information from any of the suppliers being small-scale industrial units. Hence amount due of small-scale industries units as on 31.03.2021 is not ascertainable based on the information available with the company in respect of micro, small and medium enterprises. Hence the question of payments of interest or provision thereof towards belated payments does not arise. Therefore, disclosure of balances outstanding of suppliers being small-scale industrial units shown in profit & loss account is as NIL.

For Arun K. Maheshwari & Co.
Chartered Accountants
Firm Regn no. 21421N

For and on behalf of Board of Directors
for KRA Leasing Ltd.

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

Sd/-
Rajesh Mehra
(Managing Director)
DIN-00058232

Sd/-
Ajay Mehra
(Director)
DIN-00058245

Sd/-
Ridhima Gupta
Co. Secretary

Place: New Delhi
Date: 30.06.2021