

34TH

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 |
| CS Amit Kumar Modi | Independent Director |
| CS Ravi Sharma | Independent Director |
| CS Deeksha Bajaj | Independent Director |

COMPANY SECRETARY & COMPLIANCE OFFICER

| | |
|------------------|--|
| CS Prashi Saxena | Company Secretary cum Compliance Officer |
|------------------|--|

STATUTORY AUDITORS

| |
|---|
| M/s. DALEEP BHATIA & CO., Chartered Accountants, New Delhi |
|---|

SECRETARIAL AUDITORS

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 Skyline Financial Services Private Limited D-153A, 01 st Floor, Okhla Industrial Area, Phase-1, New Delhi 110020 |
|---|

BANKERS

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

:DIRECTOR'S REPORT:-

To,
The Members,
KRA Leasing Limited

Your Board of Directors has pleasure in presenting their Thirty Fourth (34th) Annual Report and Audited Financial Statements for the Financial Year ended March 31, 2023.

1. FINANCIAL PERFORMANCE OF THE COMPANY (STANDALONE)

The performance of the Company for the financial year ended March 31, 2023 is, summarized below: -
Amount In Lakhs

| PARTICULARS | 2022-23 | 2021-22 |
|---|----------------|----------------|
| Gross Income | 275.29 | 310.77 |
| Profit/(Loss) Before Interest and Depreciation | 89.73 | 268.07 |
| Finance Charges | 3.92 | 4.30 |
| Gross Profit | 85.81 | 263.77 |
| Provision for Depreciation | 5.25 | 5.17 |
| Net Profit/(Loss) Before Tax | 80.56 | 258.60 |
| Provision for Tax | 46.43 | 52.57 |
| Contingent prov. Against standard asset | (1.45) | (6.80) |
| Net Profit/(Loss) After Tax | 34.12 | 206.03 |
| Proposed Dividend on Equity Shares | Nil | Nil |
| Tax on proposed Dividend | Nil | Nil |
| Transfer to Special Reserve U/s 45IC of RBI Act | 6.82 | 41.21 |
| Surplus carried to Balance Sheet | 3228.77 | 3201.48 |

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

During the financial year company has focused on its core business activity and undertaken NBFC activities by way of providing Loans primarily to group companies and credit worthy Individuals & also invested its funds in Securities. 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 has focused on its core business and earned substantial revenue from its core business activity. The company has focused on enhancing its NBFC business. The Company has also made fresh Investment in Mutual Fund and total investment as at 31st March 2023 stand at INR 25.97 Crore and granted loans and advances amounting to Rs. 14.00 Crore outstanding as at year end.

The company's gross income for the financial year 31st March, 2023 under review was INR 275.28 Lakhs as against INR 310.77 Lakhs in the previous year where as the standalone profit after tax for the financial year 31st March, 2023 under review stand of INR 34.12 Lakhs as against INR 206.02 Lakhs as on 31st March, 2022.

The Basic and diluted earnings per share (EPS) is Rs. 0 .67 per share as at 31st March, 2023 as against Rs. 1.75 per share as on 31st March, 2022. An amount of Rs. 4.26 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.

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, 2023.

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. 5/- 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.

6. RESERVES

Out of the amount available for apportionment, Company's Director proposes to transfer Nil amounts to General Reserve and Retain INR 34.12 Lakhs to surplus account. During the year the Company has transferred INR 6.82 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 6.82 Lakhs (previous year INR 41.20 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 there is no change in Directors. However, Ms. Ridhima Gupta has resigned from the post of Company Secretary w.e.f 04/04/2022 and Ms. Prashi Saxena has been appointed as Company Secretary w.e.f 04/04/2022.

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 Six 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 year 2022-23.

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 year2022-23. |
| 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-II. 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

M/s AAAM and Co LLP, Chartered Accountants, has resigned on 16th November 2022 from the post of Statutory Auditor of the company. Due to resignation, the situation of casual vacancy arises and accordingly to fill the casual vacancy of statutory auditor in accordance to section 139(8) of the companies act, 2013, one Extra-Ordinary General Meeting of the company was held on **March 13th, 2023 at 01.00 P.M** through audio visual mode. In the Extra-Ordinary General Meeting, shareholders has appointed M/s Daleep Bhatia and Co., Chartered Accountant, New Delhi FRN: 000918N as Statutory auditor of the company to audit the accounts of the company for FY 2022-23. As his term will be expired in the ensuing AGM, Board has recommend appointment of M/s Daleep Bhatia and Co, Chartered Accountants as Statutory Auditors for a term of five consecutive years.

The Auditors have confirmed that they are eligible for re-appointment and have confirmed that they are not disqualified under any provision of Section 141(3) of the 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 Observation/Disclaimer of Secretarial Auditors along with management comments are as follows: -

| Secretarial Observation/Disclaimer | Auditors | Board/Management Comments |
|---|-----------------|---|
| During FY 22-23, the Company has entered into related party transaction exceeding the limits approved by Shareholders of the Company. | | Company has already obtained shareholders approval for the same |

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.com under investors/ Policy link.

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, 2023.

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 2022-23, 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 2022-23.

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 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.kraleasing.com. under investors tab.**

https://kraleasing.com/docswb/kra_annual_return_2023.pdf

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. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There was no such application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year

41. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

There is no such incident took place during the financial year.

42. 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: 04.09.2023
Place: Gurugram

ANEXURE INDEX

| Annexure | <i>CONTENT</i> |
|-----------------|---|
| I | Related Party Transaction AOC-2 |
| II | Details of Subsidiary/Joint Venture-AOC-1 |
| III | Secretarial Audit report MR-3 |
| IV | 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.

| | 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 | Jai Kaur Enterprises (P) Ltd (Company under Same Management) | Sweet Hospitality Private Limited (Subsidiary Company) | Vidhi Ranbir Raj | Vidhi Ranbir Raj | Disha Mehra |
| b) | Nature of contracts/arrangements/transaction | Loan Sanctioned & Interest Income | Loan Sanctioned & Interest Income | Loan Sanctioned & Interest Income | Loan Sanctioned & Interest Income | Loan Sanctioned & Interest Income |
| c) | Duration of the contracts/arrangements/transaction | One Year | One Year | One Year | One Year | One Year |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Rate of Interest on Loan-7% INR 3.75 Crore | Rate of Interest on Loan-7% INR 1.00 Crore | Rate of Interest on Loan-7% INR 4.60 Crore | Rate of Interest on Loan-7% INR 3.50 Crore | Rate of Interest on Loan-7% INR 1.15 Crore |
| e) | Date of approval by the Board | 30 th May 2023 | 30 th May 2023 | 30 th May 2023 | 30 th May 2023 | 30 th May 2023 |
| f) | Amount paid as advances, if any | Nil | Nil | Nil | Nil | Nil |

For KRA Leasing Limited

Sd/-
Rajesh Mehra
Managing Director
DIN:00058232
Date: 04.09.2023

Sd/-
Ajay Mehra
Director
DIN:00058245

Annexure -II
FORM NO.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 | 22594966 |
| 7 | Total Assets | 75432942 |
| 8 | Total liabilities | 75432942 |
| 9 | Investment including Investment in Property | 71096686 |
| 10 | Turnover | 8394965 |
| 11 | Profit/(Loss) before tax | 6957199 |
| 12 | Provision for Tax | 1106060 |
| 13 | Profit/(Loss)after tax | 5851139 |
| 14 | Proposed dividend | Nil |
| 15 | Extent of shareholding | 51.84% |

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
 Date: 04.09.2023

Sd/-

Ajay Mehra
 Director
 DIN:00058245

Annexure-III
Form No.MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended 31ST March, 2023

**[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 **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 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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,2023 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.

Observation/Disclaimer in Clause (i) Para One of our Report

(a) During FY 22-23, the Company has entered into related party transaction exceeding the limits approved by Shareholders of the Company.

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.

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 30th September,2022: -
 - a. approve proposed related party transaction(s) for the financial year 2022-23;
 - b. 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 2021-22;
2. Taken Approval of Shareholders in the Extra-ordinary General Meeting of the Company held on 13th March,2023: -

Appoint M/s Daleep Bhatia and co. Chartered Accountants, New Delhi as Statutory Auditors of the company

For D Dixit and Associates
Company Secretaries

Sd/-

Debasis Dixit

Prop.

M. No. F7218 CP. No. 7871

PR: 1823/2022

Date: 04.09.2023

Place: New Delhi

UDIN: **F007218E000890089**

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 a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For D Dixit and Associates
Company Secretaries

Sd/-

Debasis Dixit

Prop.

M. No. F7218 CP. No. 7871

Date: 04.09.2023

Place: New Delhi

UDIN: **F007218E000890089**

Economic Review (Global Economic Review)

The economic after effects of COVID-19 and the war in Ukraine have ushered in skyrocketing inflation, a rapid normalization of monetary policies and started a low-growth, low-investment era. There were some notable differences between the responses of government and business respondents, with “Debt crises”, “Failure to stabilize price trajectories”, “Failure to mitigate climate change” and “Failure of climate change adaptation” featuring more prominently for governments, and “Widespread cybercrime and cyber insecurity” and “Large-scale environmental damage incidents” featuring higher for business. Last year’s edition of the Global Risks Report warned that inflation, debt and interest rate rises were emerging risks. Today, governments and central banks – led by developed markets, notably the United States of America, Eurozone and the United Kingdom of Great Britain – are walking a tightrope between managing inflation without triggering a deep or prolonged recession, and protecting citizens from a cost-of-living crisis while servicing historically high debt loads.

Outlook

The outbreak of a conflict between Ukraine and Russia is expected to trigger a significant slowdown in global economic growth in 2022. Apart from output slowdown, the conflict is expected to ramp up inflationary pressures on key commodities such as oil, natural gas, and wheat among others, which will hit vulnerable populations in low-income countries the hardest. According to a new study done by the National Institute of Economic and Social Research, the war has led to a 30% increase in oil prices, a 90% increase in European gas prices, and a 17% increase in food prices. On the other hand, policy rate hikes by key central banks across the world to tame inflation is expected to lower the economic growth. Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023.

Indian Economic Review

Real GDP in the year 2022-23 is estimated to attain a level of ₹160.06 lakh crore, as against the First Revised Estimates of GDP for the year 2021-22 of ₹149.26 lakh crore. The growth in real GDP during 2022-23 is estimated at 7.2 per cent as compared to 9.1 per cent in 2021-22. Nominal GDP or GDP at Current Prices in the year 2022-23 is estimated to attain a level of ₹272.41 lakh crore, as against ₹234.71 lakh crore in 2021-22, showing a growth rate of 16.1 percent. GDP at Constant (2011-12) Prices in Q4 2022-23 is estimated at ₹43.62 lakh crore, as against ₹41.12 lakh crore in Q4 2021-22, showing a growth of 6.1 percent. GDP at Current Prices in Q4 2022-23 is estimated at ₹71.82 lakh crore, as against ₹65.05 lakh crore in Q4 2021-22, showing a growth of 10.4 percent. Provisional and Quarterly Estimates of National Income are compiled using the benchmark-indicator method i.e. the estimates available for the previous year referred to as the benchmark year (2021-22 in this case) are extrapolated using the relevant indicators reflecting the performance of sectors. The Second Advance Estimates (SAE) of National Income for the year 2022-23 were released on 28th February, 2023. These estimates have now been revised incorporating latest information on relevant indicators in the financial year. Total tax revenue used for GDP compilation includes non-GST revenue as well as GST revenue. Latest available information on the websites of Controller General of Accounts (CGA) and Comptroller and Auditor General of India (CAG) have been used for estimating taxes on products at Current Prices. For compiling taxes on products at constant prices, volume extrapolation is done using volume growth of taxed goods and services. The total product subsidies were compiled using the latest information on major subsidies viz. Food, Urea, Petroleum and Nutrient based subsidy as available on CGA website and the expenditure incurred on subsidies by most States up to March, 2023 as available on CAG website along with the state-wise BE provision for 2022-23. Information available on Revenue expenditure, Interest payments, Subsidies etc. based on detailed analysis of budget documents of Centre and States for 2022-23 were also put to use for estimating Government Final Consumption Expenditure (GFCE).

Outlook

As per the latest estimates by CRISIL, India's Gross Domestic Product ('GDP') is expected to report a growth of 7.3% in FY 2022-23, in line with the RBI's expectation of 7.2% Real Growth. This growth is despite private consumption and investment being impacted by higher oil and commodity prices, elevated freight prices, and drag on exports with lower global growth projections. The growth projections face downsides risks emanating from the increased duration of the war as well as growing inflation.

Industry Overview

India has a diversified financial sector consisting of commercial banks, insurance companies, non-banking financial companies, housing finance companies, cooperatives, pension funds, mutual funds, and other smaller financial entities. The financial services industry plays an important role in ensuring the efficiency of capital allocation and driving high-return investments. NBFCs especially those catering to the urban and rural poor namely NBFC-MFIs and Asset Finance Companies have a complementary role in the financial inclusion agenda of the country. The financial services sector is expected to rapidly grow this decade driven by rising incomes and heightened government focus on financial inclusion and digital adoption – India's digital payments could pass \$1 trillion by 2030.

Non-banking financial companies (NBFCs) are a crucial component of the Indian finance industry and serve the financial needs of less-banked population such as the unorganized section such as the micro, small and medium enterprises (MSMEs). NBFCs enjoy a competitive edge in their superior understanding of regional dynamics, well-developed collection systems, and personalized services in the drive to expand financial inclusion in India. Lower transaction costs, quick decision-making, customer orientation, and prompt provision of services have typically differentiated NBFCs from banks. As a result, over the last decade, the NBFCs have become an increasingly important part of the Indian financial services sector. According to the RBI, NBFCs have slowly, but steadily increased their credit to GDP ratio from 8.6% in 2013 to reach 13.7% in 2021.

Opportunities and threats: The golden rule in the Business sector is "No Risk No Gain" opportunities and threats walk hand to hand. As like the opportunities lying in future which we see for future growth threats are also lying in future which may or may not be met in future. Being into financial activity, Company is taking proper steps to mitigate the business risk.

Segment-wise performance: The Company is operating in one major segment and hence separate segmental reporting is not applicable. The Company has no activity outside India. The business of the Company comprises loans for income generation as well as investment and other sectors. It has been a conscious decision of the Management to have diversified businesses to protect or maintain the overall profitability for the sustained benefit of the company. Financials performances are disclosed in directors report as well as financial statements.

Risk and concerns: The Risk Management Framework of the Company is derived from the overall Enterprise Risk Management Framework. The Company is exposed to general market risk and is initiating adequate step to mitigate it.

Details of significant Changes in Key financial ratios

| Ratio | Current Financial Year | Previous Financial Year |
|---|------------------------|-------------------------|
| Net interest income to average loans | 0.06 | 0.06 |
| Total operating expenses to NII | 0.08 | 0.05 |
| Return on Equity (ROE) | 0.02 | 0.05 |
| Capital to risk weighted assets ratio(CRAR) | 0 | |
| Tier-1 | 1.09 | 1.11 |
| Tier-2 | 0 | - |
| Gross NPA | 0 | - |
| Net NPA | 0 | - |
| Provisions coverage ratio | 0 | - |
| EPS-Basic | .67 | 1.75 |
| Diluted | .67 | 1.75 |

Explanation to the significant changes in the Ratio: - During the financial year there is no significant changes hence it is not applicable.

Internal control system: The Company maintains adequate internal control systems, which provides adequate safeguards and proper monitoring of the transactions. The Company has put in place internal controls to ensure that all transactions are authorized, recorded and reported correctly and in accordance with the Policies, Guidelines, Processes and Frameworks approved by the Board and / or its Committees. Periodic reviews by management as well as an extensive Program of audits (both internal and external) supplement the controls and provide necessary checks and balances.

Material Development in Human resources and industrial relations:

The Human Resources initiative focuses on structured training programs intended to equip employees at all levels, with the necessary knowledge and experience in order to demonstrate high levels of performance. There was no such material development in respect of Human resources and Industrial relations which have effect on the company. During the year under review the Employee/Industrial relations remained cordial between them and as well as with the outsiders. There are total three employee in 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. 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.

| | | | | | | | | |
|-----------------|---------------------------|--------|---|---|-----|---|-----|-----|
| Ajay Mehra | Non-executive-Promoter | 930480 | 6 | 6 | No | 1 | Nil | Nil |
| Ravi Sharma | Independent Non-executive | Nil | 6 | 6 | Yes | 1 | 3 | 0 |
| Amit Kumar Modi | Independent Non-executive | Nil | 6 | 6 | Yes | 0 | 0 | 0 |
| Deeksha Bajaj | Independent Non-executive | Nil | 6 | 6 | 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 | Nil | Independent-Director |
| Amit Kumar Modi | Nil | Independent Director |
| Deeksha Bajaj | Nil | Independent Director |

B. Number of Board Meetings held

During the Financial Year 2022-23, The Board of Directors met 6 (Six) times, the date of the meetings were 04.04.2022, 30.05.2022, 10.08.2022, 14.11.2022, 13.12.2022, 14.02.2023.

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 held by Non-executive directors.

Out of Six directors company has five non-executive directors and one executive Directors. Mr. Sri Krishan Mehra, non-executive director holds 351500 and Mr. Ajay Mehra, non-executive director holds 930480 Equity Shares of the Company. Apart from the aforesaid, none of the other non-executive director hold any share in the company. The Company has not issued any 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 the context of its business(es) and sector(s) for it to function effectively |
|----------------------------------|-------------------|---|
| 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 22-23.
- N. The Board confirms that the Independent Directors fulfill the conditions specified in these regulations and are Independent of the management.
- O. Weblink where details of familiarization programs imparted to Independent Directors
- P. There was no new Independent Director appointed during the financial year, so company did not conduct any familiarization program for Independent director during the financial year.

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
- c. the same, major accounting estimates based on exercise of judgment by the Management, significant

adjustments made in the financial statements and /or recommendation, if any, made by the Statutory Auditors in this regard.

- d. Review the Management Discussion & Analysis of financial and operational performance.
- e. Recommendation for appointment, remuneration and term of appointment of auditor of the Company.
- f. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- g. Evaluation of internal financial control and risk management system.
- h. Reviewing with the management, the performance of the Statutory Auditors, internal and adequacy of Internal Auditor.
- i. Formulating the Scope Functioning, periodicity and methodology for conducting the Internal Audit.
- j. Reviewing the adequacy of Internal Audit function.
- k. 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.
- l. Carrying out any other function as mentioned in the term of reference of the Audit Committee.

During the financial year 2022-23, Four audit committee meetings held on 30th May 2022, 10th August 2022, 14th November 2022 & 14th February 2023. 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 | 4 | 4 |
| 2. | Mr. Amit Kumar Modi | Independent, Non-Executive | 4 | 4 |
| 3. | Mrs. Deeksha Bajaj | Independent, Non-Executive | 4 | 4 |
| 4. | Mr. Rajesh Mehra | Promoter, Executive | 4 | 4 |

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 34th 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 inter alia, 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 2022-23, is shown below:

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

During the financial year 2022-23, The Nomination and Remuneration Committee of Directors met 1(One) time on 04th April 2022 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://kraleasing.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) Regulations, 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 2022-23, is shown below: -

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

During the financial year 2022-23, the Stakeholder' Relationship committee of directors met two times, the dates of the meeting was 30th May 2022 & 14th November 2022.

Company Secretary & Compliance Officer

Name: Prashi Saxena
 Plot No. 03, Sector-11, IMT Manesar, Gurugram Haryana 122050
 Contact Details: - kraleasing1990@gmail.com
 Ph: 0124-4746817

Shareholder's Complaints: -2022-23

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

D. RISK MANGEMENT COMMITTEE

The Company was not required constituting its Risk Management Committee during the FY 2022-23.

E. REMUNERATION OF DIRECTORS;

The Company has not paid any remuneration to any its Directors except sitting fees to its Independent Directors. The details of sitting fees paid to independent directors are as follows: -

| S. No. | Name | Category | Amount in Rs. |
|--------|-----------------|---------------------------|---------------|
| 1 | Ravi Sharma | Independent Non Executive | 48,000/- |
| 2 | Amit Kumar Modi | Independent Non Executive | 48,000/- |
| 3 | Deeksha Bajaj | Independent Non Executive | 48,000/- |

F. 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.

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 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, 2023 without the presence of non- executive Directors.

Particulars of senior management including the changes therein since the close of the previous financial year

There are no changes in the senior management of the company since the date of the previous financial year.

3. GENERAL BODY MEETINGS

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

| AGM Date | Venue | Time | Particulars of Special Resolution |
|------------|---|----------|-----------------------------------|
| 30/09/2020 | Held Through Video Conference Mode at C-20, SMA Co-operative Industrial Estate, G T Karnal Road, Delhi-110033 | 11:00AM | Nil |
| 30/09/2021 | Held Through Video Conference Mode at C-20, SMA Co-operative Industrial Estate, G T Karnal Road, Delhi-110033 | 11:00 AM | Nil |
| 30/09/2022 | Held Through Video Conference Mode at C-20, SMA Co-operative Industrial Estate, G T Karnal Road, Delhi-110033 | 11:00 AM | Nil |

Resolution Passed through Postal Ballot:-

During the FY 2022-23 Company there was no resolution passed through Postal Ballot process

DISCLOSURES

TRANSACTION WITH THE RELATED PARTY DURING THE FINANCIAL YEAR MARCH 31ST, 2023.

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 2022-23 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 i.e. 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,2023 at 11:00 A.M. through VC/ 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 Sunday, September 24, 2023 to Saturday, September 30, 2023, both days inclusive.
- Share holding pattern as on March 31,2023 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: kraleasing1990@gmail.com Ph: 0124-4746817

- **Stock Exchange**

☑Name and address: Metropolitan Stock Exchange of India Limited

Building A, Unit No 205A, 02nd Floor,

Piramal Agastya Corporate Tower,

LBS Road, Kurla (W),

Mumbai, Maharashtra-400070

ISIN: INE300F01023 **Stock Code:** KRALEASING

Annual Listing Fees has been duly paid by the Company for the Financial Year 2022-23

Share Price on MCX

| Month | MCX Close | Share Price | | | No.ofsharestradedd uringthemoth | Turnover (Crores) |
|--|-----------|-------------|-----|-------|------------------------------------|----------------------|
| | | High | Low | Close | | |
| Shares of the Company were not Traded at any Stock Exchange. | | | | | | |

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

All request if any for demat, remat, transfer, transmission are being handled by Registrar and Share transfer Agents and registered within 15 days of receipt of documents.

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

Name and Address: M/s Skyline Financial Services Private Limited

D-153A, 01st Floor, Okhla Industrial Phase-1, New Delhi 110020

Telephone: 011-40450193

- **DEMATERIALIZATION/REMATERIALIZATION OF SHARES**

Procedure for Dematerialization/Rematerialization of Shares

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

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

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

- No GDR/ADR/Warrants or any convertible instruments have been issued by the Company

- No Non- Compliance has been done by the company or no penalties , strictures was imposed on the company by the Stock Exchange , SEBI or any statutory authority on account of non – compliance by the company on any matters related to the capital market during the last three Financial year.
- In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) 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.

- **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 2,40,000/- 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 |

| | | |
|--|----|-----|
| <p>Website</p> <p>a. Terms and conditions of appointment of independent directors;</p> <p>b. Composition of various committees of board of directors;</p> <p>c. Code of conduct of board of directors and senior management personnel;</p> <p>d. Details of establishment of vigil mechanism/Whistle Blower policy;</p> <p>e. criteria of making payments to non-executive directors , if the same has not been disclosed in annual report;</p> <p>f. policy on dealing with related party transactions;</p> <p>g. policy for determining 'material subsidiaries;</p> <p>h. details of familiarization programs imparted to independent directors including the following details:-</p> <p>(i) number of programs attended by independent directors (during the year and on accumulative basis till date),</p> <p>(ii) number of hours spent by independent directors in such programs (during the year and on cumulative basis till date),and</p> <p>(iii) other relevant details</p> | 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, 2023.

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

Date: 04.09.2023
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, 2023 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: F007218E000919613

PR: 1823/2022

Date: 02.09.2023

Place: New Delhi

CEO/CFO Certification pursuant to regulation 17(8) of SEBI (Listing Obligation & Disclosure Requirements), Regulations, 2015 for the financial year ending 2022-23

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 2022-23 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: 04.09.2023

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: F007218E000919558

PR: 1823/2022

Date: 02.09.2023

Place: New Delhi