

# EKAM LEASING AND FINANCE CO. LIMITED



*30th*  
*Annual Report*  
**2022-23**

## Corporate Information

Chairman Cum  
Managing Director

**Mr. Rakesh Jain**

Board of Directors

**Mr. Rakesh Jain, Executive Director**  
**Mr. Saurabh Jain, Independent Director**  
**Mrs. Rashi Varshney, Woman Independent Director**  
**(Joined on 07/12/2022)**

Chief Financial Officer

**Mr. Amit Kumar Khetan**  
**(Ceased On 02/05/2022)**

Company Secretary

**Ms. Neha**  
**(Upto 06/06/2023)**  
**Ms. Khushambi**  
**(w.e.f. 06/07/2023)**

Registered Office

**No. 11, Rani Jhansi Road, (Motia Khan)**  
**M.M. Road, New Delhi - 110055**

Statutory Auditor

**M/s Doogar & Associates**  
**Chartered Accountant**  
**(Upto 17th July 2023)**  
**M/s MB Gupta & Co.,**  
**Chartered Accountant**  
**(w.e.f. 11<sup>th</sup> August 2023)**

Internal Auditor

**M/s ACG & Co.**  
**Chartered Accountant**

Registrar & Share  
Transfer Agent

**M/s. Alankit Assignments Limited**  
**4E/2, Jhandewalan Extension,**  
**New Delhi - 110 055**

Bankers

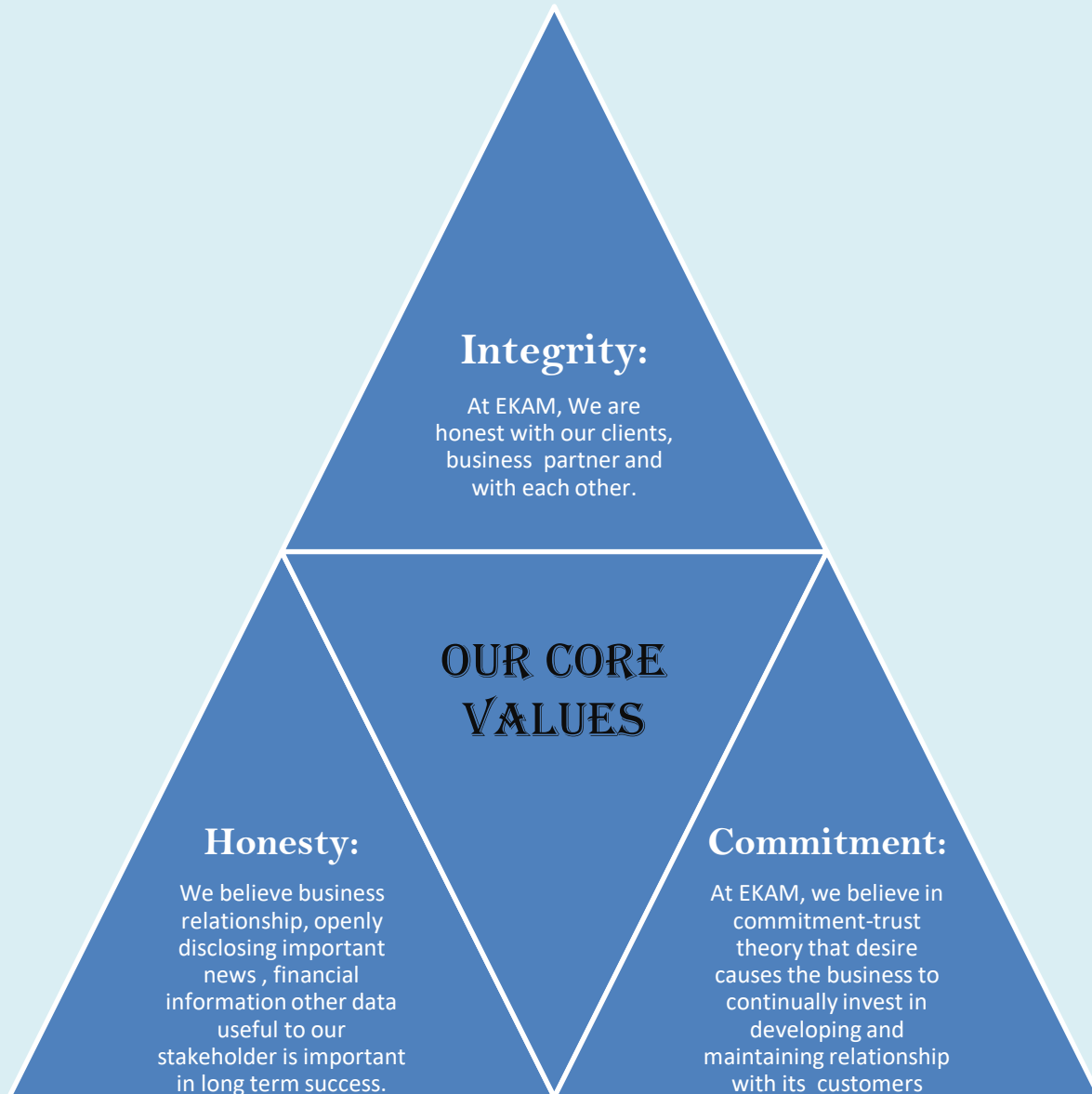
**State Bank of India,**  
**Faiz Road, New Delhi-110005**

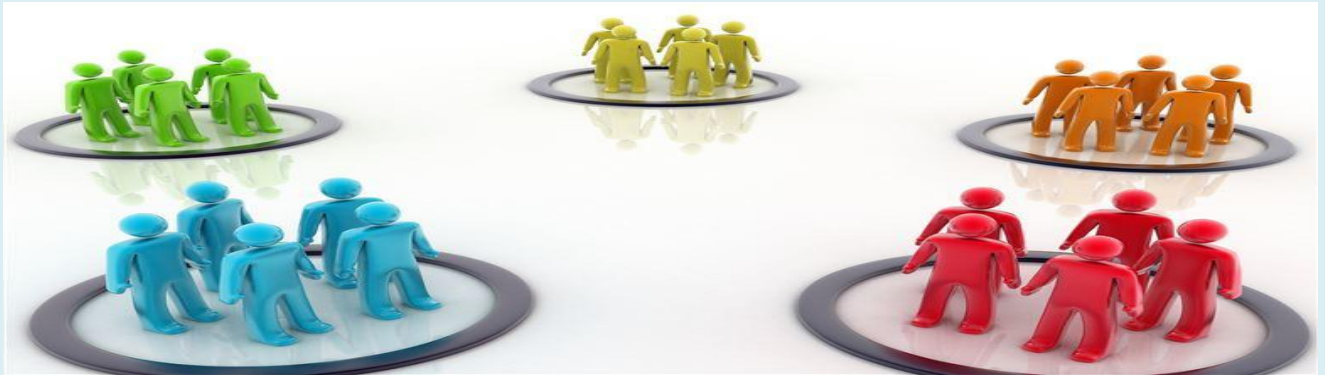
**NOTE** :- In line with the Ministry of Corporate Affairs (MCA) Circular No. 10/2022 dated 28 December, 2022, Circular No. 2/2022 dated May 5, 2022, Circular No. 17/2020 dated April 13, 2020 and 02/2021 dated 13 January, 2021 read with SEBI Circular dated 12th May 2020, 15 January, 2021, dated May 13, 2022 and dated January 05, 2023 the Notice of AGM along with Annual Report for the financial year 2022-23 is being sent only through electronic mode to those whose email addresses are registered with the company/depositories. Members may note that the Notice and Annual Report has been uploaded on the website of the Company at [www.ekamleasing.com](http://www.ekamleasing.com). The Notice as well as the Annual Report 2022-23 can also be accessed from the websites of the Stock Exchange at [www.bseindia.com](http://www.bseindia.com).

No gifts or coupons would be given to the shareholders for attending the Annual General Meeting

## *30th Annual General Meeting*

- 27TH SEPTEMBER 2023
- WEDNESDAY ON 2:00 P.M.
- THROUGH VIDEO  
CONFERCING/OTHER AUDIO  
VISUAL MEANS (OAVM)



**COMPOSITION OF COMMITTEES OF COMPANY****AUDIT COMMITTEE**

**Mr. Saurabh Jain – Chairman**  
**Mrs. Rashi Varshney– Member**  
**Mr. Rakesh Jain – Member**

**NOMINATION AND REMUNERATION COMMITTEE**

**Mr. Saurabh Jain – Chairman**  
**Mrs. Rashi Varshney– Member**  
**Mr. Rakesh Jain – Member**

**STAKEHOLDER RELATIONSHIP COMMITTEE**

**Mr. Saurabh Jain – Chairman**  
**Mrs. Rashi Varshney– Member**  
**Mr. Rakesh Jain – Member**

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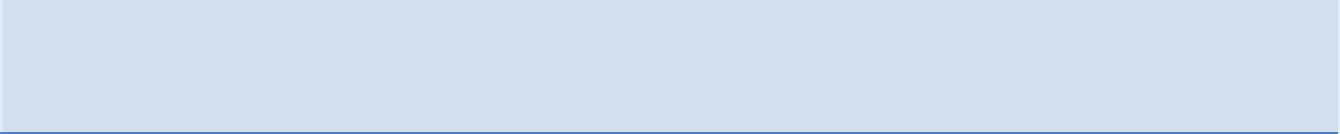
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**Statutory  
Sections**

# EKAM LEASING AND FINANCE CO. LIMITED

REGD OFFICE: No. 11, Rani Jhansi Road, (Motia Khan), M M Road, New Delhi -110055 Tel No. : 011-23528015 Fax No. : 011-23528015  
E-mail : ekam.leasing1@gmail.com, info@ekamleasing.com, Website : www.ekamleasing.com  
CIN No.: L74899DL1993PLC055697

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **30<sup>th</sup> Annual General Meeting** of the members of **M/S EKAM LEASING AND FINANCE CO. LIMITED** will be held on **Wednesday, 27<sup>th</sup> day of September, 2023** at **02.00 PM. (IST)** through Video Conferencing (VC) /Other Audio Visual Means (OAVM) to transact the following business:

### **ORDINARY BUSINES**

- 1. TO RECEIVE, CONSIDER AND ADOPT THE STANDALONE & CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023, TOGETHER WITH THE REPORTS OF THE BOARD OF DIRECTORS AND THE AUDITORS THEREON**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT the Standalone & Consolidated audited financial statements including Balance Sheet of the Company as at March 31, 2023, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on March 31, 2023 together with all the notes annexed and the Directors' and Auditors' Reports thereon, placed before the meeting, be and are hereby received, considered and adopted.”**

- 2. APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY TO FILL THE CASUAL VACANCY & TO FIX THEIR REMUNERATION**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of Section 139 sub-section 8 and Section 142 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other laws for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), and Pursuant to recommendation of the Audit Committee and subject to the approval of shareholders at the general meeting, M/s MB Gupta & Associates, Chartered Accountants (FRN.006928N), be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Dooger and Associates, Chartered Accountants (FRN.:000561N) and hold office from the board Meeting held on 11<sup>th</sup> August 2023 until conclusion of 30<sup>th</sup> Annual General Meeting.

**RESOLVED FURTHER THAT** any of the Board of Directors and /or Company Secretary, be and are, hereby empowered and authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E-Forms with Registrar of Companies.”

- 3. APPOINTMENT OF STATUTORY AUDITOR OF THE COMPANY & TO FIX THEIR REMUNERATION**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and pursuant to recommendation of the Audit Committee, M/s MB Gupta & Associates, Chartered Accountants (Firm Registration No. 006928N) be and are hereby appointed as Statutory Auditors of the Company for a term of 5 years for auditing the accounts of the Company from the FY 2023-24 to FY 2027-28 to hold office from the conclusion of this 30th Annual General Meeting (AGM) until the conclusion of the 35<sup>th</sup> AGM at a fees as may be decided with mutual consent with board besides reimbursement of travelling and out of pocket expenses incurred.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to fix the fees payable to the Statutory Auditors, pursuant to the recommendation of the Audit Committee, from FY 24 to FY 28.

**RESOLVED FURTHER THAT** any of the Board of Directors and /or Company Secretary, be and are, hereby empowered and authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E-Forms with Registrar of Companies.”

#### **SPECIAL BUSINESS:**

#### **4. INCREASE IN THE AUTHORISED SHARE CAPITAL OF THE COMPANY AND AMEND THE CLAUSE V OF MEMORANDUM OF ASSOCIATION OF THE COMPANY**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of section 4, 13, 15, 61 & 64 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and rules framed there under and in accordance with the applicable provisions of the Article of Association of the company, consent of the Board of directors subject to the approval of members of the company be and are hereby accorded to increase the authorized share capital of the Company from Rs. 3,00,00,000 (Rupees three Crores only) divided into 60,00,000 (Sixty Lakh) equity shares of Rs. 5/- (Rupees Five) each to Rs. 5,00,00,000 (Rupees Five crores only) divided into 100,00,000 (One crore) equity shares of Rs. 5/- (Rupees five) each by creation of additional 40,00,000 (Forty Lakhs) equity shares of Rs. 5/- (Rupees five) each and that the new equity shares shall rank pari-passu with the existing equity shares.”

**RESOLVED FURTHER THAT** the consent of the Board of directors subject to the approval of members of the Company be and are hereby accorded for substituting the existing Clause V of Memorandum of Association of the Company by following clause as mentioned here under:

V. The Authorized Share Capital of the Company is Rs.5,00,00,000/- (Rupees Five crores only) divided into 100,00,000 (One crore) equity shares of Rs. 5/- (Rupees Five) each.

**RESOLVED FURTHER THAT** any director of the Company and/or Company Secretary be and are hereby authorized to do all such acts, deeds and things as deemed proper and considered necessary for

giving effect to the above resolution and to file necessary e-forms with Registrar of Companies, Delhi & Haryana.”

5. **RE-APPOINTMENT OF MR. RAKESH JAIN (DIN :00061737) AS THE CHAIMAN CUM MANAGING DIRECTOR**

To Consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee, and the provision of section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under (including any statutory modification(s) or re-enactment thereof), read with Scheduled V in the Companies Act 2013, the consent of Board be and are hereby accorded to the re-appointment of Mr. Rakesh Jain (Managing Director) having DIN: 00061737 as a Managing Director of the Company to hold office for a term of 3 (three) consecutive years with effect from 11th August, 2023 to 10<sup>th</sup> August 2026 on the remuneration , terms and conditions as recommended by nomination and remuneration committee, subject to shareholder’s approval in general meeting.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Rakesh Jain shall not exceed the overall ceiling of the total managerial remuneration as provided under 197 read with rule Schedule V of the Companies Act, 2013 or such other limit as may be prescribed from time to time.

**FURTHER RESOLVED THAT** any director of the Company and/ or Company Secretary be and are hereby authorized to file certified true copy of this resolution with requisite E-forms with the Ministry of Corporate Affairs within prescribed time limit and to do all other acts, deeds and things as may be necessary to give effect to this resolution”

**By Order of the Board  
For Ekam leasing and finance Co. Limited**

Place: New Delhi  
Date :11-08-2023

**Rakesh Jain  
Chairman & Managing Director  
DIN: 00061737**

**NOTES:**

(i) The relevant Explanatory Statement and reasons in respect of proposed Special Business (es) pursuant to Section 102 of the Companies Act, 2013 are annexed hereto. The relevant details pursuant to Regulation 26 (4) and 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulation 2015 ("SEBI Listing Regulation") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of directors seeking appointment/reappointment at this Annual General Meeting are also annexed herewith.

(ii) Ministry of Corporate Affairs ("MCA") have permitted conducting the Annual General Meeting through video conferencing ("VC") or other audio-visual means ("OAVM") up to 30th September, 2023. In this regard, the regulatory authorities have issued various Circulars prescribing the procedure and manner of conducting the Annual General Meeting through VC/OAVM vide Circular No. 10/2022 dated 28th December, 2022 read with Circular No. 20/2020 dated May 05, 2020, Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2022 dated May 5, 2022 ("MCA Circulars") and Securities Exchange Board of India (SEBI) Circular dated 12th May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 ("SEBI Circulars"). In Compliance with MCA and SEBI Circulars, the forthcoming 30th AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM) from a common venue. Hence, Members can attend and participate in the ensuing AGM and also vote through VC/OAVM without physical presence of the Members at a common venue.

(iii) In compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 30th Annual General Meeting of the Company is being conducted through Video Conferencing ("VC") (hereinafter referred to as "AGM' ). In accordance with the Secretarial Standard -2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated April, 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

(iv) As per the provisions of Clause 3. A.II. of the General Circular No. 20/2020 dated May 5, 2020, the matters of Special Business as appearing at Item Nos. 4 and 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.

(v) Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporate are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

(vi) A member entitled to vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and proxy need not be a member. In terms of MCA circulars, since physical attendance of members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by members under section 105 of the act, will not be available for the AGM and hence the proxy form and attendance slip are not annexed to the notice.

(vii) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of

participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

(viii) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013. Hence attendance slips are not annexed with the Notice.

(ix) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, Circular No. 10/2022 dated 28th December, 2022 and SEBI Circular dated 12th May 2020, 15th January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 & and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, the Notice of 30th AGM along with Annual Report for the financial year 2022-23 is being sent only through electronic mode to those whose email addresses are registered with the company/depositories. Members may note that the Notice and Annual Report has been uploaded on the website of the Company at [ekam.leasing1@gmail.com](mailto:ekam.leasing1@gmail.com). The Notice as well as the Annual Report 2022-23 can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of NSDL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

(x) Further, those members who have not registered their email addresses and in consequence could not be served the Annual Report for F.Y.2022-23 and Notice of 30<sup>th</sup> AGM, may temporarily get themselves registered with Company's Registrar and Transfer Agent, Alankit Assignment Ltd. 4E/2, Jhandewalan Extension, New Delhi- 110055 for receiving the same.

(xi) Members desirous of obtaining any information on the Annual Report and operations of the Company are requested to write to the Company at least ten days before the Meeting, so that the information required will be made available at the Annual General Meeting.

(xii) All the documents referred to in the accompanying Notice of AGM and the Explanatory Statement and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 will be available electronically for inspection by the members during the AGM upon log-in to NSDL e-voting system at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [ekam.leasing1@gmail.com](mailto:ekam.leasing1@gmail.com).

(xiii) Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, September 21, 2023 to Wednesday, September 27, 2023** (both days inclusive) for the purpose of Annual General Meeting.

(xiv) Members holding shares in physical form are requested to immediately notify change in their address, if any, to the Registrar and Transfer Agent of the Company, i.e. Alankit Assignment Ltd. 4E/2, Jhandewalan Extension, New Delhi- 110055, quoting their Folio Number(s).

(xv) Pursuant to the requirements of Corporate Governance under Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 entered into with the Stock Exchange(s), the

brief resumes of all the Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board/Committees, shareholding and relationships between Directors inter-se, are provided in the Corporate governance report in the Board's Report forming part of the Annual Report.

(xvi) Members may also note that the Notice of the 30<sup>th</sup> Annual General Meeting and the Annual Report for March 31, 2023 will also be available on the Company's website [www.ekamleasing.com](http://www.ekamleasing.com), website of Bombay Stock Exchange at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) for their download. For any communication, the shareholders may also send requests to the Company's designated email id: [ekam.leasing1@gmail.com](mailto:ekam.leasing1@gmail.com).

(xvii) To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to the register the same with their Depository Participant(s) (DP) in case the shares are held by them in electronic form with Alankit Assignment Ltd. and Registrar & Share Transfer Agent in case the shares are held by them in physical form for receiving all communication including Annual Report, Notices, Financial Results etc. from the Company electronically.

(xviii) As per Regulation 40 of SEBI (LODR) Regulations, 2015 as amended, transfer/transmission/transposition in the securities of listed companies can be only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings dematerialized form. Members can contact the Company or company's Registrar & Transfer Agent (RTA) i.e. Alankit Assignment Ltd for assistance in this regard.

(xix) In case of loss/misplacement of share certificates, Members should immediately lodge a complaint/FIR with the police and inform the Company's Registrar and Transfer Agent, Integrated for the procedure of obtaining the duplicate share certificates.

(xx) As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with Company's Registrar and Transfer Agent i.e. M/s Alankit Assignments Limited. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

(xxi) Non-Resident shareholders: Non-Resident shareholders are requested to immediately notify the following to the Company in respect of shares held in Physical form and to their DPs in respect of shares held in Dematerialized form:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement;
- Particulars of the Bank Account maintained with a bank in India, if not furnished earlier; and
- RBI Permission number with date to facilitate prompt credit of dividend in their Bank Accounts.

(xxii) Members holding shares in physical form are requested to convert their physical shareholding in to dematerialized shareholding. Please note that transfer of shares in physical form is not permissible as per SEBI guidelines. In this regard, the Members/legal heirs of deceased members are also requested to open demat account simultaneously for dematerializing the shares to their demat account(s) after transmission of shares in their name by the Registrar and Transfer Agent of the Company.

- (xxiii) The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form who have not done so are requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Registrar and Transfer Agent.
- (xxiv) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the 30<sup>th</sup> AGM.
- (xxv) All the documents referred to in the notice can be obtained for inspection through secured mode by writing to the Company at its email ID: [ekam.leasing1@gmail.com](mailto:ekam.leasing1@gmail.com) till the date of the meeting.
- (xxvi) As per the provisions of the Companies Act, 2013, the Company has received declarations from all the Independent Directors stating that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.
- (xxvii) The Equity shares of the Company are mandated for trading in the compulsory demat mode. The ISIN No. allotted for the Company's shares is **INE906L01025**.
- (xxviii) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting on the date of the AGM will be provided by NSDL.

#### **Voting through electronic means:**

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI (LODR) Regulations, 2015 and in terms of Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020 and Circular No. 02/2022 dated May 5, 2022 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as electronic voting on the date of the AGM will be provided by NSDL. The details of the process and manner for remote e-voting for individuals, non- individuals and members holding in physical form are explained herein below:

The Notice of the Annual General Meeting (AGM) of the Company interalia indicating the process and manner of e-Voting process. ***The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below***



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

The remote e-voting period begins on Sunday, 24<sup>th</sup> September, 2023 at 9:00 A.M. and ends on Tuesday 26<sup>th</sup> September, 2023 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20<sup>th</sup> September, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20<sup>th</sup> September, 2023.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click</p>

<https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>  
 Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.d

Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

**NSDL Mobile App is available on**



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website [www.cdslindia.com](http://www.cdslindia.com) and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
3. If the user is not registered for Easi/Easiest, option to register is

	<p>available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL.	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode with CDSL.	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the comp For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’.
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those**  
 (iii) **shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature

of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [kksandassociates@gmail.com](mailto:kksandassociates@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).> with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre – Senior Manager, NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING BEFORE AND DURING THE AGM ARE AS UNDER:-**

- The Board of Directors has appointed Krishna Kumar Singh (Membership No. FCS 8493) of KKS & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
- The facility for voting through electronic voting system shall also be made available at the AGM and the members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote through e-voting system at the AGM.
- The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM through Video Conferencing but shall not be entitled to cast their vote again.

A member can vote either by remote e-voting or at the AGM through electronic mode. In case a member votes by both the modes then the votes cast through remote e-voting shall prevail and votes cast at the AGM shall be considered invalid.

#### **INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE WITH NSDL/ CDSL HAVE FORGOTTEN THE PASSWORD:**

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ([rta@alankit.com](mailto:rta@alankit.com)).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ([rta@alankit.com](mailto:rta@alankit.com)). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (ekam.leasing1@gmail.com). The same will be replied by the company suitably.

**By Order of the Board  
For Ekam leasing and finance Co. Limited**

Place: New Delhi  
Date :11-08-2023

**Rakesh Jain  
Chairman & Managing Director  
DIN: 00061737**



**EXPLANATORY STATEMENT****(Pursuant to Section 102 (1) of the Companies Act, 2013)**

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 & 5 of the accompanying Notice:

**Item: 4**

The Board appraised that pursuant to Circular No DOR.CRE.REC.No.60/03.10.001/2021-22 dated 22nd October 2021 issued by Reserve Bank of India (RBI), it has mandated under Scale Based Regulation (SBR), the Regulatory minimum Net Owned Fund (NOF) for all kind of NBFCs i.e. NBFC-ICC, NBFC MFI and NBFC-Factors, shall be increased to ₹10 crore. The following glide path is provided for the existing NBFCs to achieve the NOF of ₹10 crore:

NBFCs	Current NOF	By March 31, 2025	By March 31,2027
NBFC-ICC	₹2 crore	₹5 crore	₹10 crore
NBFC-MFI	₹5 crore (₹2 crore in NE Region)	₹7 crore (₹5 crore in NE Region)	₹10 crore
NBFC-Factors	₹5 crore	₹7 crore	₹10 crore

In view of above, with the objective to achieve the NOF requirement, the Company is required to infuse fresh equity fund also. Since the existing authorised and paid up share capital is Rs 3 cr, therefore it is proposed to increase the Authorised Share Capital to Rs. 5 Cr. to accommodate future infusion of Equity Capital. pursuant to the provisions of section 4, 13, 15, 61 & 64 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and rules framed there under and in accordance with the applicable provisions of the Article of Association of the company the resolution set forth in item 4 require member's approval by way of an ordinary resolution for the increase in authorized share capital of the company.

The Board commends the resolution as item no. 4 for approval of members as an ordinary resolution.

None of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested, financially or otherwise, in this resolution at the **item no. 4** of accompanying notice.

**Item No. 5**

Mr. Rakesh Jain was appointed as Chairman Cum Managing Director by the members to hold office upto December 14, 2022. The Board is proposing his re-appointment for a period of Three (3) years and hence continuation of his employment as Executive Chairman Cum Managing Director requires the approval of members by way of an Ordinary Resolution.

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company passed a resolution on August 11, 2023 approving re-appointment of Mr. Rakesh Jain as Chairman Cum Managing Director of the Company for a further period of three years with effect from August 11, 2023 till August 10, 2026 .This is subject to the approval of shareholders at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 100 of the Companies Act, 2013. The details of remuneration payable to Mr. Rakesh Jain and the material terms and conditions of the re-appointment are as follows:

I) Basic / Consolidated Salary – On Honorary Basis

II) Perquisites as detailed below –

- Reimbursement of Conveyance, travelling, telephonic expense on actual basis for official purpose.
- Earned leave/ Privilege Leave: Encashment will be permissible in accordance with the rules of the company.

The Board of the Directors of the company be and is hereby authorized to alter, vary the terms and conditions of the Re-appointment and total emoluments payable to Chairman cum Managing Director as above.

The Board recommends the resolution as item no. 5 for approval of members as an ordinary resolution.

Except Mr. Rakesh Jain himself none of the Directors and Key Managerial Personnel of the company and their relatives is concerned or interested, financially or otherwise, in this resolution at the item no. 5 of accompanying notice.

**By Order of the Board  
For Ekam leasing and finance Co. Limited**

Place: New Delhi  
Date :11-08-2023

**Rakesh Jain  
Chairman & Managing Director  
DIN: 00061737**

# BOARD REPORT



## Board's Report

To  
The Members  
Ekam Leasing and Finance Co. Limited

Your Directors are pleased to have this opportunity to present the 30<sup>th</sup> Annual Report of the Company together with the Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2023.

### FINANCIAL RESULTS

(Amount in Lacs)

Particular	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	63.09	57.31	63.09	57.31
Other Income	0.08	-	5.13	5.72
Total Income	63.17	57.31	68.22	63.03
Total Expenditure	104.22	43.98	91.96	28.38
Profit / (Loss) before Tax & Provision for NPA	(41.04)	13.34	(23.74)	34.65
Provision for Tax	(10.66)	3.65	(5.64)	9.23
Net Profit / (Loss)	(30.38)	9.69	(18.10)	25.42
Surplus/Deficit brought forward from previous year	10.35	2.62	197.70	174.22
Surplus/Deficit carried over to Balance Sheet	(20.02)	10.35	179.60	197.70

### DIVIDEND

Keeping in view of the loss during the year and the requirement of funds for future business operations, the board has not recommended any dividend for the financial year ended 31st March 2023.

### COMPANY'S PERFORMANCE

During the year under review, the Company has earned total revenue of Rs. 63.09 Lacs as against 57.31 Lacs resulting an increase of 10.08% in total revenue. However due to increased expenditure the Company suffered losses after tax in current financial year..

On consolidated basis, revenue for F.Y. 2022-23 stood at is Rs. 63.09 Lacs as against Rs. 57.31 Lacs during the previous year resulting an increase of 10.08% in total revenue. However due to increased expenditure the Company suffered losses after tax in current financial year.

## **HUMAN RESOURCE DEVELOPMENT**



Human Resource Development is the framework for helping employees develop their personal and organizational skills, knowledge, and abilities. Human Resource is not only an integral part of any organization but also strive its success and growth. The Company believes that human resources are the key resources and integral part of the organization and endeavors to create a culture of openness and empowerment amongst its employees and provide good carrier development.

Your Company believes in trust transparency & teamwork to improve employees productivity at all levels and is committed to the welfare of the employees and their families by putting review and reward system in place.

## **TRANSFER TO RESERVES**

During the Year under Review, the Company transferred Nil amount to Statutory Reserve under section 45 -IC of Reserve Bank India Act, 1934 due to losses. outstanding Balance of Standalone reserve stood at (10.01) Lacs and Consolidated reserve stood at 526.21 lacs as on 31st March, 2023.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN MARCH 31, 2023 AND THE DATE OF REPORT**

As required under Section 134(3) of the Act, the Board of Directors informs the members that during the financial year i.e. 31 March, 2023, there have been no material changes between the closing of the financial year of the Company till the date of this report, except as disclosed elsewhere in the Annual Report.

## **PERFORMMANCE HIGHLIGHTS OF SUBSIDIARY AND ASSOCIATES COMPANIES**

### **SUBSIDIARY COMPANIES:-**

- M/s S & S Balajee Mercantile Private Limited having CIN: U51109DL1993PTC052329 incorporated to carry on the business of dealing and trading in all kinds of essential commodities/Machinery, etc.

- M/s Jet Air Securities Private Limited having CIN:U74899DL1995PTC069004 which is mainly engaged in business of dealing in securities.
- M/s Rex Overseas Private Limited having CIN:U74899DL1988PTC032551 is engage into the business of import export and all deal in all kind of securities.

### JOINT VENTURE COMPANY

There are no joint venture company at any time during the financial year 2022-2023.

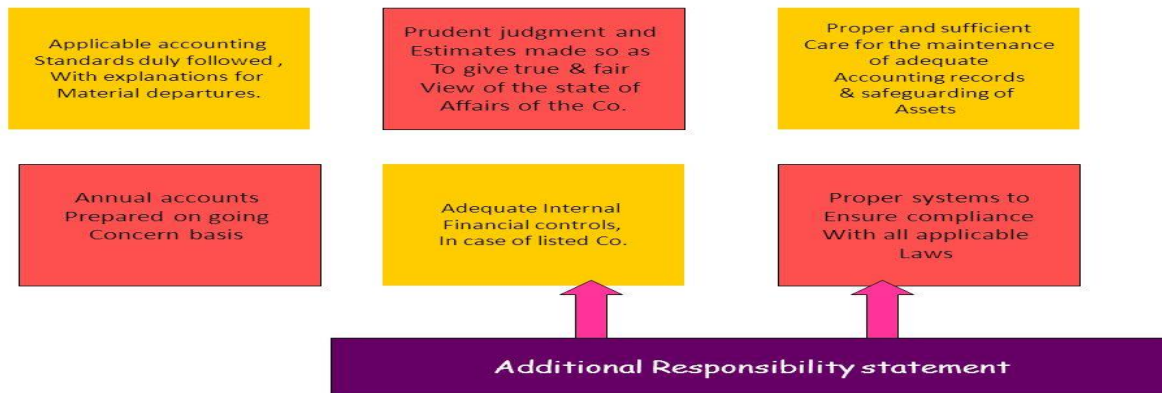
### ASSOCIATE COMPANY

There are no associate companies at any time during the financial year 2022-2023.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("Act"), a statement containing brief financial details of the Company's subsidiaries, associate companies and joint ventures for the financial year ended March 31, 2023 in Form AOC-1 is annexed to the Board Report of the Company as Annexure-I and also available on company's website at [www.ekamleasing.com](http://www.ekamleasing.com).

### DIRECTORS' RESPONSIBILITY STATEMENT

#### Directors Responsibility statement ( Sec 134(5) )



As required by Section 134(3)(c) of the Companies Act, 2013, Directors state that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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;

- c) 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;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) 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; and
- f) 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.

### **DECLARATION FROM INDEPENDENT DIRECTOR**

Pursuant to the provision of Section 149(7) of the Act read with Regulation 25(8) of the SEBI (LODR) Regulations, 2015, the Company has received a declaration from each of the Independent Director that they meets the criteria of independence as provided under section 149(6) of the Act & SEBI (LODR) Regulations, 2015 and there has been no change in the circumstances which may affect their status as independent director during the year.

All the Independent Directors of the Company have complied with the requirement pertaining to the inclusion of their names in the data bank of independent directors maintained by Indian Institute of Corporate Affairs and they meet the requirements of proficiency self-assessment test.

In the opinion of Board of Directors of the Company, Independent Directors on the Board of Company hold highest standards of integrity and are highly qualified, recognised and is doyen of the industry. There is an optimum mix of expertise (including financial expertise), leadership and professionalism.

### **REGISTRATION WITH RBI**



The Company being a Non-Banking Finance Company (NBFC) and is registered with the Reserve Bank of India (RBI), with RBI Registration No. 14.00332.

### **RBI GUIDELINES**



The Company is complying with all the applicable guidelines/directions of the Reserve Bank of India for Non Banking Finance Company pursuant to **Non-Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015** and **Master direction Non Banking Financial Company-Non Systematically Important Non Deposit taking company (Reserve Bank) Direction, 2016**, **Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016** the particulars as applicable to the Company are appended to the Balance Sheet.

### **THE RBI NORMS AND ACCOUNTING STANDARDS**

The company continues to comply with the directives and accounting standard as well as the norms prescribed by Reserve Bank of India for NBFCs for the financial year 2022-23.

### **CHANGE IN BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Section 149 and 152 of the Companies Act, 2013 and rules made there under as amended from time to time and Regulation 17 of the SEBI (LODR) Regulations 2015. During the Year under review, there was no change in board composition of the company except the following: -

- Mr. Amit kumar Khaitan resigned from the post of Chief Financial Officer dated 02<sup>nd</sup> May, 2022.
- Mr. Astik Mani Tripathi resigned from the post of Non Executive Independent director of the Company dated 12<sup>th</sup> May, 2022.
- Mrs. Rashi Varshney was appointed as Non Executive Independent Director of the Company w.e.f. 07<sup>th</sup> December 2022.
- In accordance with the provision of Section 203 of the Companies Act 2013 read with rule 9 of Companies (Appointment & Remuneration of Managerial Personnel) Rule, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Neha Sharma was appointed as a Company Secretary & Compliance Officer of the Company w.e.f. 07<sup>th</sup> December 2022 and resigned on 6<sup>th</sup> June, 2023.



- Ms. Khushambi has appointed as a Company Secretary and Compliance officer of the company w.e.f 6th July, 2023.

### **MEETINGS OF THE BOARD OF DIRECTORS**



The Board of Directors of your Company met **6 (Six)** times during the Financial year 2022-23. The dates of the board meetings are 12<sup>th</sup> May 2022, 30<sup>th</sup> May 2022, 14<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 07<sup>th</sup> December 2022 and 14<sup>th</sup> February 2023. The necessary quorum was present for all the meetings.

The company holds the board meeting in compliance with law and the gap between two meetings did not exceed one hundred and twenty days during the FY 2022-23. The detailed agenda and notes thereon are sent to all the directors seven days in advance from the date of Board Meeting. The Managing Director appraised the Board on the overall performance of the Company at every Board Meeting. The Board reviews the performance of the Company and sets the strategy for future. The Board takes on record the actions taken by the company on all its decisions periodically.

### **MEETING OF INDEPENDENT DIRECTORS**

During the financial year 2022-23, the meeting of Independent Director was held on 12<sup>th</sup> February, 2023 to review the performance of Non Independent Directors of the company.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed.

### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the Annual Report.

The Remuneration Policy of the company for Directors, KMP and Senior Management Employees are also available at the website of the company i.e. [www.ekamleasing.com](http://www.ekamleasing.com).

### **PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS (NED) AND DISCLOSURES ON THE REMUNERATION OF THE DIRECTORS**

The NEDs have no pecuniary relationship except the sitting fees paid for the meeting of board of Directors/Committee.

The details regarding the remuneration of directors along with their shareholding are disclosed in Corporate Governance Report which forming part of this Annual Report.

### **FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

During the year under review, there was no frauds reported by statutory auditors to Audit Committee and/or board under sub-section (12) of section 143 of the Companies Act, 2013.

### **BOARD EVALUATION**

The board of directors has carried out an annual evaluation of its own performance and board committees. The performance was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the committees was evaluated after seeking the inputs of committee members on the criteria such as understanding the terms of reference, Committee Composition, Independence, updating the Board on the committee decisions, comprehensiveness in the discussion of issues and contributions to Board decisions, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual directors to the Board and committee meetings like preparing on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

The evaluation report contains an executive summary of findings and several key recommendations from the evaluation process.

### **DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016**

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

### **DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS**

During the year under review, there has been no one time settlement of loans taken from banks and financial institutions.

### **COMMITTEES OF BOARD**



Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various Committees of Board such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee. The details of composition and terms of reference of these Committees are mentioned in the Corporate Governance Report.

- **AUDIT COMMITTEE**

The composition, role, terms of reference, authority and powers of the Audit Committee are in conformity with Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Committee met periodically during the year and had discussions with the auditors on internal control systems and internal audit report.

- **NOMINATION & REMUNERATION COMMITTEE (NRC)**

The composition, role, terms of reference, authority and powers of the Nomination & Remuneration Committee are in conformity with Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

- **STAKEHOLDER RELATIONSHIP COMMITTEE (SRC)**

The composition, role, terms of reference, authority and powers of the Stakeholder Relationship Committee are in conformity with Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

The details regarding all the above said committees are given in the Corporate Governance Report which forms a part of this Report.

## RELATED PARTY TRANSACTIONS



In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same is available on the website of the company at [www.ekamleasing.com](http://www.ekamleasing.com). All Related Party Transactions are placed before the Audit Committee and also the Board/Members for their approval, wherever necessary. An omnibus approval from the Audit Committee is obtained for the related party transactions. The details of the same are given in Note 29 and Note 28 respectively of the Standalone & Consolidated Financial Statements of the Company.

Further, there were no related party transactions which were material or not at arm's length basis as required under section 188(1) of the Companies Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, the requirement of **Form AOC-2 is not applicable** to the Company.

The Company in terms of Regulation 23 of the Listing Regulations submitted disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards to the stock exchanges. The said disclosures can be accessed on the website of the Company at [www.ekamleasing.com](http://www.ekamleasing.com).

## RISK MANAGEMENT

Effective risk management is essential to success and is an integral part of our culture. While we need to accept a level of risk in achieving our goals, sound risk management helps us to make the most of each business opportunity, and enables us to be resilient and respond decisively to the changing environment.

Our approach to risk management assists us in identifying risks early and addressing them in ways that manage uncertainties, minimize potential hazards, and maximize opportunities for the good of all our stakeholders including shareholders, customers, suppliers, regulators and employees. Risks can be broadly classified as Strategic, Operational, Financial, and Legal/Regulatory.

In accordance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company has adopted risk management policy, approved by Board of Directors and established a risk management framework to identify, mitigate and control the risk and threatens of risk.

## AUDITORS

### Statutory Auditor

M/s Dooger & Associates, Chartered Accountant was appointed as the Statutory Auditor of the Company for the period of 5 years from 29<sup>th</sup> Annual General Meeting to 34<sup>th</sup> Annual General Meeting of the Company. Further, M/s Dooger & Associates, Chartered Accountant is eligible for re-appointment but the auditor gives his unwillingness to be re-appointed.

Therefore, the management has approached M/s MB Gupta & Associates, Chartered Accountants (FRN:006928N) for the appointment of Statutory Auditor of the Company and had received consent/affirmation letter along with his brief profile to act as Statutory Auditor of the Company.

Therefore, pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and pursuant to recommendation of the Audit Committee and subject to the approval of shareholders at the Annual General Meeting, M/s. MB Gupta & Co., Chartered Accountants (FRN.006928N), be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Dooger and Associates, Chartered Accountants (FRN.:000561N) from the conclusion of the meeting held on 11<sup>th</sup> August 2023 until the conclusion of the 30<sup>th</sup> Annual General Meeting at a fees as may be decided with mutual consent with the Board besides reimbursement of travelling and out of pocket expenses incurred.

Further, M/s. MB Gupta & Co., Chartered Accountants (FRN.006928N), be and are hereby appointed as Statutory Auditors of the Company **for a term of five years to hold office from the conclusion of the 30<sup>th</sup> Annual General Meeting till the conclusion of the 35<sup>th</sup> Annual General Meeting in 2028, subject to approval of Members in the ensuing Annual General Meeting scheduled to be held on 27<sup>th</sup> September, 2023.**

The necessary resolutions for appointment of M/s. MB Gupta & Co., Chartered Accountants (FRN.006928N) form part of the Notice convening the ensuing Annual General Meeting scheduled to be held on 27<sup>th</sup> September, 2023.

The Company has in its Notice convening Annual General Meeting sought approval from the Members for passing a resolution regarding authorizing the Board to appoint Statutory Auditor.

### Secretarial Auditor

In terms of Section 204 of the Companies Act, 2013 and Rules framed there under and on the recommendation of the Audit Committee, the Board of Directors of the Company have appointed **M/s. KKS & Associates, Company Secretaries** as the Secretarial Auditor of the Company for the financial year 2023-2024. The Company has received consent from M/s. KKS & Associates, Company Secretaries, for their appointment. The Secretarial Audit Report confirms that the Company has

complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances. Further, his secretarial audit report is annexed as **Annexure-V** to this Report in prescribed **Form MR-3**.

Further, the Board of Directors in their meeting held on Friday, 11th August, 2023 re-appointed M/s. **KKS & Associates, Company Secretaries**, as Secretarial Auditors, to undertake the audit of the secretarial records for the Financial Year 2023-24.

Further, in pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Annual Secretarial Compliance Report for the Financial Year ended on March 31, 2023 as issued by M/s. KKS & Associates, Company Secretaries is also available at BSE India.com and on the website of the Company i.e www.ekamleasing.com.

**EXPLANATION OR COMMENTS ON QUALIFICATIONS OR RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS OR PRACTICISING COMPANY SECRETARY IN THEIR REPORT**

The standalone financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act. The Notes to the financial statements referred in the Auditors Report are self-explanatory.

The statutory auditors of the Company mentioned the following qualifications in the Auditors Report of the Company for the financial year 2022-23:-

**Qualified opinion given by auditor in standalone audit report:**

- a) *Note No. 43 of the standalone financial statements, the company has recognized the total interest income amounting INR 55.45 Lakhs, which are related to accounts which are Non-performing Assets. As per Income recognition norms issued by Reserve Bank of India, the interest income is not allowed to recognize from Non-performing assets. Accordingly profit is overstated by INR 55.45 lakhs and simultaneously loans are overstated by INR 55.45 lakhs.*
- b) *Pursuant to the provisions of section 203 of the Companies Act, the company is mandated to appoint the Chief Financial Officer (CFO), we draw attention to the fact that the Company is failed to appoint a Chief Financial Officer (CFO) throughout the year.*

**Management Response**

- a) *These loans are pending since long time. During the year, the management after discussion with the borrower has restructured the loan on 01<sup>st</sup> October 2022. The management is of the view that all these loans are fully recoverable and there is no requirement to provide the provisions of the same.*
- b) *Operations of the company are very nominal and also the company is facing financial difficulties. However, the management is confident that the vacancy of CFO shall be filled soon.*

**Qualified opinion given by auditor in consolidated audit report:**

- (a) Note No. 40 of the consolidated financial statements, the group has recognized the interest income amounting INR 55.45 Lakhs, which are related to accounts which are Non-performing Assets. As per Income recognition norms issued by Reserve Bank of India, the interest income is not allowed to recognize from Non-performing assets. Accordingly profit is overstated by INR 55.45 lakhs and simultaneously loans are overstated by INR 55.45 lakhs.
- (b) Pursuant to the provisions of section 203 of the Companies Act, the holding company is mandated to appoint the Chief Financial Officer (CFO), we draw attention to the fact that the holding company is failed to appoint a Chief Financial Officer (CFO) throughout the year.
- (c) In our opinion and according to the information and explanation given to us by the management in respect of two subsidiaries (Jet Air Securities Private Limited; Rex Overseas Private Limited) are required to get registered with Reserve Bank of India as a Non-Banking Finance Company under section 45-IA of the Reserve Bank of India Act, 1934 based on their business activity (50:50 test).

**Management Response**

- a) These loans are pending from long time. During the year, the management after discussion with the borrower has restructured the loan on 01<sup>st</sup> October 2022. The management is of the view that all these loans are fully recoverable and there is no requirement to provide the provisions of the same.
- b) Operations of the company are very nominal and also the company is facing financial difficulties. However, the management is confident that the vacancy of CFO shall be filled soon.
- c) The above said subsidiaries were neither incorporated as NBFCs nor indented to carry NBFC activities. Further, in view of insignificant business activities and due to interest income on loans the said observation is made by the auditor. The management is taking necessary steps to operationalise these subsidiaries and therefore is of the opinion that there is no requirement to apply for NBFC license.

**The secretarial auditors of the Company mentioned the following qualifications in the Secretarial Auditor's Report of the Company for the financial year 2022-23:-**

1. During the financial year for the quarters ended June, 2022 and September 2022 the Board Composition of the company was not in accordance with Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015 as amended from time to time as detailed hereunder:
  - a) Mrs. Vandana Singh has resigned from the post of Women Director of the company w.e.f. 12th August, 2021 and the due date to fill the vacancy was 12th November, 2021. However, the

vacancy of woman director of the company was filled up on 7th December 2022 with appointment of Mrs. Rashi Varshney as a Women independent Director (Non-Executive).

**Delay/non-Appointment of KMPs**

- b) Mrs. Mahak has resigned from the post of the Company Secretary of the Company w.e.f 27th December, 2021 which was required to be filled till 27th March, 2022; However, there was delay to fill the vacancy and the vacancy was filled up on 07th December 2022 with the appointment of Ms. Neha as company secretary and compliance officer.
  - c) Mr. Amit Kumar Khetan has resigned from the post of Chief Financial Officer w.e.f May 02, 2022 and the vacancy has not been filled till the date.
2. As per Regulation 3(5), 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 states that the board of directors or head(s) of the organization of every person are required to handle unpublished price sensitive information shall ensure that a structured digital database is maintained.
  3. As per Regulation 14 of SEBI (LODR) Regulations 2014, every listed entity shall pay all such fees or charges, as applicable, to the recognised stock exchange(s) upto 30th April 2022 which was paid with delay.
  4. As per Regulation 76 of SEBI (Depositories & Participants) Regulation, 2018, company have to file the Reconciliation of share capital audit report within 30 days from the end of the quarter. However, the company delayed in submitting the reconciliation of share capital audit report for quarter ended on June 2022 and September 2022.
  5. There were fines levied either by SEBI or by stock exchange in terms of Standard Operating Procedure (SOP) prescribed under SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22nd January, 2020, vide email SOP-CReview-Feb 2022, SOP-CReview-(21 Feb 2022), SOP-review-(20 May 2022), SOP-CReview-June 2022 and SOP-Review-Aug 2022 vide email SOP reminder dated, June 6 2022, July 15 2022, September 1 2022, September 7 2022, November 7 2022, December 8 2022.

**Management Reply:**

1.
  - a) The untimely and sad demise of its two directors, during the Covid pandemic period, Mr. Prakash Goyal (Independent Director) on 01/05/2022 and Mrs. Mamta Jain (Women Director-wife of promoter/MD) on 25/05/2021 and the Management including the MD/Promoter who was going through mental agony on business as well as personal front, was not able to fill the resultant vacancies within the prescribed time period and consequent non-compliance/improper Board Composition of the Board of Directors of the Company.



- b) *The pandemic situation disrupted business operations of the Company and the financial position got worse and therefore the management was not able to search the appropriate candidate to fill the resultant vacancy as Compliance Officer & Company Secretary of the Company.*
- c) *Operations of the company are very nominal and also the company is facing financial difficulties. However, the management is confident that the vacancy of CFO shall be filled soon.*
2. The Board is in process to make the compliance good.
3. For point no. 3,4 and 5, *the company has made an application for waiver of fines against the above said fines imposed by BSE vide 6<sup>th</sup> March, 2023 and the said application for waiver is pending for consideration with BSE.*

### Internal Auditor



In compliance with section 138 of the Companies Act 2013, the Board of Directors on the recommendation of the Audit Committee has appointed M/s ACG & Co., Chartered Accountant as the Internal Auditor to conduct Internal Audit of the Company for Financial Year 2023-24. The internal auditor performs an independent check of effectiveness of key controls in identified areas of internal financial control reporting. The Internal Audit report for Financial Year 2022-23 was reviewed by the audit committee and taken note by the board of Directors of the company.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY



Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, timely prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Internal auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries.

Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and the necessary corrective actions are presented to the Audit Committee. In addition, the company has identified and documented the key risks and controls for each process that has a relationship to the financial operations and reporting at regular intervals, internal teams test identified key controls.

### CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the company during FY 2022-23.

### SHARE CAPITAL

The Board that pursuant to Circular No DOR.CRE.REC.No.60/03.10.001/2021-22 dated 22nd October 2021 issued by Reserve Bank of India (RBI), it has mandated under Scale Based Regulation (SBR), the Regulatory minimum Net Owned Fund (NOF) for all kind of NBFCs i.e. NBFC-ICC, NBFC MFI and NBFC-Factors, shall be increased to ₹10 crore. The following glide path is provided for the existing NBFCs to achieve the NOF of ₹10 crore:

NBFCs	Current NOF	By March 31, 2025	By March 31, 2027
NBFC-ICC	₹2 crore	₹5 crore	₹10 crore
NBFC-MFI	₹5 crore (₹2 crore in NE Region)	₹7 crore (₹5 crore in NE Region)	₹10 crore
NBFC-Factors	₹5 crore	₹7 crore	₹10 crore

In view of above, with the objective to achieve the NOF requirement, the Company may be require infuse fresh equity fund also. Since the existing authorised and paid up share capital is Rs 3 cr, therefore it is proposed to increase the authorised share capital to Rs. 5 cr. to accommodate future Equity Capital.

Further, pursuant to the provisions of section 4,13, 15, 61 & 64 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and rules framed there under and in accordance with the applicable provisions of the Article of Association of the company, consent of the Board of directors subject to the approval of members of the company be and is hereby accorded to increase the authorized share capital of the company from Rs. 3,00,00,000 (Rupees three Crores only) divided into 60,00,000 (Sixty Lakh) equity shares of Rs. 5/- (Rupees Five) each to Rs. 5,00,00,000 (Rupees Five crores only) divided into 100,00,000 (One crore) equity shares of Rs. 5/- (Rupees five) each by creation of additional 40,00,000 (Forty lakhs) equity shares of Rs. 5/- (Rupees five) each and that the new equity shares shall rank pari-passu with the existing equity shares.

The Board of directors subject to the approval of members of the Company be and is hereby accorded for substituting the existing Clause V of Memorandum of Association of the Company by following clause as mentioned here under:

V. The Authorized Share Capital of the Company is Rs. 5,00,00,000/- (Rupees Five crores only) divided into 100,00,000 (One crore) equity shares of Rs.5/- (Rupees Five) each.

### **PUBLIC DEPOSITS**



In pursuance of the Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 the company has not accepted any public deposit during the year under review.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year under review, as per terms of section 134(3) (g) company has not given any loan or guarantee which is covered under the provision of Section 186 of the Companies Act, 2013. However, details of investments made during the year are given under notes to the financial statements.

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

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo.

Since the company is not engaged in manufacturing, the particulars in respect of conservation of energy, research and development, technology absorption are not required to be given.

### **CORPORATE GOVERNANCE REPORT AND CERTIFICATE**

The company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large, and strives to serve their interests, resulting in creation of value and wealth for all stakeholders.

The compliance report on corporate governance and a certificate from M/s. KKS & Associates, Company Secretaries (Prop. Mr. Krishna Kumar Singh, FCS No. 8493), Practicing Company Secretary of the Company, regarding compliance of the conditions of corporate governance, as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as integral part to this report.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**



As required by Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report.

### **CONSOLIDATED FINANCIAL STATEMENTS**

As stipulated by Regulation 33 of the Listing Regulations, the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable Accounting Standards. The audited Consolidated Financial Statements, together with Auditors' Report, form part of the Annual Report.

As per the provisions of Section 129 of the Companies Act, 2013, the consolidated financial statements of the Company, its Subsidiaries and Associates are attached in the Annual Report. The annual accounts of Subsidiaries and Associates will be made available to shareholders on request and will also be kept for inspection by any shareholder at the Registered Office and Corporate Office of your Company. A statement in **Form AOC-1** containing the salient features of the financial statements of the Company's Subsidiaries, Associates and Joint Venture for the year ended March 31, 2023 is also attached with financial statements.

### **CORPORATE SOCIAL RESPONSIBILITY**



The Company is not required to formulate Corporate Social Responsibility (CSR) Policy and Committee as it does not fulfill the criteria specified under Section 135 of the Companies Act, 2013.

### **ANNUAL RETURN**

Pursuant to Section 92 and 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company which can be accessed through [www.ekamleasing.com](http://www.ekamleasing.com).

### **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS**

The Institute of Company Secretaries of India ('ICSI') has currently mandated compliance with the Secretarial Standards on board meetings and general meetings, as revised w.e.f. October 1, 2017. The Company is duly complied with applicable secretarial standards read together with circulars issued by Ministry of Corporate Affairs for the Board Meetings and General Meetings conducted by company during the FY 2022-23.

## COMPLIANCE WITH THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS 2015



The company's equity shares continue to be listed on the **Bombay Stock Exchange (BSE), Mumbai** which has nationwide trading terminals. The company has paid the Annual Listing Fees to BSE for the Financial Year 2022-2023.

### DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

Pursuant to Section 177 of the Companies Act 2013 and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has adopted vigil mechanism in the form of Whistle Blower Policy for the Directors and Employees of the Company to deal with instances of fraud or mismanagement, if any. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behaviour. The Company had adopted a Code of conduct for Directors and Senior Management Executives ("the Code"), which lays down the principles and standards that should govern their actions. The Policy regarding the same can be accessed at the website of the company. All Senior Management personnel have affirmed compliance with the ELFCL Code of Conduct. The CEO & Managing Director has also confirmed and certified the same. The certification is at the end of the Report on Corporate Governance.

Pursuant to Section 177(9) of the Companies Act 2013, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of Directors of the Company for redressal. No person has been denied access to the Chairman of the Audit Committee of Directors.

### **PARTICULARS EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

There was no employee in receipt of remuneration in the limit as prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, the statement/ information required under section 197 read with Rule 5 is not applicable.

### **DISCLOSURE REGARDING MAINTAINANCE OF COST RECORD**

The Company is not required to maintain the cost record as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATOR OR COURTS OR TRIBUNAL IMPACTING THE GOING CONCERN STATUS**

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

***There were fines levied against the listed entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedure issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines.***

### **E-VOTING**

The Company is providing e-voting facility to all members to enable them to cast their votes electronically on all resolutions set forth in the Notice. This is pursuant to section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations & disclosure Requirements) Regulations, 2015 read with the Ministry of Corporate Affairs General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 20/2020 dated 5<sup>th</sup> May, 2020, 02/2021 dated 13<sup>th</sup> January, 2021 and Circular No. 2/2022 dated May 5, 2022 and circular no. 10/2022 dated 28<sup>th</sup> December 2022 ('MCA Circulars') and also the Circular dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 and Circular No. SEBI/HO/CFD/CMD2/POD-2/P/CIR/2023/4 dated January 05, 2023 issued by the Securities and Exchange Board of India ("SEBI Circular"). The instruction(s) for "remote e-voting" and "e-voting" during the ANNUAL GENERAL MEETING for ensuing Annual General Meeting is also provided with notice to shareholders of this Annual Report.

### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate in securities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Code of Conduct to regulate, monitor and report Insider trading is uploaded on the Company's website: [www.ekamleasing.com](http://www.ekamleasing.com).

## REPORTING OF FRAUDS



There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Companies Act 2013 and Rules framed there under.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed for providing and promoting a safe and healthy work environment for all its employees.

In accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the Rules framed there under for prevention and redressal of complaints of sexual harassment at workplace, along with a structured reporting and redressal mechanism. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the said Act.

There were no complaints regarding sexual harassment by any women employees (permanent, contractual, temporary, trainees) who are covered under this policy till the date of this report.

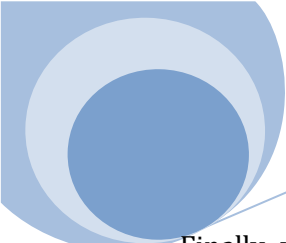
## ACKNOWLEDGEMENTS

On behalf of the Directors of the Company, I would like to place on record our deep appreciation to our shareholders, customers, business partners, vendors, bankers, financial institutions and academic institutions for all the support rendered during the year.

The Directors are thankful to the Government of India, the various ministries of the State Governments, the Central and State Electricity Regulatory authorities, communities in the neighborhood of our operations, local authorities in areas where we are operational in India; as also partners, governments and stakeholders where the Company operates, for all the support rendered during the year.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.





Finally, we appreciate and value the contributions made by all our employees and their families for making the Company what it is. Your company's employees are instrumental to your company achieving higher business goals. Your directors place on record their deep admiration of the commitment and contribution of your company's employees. Your support as shareholders is greatly valued. Your directors thank you and look forward to your continuance support.

**By Order of the Board  
For Ekam leasing and finance Co. Limited**

**Place: New Delhi  
Date :11-08-2023**

**Rakesh Jain  
Chairman & Managing Director  
DIN: 00061737**



### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Corporate Governance, as ***Ekam Leasing & Finance Co. Limited*** believes, is concerned with principles of transparency, fairness, accountability and creation of sustainable long term value for all its stakeholders including members, customers, partners, employees and the society at large. Corporate Governance is crucial to the very existence of a company, as it builds trust and confidence, which eventually leads to a more stable and sustained resource flows and long-term partnership with its investors and other stakeholders.

The Company is in compliance with the requirements stipulated as per Regulation 17 to 27 read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, with regards to Corporate Governance.

### **2. COMPOSITION OF BOARD OF DIRECTORS:**

As on 31<sup>st</sup> March, 2023, the Board Composition of the company is in accordance with Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015 as amended from time to time. However, during the quarter ended June, 2022 and September 2022 the aforesaid composition is not as per the manner prescribed due to certain unavoidable circumstances.

Presently the Board of Directors of the company consists of three Directors with the combination of Executive, Non Executive Independent Directors. The Board meets regularly and is responsible for the proper direction and management of the Company.

The company takes the proper disclosure from all the Directors including Independent Director.

None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 have been made by the Directors. None of the Directors are related to each other.

The dates for the board meetings are fixed after taking into account the convenience of all the directors and sufficient notice is given to them. Detailed agenda and notes thereon are sent to all the directors seven days in advance from the date of Board Meeting. All the information required for decision making are incorporated in the agenda. The Managing Director apprised the Board on the overall performance of the Company at every Board Meeting. The Board reviews the performance of the Company and sets the strategy for future. The Board takes on record the actions taken by the company on all its decisions periodically.

The composition of the Board, number of meetings held, attendance of the Directors at the Board Meetings and last Annual General Meeting and number of Directorship and Chairmanship/Membership of committees in other companies as on 31<sup>st</sup> March, 2023 in respect of each Director is given herein below:

NAME	Category	Directorship in other Public Company	No. of shares held	No. of Committee Position (Chairman/Member) in other Public Company	Board Meetings held during 2022-2023		Attendance At Last AGM	Their Directorship
					Held	Attended		
Mr. Astik Mani Tripathi (upto 12.05.2022)*	Non-Executive - Independent Director	-	-	-	1	1	NO	2
Mr. Rakesh Jain <sup>#</sup>	Executive Director, Chairperson, MD	-	7,78,000	-	6	6	YES	6
Mr. Saurabh Jain	Non-Executive Independent Director	-	-	-	6	6	YES	-
Mrs. Rashi Varshney (w.e.f 07.12.2022)	Non-Executive Independent Director	-	-	-	2	2	YES	-

# Mr. Rakesh Jain is Director in M/s. Jet Air Securities Private Limited, Pro-Rub Enterprises Pvt. Ltd. (formally named as Pro-Rub Processor Pvt. Limited), Pramuk Energy Private Limited, Alsan Securities Private Limited, S & S Balajee Mercantile Private Limited and Rex Overseas Private Limited.

\*Mr. Astik Mani Tripathi has appointed as a Non-Executive - Independent Director of the company w.e.f. 15<sup>th</sup> May 2021 and resigned from the directorship of the company w.e.f. May 12, 2022.

During the Financial year ended 2023, 6(Six) Board Meetings were held:

**12<sup>th</sup> May 2022, 30<sup>th</sup> May 2022, 14<sup>th</sup> August 2022, 14<sup>th</sup> November 2022, 07<sup>th</sup> December 2022 and 14<sup>th</sup> February 2023**

#### **A. CONFIRMATION REGARDING INDEPENDENCE OF DIRECTOR**

Pursuant to section 149 (6) of the Companies Act 2013 and Regulation 16(1)(b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, declaration of Independence submitted by the Independent Director, the board of the Company confirms that all the independent directors fulfill the conditions specified in Listing Regulations and are independent of the Management.

#### **B. FAMILIARISATION PROGRAMME FOR BOARD MEMBERS INCLUDING INDEPENDENT DIRECTORS**

The Board members are provided with necessary documents, reports to enable them to familiarise with Company's procedures, its mission and vision, etc. Periodic presentation at Board/Committee meetings are made on business and performance of the Company. At the time of appointing a Director, a formal letter of appointment is given to her, which inter alia explains the role, function, duties and responsibilities expected from her as a Director of the Company. The director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained in this regard. The Chairman and Managing Director also have a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board/ Committee meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Independent directors are available on the Company's weblink viz., [www.ekamleasing.com](http://www.ekamleasing.com)

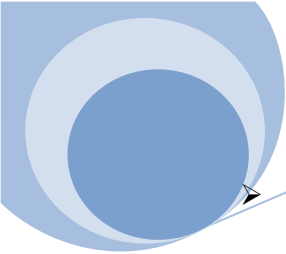
#### **C. DETAILED REASON REGARDING RESIGNATION OF INDEPENDENT DIRECTOR**

During the F.Y 2022-23, Mr. Astik Mani Tripathi was resigned w.e.f. 12.05.2022 from the company due to his pre-occupation elsewhere.

#### **D. CHANGE IN BOARD COMPOSITION & KMP**

During the F.Y 2022-23 and till the date of this report, following changes in board took place

- Mr. Amit kumar Khaitan resigned from the post of Chief Financial Officer dated 02nd May, 2022.
- Mr. Astik Mani Tripathi resigned from the post of Non Executive Independent director of the Company dated 12th May, 2022.



➤ Mrs. Rashi Varshney was appointed as Non Executive Independent Director of the Company w.e.f. 07th December 2022.

- In accordance with the provision of Section 203 of the Companies Act 2013 read with rule 9 of Companies (Appointment & Remuneration of Managerial Personnel) Rule, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Neha Sharma was appointed as a Company Secretary & Compliance Officer of the Company w.e.f. 07th December 2022 and resigned on 6th June, 2023.
- Ms. Khushambi has appointed as a Company Secretary and Compliance officer of the company w.e.f 6th July, 2023.

#### **E. SELECTION AND APPOINTMENT OF NEW DIRECTORS**

The Board is responsible for the appointment of new directors. The Board has delegated the screening and selection process for new directors to the NRC. Considering the existing composition of the Board and requirement of new domain expertise, if any, the NRC reviews potential candidates. The assessment of candidates to the Board is based on a combination of criteria that include ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. For appointment of an ID, the NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepares a description of the role and capabilities required of an ID. The potential ID is also assessed on the basis of independence criteria defined in Section 149(6) of the Act read with rules framed thereunder and Regulation 16 (1) (b) of the Listing Regulations. If the Board approves, the person is appointed as an Additional Director whose appointment is subject to the approval of the Members at the Company's general meeting.

#### **F. REMUNERATION PAID OR PAYABLE TO DIRECTORS (IN INR) : SITTING FEES, SALARY, PERQUISITES AND COMMISSION**

The Remuneration to Directors is given as per the provision of Companies Act, 2013, Listing Regulations, subject to approval of shareholders or any other authority as may be required. However No remuneration is paid to Directors during the FY 2022-23.

### 3. COMMITTEES OF THE BOARD



#### I. AUDIT COMMITTEE

**(A)** The Audit Committee of the company consisted of three Non-Executive Independent Directors and one whole time director. The Chairman of the committee is an independent Director having financial and accounting Knowledge.

During the financial year, the composition of Audit Committee and attendance details are shown below:

Name of the Director	Designation	Attendance at Committee Meetings	
		Held	Attended
Mr. Astik Mani Tripathi (Upto 12 <sup>th</sup> May 2022)*	Chairperson	1	1
Mr. Saurabh Jain	Member	6	6
Mr. Rakesh Jain	Member	6	6
Mrs. Rashi Varshney (w.e.f 07.12.2022)#	Member	2	2

- \*Mr. Astik Mani Tripathi has resigned from the directorship of the company w.e.f 12<sup>th</sup> May, 2022 and subsequently caused to be the chairperson of Audit Committee.
- # Mrs. Rashi Varshney was appointed as a member of the Audit Committee w.e.f. 07th December 2022 to fill the vacancy caused due to resignation of Mr. Astik Mani Tripathi.

The Auditors of the Company are invited to participate in the meetings of Audit Committee wherever necessary.

During the year, the committee was restructured and at present, the composition of the Audit Committee as follows:

<i>Name of the Director</i>	<i>Designation</i>
Mr. Saurabh Jain	Chairperson
Mr. Rakesh Jain	Member
Mrs. Rashi Varshney	Member

### **(B) Meeting / Attendance**

During the financial year ended 31<sup>st</sup> March, 2023, the Audit Committee of the company met **5 (five)** times. The dates of the meetings were **12<sup>th</sup> May 2022, 30<sup>th</sup> May 2022, 14<sup>th</sup> August 2022, 14<sup>th</sup> November 2022 and 14<sup>th</sup> February 2023.**

The requisite quorum were present at all meetings. The Minutes of the Meetings of the Audit Committee are discussed and taken note of by the Board of Directors.

The Chairman of the Audit Committee Meeting was present at the 29<sup>th</sup> Annual General Meeting of the Company held on 31<sup>st</sup> December, 2022 to answer the shareholder's queries.

### **(C) Terms of Reference:**

In accordance with Section 177(1) of the Companies Act, 2013 and as per the requirements of SEBI (Listing Obligation & Disclosure requirements) Regulations, 2015, the Board of director have approved terms of reference for the Audit Committee and thereupon the revised terms of reference of the Audit Committee are in conformity with the required Regulation 18 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and Section 177(1) of the Companies Act, 2013. Further the Audit Committee has been granted powers as prescribed under Regulation 18(2) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

Extract of Terms of Reference:-

- a) Review of financial reporting process.
- b) Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval.
- c) Evaluation of internal financial controls and risk management systems.
- d) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- e) Review and monitor the Auditor's independence, performance and effectiveness of audit process.
- f) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

## **II. NOMINATION & REMUNERATION COMMITTEE**

The Company through its Board of Directors has constituted Nomination and Remuneration Committee (hereinafter referred as "NRC") in terms of Regulation 19 (1) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The terms of reference of NRC include the matters specified under Regulation 19 (4) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 as well as in Section 178 of the Companies Act, 2013.

**(A)** The Remuneration Committee consists of two non-executive Independent Directors and one executive director during the first quarter of the financial year 2022-23 and the composition of Nomination and Remuneration Committee and attendance details is shown below:

<i>Name of the Director</i>	<i>Designation</i>	<i>Attendance at Committee Meeting</i>	
		<i>Held</i>	<i>Attended</i>
*Mr. Astik Mani Tripathi (Upto 12 <sup>th</sup> May 2022)	Chairperson	<b>0</b>	<b>0</b>
Mr. Rakesh Jain	Member	<b>1</b>	<b>1</b>
Mr. Saurabh Jain	Member	<b>1</b>	<b>1</b>
**Mrs. Rashi Varshney (w.e.f. 07 <sup>th</sup> December 2022)	Member	<b>1</b>	<b>1</b>

\*Mr. Astik Mani Tripathi has resigned from the directorship of the company w.e.f 12<sup>th</sup> May 2022 and subsequently ceased to be the chairperson of Nomination & Remuneration Committee.

\*\*Mrs. Rashi Varshney was appointed as a member of the Nomination & Remuneration Committee w.e.f 7<sup>th</sup> December, 2022.

During the year, the committee was restructured and at present Nomination and Remuneration Committee includes two non-executive directors and one executive director and the composition of nomination and remuneration committee is as per requirements of regulation 19 of SEBI (LODR) Regulations, 2015 and Companies Act, 2013.

The Composition of Nomination and Remuneration Committee are as follow:

<i>Name of the Director</i>	<i>Designation</i>
Mr. Saurabh Jain	Chairperson
Mr. Rakesh Jain	Member
*Mrs. Rashi Varshney (w.e.f. 07 <sup>th</sup> December 2022)	Member

\*Mrs. Rashi Varshney was appointed as a member of the Nomination & Remuneration Committee w.e.f 7<sup>th</sup> December, 2022.

### **(B) Meeting / Attendance**

During the financial year ended 31<sup>st</sup> March, 2023 the Nomination and Remuneration Committee of the company met one time and the date of the meeting was **07<sup>th</sup> December 2022**.

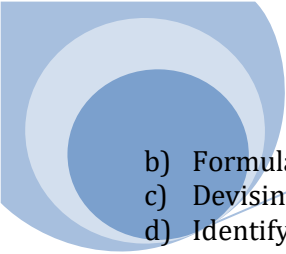
### **(C) Terms of Reference:**

The terms of reference of the Remuneration Committee includes fixation of salary, perquisites etc. of Managing/Executive Directors and for recommending the amount of commission payable to Executive Directors.

The broad terms of reference of the nomination and remuneration committee are as under:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;



- 
- b) Formulation of criteria for evaluation of Independent Directors and the Board;
  - c) Devising a policy on Board diversity;
  - d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

The nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

#### **(D) Directors Remuneration and Policy:**

##### **Remuneration of Non Executive Directors**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings and commission, if any, subject to approval of the members.

##### **Remuneration of Managing Director/Whole Time Directors**

The NRC has formulated a Policy on Appointment, Training, Evaluation and Remuneration of Directors and Senior Management Personnel (SMP):

1. At the time of appointment or re-appointment of the Managing Director/Executive Director/ Whole Time Director, such remuneration shall be paid as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Managing Director /Executive Director / Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
2. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
3. The remuneration of the Managing Director/Executive Director/Whole Time Director are broadly divided into Basic Salary, Allowances, perquisites, amenities, retirement benefits and commission (subject to availability of profits).
4. In determining the remuneration, the Nomination and Remuneration Committee shall ensure/ consider the following:
  - a. The relationship of remuneration and performance benchmark is clear.
  - b. Responsibility required to be shouldered by the Managing Director/ Executive Director/Whole Time Directors, the industry benchmarks and the current trends.
  - c. The company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs/KPIs.

##### **Remuneration of Senior Management Employees:**

The Board, on the recommendations of the Nomination and Remuneration Committee approves the remuneration payable to the KMP and Senior Management Personnel. The structure of remuneration payable to KMP and Senior Management Personnel will be in accordance with the compensation framework adopted for employees by the Company.

The following are the details of the remuneration paid to Managing/Executive Directors during the Financial Year under discussion:

Name of the Director	Designation	Remuneration (Rs.)	Perquisites
Mr. Rakesh Jain	Managing Director	NIL	NIL

Non Executive Directors of the company were not paid any remuneration during the year under review.

As per Regulation 19(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chairman of the NRC may present at the Annual General Meeting (AGM) to answer shareholders' queries. The Company Secretary functions as the Secretary of the Committee.

The NRC reviews the remuneration payable to the MD/WTD/KMP and Commission payable to the Non-Executive Directors and recommends it to the Board.

### **(E) Performance Evaluation Criteria for Independent Directors:**

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that were evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

## **III. STAKEHOLDER RELATIONSHIP COMMITTEE**

The composition of Stakeholders Relationship Committee consisted of one executive Director and two non-executive Directors one of whom is an Independent Director.

The Stakeholders Relationship Committee consists of two non-executive Independent Directors and one executive director during the first quarter of the financial year 2022-23 and the composition of Stakeholders Relationship Committee and attendance details is shown below:

Name of the Director	Designation	Attendance at Committee Meeting	
		Held	Attended
Mr. Astik Mani Tripathi (Upto 12 <sup>th</sup> May, 2022)*	Chairperson	1	1
Mr. Saurabh Jain	Member	1	1
Mr. Rakesh Jain	Member	1	1
**Mrs. Rashi Varshney (w.e.f 7 <sup>th</sup> Dec. 2022)	Member	1	1

\* Mr. Astik Mani Tripathi has resigned from the directorship of the company w.e.f 12<sup>th</sup> May, 2022.

\*\*Mrs. Rashi Varshney was appointed as a member of the Stakeholder Relationship Committee w.e.f. December 07, 2022.

During the year, the committee was restructured and at present, the composition of the Stakeholder Relationship Committee as follows:

Name of the Director	Designation
Mr. Saurabh Jain	Chairperson
Mr. Rakesh Jain	Member
*Mrs. Rashi Varshney (w.e.f 7 <sup>th</sup> Dec. 2022)	Member

\*Mrs. Rashi Varshney was appointed as a member of the Stakeholder Relationship Committee w.e.f. December 07, 2022.

The broad terms of reference of the Stakeholders' Relationship Committee are as under Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer or credit of securities / notice /annual reports, etc. and all other securities-holders related matters consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

The stakeholders' relationship committee is constituted in line with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with section 178 of the Companies Act 2013.

The Committee deals with the following matters:

- Noting of transfer/transmission of shares.
- Review of dematerialized / re-materialized shares and all other related matters.
- Monitors expeditious redressal of Investor grievance matters received from Stock Exchanges, SEBI, ROC, etc.
- Monitors redressal of queries/complaints received from members relating to transfers, non-receipt of annual report, dividend, demat/re-materlisation requests.
- All other matters related to shares/debentures.

The Shareholders Relationship Committee met 1 (one) time on **14<sup>th</sup> February 2023** to take note of share transfer and demat/ rematerlisation requests. All the members of the committee were present in these meetings.

#### **Stakeholders Grievance Redressal:**

During the year ended March 31, 2023, no Shareholders' Complaints were received. There were no outstanding complaints at the end of the year.

All requests received for Share Transfer during the year were given effect within stipulated time. The total number of complaints received and replied to the satisfaction of shareholders during the year under review was **NIL**. Outstanding complaints as on 31<sup>st</sup> March, 2023 were **NIL**.

#### **4. INDEPENDENT DIRECTORS MEETING:**



As per Regulation 17(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015, as well as pursuant to Section 149(8) of the Companies Act, 2013 read with Schedule IV and in accordance with the Policy on Appointment, Training, Evaluation and Remuneration of Directors and Senior Management Personnel, the Independent Directors have, at their meeting held on **February 13, 2023:-**

- (a) Reviewed the performance of Non-Independent Directors and the Board as a whole;
- (b) Reviewed the performance of the Chairperson taking into account the views of Executive Directors (EDs) and Non Executive Directors (NEDs) and
- (c) Assessed the quality, quantity and timelines of flow of information between the Company Management and the Board.

#### **5. DETAILS ON GENERAL BODY MEETINGS**

**(A) Extra-Ordinary General Meeting:- No**

# ANNUAL GENERAL MEETING



## GET INVOLVED!

### (B) Special Resolution:-

In terms of SEBI (LODR) Regulations, Location and time where last three Annual General Meetings held and the special resolution passed in the AGMs are detailed below

S. NO.	Financial Year	Day & Date of AGM	Place of AGM	Time	Whether any Special Resolution Passed	
1	2021-2022	Saturday December 31, 2022	Through Conferencing (VC)/ Audio -Visual (OAVM)	Video Other Means	3:00 PM	Appointment of Ms. Rashi Varshney (DIN : 09815471) as a Non Executive independent Woman Director of the company.
2	2020-2021	Monday September 27, 2021	Through Conferencing (VC)/ Audio -Visual (OAVM)	Video Other Means	12:00 PM	No
3	2019-2020	Tuesday September 29, 2020	Through Conferencing (VC)/ Audio -Visual (OAVM)	Video Other Means	11:30 A.M	No

**(C) Postal Ballot:-**

During the year under review, the Company has not passed any resolution through Postal Ballot in accordance to the procedure prescribed in Section 110 of the Companies Act, 2013 Act read with the Companies (Management and Administration) Rules, 2014.

**Procedure of Postal Ballot:**

- i. Appointment of Scrutinizer who is not in the employment of the Company.
- ii. Notice of postal ballot along with the explanatory statement to shareholders by following modes:
  - a) By registered post or speed post or,
  - b) Through electronic means like registered email id or,
  - c) Through courier service for facilitating the communication of the assent or dissent of the shareholder to the resolution within period of (30) thirty days.
- iii. Advertisement in one English newspaper and in one vernacular language newspaper in the principal vernacular language of the district in which the registered office of the company is situated.
- iv. Notice should also be placed on the website of the Company.
- v. Declaration of results by the Scrutinizer after following due process.

**Proposed Postal Ballot:**

The Company does not have any plans to pass any resolution through postal ballot.

**6. MEANS OF COMMUNICATION:**

The means of communication between the Company and the shareholders are transparent and investor friendly. The Annual, Half yearly and Quarterly results are submitted to the Stock Exchange in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same are published regularly in the newspapers i.e **Financial Express (English) and Hari Bhoomi (Hindi)** and also updated on website of the Company. All price sensitive information is intimated at the earliest to the Stock Exchanges.

Annual Report containing inter-alia, Board Report, Auditor's Report, Audited Financial Statement etc circulated to members and other entitled thereto. The Annual Report is also available on the website of the company at **www.ekamleasing.com**.

**Website:** The Company's website **www.ekamleasing.com** contains an exclusive head "Investor Relations" where shareholder information is available. Quarterly and Annual Financial results, annual report, notice of AGM, Shareholding Pattern, Corporate Governance report etc. are also available on the website.

**7. GENERAL SHAREHOLDER INFORMATION:**

I	<b>Day, Date, Time, Mode &amp; Venue of AGM</b>	The 30 <sup>th</sup> Annual General Meeting is to be held on Wednesday, 27 <sup>th</sup> September, 2023 at 02:00 P.M. through Video Conferencing and the registered office of the company shall deemed to be the common venue of AGM.										
II.	<b>Financial Year</b>	<p>The Financial Year of the company starts from 1st day of April and ends on 31st day of March of next year. Our tentative calendars for declaration of results for the financial year 2023-24 are as given below. In addition, the board may meet on other dates as and when required.</p> <table> <thead> <tr> <th><b>Quarter Ending</b></th> <th><b>Release of Results</b></th> </tr> </thead> <tbody> <tr> <td>First Quarter Results</td> <td>On or Before 14<sup>th</sup> August, 2023</td> </tr> <tr> <td>Second Quarter Results</td> <td>On or Before 14<sup>th</sup> of November, 2023</td> </tr> <tr> <td>Third Quarter Results</td> <td>On or Before 14<sup>th</sup> of February, 2023</td> </tr> <tr> <td>Fourth Quarter &amp; Annual Year Ended March, 31, 2024</td> <td>On or Before 30<sup>th</sup> of May, 2024</td> </tr> </tbody> </table>	<b>Quarter Ending</b>	<b>Release of Results</b>	First Quarter Results	On or Before 14 <sup>th</sup> August, 2023	Second Quarter Results	On or Before 14 <sup>th</sup> of November, 2023	Third Quarter Results	On or Before 14 <sup>th</sup> of February, 2023	Fourth Quarter & Annual Year Ended March, 31, 2024	On or Before 30 <sup>th</sup> of May, 2024
<b>Quarter Ending</b>	<b>Release of Results</b>											
First Quarter Results	On or Before 14 <sup>th</sup> August, 2023											
Second Quarter Results	On or Before 14 <sup>th</sup> of November, 2023											
Third Quarter Results	On or Before 14 <sup>th</sup> of February, 2023											
Fourth Quarter & Annual Year Ended March, 31, 2024	On or Before 30 <sup>th</sup> of May, 2024											
III	<b>Book Closure</b>	The Register of Member will remain closed for transfer from 21 <sup>st</sup> Day of September, 2023 (Thursday) till 27 <sup>th</sup> Day of September, 2023. (Wednesday) (both days inclusive).										
IV	<b>Listing</b>	The Company's Share are listed and traded on Bombay Stock Exchange, 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai- 400001.										
V	<b>Scrip Code</b>	<b>530581 (BSE)</b>										
VI	<b>ISIN No.(Demat No.)NSDL &amp; CDSL</b>	INE906L01025										
VII	<b>Registrar and Share Transfer Agents:</b>	<p>Alankit Assignment Ltd.  4E/2, Jhandewalan Extension, New Delhi- 110055  <b>PH: 011- 42541234/23541234</b>  <b>FAX: 011- 23552001</b></p> <p>E-mail: info@alankit.com  Website: www.alankit.com</p>										
VIII	<b>Dividend Payment Date (for the financial year 2021-22)</b>	Not Applicable										
IX.	<b>Website</b>	www.ekamleasing.com										
X	<b>Email</b>	ekam.leasing1@gmail.com										

**(XI.) Market Price Data:**

The shares of the Company were thinly traded during the financial year under review. The High / Low prices of the equity shares of the Company on Bombay Stock Exchange during the year is as follows:

Month	High (Rs.)	Low (Rs.)
April,2022	6.25	4.00
May, 2022	5.60	4.42
June, 2022	5.90	4.42
July, 2022	4.97	4.14
August, 2022	5.46	4.08
September, 2022	5.83	3.88
October, 2022	6.33	4.88
November, 2022	10.73	5.45
December, 2022	7.98	5.99
January,2023	7.68	5.88
February, 2023	7.68	5.64
March, 2023	7.11	5.48

**(XII) SHARE TRANSFER SYSTEM**

The Company has authorized RTA for transmission/dematerialisation/ re-materialisation etc., who process the formalities related thereto, on an average of once a week. The share certificates are returned/dispatched to the shareholders by the RTA after necessary endorsements, normally within 15 days from the date of receipt. Delays, if any, are mostly due to differences in signature and/or non-receipt of copy of PAN.

The Company obtains a yearly certificate from Practicing Company Secretaries as per the requirement of Regulation 40 (9) of Listing Regulations and the same is filed with the Stock Exchanges and is available on the website of the Company.

In terms of amendments to Regulation 40 of Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form has been stopped by SEBI. SEBI has given the following clarifications:

1. The above decision does not prohibit the investor from holding the shares in physical form; investor has the option of holding shares in physical form even after April 01, 2019.
2. Any investor who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized. The above decision by SEBI is not applicable for demat of shares, transmission (i.e. transfer of title of shares by way of inheritance/succession and transposition (i.e. re-arrangement/interchanging of the order of name of shareholders) cases.

The Company has appointed **Alankit Assignments Limited** as its Registrar and Share Transfer Agent (RTA). All share transfer and related operations are conducted by RTA which is registered with the SEBI. The RTA has adequate infrastructure to serve the shareholders and process the share transfer.



**(XIII) Distribution of Shareholding :****(A) Distribution of Share holding as on 31st March, 2023**

No. of Shares held	Shareholders		No. of Shares	
	Number	% to Total	Shares	% to Total
Upto 500	1206	61.9097	182389	3.0398
501 - 1000	356	18.2752	327849	5.4642
1001 - 2000	194	9.9589	331807	5.5301
2001 - 3000	63	3.2341	172659	2.8777
3001 -4 000	37	1.8994	138554	2.3092
4001 - 5000	10	0.5133	47600	0.7933
5001 - 10000	22	1.1294	166367	2.7728
10001 - above	60	3.0801	4632775	77.2129
<b>TOTAL</b>	<b>1948</b>	<b>100.00</b>	<b>6000000</b>	<b>100.00</b>

**(B) Shareholding Pattern as on 31st March, 2023 :**

	No. of shares	% of Shareholding
Indian Promoters	16,61,726	27.70
Persons Acting in Concert	0	0
Institutional Investors	0	0
Corporate Bodies	71,349	1.19
Indian Public	42,66,725	71.11
Non Resident Indians	200	0
<b>Total</b>	<b>60,00,000</b>	<b>100.00</b>

Those shareholders who wish to know more about the same may contact the company's Registrar and Share Transfer Agent or Share Department of the company.

**(XIV) DEMAT**

The Company has set up requisite facilities for dematerialisation of its equity shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreements with both the depositories. International Securities Identification Number (ISIN) for equity shares is INE 906L01025. The status of dematerialization as on 31st March, 2023 is as under:

Mode	No. of Share	%of Shareholding
1.Dematerialization Form		
CDSL	577370	9.62
NSDL	3576330	59.61
Sub Total	<b>4,153,700</b>	<b>69.23</b>
2.Physical	1846300	30.77
<b>Total</b>	<b>6000000</b>	<b>100.00</b>

As on 31<sup>st</sup> March, 2023, 4,153,700 equity shares of the Company have been dematerialized representing 69.23% of the total Paid up Equity Share Capital.

**(XV)** The Company has not issued any GDRs/ADRs/ warrants or any Convertible Instruments.

**(XVI) Code of Conduct**

The Board has laid down a code of conduct for all board members and senior management of the company. All the board members and senior management personnel have affirmed compliance with the code for the financial year ended 31<sup>st</sup> March, 2023. A declaration to this effect for part of the report. The code required Directors and Senior Management Team members to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code of conduct is displayed on the Company's Website [www.ekamleasing.com](http://www.ekamleasing.com).

**(XVII) Address for correspondence** : Shareholder Correspondence may be addressed to:

**Registrar & Share Transfer agent**

Alankit Assignments Limited  
4E/2, Jhandewalan extension  
New Delhi - 110055  
Ph: 011- 42541234/23541234  
Fax: 011- 23552001  
E-mail: [info@alankit.com](mailto:info@alankit.com)  
Website: [www.alankit.com](http://www.alankit.com)

**To the Company**

Secretarial Department,  
Ekam Leasing & Finance Co. Ltd.  
NO. 11, Rani Jhansi Road, (Motia  
Khan), M.M. Road New Delhi -  
110055  
Ph. : +91-11-23528015  
Fax: +91-11-23528015  
Email:  
[investor@ekamleasing.com](mailto:investor@ekamleasing.com)  
Website:[www.ekamleasing.com](http://www.ekamleasing.com)

## **8. DISCLOSURES:**

### **I. Related Party Transaction:**

There have been no significant related party transactions with the company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the company at large. The necessary disclosures regarding related party transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of directors were taken wherever required in accordance with the Policy.

### **II. Compliances:**

**Details of non-compliance by the company, penalties, and strictures imposed on the company by stock exchange(s) or securities and exchange board of India (SEBI) or any other statutory authority or any matters related to capital markets.**

Fines as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020

Sl. No.	Applicable Regulation of SEBI	Fine Imposed on company	For the quarter/month
1.	<b>Regulation 13(3)</b> Non-submission of the statement on shareholder complaints within the period prescribed under this regulation or under any circular issued in respect of redressal of investor grievances	30680 (including GST)	For the quarter ended June 2022
2.	<b>Regulation 31</b> Non-submission of shareholding pattern within the period prescribed	61360(including GST)	For the quarter ended June 2022
3.	<b>Regulation 31</b> Non-submission of shareholding pattern within the period prescribed	14160(including GST)	Late submission For the quarter ended December 2021
4.	<b>Regulation 17(1)</b> Non-compliance with the requirements pertaining to the composition of the Board including failure to appoint woman director	531000(including GST)	For the quarter ended March 2022
5.	<b>Regulation 33</b> Non-submission of the financial results within the period prescribed under this regulation	5900(including GST)	For the quarter ended December 2021
6.	<b>Regulation 33</b> Non-submission of the financial results within the period prescribed under this regulation	5900(including GST)	For the quarter ended March 2022

*As per the provisions of the circular the fines will continue to be computed further till the time of rectification of the non-compliance to the satisfaction of the Exchange or till the scrip of the listed entity is suspended from trading for non-compliance with aforesaid provisions.*

*The company has made application for waiver vide on 06<sup>th</sup> March 2022. The same is pending for consideration with BSE.*

### **III. WHISTLE BLOWER POLICY (VIGIL MECHANISM)**



The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the company.

### **IV. DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENT**

During the year, the Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, mandates the company to obtain a certificate from either the auditors or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated in the said Clause and annex the certificate so obtained with the Directors' Report. The Company has obtained a certificate from its statutory Auditors to this effect and the same are annexed to the Directors' Report.

### **V. DISCLOSURE OF ACCOUNTING TREATMENT**

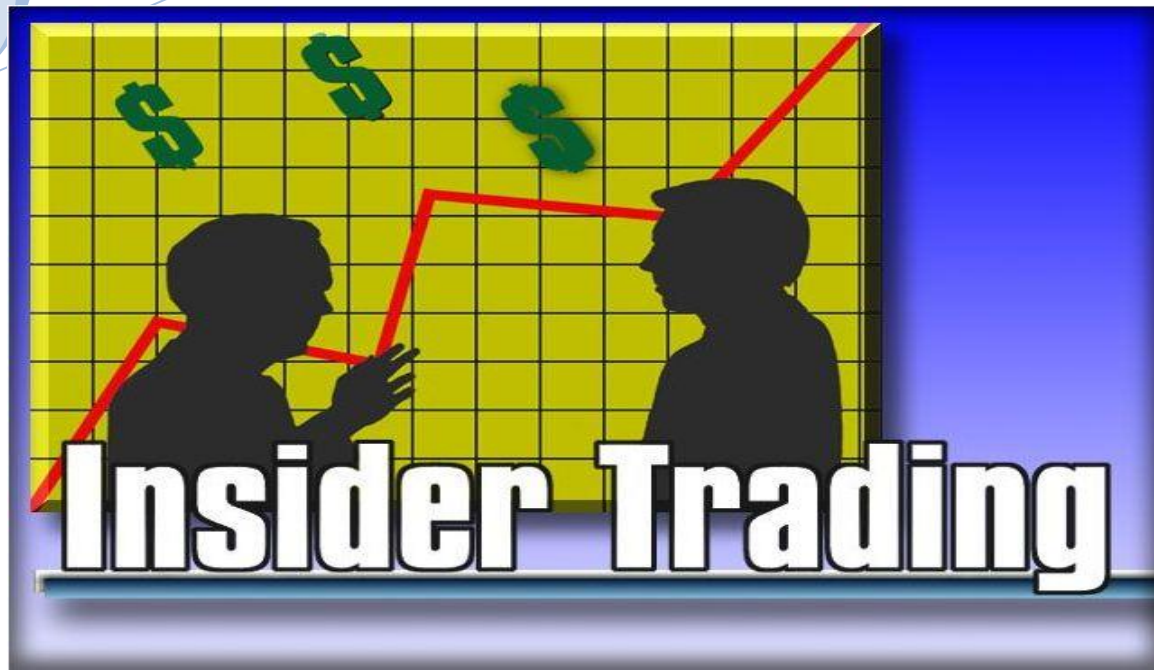
The company has followed the Accounting standards specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable, in the preparation of the financial statements.

### **VI. DISCLOSURE OF RISK MANAGEMENT**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.

### **VII. OTHER DISCLOSURES**

- **Code of Practice And Procedure As Required Under Securities And Exchange Board Of India (Prohibition Of Insider Trading) Regulations, 2015**



In terms of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Code of practice and procedure for fair disclosures of unpublished price sensitive information and code of conduct to regulate, monitor and report trading by its employees and other connected persons is approved by Board of Directors of the Company.

- **Insider Trading Code**

The Company had adopted a “Code of Conduct for insider trading” in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 dated 1<sup>st</sup> April, 2019. The code is applicable to promoters and promoter’s Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said regulation. The Company has also formulated the code of Practices and procedures for fair disclosure of Unpublished Price Sensitive Information’ in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and this code is displayed on the Company’s website viz., [www.ekamleasing.com](http://www.ekamleasing.com).

- **Familiarisation Programme For Board Members**

The Board members are provided with necessary documents, reports to enable them to familiarise with Company’s procedures, its mission and vision, etc. Periodic presentation at Board/Committee meetings are made on business and performance of the Company. The details of such familiarisation programmes for independent directors uploaded on the website of the company. At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained in this regard. The Chairman and Managing Director also have a one to one discussion with the newly appointed Director to familiarize him with the Company’s operations. Further, on an ongoing basis as a part of Agenda of Board/ Committee meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company’s and associates businesses and operations, industry and regulatory updates, strategy, finance, risk management

framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for directors are available on the Company's weblink viz., [www.ekamleasing.com](http://www.ekamleasing.com)

- **Pecuniary Relationship Or Transactions Of The Non-Executive Directors And Disclosures On The Remuneration Of The Directors**

All pecuniary relationships or transactions of the Non-Executive Directors vis-a-vis the Company, along with criteria for such payments and disclosures on the remuneration of the Directors along with their shareholding are disclosed in Form MGT-7 which forms a part of this Report.

- **DETAILS REGARDING SEXUAL HARASSMENT OF WOMAN AT WORKPLACE**

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has complied with the applicable provisions of the aforesaid Act, and the rules framed thereunder, including constitution of the Internal Complaints Committee. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same is available on the Company's website at [www.ekamleasing.com](http://www.ekamleasing.com). All employees (permanent, contractual, temporary and trainees, etc.) are covered under this Policy. Status of complaints as on March 31, 2023:

Number of complaints received	Number of shareholders complaints resolved	Number of shareholders complaints pending
NIL	NIL	NIL

- **Inter Se Relationships Between Directors**

There are no inter se relationships between directors during the financial year 2022-2023.

- **Familiarization Programme For Independent Directors**

Pursuant to the Code of conduct for Independent Directors specified under the Companies Act 2013 and as per SEBI (Listing obligations and Disclosure requirements) Regulations 2015 entered into with the Stock Exchanges, the Company has framed a familiarisation programme for all its independent Directors to familiarize them on their roles, rights and responsibilities updates, strategy, finance, risk management framework, in the Company, the nature of the industry in which the company operates and its business model. The details of the familiarization programme for directors are available on the Company's web link viz., [www.ekamleasing.com](http://www.ekamleasing.com).

- **Significant And Material Orders Passed By The Regulators Or Courts**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

- **Outstanding GDRS/ ADRS/ Warrants Or Any Convertible Instruments**

As of March 31, 2023, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company.

- **Recommendations of Committees Of The Board**

There were no instances during the financial year 2022-23, wherein the Board had not accepted recommendations made by any committee of the Board.

- **CEO/CFO Certificate**

In terms of regulation 17(8) of the Listing Regulations, the Managing Director and CEO and the CFO made a certification to the board of Directors in the prescribed format for the year at the review, which has been review by the audit Committee and taken on record by the Board. The same is attached as **Annexure II**.

- **Certificate On Corporate Governance**

Certificate from M/s KKS and Associates, Practicing Company Secretaries, confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations attached as **Annexure III**.

- **Policy For Determining Material Subsidiaries**

Pursuant to Regulation 16 (1) (c) of the Listing Regulations, the Company has formulated a policy for determining a “material” subsidiary, the details of which is available on the website of the Company at [www.ekamleasing.com](http://www.ekamleasing.com).

- **Certificate From Practicing Company Secretary**

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Krishna Kumar Singh, Proprietor of M/s KKS and Associates, Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority attached as **Annexure IV**.

- **Chart Setting Out The Skills / Expertise / Competencies Of The Board Of Directors**

The board of Directors along with Nomination and Remuneration Committee (NRC), identifies the right candidate with right qualities, skills and practical expertise/competencies required for the effective functioning of individual member to posses and also the board as whole. The Committee focus on the qualification and expertise of the person, the positive attributes, standard of integrity, ethical behavior, independent judgment of the person in selecting a new Board member. In addition to the above, in case of Independent Directors, the Committee shall satisfy itself with regard to the independence of the directors to enable the Board to discharge its functions and duties effectively. The same are in line with the relevant provisions of the Listing Regulations. The NRC has identified the following core skills, expertise and competencies for the effective functioning of the Company which is currently available with the board:

- Finance & Accounting Competence**

(Exposure in handling Financial Management of a Large Organization along with understanding Financial Statements)

- Leadership quality in running Large Enterprises**

(Expertise in Leading well-governed Large Organization with an understanding of organizational Structure and its environment, risk management and emerging Local & global trends)



- c. Expertise in understanding of changing regulatory framework**  
(Expertise in handling large public companies with high governance standard and understanding of changing regulatory framework)
- d. Exposure in setting the business Strategies**  
(Ability to build up Long term Business strategies to bring growth in business consistently, profitability, competitively and in a sustainable manner in a diverse business environments and changing economic conditions).

In terms of the requirements of Listing Regulations, the Board has identified the following skills/ expertise/ competencies of the directors as given below:

Skills/Experties/Comptencies	Mr. Rakesh Jain	Mr. Saurabh Jain	Mrs. Rashi Varshney
Leadership Skills	✓	✓	✓
Business Strategies	✓	✓	✓
Understanding of consumer and customer insights in diverse environment and conditions	✓	✓	✓
Finance and Accounting Experience	✓	✓	✓
Understanding use of information technology across the NBFC Sector	✓	✓	✓
Understanding of changing regulatory landscape	✓	✓	✓
Corporate Governance	✓	✓	✓
Personal Values	✓	✓	✓
Functional and Mangerial Experience	✓	✓	✓

• **Modified Opinion In Auditors Report**

During the current financial year, there are audit qualifications in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements.

• **Compliances of Non -Mandatory & Discretionary Requirements As Per Schedule II Part E of The SEBI Listing Regulations**

The quarterly and half yearly financial performance are published in the newspaper and are also posted on the website of the Company and hence, not being sent to the Shareholders.

The internal auditor of the Company makes presentation to Audit Committee on their reports.

The Company Financial Statements for the year 2022-23 does not contain any audit qualification. The Company's Audited Financial Statements are accompanied with unmodified opinion from Statutory Auditor of the Company.

- **Auditors' Remuneration**



The total fees for all services paid by Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which the statutory auditor is a part of are as follows:

Particulars	Name of Statutory Auditor	Amount
A.) Payment to Statutory Auditors	DOOGAR & ASSOCIATES	Rs. 1,18,000
B.) Other Professional Charges		Rs.70,800
Payment to Statutory Auditors of Subsidiary	R TAYAL & ASSOCIATES	Rs. 11,800
	JPS & CO	Rs. 30,680
<b>Sub-Total</b>		<b>Rs. 2,31,280</b>
B. Payment to all the entities in the Statutory Auditors network firms	NA	NA
<b>(A+B)</b>	<b>Total</b>	<b>Rs. 2,31,280</b>

- **Utilization Of Funds Raised Through Preferential Allotment Or Qualified Institutional Placement**

During the year under review, the Company has not raised any proceeds by way of preferential issue or qualified institutional placement.

- **Disclosure Of Commodity Price Risks And Commodity Hedging Activities**

During the year under review, the Company does not possess any commodity price risks and commodity Hedging activities.

- **Other Useful Information To Shareholders**

- Shareholders/beneficial owners are requested to quote their folio no. /DP and client ID nos., as the case may be, in all correspondence with the RTA/ Company.

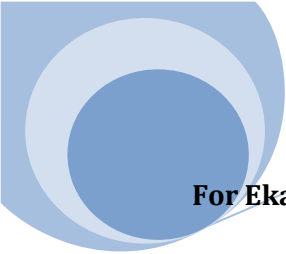
- Shareholders holding shares in physical form are requested to notify to the RTA/Company, PAN, email
- Ids, change in their address/pin code number and bank account details promptly by written request under the signatures of sole/first joint holder.
- Beneficial owners of shares in demat form are requested to send their instructions regarding PAN, email ids, change of name, change of address, bank details, nomination, power of attorney etc., directly to their DP as the same are maintained by the DPs.
- Non-resident members are requested to immediately notify change in their residential status on return to India for permanent settlement and particulars of their NRE bank account with a bank in India, if not furnished earlier.
- In case of loss/misplacement of shares, investors should immediately lodge a FIR/complaint with the police and inform RTA/ Company along with original or certified copy of FIR/acknowledged copy of the complaint.
- Shareholders(s) of the Company who have multiple accounts in identical name(s) or holding more than one share certificate in the same name under different ledger folio(s) are requested to apply for consolidation of such folio(s) and send the relevant share certificates to the Company/RTA.
- Shareholders are requested to provide their valuable suggestions for improvement of our investor services. We request shareholders whose shares are in the physical mode to dematerialise their shares. Shareholders are requested to quote their e-mail IDs, telephone/fax numbers for prompt reply to their communication.

- **Role of The Company Secretary In Overall Governance Process**

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and applicable Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. The Company Secretary acts as the Secretary to all the Committees of the Board constituted under the Companies Act, 2013.

#### Code of Conduct

In accordance with the regulation 26(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 all the Board members and senior management personnel for the financial year ended 31<sup>st</sup> March, 2023 affirmed compliance with the code of conduct laid down by the Board of Directors for them.



**For Ekam Leasing & Finance Co. Ltd.**

**Rakesh Jain**  
**Managing Director**  
**DIN: 00061737**

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***Registered Office:***  
**Limited**

No. 11, Rani Jhansi Road,  
(Motia Khan), M.M. Road,  
New Delhi - 110055.  
CIN: L74899DL1993PLC055697  
Tel: 011-23528015,  
Emailekam.leasing1@gmail.com,  
info@ekamleasing.com  
Website: www.ekamleasing.com

**By order of the Board of Directors**  
**Ekam Leasing & Finance Co.**

**Rakesh Jain**  
**Managing Director**  
**DIN: 00061737**

**Date:** 11-08-2023

**Place:** New Delhi

# MANAGEMENT DISCUSSION & ANALYSIS REPORT



## GLOBAL ECONOMIC REVIEW



Global economic activity is experiencing a broad-based and sharper than expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions, Russia's invasion of Ukraine, and the lingering COVID-19 pandemic all weigh heavily on the outlook. Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth profile since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic.

The economic outlook depends on a successful calibration of monetary and fiscal policies, the course of the war in Ukraine, and growth prospects in China. Risks remain unusually large: monetary policy could miscalculate the right stance to reduce inflation; diverging policy paths in

the largest economies could exacerbate the US dollar's appreciation; tightening global financing could trigger emerging market debt distress; and a worsening of China's property sector crisis could undermine growth. Multilateral cooperation remains necessary to fast-track the green energy transition and prevent fragmentation.

The Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022 but to decline to 6.5 percent in 2023 and to 4.1 percent by 2024. Monetary policy should stay the course to restore price stability, and fiscal policy should aim to alleviate the cost-of-living pressures while maintaining a sufficiently tight stance aligned with monetary policy. Structural reforms can further support the fight against inflation by improving productivity and easing supply constraints, while multilateral cooperation is necessary for fast-tracking the green energy transition and preventing fragmentation.

### INDIAN ECONOMIC REVIEW



The Strong economic growth in the first quarter of FY 2022-23 helped India overcome the UK to become the fifth-largest economy after it recovered from repeated waves of COVID-19 pandemic shock. Real GDP in the first quarter of 2022-23 is currently about 4% higher than its corresponding period of 2019-20, indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022-2023. Substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

India's economic condition during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which reached Rs 4.1 lakh crores (US\$ 49.53 billion) during April-October 2022 which is 61.5% higher than the corresponding period of last year. The resilient growth of the Indian economy in the first half of FY 2022-23 has been the fastest among major economies, thereby strengthening macroeconomic stability. India registered a broad-based expansion of 9.7% in the first half of FY 2022-23, supported by robust

domestic demand and upbeat investment activity. As a result of the comeback in economic activity across all sectors, India's overall employment situation has improved.

As we head into 2023, global economic developments are expected to complicate the outlook further, and therefore continued vigilance is a critical aspect in maintaining India's external resilience. Going forward, India needs to focus on medium-term challenges such as securing technology and resources for energy transition and skilling its youth for the 21st century economy, while staying the course on fiscal consolidation. With continuous efforts during the last several years, a strong platform has been erected on which the superstructure of a middle-income economy can be constructed.

### KEY GROWTH DRIVERS



The Non-Banking Financial Company gearing up for Growth as Assets under management (AUM) of NBFCs set to grow 12-13% on-year this fiscal and 13-14% next fiscal.

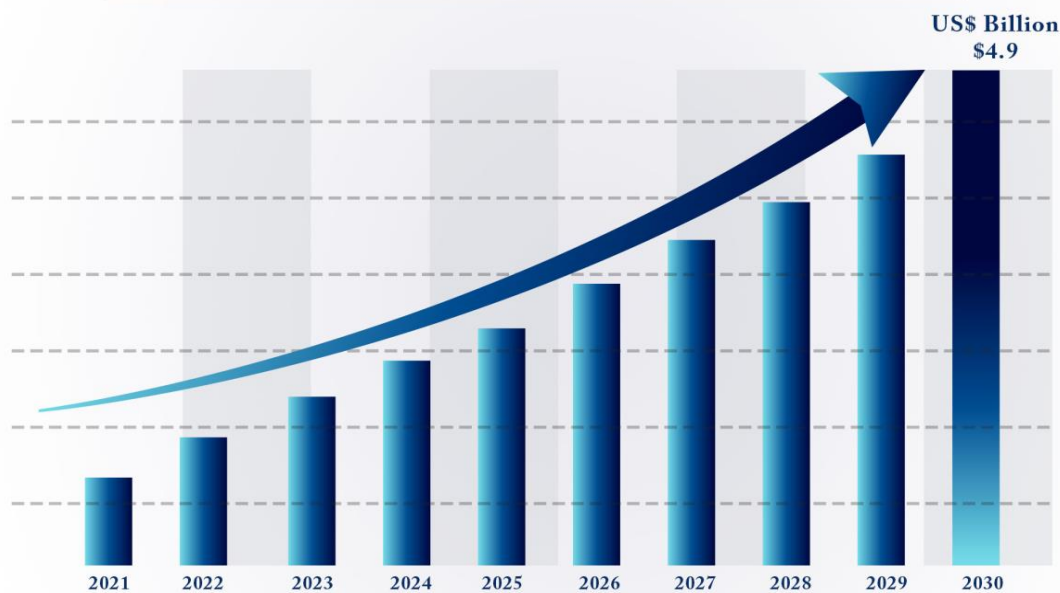
- The Strong balance sheets with higher provisioning and lower leverage to support growth and asset quality concerns also receding with continued improvement in key metrics.
- Cost of borrowings for NBFCs stated to rise amidst the rising interest rate scenario by 100-120 bps in fiscal 2023. Hence, NBFCs are realigning their strategy, with growth to be led by non-traditional segments.
- Unsecured loans, used vehicles and MSME segments expected to propel growth.
- While traditional segments will also post growth, it will be at a slower pace compared with pre-pandemic levels

The Reserve Bank of India liquidity measures during the pandemic has increased banks appetite for funding the segment. This along with higher accretion of public deposits aided by lower bank deposit rates has supported large housing financiers.

The industry has navigated the COVID-19 pandemic with moderate disruptions in collection efficiency and a build-up in asset quality, partially also led by the implementation of the circular on NPA classification. It believes the sector could grow at 13% YOY in FY23 (FY22: 11%) with gross stage 3 numbers increasing to 3.3% from 2.8% in 3Q FY22 (FY22: 2.9%), largely due to slippages from the restructured book (FY23: 1.7%; FY22: 2.1%). Additionally, 2% of AUM is supported by lending under Emergency Credit Line Guarantee Scheme which could also see slippages. The broad stage 3 number could rise by 70bp as it was seen in 3Q FY22, due to the change in NPA recognition norm.

### INDUSTRY STRUCTURE — AN OUTLOOK:

#### Outdoor Living Structure Market Size 2021 to 2030



The NBFCs would begin the year with sufficient capital buffers, stable margins and sizeable on-balance sheet provisioning, while adequate system liquidity would aid funding. Nevertheless, an expected increase in systemic interest rates and asset quality issues in some segments due to the lagged impact of pandemic would be a drag on the operating performance. The sector has been facing increased regulatory oversight and pushes towards convergence with banks through various measures such as scale-based regulation, realignment in asset quality classification and Prompt Corrective Action norm. The incremental impact of the notification on NPA recognition however will be moderate as the maximum impact has already been seen in 3Q FY22 figures and NBFCs are holding adequate provisions.



## CHALLENGES FOR INDIAN FINANCE INDUSTRY



There are challenges facing the finance industry that we regularly hear about from firms around the globe i.e. Operational Risk Management. Quality Data for Better Investment Decisions, Data Integration, Reporting driven by regulatory augmentation, Data Quality at Granular Levels for Accurate Aggregation Scale/Expansion, Living with Spread sheets and Data Governance Framework.

### Opportunities

These NBFCs have also been key in being able to mitigate and manage the spread of risks during times of financial duress and have increasingly become recognized as complementary services to banks. Ongoing stress in public sector banks (PSUs) because of increasing bad debt, lending in rural areas deterioration has provided NBFCs with the opportunity to increase presence. The success of these NBFCs vs. PSUs can be attributed to product lines, lower cost, wider and effective reach, strong risk management capabilities to check and control bad debts, and a better understanding of customer segments versus bank.

### DETAILS OF SIGNIFICANT CHANGES:

There is no significant change vis-a-vis the previous financial year.

## INTERNAL CONTROL SYSTEMS AND ADEQUACY OF INTERNAL CONTROL:



The Company has instituted adequate internal control systems commensurate with the nature of its business and the size of its operations. This provides a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations.

Moreover, the Company continuously upgrades these systems in line with the best available practices. The Board has an Audit Committee with independent directors in majority to maintain the objectivity.

Proper and adequate internal control systems are in place to ensure that all the business dealings are performed on sound business ethics and all assets are protected against loss of unauthorized use or disposition and that the transactions are authorized, recorded and properly reported. The internal control system is designed to ensure that financial and other records are reliable for all purposes.

Based on its evaluation, the Audit Committee has concluded that, as of March 31, 2023, our internal financial controls were adequate and operating effectively.

## HUMAN RESOURCES:



The Company regards its human resource as a valuable asset. The Company has a team driven work process with completely flat organization system. This not only helps us nurture leaders but also gives us capable and assured colleagues at all levels.

## CORPORATE GOVERNANCE:



The Company follows principle of effective Corporate Governance. The endeavour of the Company is not only to comply with regulatory requirements but also to practice Corporate Governance principles that lay emphasis on integrity, transparency and overall accountability.

The Company adheres to most of the recommendations made by the SEBI and incorporated by the Stock Exchanges in the Standard Listing Agreement.

**RISK AND CONCERNS:**

Risk is integral part of the business operations. The Company is exposed to major risks namely credit risk, market risk, operational risk, liquidity risk and interest rate risk and has put in place measures, policies, systems, and procedures to manage and mitigate those risks.

**Compliance**

Our Compliance function monitors compliance with regulatory requirements laid down by the Securities and Exchange Board of India (SEBI) with respect to portfolio investments and alternative investment funds activities and other business activities. The Compliance function is an interface between us and various regulators and agencies, such as SEBI, the RBI, Companies Act, depositories, Registrar and stock exchanges.

Our compliance team keeps itself updated on new regulatory requirements and communicates the requirements to the relevant functions together with meaningful inputs for implementation. The Compliance team also reviews the implementation status by coordinating with the respective functions.

# Annexure-I

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of Subsidiaries/Associate companies/Joint ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Lacs)

S.No.	Particulars	Details		
		S &S Balajee Mercantile Private Limited	Jet Air Securities Private Limited	Rex Overseas Private Limited
1.	Name of the subsidiary	S &S Balajee Mercantile Private Limited	Jet Air Securities Private Limited	Rex Overseas Private Limited
2.	Status	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Wholly Owned Subsidiary
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same i.e. 01.04.2022 to 31.03.2023	Same i.e. 01.04.2022 to 31.03.2023	Same i.e. 01.04.2022 to 31.03.2023
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable
5.	Share capital	30.13	1.05	27.30
6.	Reserves & surplus	250.75	27.45	228.92
7.	Total assets	286.21	30.26	263.67
8.	Other financial liabilities	4.35	0.54	6.35
9.	Investments (excluding investment made in subsidiaries)	-	-	-
10.	Total Income	10.22	2.75	12.11
11.	Profit/(Loss) before tax	5.94	2.63	8.73
12.	Provision for tax	2.01	0.70	2.31
13.	Profit/(Loss) after tax	3.94	1.93	6.41
14.	Proposed Dividend	-	-	-

15.	% of shareholding	100%	100%	100%
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**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - ***Not Applicable***

### **Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: - ***Not Applicable***

Note: Since, there are no associate /Joint Ventures of the company. Hence, the statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures is not applicable to the company.

**For and on behalf of the board of directors  
Ekam leasing & Finance Co. Limited**

**Place: New Delhi  
Date: 11-08-2023**

**Rakesh Jain  
Managing Director  
DIN: 00061737**

## ANNEXURE-II

### CEO/CFO Certificate to the Board

[Under Regulation 17(8) of SEBI (Listing and Disclosure Requirements) Regulations, 2015]

To,  
**The Board of Directors**  
**Ekam Leasing and Finance Co. Ltd**  
**No. 11, Rani Jhansi Road, (Motia Khan),**  
**M.M. Road New Delhi-110055**

We hereby certify that:-

1. We have reviewed financial statements including the cash flow statement for the financial year ended 31<sup>st</sup> March, 2023 and that to the best of my knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements including cash flow statement present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. We further certify that we have indicated to the auditors and the Audit committee
  - (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes 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 having a significant role in the company's internal control system over financial reporting.

**For Ekam Leasing and Finance Co. Ltd**

**Place: New Delhi**  
**Date: 11-08-2023**

**(Rakesh Jain)**  
**Chairman & Managing Director**  
**DIN: 00061737**

## **Annexure III**

### **Certificate on Corporate Governance**

#### **To the Members of**

**Ekam Leasing and Finance Co. Limited**  
**No.11, Rani Jhansi Road (Motia Khan)**  
**M.M. Road New Delhi-110055**

**Practicing Company Secretary's Certificate on compliance with the conditions of Corporate Governance as per Chapter IV pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The accompanying Corporate Governance Report (the 'Report') contains details of compliance of conditions of Corporate Governance, as per regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') by **Ekam Leasing and Finance Co. Limited** (the 'Company') for the year ended 31<sup>st</sup> March 2023. We have initialed the Report for identification purpose only.

#### **Management's Responsibility for compliance with the conditions of Listing Regulations**

1. The Management along with the Board of Directors is responsible for ensuring that the Company complies with the requirements of the Listing Regulations and for providing all relevant information to the Securities and Exchange Board of India.
2. The preparation of the accompanying Corporate Governance Report is the responsibility of the Management of the Company including the Board of Directors. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Report, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

#### **Responsibility of the Practicing Company Secretary**

3. Pursuant to the requirements of Clause E to Section V to the Listing Regulations, it is our responsibility to obtain reasonable assurance and form an opinion as to whether the Company complies with the conditions of Corporate Governance.
4. We have examined the compliance of the conditions of Corporate Governance by 'the Company' for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D & E of Schedule V of "Listing Regulations".
5. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.





## Opinion

6. Based on the examination above, in our opinion and to the best of our information and according to the explanations given to us, and the Application/representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended on March 31, 2023 **except:**

*During the financial year 2022-23, for the quarters ended June, 2022 and September 2022 the Board composition and consequently the Composition of the Committees were not in accordance with and in the manner prescribed under the above said Regulations, as detailed hereunder:*

*Since there was delay in appointment of Women Director after resignation of Mrs. Vandana Singh from the post of Women Director of the company w.e.f. 12<sup>th</sup> August, 2021 for which the due date to fill the vacancy was 12<sup>th</sup> November, 2021. However, the vacancy of woman director of the company was filled up on 7<sup>th</sup> December 2022 with appointment of Mrs. Rashi Varshney as a Women independent Director (Non-Executive) and consequently the Board Composition was not in conformity with the abovesaid Regulations for the period as stated above.*

*Also, the BSE Limited (Bombay Stock Exchange Ltd) had also levied fines in terms of Standard Operating Procedure (SOP) prescribed under SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22nd January, 2020*

*The Management of the Company has represented us that the company has made an application for waiver of fines against the above said fines imposed by BSE vide 6<sup>th</sup> March, 2023 and the said application for waiver is pending for consideration with BSE.*

7. 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.

### Restriction on Use

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For KKS & Associates  
Company Secretaries**

**Place: New Delhi  
Date : 11-08-2023  
UDIN: F008493E000791055**

**Krishna Kumar Singh  
Practicing Company Secretary  
Membership No: F8493  
COP No. : 9760  
Peer Review: 2105/2022**

## Annexure-IV

### CERTIFICATE FOR NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

To,

The Members,

**Ekam Leasing and Finance Co. Limited**

We have examined the relevant registers, records, forms, returns and Disclosures received from the Directors of **M/s Ekam Leasing and Finance Co. Limited** having CIN: L74899DL1993PLC055697 and having registered office at No. 11, Rani Jhansi Road, (Motia Khan), M.M. Road New Delhi-110055 (hereinafter called the "Company") produced before us by the Company for the purpose of issuing the Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub Clause 10 (i) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India due to spread of COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2023 has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation
1	Mr. Rakesh Jain	00061737	Managing Director
2	*Prakash Goyal (Upto 01.05.2022)	02598736	Independent Director
2	Mr. Saurabh Jain	02815972	Independent Director
3	** Mamta Jain (Upto 25.05.2022)	05274582	Women Director
4	*** Mr. Astik Mani Tripathi	03645378	Independent Director
5	Mrs. Rashi Varshney (w.e.f. 07.12.2022)	09815471	Independent Director

*\*The Office of Mr. Prakash Goyal was vacated due to his sad demise on 01<sup>st</sup> May, 2022. He was not disqualified during his term.*

*\*\*The Office of Mrs. Mamta Jain was vacated due to her sad demise on 25<sup>th</sup> May, 2022. She was not disqualified during her term*

*\*\*\* The Office of Mr. Astik Mani Tripathi was vacated due to resignation w.e.f. 15th May 2022. He was not disqualified during his term.*

We are issuing this certificate based on the following which is best of our knowledge and beliefs were considered necessary in this regards:

Our verification of the information relating to the directors available in the official web site of MCA.

Our verification of the disclosures/ declarations/ confirmations provided by the said directors to the Company and other relevant information, explanation and representations provided by the Company, its officers and agents.

We wish to state that the management of the Company is responsible to ensure the eligibility of a person for appointment/ continuation as a Director on the Board of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness of the corporate governance processes followed by the management of the Company.

**FOR KKS & ASSOCIATES**

**Krishna Kumar Singh**  
**Practicing Company Secretary**  
**Membership No. : F8493**  
**COP No. : 9760**  
**Peer Review: 2105/2022**

**DATE: 11-08-2023**

**PLACE: NEW DELHI**

**UDIN: F008493E000790857**

## Annexure V

**FORM No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015]

To,  
The Members,  
**Ekam Leasing & Finance Co. Limited**  
**No. 11, Rani Jhansi Road, (Motia Khan),**  
**M.M. Road New Delhi-110055**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Ekam Leasing and Finance Co. Ltd. (hereinafter called the "Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2023** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Company for the financial year ended on 31st March, 2023 according to the applicable provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- ii. The Securities Contract (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 following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the company during the audit period)**
- d. The Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015;
- e. The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulation, 2021 **(Not applicable to the Company during the audit period);**
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period);**
- g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the audit period);**
- h. 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;
- i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. **(Not Applicable to the company during the audit period)**
- j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable to the company during the audit period)**
- k. Securities and Exchange Board of India (Depositories and Participant) Regulation, 2018

vi. Other laws applicable specifically to the Company

- a. Master Direction- Non banking Financial company –Non systematically important non-deposit taking company and deposit taking company) Reserve Bank directions, 2016.
- b. Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

(vii) We have also examined compliance with the applicable clauses of the followings:

- (a) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
- (b) Listing agreements entered into by the Company with Bombay Stock Exchange of India Limited

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above subject to the following observations:

Under clause (i) read with clause v sub-clause (d):

- *As on 31<sup>st</sup> March, 2023, the Board Composition of the company is in accordance with Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015 as amended from time to time. Presently the Board of Directors of the company consists of three Directors with the combination of one Executive and two Non-Executive Independent Directors (including one Women Independent Director).*

*However, during the financial year for the quarters ended June, 2022 and September 2022 the aforesaid composition was not as per the manner prescribed due to certain unavoidable circumstances as detailed hereunder:*

- (a) Mrs. Vandana Singh has resigned from the post of Women Director of the company as on 12<sup>th</sup> August, 2021 and the due date to fill the vacancy was 12<sup>th</sup> November, 2021. However, the vacancy of woman director of the company was filled up on 7<sup>th</sup> December 2022 with appointment of Mrs. Rashi Varshney as a Women independent Director (Non-Executive).*

Delay/non-Appointment of KMPs

- (b) Mrs. Mahak has resigned from the post of the Company Secretary of the Company w.e.f 27<sup>th</sup> December, 2021 which was required to be filled till 27<sup>th</sup> March, 2022; However, there was delay to fill the vacancy and the vacancy was filled up on 07<sup>th</sup> December 2022 with the appointment of Ms Neha Sharma as Company Secretary and Compliance Officer.*
- (c) Mr. Amit Kumar Khetan has resigned from the post of Chief Financial Officer w.e.f May 02, 2022 and the vacancy has not been filled till the date.*

Under clause v sub-clause b:

- *As per Regulation 3(5), 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 states that the board of directors or head(s) of the organization of every person are required to handle unpublished price sensitive information shall ensure that a structured digital database is maintained. The company is in process to ensure the same.*

Under clause v sub-clause d:

- *As per Regulation 14 of SEBI (LODR) Regulations 2014 every listed entity shall pay all such fees or charges, as applicable, to the recognised stock exchange(s) upto 30<sup>th</sup> April 2022 which was paid with delay.*

Under clause v sub-clause j:

- *As per Regulation 76 of SEBI (Depositories & Participant) Regulation, 2018, company have to file the Reconciliation of share capital audit report within 30 days from the end of the quarter. However, the company delayed in submitting the reconciliation of share capital audit report for quarter ended on June 2022 and September 2022.*

*Also, for the above said non compliances, the BSE Limited (Bombay Stock Exchange Ltd) have levied fines in terms of Standard Operating Procedure (SOP) prescribed under SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22nd January, 2020, vide email SOP-CReview-Feb 2022, SOP-CReview-(21 Feb 2022), SOP-review-(20 May 2022), SOP-CReview-June 2022 and SOP-Review-Aug 2022 vide email SOP reminder dated, June 6 2022, July 15 2022, September 1 2022, September 7 2022, November 7 2022, December 8 2022, for the same as mentioned in **Annexure B**.*

*The Management of the Company has represented us that the company has made an application for waiver of fines against the above said fines imposed by BSE vide 6<sup>th</sup> March, 2023 and the said application for waiver is pending for consideration with BSE.*

*We further report that:*

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

Adequate notice is given to all 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.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For KKS & Associates**

**Krishna Kumar Singh**  
**Practicing Company Secretary**

**FCS No: 8493**

**COP No: 9760**

**Peer Review: 2105/2022**

**Place: New Delhi**

**Date: 11.08.2023**

**UDIN: F008493E000791066**

This Report is to be read with our letter of even date which is annexed as **Annexure –A** and forms an integral part of this report



## 'Annexure A'

To,  
The Members,  
**Ekam Leasing & Finance Co. Limited**  
**No. 11, Rani Jhansi Road, (Motia Khan),**  
**M.M. Road New Delhi-110055**

Our Secretarial Audit Report (MR-3) of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process 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 procedure on test basis.
6. The Secretarial Audit report 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 KKS & Associates**

**Krishna Kumar Singh**  
**Practicing Company Secretary**  
**FCS No: 8493**  
**COP No: 9760**  
**Peer Review: 2105/2022**

**Place: New Delhi**  
**Date: 11.08.2023**  
**UDIN: F008493E000791066**

**Annexure B**

<b>S.No</b>	<b>Regulations</b>	<b>Details of Violation</b>	<b>Details of Actions Take e.g. Fines, warning letter, debarment etc.</b>
1	17(1)	Non-compliance of Regulation 17(1) of SEBI (LODR) Regulations, 2015 with regard to appointment of woman director.	Fine imposed by BSE Ltd is Rs. 5,31,000/- (including GST)
2	31	Non-submission of Regulation 31(1) of SEBI (LODR) Regulations, 2015 with regard to the statement of Shareholding pattern.	Fine imposed by BSE Ltd is Rs. 14,160/- (including GST)
3	33	Non-submission of Regulation 33 of SEBI (LODR) Regulations, 2015 with regard to the submission of financial results.	Fine imposed by BSE Ltd is Rs. 5,900/- (including GST)
4	13(3)	Non-submission of the statement on shareholder complaints within the period prescribed under this regulation or under any circular issued in respect of redressal of investor grievances under Regulation 13(3).	Fine imposed by BSE Ltd is Rs. 30680 (including GST)
5	31	Non-submission of shareholding pattern within the period prescribed under Regulation 31.	Fine imposed by BSE Ltd is Rs. 61360(including GST)

## **Annexure -VI**

### **Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has also adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website at [www.ekamleasing.com](http://www.ekamleasing.com).

I confirm that the Company has in respect of the year ended March 31, 2023, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

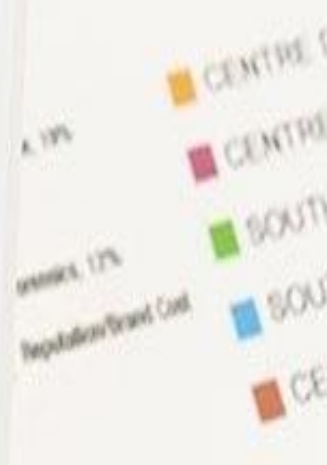
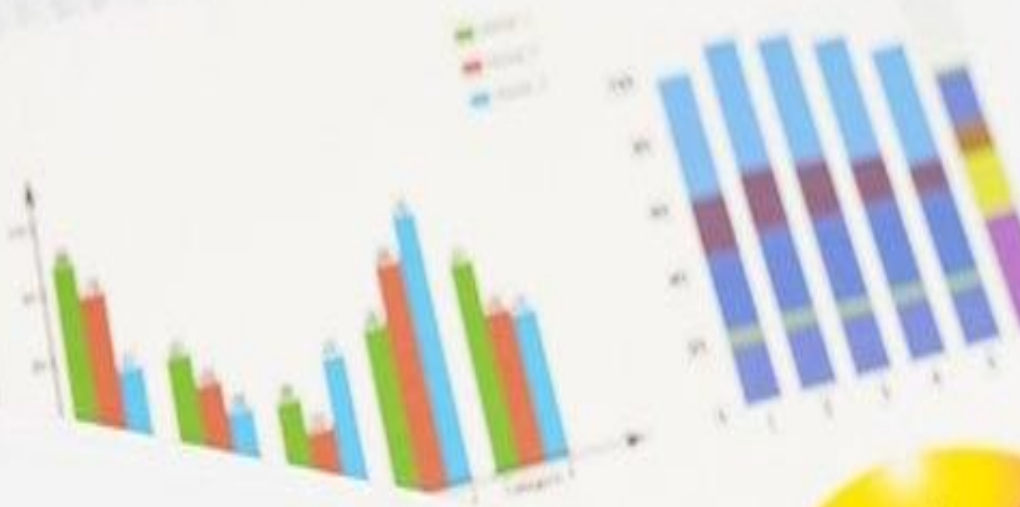
**For Ekam Leasing and Finance Co. Limited**

-  
**Rakesh Jain**  
**Chairman & Managing Director**  
**DIN: 00061737**

**Place: New Delhi**

**Date: 11-08-2023**

# Financial Statements



## **Independent Auditors' Report**

**To the Members of  
Ekam Leasing and Finance Co. Limited**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Qualified Opinion**

We have audited the consolidated financial statements of Ekam Leasing and Finance Co. Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, (Holding Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial information of subsidiaries and associate referred to in the other matters section below, except for the effects/ possible effect of our observations stated in "Basis for Qualified Opinion" paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of its consolidated loss and total comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### **Basis for Qualified Opinion**

##### **Attention is drawn to:**

- a) Note No. 40 of the consolidated financial statements, the group has recognized the interest income amounting INR 55.45 Lakhs, which are related to accounts which are Non-performing Assets. As per Income recognition norms issued by Reserve Bank of India, the interest income is not allowed to recognize from Non-performing assets. Accordingly profit is overstated by INR 55.45 lakhs and simultaneously loans are overstated by INR 55.45 lakhs.
- b) Pursuant to the provisions of section 203 of the Companies Act, the holding company is mandated to appoint the Chief Financial Officer (CFO), we draw attention to the fact that the holding company is failed to appoint a Chief Financial Officer (CFO) throughout the year.
- c) In our opinion and according to the information and explanation given to us by the management in respect of two subsidiaries (Jet Air Securities Private Limited; Rex Overseas Private Limited) are required to get registered with Reserve Bank of India as a Non-Banking Finance Company under section 45-IA of the Reserve Bank of India Act, 1934 based on their business activity (50:50 test).

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the

consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

#### **Emphasis of Matters:**

We draw attention to the

- a) Note No. 39 of the consolidated financial statement, the group has outstanding loans receivable (including interest accrued) amounting INR 566.49 lakhs which are classified under "Sub-Standard Assets" of Non-Performing Assets. As highlighted in the Note, these loans have undergone rescheduling process. Accordingly, further classifications of these loans are depending upon recovery of principal and their interest.
- b) Note 41 of consolidated financial statement, the group has created deferred tax assets (net) on unabsorbed depreciation & business losses and MAT credit entitlement as on 31st March 2023 amounting INR 20.06 lakhs and INR 23.53 lakhs respectively. On the basis of future prospects of the group, Management is confident that the group will have sufficient profits against these unused tax credit and unused losses.

Our opinion is not modified in respect of above stated matters.

#### **Key Audit Matters**

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

We have determined that there are no key audit matters to be communicated in our report.

#### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibilities 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 terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate 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 management and Board of Directors of the entities included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the 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 the 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 management and Board of 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 and its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management and Board of Directors either intends to liquidate the entity 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 and of its associate are also responsible for overseeing the financial reporting process of Group and of its associate.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors of the Holding Company
- Conclude on the appropriateness of management's and Board of Director's of the Holding Company use of the going concern basis of accounting in preparation of consolidated financial statements 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 and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate 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 and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities 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. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of Holding Company and such other entities included in the consolidated financial statements of which we are 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 we identify during our audit.

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

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

### **Other Matters**

We did not audit the financial statements of 3 subsidiaries, whose financial statement reflect total assets of INR 580.13 Lakhs as at March 31, 2023, total revenues of INR 25.09 Lakhs, total net profit after tax of INR 12.28 Lakhs and other comprehensive income of INR Nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management in so far as relates to the amounts and disclosures included in respect of the subsidiaries are solely based on such unaudited financial statements.

The Consolidated Ind AS financial statements include the Group's share of INR Nil for the year ended March 31, 2023, as considered in the Consolidated Ind AS financial statements, in respect of one associate, whose financial statements, other financial information have not been audited by us and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements and other unaudited financial information.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the financial information certified by the Management.

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

- A. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the subsidiaries and associate referred to in the Other Matters section above, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



- B. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial information of the subsidiaries and associate referred to in the Other Matters section above we report, to the extent applicable that:
- a. Except for the matter described in the Basis of Qualified Opinion given above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. Except for the matter described in the Basis of Qualified Opinion given above, in our 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 our examination of those books, returns and the reports of the other auditors.
  - c. Except for the matter described in the Basis of Qualified Opinion given above, 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 statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. Except for the matter described in the Basis of Qualified Opinion given above, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. The matters described in "Basis of Qualified Opinion" paragraph above, in our opinion, may have an adverse effect on the functioning of the group.
  - f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - g. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and associate company, incorporated in India, refer to our separate Report in "Annexure B" to this report.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the information and explanation given to us, the Holding Company, its subsidiaries and the associate companies has not paid any managerial remuneration during the year;
  - i. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There were no pending litigations which would impact the consolidated financial position of the Group and its associates.
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associates incorporated in India during the year ended March 31, 2023.
    - iv. (a) The respective Managements of the Holding Company and its subsidiaries has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary

shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Holding Company and its subsidiaries has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Holding Company and its subsidiaries has neither declared nor paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provided for books of accounts to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 01, 2023, the reporting under clause Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**Vardhman Doogar**  
Partner  
Membership No. 517347

**UDIN:** 23517347BGPWYA6418

**Place:** New Delhi  
**Date:** May 30, 2023

## Annexure A to the Independent Auditors' Report

(Referred to in paragraph A under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Ekam Leasing and Finance Co. Limited of even date)

a) In terms of paragraph 3(xxi) of the CARO 2020, in case of following companies remarks as stated by the respective auditors in their CARO report on the standalone financial statements of the respective companies included in the consolidated financial statements of the holding company are as under:

S. No	Name of Company	CIN	Relationship with Holding Company	Date of respective auditor's report	Paragraph number in respective CARO Reports
1.	Ekam Leasing and Finance Co. Limited	L74899DL1993PLC055697	Holding Company	May 30, 2023	iii(c), ix(d), xiv(b)

b) The report of the following components included in the consolidated financial statements has not been issued by its auditor till the date of our audit report:

S. No	Name of Company	CIN	Relationship with Holding Company
1.	S & S Balajee Mercantile Private Limited	U51109DL1993PTC052329	Subsidiary Company
2.	Jet Air Securities Private Limited	U74899DL1995PTC069004	Subsidiary Company
3.	Rex Overseas Private Limited	U74899DL1988PTC032551	Subsidiary Company
4.	NKJ Securities Private Limited	U74899DL1995PTC070233	Associate Company

## **Annexure B to the Independent Auditors' Report**

(Referred to in paragraph B under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Ekam Leasing and Finance Co. Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Ekam Leasing and Finance Co. Limited as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Ekam Leasing and Finance Co. Limited (hereinafter referred to as the "Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiaries, 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.

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these consolidated financial statements.

#### **Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls over financial reporting with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations 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 consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to 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 our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Holding Company, its subsidiaries, 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, 2023, 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**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of subsidiaries, which are company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

*For Doogar & Associates*  
Chartered Accountants  
Firm Registration No. 000561N

**Vardhman Doogar**  
Partner  
Membership No. 517347

**UDIN:** 23517347BGPWYA6418

**Place:** New Delhi  
**Date:** May 30, 2023

**Ekam Leasing and Finance Co. Limited**  
**Consolidated Balance Sheet as at March 31, 2023**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>I. ASSETS</b>			
<b>1) Financial Assets</b>			
(a) Cash and cash equivalents	3	3.75	2.54
(b) Loans	4	754.08	709.85
(c) Investments	5	1.23	1.23
(d) Other financial assets	6	8.95	7.95
<b>Total financial assets</b>		<b>768.01</b>	<b>721.57</b>
<b>2) Non-financial assets</b>			
(a) Current tax assets (net)	7	17.25	17.28
(b) Deferred tax assets (net)	8	43.59	30.70
(c) Property, plant and equipment	9	0.07	1.53
(d) Other non financial assets	10	222.00	222.00
<b>Total non-financial assets</b>		<b>282.91</b>	<b>271.51</b>
<b>Total assets</b>		<b>1,050.93</b>	<b>993.08</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1) Financial liabilities</b>			
(a) Trade payables			
total outstanding dues of micro enterprise and small enterprise		-	-
total outstanding dues of creditors other than micro enterprise and small enterprise		-	-
(b) Debt securities		-	-
(c) Borrowings (other than debt securities)	11	142.22	128.83
(d) Other financial liabilities	12	18.77	12.63
<b>Total financial liabilities</b>		<b>160.99</b>	<b>141.46</b>
<b>2) Non financial liabilities</b>			
(a) Current tax liability (net)	13	3.30	2.56
(b) Provisions	14	56.65	1.35
(c) Other non-financial liability	15	3.80	3.40
<b>Total non financial liabilities</b>		<b>63.74</b>	<b>7.31</b>
<b>3) Equity</b>			
(a) Equity share capital	16	300.00	300.00
(b) Other equity	17	526.21	544.31
<b>Total equity</b>		<b>826.21</b>	<b>844.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,050.93</b>	<b>993.08</b>

**Significant accounting policies**

The accompanying notes form an integral part of the Financial Statements

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As per our report of even date attached

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**For and on behalf of the Board**  
**Ekam Leasing and Finance Co. Limited**

**Vardhman Doogar**  
Partner  
M.No. 517347

**Rakesh Jain**  
Managing Director  
DIN: 00061737

**Saurabh Jain**  
Director  
DIN: 02815972

**Neha Sharma**  
Company Secretary

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

**Ekam Leasing and Finance Co. Limited**  
**Consolidated Statement of Profit & Loss Account for the year ended March 31, 2023**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>Revenue from operations</b>			
(i) Interest Income	18	63.09	57.31
(ii) Sale of Services		-	-
<b>Total revenue from operations</b>		<b>63.09</b>	<b>57.31</b>
Other income	19	5.13	5.72
<b>Total Income</b>		<b>68.22</b>	<b>63.03</b>
<b>Expenses :</b>			
(i) Finance cost	20	14.99	13.53
(ii) Employee benefits expenses	21	3.90	4.05
(iii) Depreciation and amortisation expense	9	0.03	0.66
(iv) Other expenses	22	73.04	10.14
<b>Total expenses</b>		<b>91.96</b>	<b>28.38</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(23.74)</b>	<b>34.65</b>
Share of Profit/(Loss) from associates		-	-
<b>Profit/ (loss) before tax</b>		<b>(23.74)</b>	<b>34.65</b>
<b>Tax Expense:</b>			
(i) Current tax		7.24	7.88
(ii) MAT Credit entitlement		(2.22)	(2.08)
(iii) Income tax earlier years		-	(0.22)
(iv) Deferred tax		(10.66)	3.65
<b>Total tax expense</b>		<b>(5.64)</b>	<b>9.23</b>
<b>Profit (Loss) for the year after tax</b>		<b>(18.10)</b>	<b>25.42</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Equity instruments through other comprehensive income		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Other comprehensive income</b>		-	-
<b>Total Comprehensive Income for the year</b>		<b>(18.10)</b>	<b>25.42</b>
<b>Net profit / (loss) attributable to :</b>			
(a) Owners of the Group		(18.10)	25.42
(b) Non controlling interest		-	-
<b>Other comprehensive income attributable to :</b>			
(a) Owners of the Group		-	-
(b) Non controlling interest		-	-
<b>Total comprehensive income attributable to :</b>			
(a) Owners of the Group		(18.10)	25.42
(b) Non controlling interest		-	-
<b>Earnings per equity share (face value of INR 10 each)</b>			
(i) Basic		<b>(0.30)</b>	<b>0.42</b>
(ii) Diluted		<b>(0.30)</b>	<b>0.42</b>

**Significant accounting policies**

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**For and on behalf of the Board**  
**Ekam Leasing and Finance Co. Limited**

**Vardhman Doogar**  
Partner  
M.No. 517347

**Rakesh Jain**  
Managing Director  
DIN: 00061737

**Saurabh Jain**  
Director  
DIN: 02815972

**Neha Sharma**  
Company Secretary

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

**Ekam Leasing and Finance Co. Limited**  
**Consolidated statement of changes in equity**  
**(All amounts in INR, unless otherwise stated)**

**A. Equity share capital**

Balance as at April 01, 2021	Movement during the year 2021-22	Balance as at March 31, 2022	Movement during the year 2022-23	Balance as at March 31, 2023
300.00	-	300.00	-	300.00

**B. Other equity**

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	Statutory Reserve u/s Section 45-IC	Retained Earnings	Security Premium Reserve	Gain on account of fair valuation of Equity instrument	
<b>Balance as at April 01, 2021</b>	<b>10.42</b>	<b>174.22</b>	<b>336.60</b>	<b>(2.35)</b>	<b>518.89</b>
Profit for the year	-	25.42	-	-	25.42
Transferred to Statutory reserves	1.94	(1.94)	-	-	-
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>12.36</b>	<b>197.70</b>	<b>336.60</b>	<b>(2.35)</b>	<b>544.31</b>
Profit for the year	-	(18.10)	-	-	(18.10)
Transferred to Statutory reserves	-	-	-	-	-
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>12.36</b>	<b>179.60</b>	<b>336.60</b>	<b>(2.35)</b>	<b>526.21</b>

**Significant accounting policies**

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**Ekam Leasing and Finance Co. Limited**  
**Consolidated Statement of Cash Flows for the year ended March 31, 2023**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash flow from operating activities</b>		
Net profit/(loss) before tax	(23.74)	34.65
<b>Adjustments for:-</b>		
Depreciation and amortisation	0.03	0.66
Loan written off	-	-
Profit from sale of property plant and equipment	(0.08)	-
Provision for Sub-Standard Assets	55.30	-
<b>Operating profit before working capital changes</b>	<b>31.51</b>	<b>35.31</b>
<b>Adjustments for:-</b>		
Other financial assets	(1.00)	-
Other non-financial assets	-	-
Loans	(44.23)	(40.25)
Borrowings	13.38	11.95
Other financial liabilities	6.13	1.78
Other non financial liabilities	0.40	0.25
<b>Cash generated from operations</b>	<b>6.18</b>	<b>9.04</b>
Income tax (paid)/refund	(6.48)	(9.30)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(0.30)</b>	<b>(0.26)</b>
<b>B. Cash flow from investing activities</b>		
Sale of property plant and equipment	1.51	-
<b>Net cash inflow / (outflow) from investing activities</b>	<b>1.51</b>	<b>-</b>
<b>C. Cash inflow/(outflow) from financing activities</b>		
<b>Net cash inflow / (outflow) used in financing activities</b>	<b>-</b>	<b>-</b>
<b>Net changes in cash and cash equivalents</b>	<b>1.21</b>	<b>(0.26)</b>
<b>Opening Cash and cash equivalents</b>	<b>2.54</b>	<b>2.80</b>
<b>Closing Cash and cash equivalents</b>	<b>3.75</b>	<b>2.54</b>

**Note:**

The above Statement of Cash Flows has been prepared under 'Indirect Method' as set out in Indian Accounting Standard (Ind AS) 7 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).

**Significant accounting policies**

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For Doogar & Associates**

Chartered Accountants  
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**For and on behalf of the Board**

**Ekam Leasing and Finance Co. Limited**

**Vardhman Doogar**

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## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

#### **1. GENERAL INFORMATION**

The consolidated financial statements comprise financial statements of Ekam Leasing and Finance Co. Limited (“the Parent company”) and its subsidiaries (collectively, “the Group”) for the year ended March 31, 2023. Ekam Leasing and Finance Co. Limited (“the parent company”) is a public limited company domiciled in India. The parent company is a NBFC subject to relevant RBI Guidelines applicable and listed on Bombay Stock Exchange Limited.

#### **2. SIGNIFICANT ACCOUNTING POLICIES**

##### **a) Basis of preparation**

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). These Consolidated financial statements are presented in INR Lakhs and all values are rounded to the nearest lakhs, except when otherwise indicated.

##### **b) Basis of Consolidation**

The consolidated financial statements comprise the financial statements of the Ekam Leasing and Finance Co. Limited (“the Parent Company”) and its subsidiaries (collectively “the Group”) as at March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements
- (iii) The Group’s voting rights and potential voting rights
- (iv) The size of the Group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that member’s financial statements in preparing the consolidated financial statements to ensure conformity with the Group’s accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so or there are no significant transactions or events between the date of those financial statements and date of financial statements of the parent company.

#### **e) Consolidation Procedure**

##### **(1) Subsidiaries**

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS – 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the Non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests
- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

##### **(2) Investment in Associate**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

The Group's investments in its associate are accounted for using the Equity method. Under the equity method, the investment in associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when a change has been recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the Statement of Changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

If Group's share of losses of a associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

The aggregate of the Group's share of profit or loss of associate is shown on the face of the Statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the Equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss as 'Share of profit/(loss) of a associate' in the Statement of profit and loss.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment less cost to sell is recognized in Statement of profit and loss.

The Group discontinues the use of Equity method from the date the investment is classified as "Held for sale" in accordance with Ind AS 105 : Non-current Assets Held for Sale and Discontinued Operations and measures the interest in associate held for sale at the lower of its carrying amount and fair value less cost to sell.

#### **(3) Change in ownership interest**

The Group treats transactions with Non-controlling interests that do not result in a loss of control as transaction with the equity owners of the Group. A change in ownership interest results in adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

#### **(4) Goodwill**

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for Non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

#### **d) Use of estimates and judgements**

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the balances of assets and liabilities, disclosures of contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expenses for the periods presented. The Group has a policy to review these estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

#### **e) Revenue recognition**

##### **Interest Income**

Under Ind AS 109 interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost. The EIR is the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

##### **Other income**

Other income comprises dividend income and gains / (losses) on disposal of investments. . income is recognized when the right to receive payment is established.

#### **f) Employee Benefits Expense**

Provisions of Provident Fund Act & Employee State Insurance Act are not applicable to the Group for the period under consideration.

#### **g) Property, Plant and Equipment**

##### **(i) Measurement**

Items of Property, plant and equipment, are measured at cost (which includes capitalized borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

##### **(ii) Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that it will increase the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing Property, plants and equipment, including day to day repair and maintenance and cost of replacing parts are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

**(iii) Derecognition**

An item of Property, plant and equipment is derecognized upon its disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the same (calculated as the difference between the net disposal proceeds and its carrying amount) is recognized in the Statement of Profit and Loss in the period the item is derecognized.

**(iv) Depreciation**

Depreciation is calculated using written down value method over the useful lives of assets and is recognized in the Statement of profit and loss. Depreciation for assets purchased / sold during the period is proportionately charged. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

The residual values, useful lives and methods of depreciation of property, plant- and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

**h) Impairment of Non-financial Assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available.

If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognized in the Statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**i) Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet and in the Statement of Cash flows comprise of cash in hand and balance with banks in current accounts.

**j) Borrowing Costs**

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

**k) Exceptional Items**

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value of investment in subsidiaries, associates and joint venture and significant disposal of fixed assets etc.

**l) Provisions and Contingent Liabilities**

Provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**m) Tax Expense**

Income tax expense represents the sum of the tax currently payable and deferred tax. Current tax and deferred tax is recognized in the Profit and Loss except when it relates to items that are recognized in Other Comprehensive Income.

**Current tax**

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

**Deferred tax**

Deferred tax is recognized using the Balance Sheet approach. It represents temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill. The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a Deferred tax asset if there is convincing evidence that the Group will pay normal income tax in future years. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Group.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**n) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial Assets**

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss).
- Those measured at amortized cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model for managing them.

**Initial recognition and measurement**

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

**Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in following categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

**Financial assets at amortized cost**

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

**Business Model Test:** The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;

**Cash flow characteristics test:** The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective



## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category general applies to trade and other receivables.

#### **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

#### **Financial assets designated at fair value through Other Comprehensive Income (OCI)**

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
  - the Group has transferred substantially all the risks and rewards of the asset, or
  - the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the right and obligations that the Group has retained.

#### **Impairment of financial assets**

In accordance with IND AS 109, the Group applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group follows “simplified approach” for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables without significant financial element;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 –Leases

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head ‘other expenses’ in the statement of profit and loss.

#### **(ii) Financial liabilities:**

##### **Initial recognition and measurement**

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group’s financial liabilities include loans and borrowings, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

##### **Financial liabilities at Fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

**Financial liabilities at Amortized cost**

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

**Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**o) Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

**p) Segment Information**

The accounting policies adopted for Segment reporting are in line with the accounting policies of the Group with the following additional policies:

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Unallocable".

Assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the Segment. Assets and liabilities, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Unallocable".

**q) Fair value measurement**

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 ordinary 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.

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Consolidated Financial Statements for the year ended March 31, 2023**

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole ) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **r) Standards issued but not effective**

##### **(i) New and amended standards adopted by the Company**

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

##### **(ii) New and amended standards issued but not effective**

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**3 Cash and cash equivalents**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
(i) Cash on hand	1.45	1.46
(ii) Balances with banks - in current accounts	2.30	1.08
<b>Total cash and cash equivalents</b>	<b>3.75</b>	<b>2.54</b>

**4 Loans**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Loans - At amortised cost</b>		
<b>Unsecured, considered good</b>		
Loans repayable on demand	187.60	709.85
Other Loans	566.49	-
<b>Total loans</b>	<b>754.08</b>	<b>709.85</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**5. Investments**

S.N.	Particulars	Par Value	As at March 31, 2023		As at March 31, 2022	
			Nos.	Amount	Nos.	Amount
<b>I</b>	<b>Equity Instruments</b>					
	<b>Unquoted equity shares</b>					
	<b>Associates</b>					
	<b>(measured at deemed cost)</b>					
	NKJ Securities Private Limited <sup>1</sup>	10	4,500	1.23	4,500	1.23
				<b>1.23</b>		<b>1.23</b>
	Less: allowance for impairment			-		-
	<b>Sub-total (A)</b>			<b>1.23</b>		<b>1.23</b>
<b>II</b>	<b>Others</b>					
	<b>(measured at Fair Value Through OCI)</b>					
	Indo Dutch Bio Tech Private Limited	10	42,500	-	42,500	-
	Less: Allowance for impairment		-	-	-	-
	<b>Sub-total (B)</b>			-		-
	<b>Total (A+B)</b>			<b>1.23</b>		<b>1.23</b>

<sup>1</sup>The Company has been struck off from the register of companies from November 11, 2019. The management is in the process of revival of the Company.

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**6 Other financial assets**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Other receivables	8.95	7.95
<b>Total other financial assets</b>	<b>8.95</b>	<b>7.95</b>

**7 Current tax assets (net)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Advance tax (Net)	17.25	17.28
<b>Total Current tax assets (net)</b>	<b>17.25</b>	<b>17.28</b>

**8 Deferred tax assets (net)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Net Deferred tax assets / (liability)	20.06	9.40
MAT credit entitlement	23.53	21.30
<b>Total deferred tax assets (net)</b>	<b>43.59</b>	<b>30.70</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**9. Property, plant and equipment**

Particulars	Furniture & Fixtures	Vehicles	Computers	Office Equipments	Total
<b>Gross carrying amount</b>					
As at April 1, 2021	0.09	6.68	1.98	0.20	8.95
Additions	-	-	-	-	-
Disposal/Adjustments	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>0.09</b>	<b>6.68</b>	<b>1.98</b>	<b>0.20</b>	<b>8.95</b>
Additions	-	-	-	-	-
Disposal/Adjustments	-	(6.68)	-	-	(6.68)
<b>As at March 31, 2023</b>	<b>0.09</b>	<b>-</b>	<b>1.98</b>	<b>0.20</b>	<b>2.27</b>
<b>Accumulated Depreciation</b>					
As at April 1, 2021	0.09	4.56	1.93	0.18	6.76
Depreciation for the year	-	0.66	-	-	0.66
Disposal/reversal	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>0.09</b>	<b>5.22</b>	<b>1.93</b>	<b>0.18</b>	<b>7.42</b>
Depreciation for the year	-	0.03	-	-	0.03
Disposal/reversal	-	(5.25)	-	-	(5.25)
<b>As at March 31, 2023</b>	<b>0.09</b>	<b>-</b>	<b>1.93</b>	<b>0.18</b>	<b>2.20</b>
<b>Net Carrying amount</b>					
As at March 31, 2022	-	1.46	0.05	0.02	1.53
As at March 31, 2023	-	-	0.05	0.02	0.07



**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**10 Other Non financial assets**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Capital advances		
Related parties	7.00	7.00
Others	40.00	40.00
Advance for goods and services	175.00	175.00
<b>Total Other Non financial assets</b>	<b>222.00</b>	<b>222.00</b>

**11 Borrowings (other than debt securities)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Loans repayable on demand		
From related parties	31.98	29.34
From others	110.24	99.49
<b>Total Other payables</b>	<b>142.22</b>	<b>128.83</b>

**12 Other financial liabilities**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Dues to employees	2.30	2.00
Other payables	16.47	10.63
<b>Total other financial liabilities</b>	<b>18.77</b>	<b>12.63</b>

**13 Current tax liability (net)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Provision for tax (net)	3.30	2.56
<b>Total Current tax assets (net)</b>	<b>3.30</b>	<b>2.56</b>

**14 Provisions**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Provision for standard assets	-	1.35
Provision for sub-standard assets	56.65	-
<b>Total provisions</b>	<b>56.65</b>	<b>1.35</b>

**15 Other non -financial liabilities**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Statutory liabilities	3.80	3.40
<b>Total other non-financial liabilities</b>	<b>3.80</b>	<b>3.40</b>

**Ekam Leasing and Finance Co. Limited**

**Notes forming part of consolidated financial statements for the year ended March 31, 2023**

(All amounts in INR, unless otherwise stated)

**16. EQUITY SHARE CAPITAL**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised Capital</b>				
Equity shares of Rs. 5/- each	60,00,000	300.00	60,00,000	300.00
<b>Issued , Subscribed &amp; Paid up Capital</b>				
Equity shares of Rs. 5/- each	60,00,000	300.00	60,00,000	300.00

**a) The details of Shareholders holding more than 5% shares**

Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	% held	No. of Shares	% held
Rakesh Jain	7,78,000	12.97%	7,78,000	12.97%
Mukesh Gangwal	4,78,926	7.98%	4,78,926	7.98%
Pawan Kumar Jain	4,04,800	6.75%	4,04,800	6.75%

**b) The reconciliation of the number of shares outstanding is set out below**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equity Shares at the beginning of the year	60,00,000	60,00,000
Add : Increase in the number of shares on account of share split	-	-
<b>Equity Shares at the end of the year</b>	<b>60,00,000</b>	<b>60,00,000</b>

**c) Rights, preference and restrictions attached to shares**

The parent company has only one class of shares referred to as equity shares having a par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the parent company, the holders of equity shares will be entitled to receive any of the remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) The Board of Directors at their Meeting held on 14 February 2019 approved the sub-division of each equity share of face value of Rs. 10 fully paid up into 2 equity shares of face value of Rs 5 each fully paid up. The same has been approved by the Members on 06 April 2019 through postal ballot and e-voting. The effective date for the subdivision was 06 April 2019.

**e) Details of shares held by promoters in the company**

Shareholder	Percentage Change	As at 31st March, 2023		As at 31st March, 2022	
		No. of Shares	% held	No. of Shares	% held
Rakesh Jain	0.00%	7,78,000	12.97%	7,78,000	12.97%
Mukesh Gangwal	0.00%	4,78,926	7.98%	4,78,926	7.98%
Pawan Kumar Jain	0.00%	4,04,800	6.75%	4,04,800	6.75%

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**17. Other equity**

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	Statutory Reserve u/s Section 45-IC	Retained Earnings	Security Premium Reserve	Gain on account of fair valuation of Equity instrument	
<b>Balance as at April 01, 2021</b>	<b>12.95</b>	<b>171.99</b>	<b>336.60</b>	- 2.35	<b>519.19</b>
Profit for the year	-	25.42	-	-	25.42
Transferred to Statutory reserves	5.08	5.08	-	-	-
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>18.03</b>	<b>192.33</b>	<b>336.60</b>	- 2.35	<b>544.61</b>
Profit for the year	-	18.10	-	-	18.10
Transferred to Statutory reserves	-	-	-	-	-
Other comprehensive income/(loss) for the year	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>18.03</b>	<b>174.23</b>	<b>336.60</b>	(2.35)	<b>526.51</b>

**Statutory Reserve u/s Section 45-IC**

Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

**Retained Earnings**

Retained earnings represents surplus / accumulated earnings of the Group and are available for distribution to shareholders.

**Security Premium Reserve**

Securities Premium Reserve was created consequent to issue of shares at a premium. The reserves can be utilised in accordance with section 52 of Companies Act, 2013

**Other Comprehensive Income**

Other Comprehensive Income represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income.

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**18 Interest Income**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Interest on loans	63.09	57.31
<b>Total interest income</b>	<b>63.09</b>	<b>57.31</b>

**19 Other income**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Interest income others	5.04	5.72
Profit on sale of Fixed Assets	0.08	-
<b>Total other income</b>	<b>5.13</b>	<b>5.72</b>

**20 Finance costs**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>On instruments measured at amortised cost</b>		
Interest on borrowings	14.87	13.47
Interest on hire purchase of car	-	0.05
Other borrowing cost	0.12	0.01
<b>Total finance costs</b>	<b>14.99</b>	<b>13.53</b>

**21 Employee benefit expenses**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Salaries and wages	3.90	4.05
Contribution to provident and other funds	-	-
Staff welfare expenses	-	-
<b>Total employee benefits expenses</b>	<b>3.90</b>	<b>4.05</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**22 Other expenses**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Listing Fees	3.69	3.47
AGM Expenses	0.08	0.46
Registrar & Share Transfer Expenses	0.57	0.36
Audit Fee (refer note below)	1.60	1.60
Rent Rates & Taxes	5.43	1.31
Late filing fees	0.46	-
Advertisement Expenses	0.87	0.80
Corporate Action Fee- BSE Ltd.	0.12	-
Interest on TDS/Delayed Payment of Taxes	0.56	0.31
Internal Audit Fees	0.35	0.35
ROC Expenses	0.10	0.10
Registration and membership fees	0.66	-
Demate/Depository Charges	0.69	0.60
Professional Charges	0.96	0.71
Directorship Fees	1.40	-
Internet & Website Expenses	0.05	0.07
Provision on sub standard assets	55.30	-
Travelling & Conveyance Expenses	0.06	-
Miscellaneous expenses	0.08	-
<b>Total other expenses</b>	<b>73.04</b>	<b>10.14</b>

**\*Payment to auditors**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Statutory audit fee	1.60	1.60
Tax audit fee	-	-
<b>Total</b>	<b>1.60</b>	<b>1.60</b>

23 EARNING PER SHARE (EPS)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit attributable to the equity holders of the Group (A)	(18.10)	25.42
Weighted average number of equity shares (B)	60,00,000	60,00,000
Basic Earning per share (Rs)* (A/B)	(0.30)	0.42
Diluted earnings per share (Rs)(A/B)	(0.30)	0.42
Face Value per equity share (Rs.)	5.00	5.00

In compliance with Indian Accounting Standard 33- 'Earnings per share', the disclosure of earnings per share for the year ended March 31, 2023 and March 31, 2022 has been arrived at after giving effect to the above subdivision.

24 Sundry Creditors include the following dues to micro and small enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) to the extent such parties have been identified from the available information.

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount outstanding as at end of	-	-
Principal amount overdue more than 45 days	-	-
Interest due and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during	-	-
Interest due and payable for the year of delay	-	-
Interest accrued and remaining unpaid as at	-	-
Amount of further interest remaining due and payable in	-	-

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

25 TAXATION

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Income tax recognised in Statement of Profit and Loss</b>		
Current tax	7.24	7.88
MAT Credit entitlement	(2.22)	(2.08)
Income tax earlier years	-	(0.22)
Deferred tax	(10.66)	3.65
<b>Total income tax expenses recognised in</b>	<b>(5.64)</b>	<b>9.23</b>
<b>The income tax expenses for the year can be reconciled to the accounting profit as follows:</b>		
Profit before tax	(23.74)	34.65
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expense	(6.17)	9.01
<b>Tax effect of :</b>		
Amount not deductible	0.01	0.19
Income Tax Adjustment related to earlier years	-	(0.22)
Other adjustments	0.52	0.26
<b>Tax Expenses recognised in Statement of Profit and Loss</b>	<b>(5.64)</b>	<b>9.23</b>

The significant component of deferred tax assets / (liabilities) and movement during the year ended March 31, 2022 are as under:

Particulars	Deferred tax (Liability)/Asset as at March 31, 2022	Recognised through statement of profit & loss	Recognised through other comprehensive Income	Deferred tax (Liability) / Asset as at March 31, 2023
Property, Plant and Equipment	0.49	(0.10)	-	0.39
Losses and unabsorbed depreciation	7.95	(3.63)	-	4.32
Investments	0.61	-	-	0.61
Provision for standard assets	0.35	14.38	-	14.73
<b>Total</b>	<b>9.40</b>	<b>10.66</b>	<b>-</b>	<b>20.06</b>

The significant component of deferred tax assets / (liabilities) and movement during the year ended March 31, 2021 are as under:

Particulars	Deferred tax (Liability)/Asset as at April 1, 2021	Recognised through statement of profit & loss	Recognised through other comprehensive Income	Deferred tax (Liability)/Asset as at March 31, 2022
Property, Plant and Equipment	0.65	(0.16)	-	0.49
Losses and unabsorbed depreciation	11.44	(3.49)	-	7.95
Investments	0.61	-	-	0.61
Provision for standard assets	0.35	-	-	0.35
<b>Total</b>	<b>13.05</b>	<b>(3.65)</b>	<b>-</b>	<b>9.40</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**26 SEGMENT REPORTING**

The Group is primarily engaged in the business of financing. All the activities of the Group revolve around the main business. Further, the Group does not have any separate geographic segments other than India.

During year ending 31 March 2022, For management purposes, the Group has been organised into two operating segments based on services.

The Chief Operating Decision Maker (CODM) monitors the operating results of its business units separately for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profits or losses and is measured consistently with operating profits or losses in the financial statements. However, income taxes are managed on a Group as whole basis and are not allocated to operating segments.

**a) Segment revenue & Segment result**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Segment revenue</b>		
Investment & finance	63.09	57.31
Others	-	-
<b>Total segment revenue</b>	<b>63.09</b>	<b>57.31</b>
Less: Inter-segment revenue	-	-
<b>Revenue from operation as per the Statement Profit and Loss</b>	<b>63.09</b>	<b>57.31</b>
<b>Segment results (Profit/ (loss) before tax</b>		
Investment & Finance	(21.00)	32.15
Others	(2.74)	2.50
<b>Profit/(Loss) before exceptional items and tax</b>	<b>(23.74)</b>	<b>34.65</b>
Tax Expense	5.64	(9.23)
Share of Profit/(Loss) from associates	-	-
Profit / (loss) on disposal of associates	-	-
Profit / (loss) on disposal of subsidiary	-	-
<b>Profit After Tax</b>	<b>(18.10)</b>	<b>25.42</b>

**b) Segment assets and liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Segment assets</b>		
Investment & Finance	685.38	631.73
Others	365.55	361.35
Unallocated	-	-
<b>Total assets</b>	<b>1,050.93</b>	<b>993.08</b>
<b>Segment liabilities</b>		
Investment & Finance	210.20	139.05
Others	14.53	9.72
<b>Total liabilities</b>	<b>224.73</b>	<b>148.77</b>

**c) Information about major customers**

Revenue from three major customers represented 84% (previous year : 79%) of the total revenue from operations of the company.

**27 FINANCIAL INSTRUMENT AND RISK MANAGEMENT**

**a) Financial instruments by category**

Particulars	As at March 31, 2023	As at March 31, 2022
	Carrying Amount*	Carrying
<b>Financial Assets at amortised cost</b>		
Cash and cash equivalents	3.75	2.54
Loans	754.08	709.85
Investments	1.23	1.23
Other financial assets	8.95	7.95
<b>At Fair value through Other Comprehensive Income</b>		
Investments	-	-
<b>Total Financial Assets</b>	<b>768.01</b>	<b>721.57</b>
<b>Financial Liabilities at amortised cost</b>		
Borrowings (other than debt securities)	142.22	128.83
Other financial liabilities	18.77	12.63
<b>Total Financial liabilities</b>	<b>160.99</b>	<b>141.46</b>

\*Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value.

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**b) Fair value hierarchy**

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	As at March 31, 2023	As at March 31, 2022
	Fair Value	Fair Value
Investment at Level 3	-	-

**c) Financial risk management**

The Group's corporate treasury functions provides services to the business, coordinates access to the financial markets, monitors and manages the financial risks relating to operations of the Group through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risks, credit risk and liquidity risk).

The principal financial assets of the Group include loans, Trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the Group, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the Group.

The Group's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Group are accountable to the Board of Directors and Audit Committee. This process provides assurance to Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Group policies and Group risk objective.

This note explains the risks which the Group is exposed to and policies and framework adopted by the Group to manage these risks.

**i. Credit risk**

Credit risk is the risk that the Group will incur a loss because its customers or counterparties fail to discharge their contractual obligation. The Group manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Group's major classes of financial assets are cash and cash equivalents, loans, investments, other receivables.

Deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Group has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

**ii. Liquidity risk**

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and to close out market positions.

The Group has a view of maintaining liquidity with minimal risks while making investments. The Group monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.



**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

The table below analyses the Group's financial liabilities and financial assets into relevant maturity groupings based on their contractual maturities for year ended March 31, 2022

Particulars	Carrying Value	With in 1 year	From 1 to 5 year	More than 5 year
<b>Financial Assets</b>				
Cash and cash equivalents	3.75	3.75	-	-
Loans	754.08	754.08	-	-
Investments	1.23	-	-	1.23
Other financial assets	8.95	-	8.95	-
<b>Total</b>	<b>768.01</b>	<b>757.83</b>	<b>8.95</b>	<b>1.23</b>
<b>Financial Liability</b>				
Borrowings (other than debt securities)	142.22	142.22	-	-
Other financial liabilities	18.77	18.77	-	-
<b>Total</b>	<b>160.99</b>	<b>160.99</b>	-	-

The table below analyses the Group's financial liabilities and financial assets into relevant maturity groupings based on their contractual maturities for year ended March 31, 2021

Particulars	Carrying Value	With in 1 year	From 1 to 5 year	More than 5 year
<b>Financial Assets</b>				
Cash and cash equivalents	2.54	2.54	-	-
Loans	709.85	709.85	-	-
Investments	1.23	-	-	1.23
Other financial assets	7.95	-	7.95	-
<b>Total</b>	<b>721.57</b>	<b>712.39</b>	<b>7.95</b>	<b>1.23</b>
<b>Financial Liability</b>				
Borrowings (other than debt securities)	128.83	128.83	-	-
Other financial liabilities	12.63	12.63	-	-
<b>Total</b>	<b>141.46</b>	<b>141.46</b>	-	-

**iii. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2022 and March 31, 2021.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates.

As the Group has no significant debt obligations and assets with floating interest rates, the income and operating cash flows are substantially independent of changes in market interest rates. The Group has only fixed rate borrowings which are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**b) Market price risks**

The Group is exposed to market price risk, which arises from FVOCI investments. The management monitors the proportion of these investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

**d) Capital Management**

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Group's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Group also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Group's capital management, capital includes issued equity share capital, security premium reserve and all other equity reserves. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents. The Group monitors capital using gearing ratio, which is net debt divided by total capital.

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Borrowings	142.22	128.83
Less : Cash and Cash Equivalents	(3.75)	(2.54)
<b>Net debt</b>	<b>138.46</b>	<b>126.29</b>
Total Equity	826.21	844.31
<b>Gearing Ratio</b>	<b>16.76%</b>	<b>14.96%</b>

**Ekam Leasing and Finance Co. Limited**  
**Notes forming part of consolidated financial statements for the year ended March 31, 2023**  
**(All amounts in INR, unless otherwise stated)**

**28 Disclosures of related parties as required by Ind AS-24**

**(i) Key managerial personnel**

<b>Name of Related Party</b>	<b>Designation</b>
Mr. Rakesh Jain	Managing Director
Mr. Amit Kumar Khetan	CFO (Joined on 01/06/2021 and resigned at 02/05/22)
Mr. Astik Mani Tripathi	Director (Joined on 15/05/2021 and resigned at 12/05/22)
Mr. Saurabh Jain	Director
Ms. Mahak Chwala	Company Secretary (Appointment on 31st August, 2020 and resigned at 27/12/21)
Ms. Komal	Company Secretary (Resigned on 16.06.2020)
Ms. Neha Sharma	Company Secretary (Joined w.e.f. 7/12/2022)
Mr. Krishan Kumar Didwaniya	CFO (Resigned on 02/12/2020)
Mr. Prakash Goyal	Director (Ceased from the Directorship due to Demise on 01/05/2021)
Mr. Gajendra Singh	Director Rex Overseas Private Limited
Mrs. Vandana Singh	Director (Joined on 01/06/2020 and resigned at 12/08/21)
Ms. Rashi Varshney	Independent Director (Joined w.e.f. 7/12/2022)

**(ii) Enterprises over which KMP have significant influence**

Pramuk Energy Private Limited  
Pro-Rub Processor Private Limited  
Alsan Securities Private Limited  
Multipronged Initiative in Lifestyle And Education Solution Private Limited  
Chandra Prabhu International Limited  
Alsan Rubber & Chemicals Private Limited  
E-Taka Online Solutions Private Limited

**(iii) Associate companies**

NKJ Securities Private Limited (Struck off by ROC from register of companies dated November 19, 2019)

**Transactions with related parties**

<b>Particulars</b>	<b>Relation with related party</b>	<b>Year ended</b>	
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
Interest expense	Associate companies	2.93	2.69
Salary & perquisites	Key managerial personnel	1.50	1.65

**Outstanding balance**

<b>Particulars</b>	<b>Relation with related party</b>	<b>As at</b>	
		<b>March 31, 2023</b>	<b>March 31, 2020</b>
<b>Liabilities</b>			
Unsecured loan	Associate company	31.98	29.34
Other payables	Key managerial personnel	2.30	2.30
<b>Assets</b>			
Other receivables	Enterprises over which KMP have significant influence	7.63	7.63

**Key Management Personnel Compensation:**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Short term employee benefits	1.50	1.65
<b>Total compensation</b>	<b>1.50</b>	<b>1.65</b>

29 DISCLOSURE AS PER IND AS 112 'DISCLOSURE OF INTEREST IN OTHER ENTITIES'

a) ENTERPRISES CONSOLIDATED AS SUBSIDIARY IN ACCORDANCE WITH IND-AS 110 –CONSOLIDATED FINANCIAL STATEMENTS

Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest and voting power held by the Group(%)	
		As at 31st March, 2023	As at 31st March, 2022
S & S Balajee Mercantile Private Limited	India	100%	100%
Jet Air Securities Private Limited	India	100%	100%
Rex Overseas Private Limited	India	100%	100%

b) SIGNIFICANT ENTERPRISES CONSOLIDATED AS ASSOCIATES IN ACCORDANCE WITH INDIAN ACCOUNTING STANDARD 28 – INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest		Accounting Method
		As at 31st March, 2023	As at 31st March, 2022	
NKJ Securities Private Limited	India	45%	45%	Equity Method

Carrying Amount

Name of the Enterprise	As at 31st March, 2023	As at 31st March, 2022
NKJ Securities Private Limited	1.23	1.23

Summarised Balance Sheet

Particulars	NKJ Securities Private Limited	
	As at 31st March, 2023	As at 31st March, 2022
Current assets	0.74	0.74
Current liabilities	4.90	4.90
<b>Net current assets/(liabilities)</b>	<b>(4.16)</b>	<b>(4.16)</b>
Non-Current assets	23.60	23.60
Non-Current liabilities	-	-
<b>Net non-current assets/(liabilities)</b>	<b>23.60</b>	<b>23.60</b>
<b>Net Assets</b>	<b>19.44</b>	<b>19.44</b>

Summarised statement of profit and loss for the year ended

Particulars	NKJ Securities Private Limited	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Total income	-	-
Profit/(loss) for the year	-	-
Other comprehensive income/(expense)	-	-
<b>Total comprehensive income/(expense)</b>	<b>-</b>	<b>-</b>
<b>Profit/(loss) allocated</b>	<b>-</b>	<b>-</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR, unless otherwise stated)

**30 DISCLOSURE AS PER SCHEDULE III TO THE COMPANIES ACT, 2013**

Net Assets, i.e., total assets minus total liabilities

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	INR	As % of consolidated net assets	INR	As % of consolidated net assets
<b>Parent</b>				
Ekam Leasing and Finance Co. Limited	289.99	35.10%	320.37	37.94%
<b>Indian subsidiaries</b>				
S & S Balajee Mercantile Private Limited	280.88	34.00%	276.95	32.80%
Jet Air Securities Private Limited	28.50	3.45%	26.57	3.15%
Rex Overseas Private Limited	256.22	31.01%	249.80	29.59%
<b>Associates</b>				
NKJ Securities Private Limited	0.78	0.09%	0.78	0.09%
<b>Non-controlling interest</b>	-	-	-	-
<b>Adjustments arising out of consolidation</b>	(30.17)	-3.65%	(30.16)	-3.57%
<b>Total</b>	<b>826.21</b>	<b>100.00%</b>	<b>844.31</b>	<b>100.00%</b>

As at March 31, 2023

Particulars	Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	INR	As % of consolidated profit and loss	INR	As % of consolidated other comprehensive income	INR	As % of total comprehensive income
<b>Parent</b>						
Ekam Leasing and Finance Co. Limited	(30.38)	167.85%	-	-	(30.38)	167.85%
<b>Indian subsidiaries</b>						
S & S Balajee Mercantile Private Limited	3.94	-21.74%	-	-	3.94	-21.74%
Jet Air Securities Private Limited	1.93	-10.67%	-	-	1.93	-10.67%
Rex Overseas Private Limited	6.41	-35.44%	-	-	6.41	-35.44%
<b>Associates</b>						
NKJ Securities Private Limited	-	-	-	-	-	-
<b>Non-controlling interest</b>	-	-	-	-	-	-
<b>Adjustments arising out of consolidation</b>	-	-	-	-	-	-
<b>Total</b>	<b>(18.10)</b>	<b>100.00%</b>	<b>-</b>	<b>0.00%</b>	<b>(18.10)</b>	<b>100.00%</b>

As at March 31, 2022

Particulars	Share in Profit and loss		Share in Other comprehensive income		Share in Total comprehensive income	
	INR	As % of consolidated profit and loss	INR	As % of consolidated other comprehensive income	INR	As % of total comprehensive income
<b>Parent</b>						
Ekam Leasing and Finance Co. Limited	9.70	38.16%	-	-	9.70	38.16%
<b>Indian subsidiaries</b>						
S & S Balajee Mercantile Private Limited	6.42	25.26%	-	-	6.42	25.26%
Jet Air Securities Private Limited	1.71	6.73%	-	-	1.71	6.73%
Rex Overseas Private Limited	7.59	29.86%	-	-	7.59	29.86%
<b>Associates</b>						
NKJ Securities Private Limited	-	0.00%	-	-	-	0.00%
<b>Non-controlling interest</b>	-	-	-	-	-	-
<b>Adjustments arising out of consolidation</b>	-	0.00%	-	-	-	0.00%
<b>Total</b>	<b>25.42</b>	<b>100.00%</b>	<b>-</b>	<b>0.00%</b>	<b>25.42</b>	<b>100.00%</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of consolidated financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**31 Details of Benami property held**

No proceedings have been initiated on or pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988(45 of 1988) and rules made thereunder.

**32 Wilful Defaulter**

The group has not been declared wilful defaulter by any bank or financial institution or other lender.

**33 Relationship with struck off companies**

The group has transactions and balances with the companies struck off under section 248 of the companies Act, 2013 or section 560 of the companies act, 1956 are as follows :

**Transactions with struck off companies :**

Name of struck off Company	Nature of Transaction	Amount	Relationship with the Struck off
NKJ Securities Private Limited*	Interest expenses	2.93	Associate Company

**Balances with struck off companies :**

Name of struck off Company	Nature of Balances	Balance outstanding	Relationship with the Struck off
NKJ Securities Private Limited*	Investment in shares	1.23	Associate Company
NKJ Securities Private Limited*	Borrowings	31.98	Associate Company

\*The Company has been struck off from the register of companies from November 11, 2019. The management is in the process of revival of the Company.

**34 Registration of charges or satisfaction with registration of Companies(ROC)**

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory Period.

**35 Compliance with number of layers of companies**

The group has complied with number of layers prescribed under the section 2(87) of the Companies Act, 2013 read with companies (Restriction on number of Layers) Rules, 2017.

**36 Utilisation of borrowed funds and Share premium**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the group (Ultimate Beneficiaries). The group has not received any fund from any party(Funding Party) with the understanding that the group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**37 Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the income Tax Act,1961,that has not been recorded previously in the books of Account.

**38 Details of crypto currency or virtual currency**

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**Ekam Leasing and Finance Co. Limited**  
**Notes forming part of consolidated financial statements for the year ended March 31, 2023**  
**(All amounts in INR, unless otherwise stated)**

- 39 Loans amounting INR 566.49 Lakhs which include the principal loan amount and interest due on it. The group is not able to recover the interest along with principal amounts. Accordingly these loans have been rescheduled during the year and management is of the view that these loans including interest, are recoverable and categorised under the category of "Sub-standard Assets" and accordingly provision is recognised on the same. However, the loans are under "Sub-standard" category prior to rescheduling. Auditor has drawn attention to the fact in their report.
- 40 The group has recognised the interest income amounting INR 55.45 Lakhs on certain loans which are classified as Non Performing Assets. On the basis of ongoing discussions, Management is of the view that these interest are recoverable and not required to derecognise it. The auditor has drawn attention to this fact in their report.
- 41 The group has deferred tax assets (net) on unabsorbed depreciation & business losses and of MAT credit entitlement as on year end date of amounting to INR 20.06 lakhs and INR 23.53 lakhs respectively. On the basis of future prospects of the group, Management is confident that the group will have sufficient profits against these unused tax credit and unused losses. The auditor has drawn attention to the fact in their report.
- 42 The Holding Company has been issued income tax notices under Section 153C pertaining to the Assessment Years (AY) 2011-12 to 2017-18. In light of these notices, the company has file the writ petition before Delhi High Court, citing the grounds that the notices are beyond the statutory time limit and the same is pending for adjudication.
- 43 Previous year figures have been re-grouped/re-classified wherever necessary.

Significant accounting policies

2

The accompanying notes form an integral part of the Financial Statements

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**For and on behalf of the Board**  
**Ekam Leasing and Finance Co. Limited**

**Vardhman Doogar**  
Partner  
M.No. 517347

**Rakesh Jain**  
Managing Director  
DIN: 00061737

**Saurabh Jain**  
Director  
DIN: 02815972

**Neha Sharma**  
Company Secretary

Place : New Delhi  
Date : May 30, 2023

**Place : New Delhi**  
Date : May 30, 2023

**Place : New Delhi**  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

## Independent Auditors' Report

**To the Members of  
Ekam Leasing and Finance Co. Limited**

### Report on the Audit of the Standalone Financial Statements

#### Qualified Opinion

We have audited the standalone financial statements of Ekam Leasing and Finance Co. Limited ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects / possible effects of our observations stated in "Basis for Qualified Opinion" section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

Attention is drawn to:

- a) Note No. 43 of the standalone financial statements, the company has recognized the total interest income amounting INR 55.45 Lakhs, which are related to accounts which are Non-performing Assets. As per Income recognition norms issued by Reserve Bank of India, the interest income is not allowed to recognize from Non-performing assets. Accordingly profit is overstated by INR 55.45 lakhs and simultaneously loans are overstated by INR 55.45 lakhs.
- b) Pursuant to the provisions of section 203 of the Companies Act, the company is mandated to appoint the Chief Financial Officer (CFO), we draw attention to the fact that the Company is failed to appoint a Chief Financial Officer (CFO) throughout the year.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit qualified opinion.

#### Emphasis of Matters:

We draw attention to:

- a) Note No. 42 of the standalone financial statements, the company has outstanding loans receivable (including interest accrued) amounting INR 566.49 lakhs which are classified under "Sub-Standard Assets" of Non-Performing Assets. As highlighted in the Note, these loans have undergone rescheduling process.

Accordingly, further classifications of these loans are depending upon recovery of principal and their interest.

- b) Note 44 of standalone financial statements, the company has created for deferred tax assets (net) on unabsorbed depreciation & business losses and MAT credit entitlement as on 31st March 2023 amounting to INR 20.06 lakhs and INR 23.53 lakhs respectively. On the basis of future prospects of the company, Management is confident that the company will have sufficient profits against these unused tax credit and unused losses.

Our opinion is not modified in respect of above stated matters.

### **Key Audit Matters**

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

### **Information Other than the Standalone 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 Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibilities for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.



## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. Except for the matter described in the Basis of Qualified Opinion given above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. Except for the matter described in the Basis of Qualified Opinion given above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - d. Except for the matter described in the Basis of Qualified Opinion given above, in our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act,;
  - e. The matters described in "Basis of Qualified Opinion" paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
  - f. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act;
  - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the information and explanation given to us, the Company has not paid any managerial remuneration during the year;
  - i. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations on its financial position in its standalone financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that

the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has neither declared nor paid any dividend during the year.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provided for books of accounts to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 01, 2023, the reporting under clause Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**Vardhman Doogar**  
Partner  
Membership No. 517347

**UDIN:** 23517347BGPWXZ4108

**Place:** New Delhi  
**Date:** May 30, 2023

## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Ekam Leasing and Finance Co. Limited of even date)

### Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (“the Act”)

- i. In respect of the Company’s property, plant and equipment and intangible assets: -
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
  
(B) According to the information and explanations given to us, we report that the Company does not own any intangible assets, therefore, Para 3(i)(a)(B) of the Order is not applicable to the Company.
  - (b) The Company has a program of physical verification of property, plant and equipment to cover all the assets in a phased manner which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) There is no immovable property held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
  - (d) The Company has not revalued any of its Property, Plant and Equipment and does not own any intangible assets.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.  
  
(b) According to the information and explanations given to us, we report that the Company has not been sanctioned working capital limits. Hence, Para 3(ii)(b) of the Order is not applicable to the Company.
- iii. (a) Since the company’s principal business is to give loans. Accordingly, the provision of clause 3(iii)(a) of the order is not applicable to it.  
  
(b) In our opinion, the terms and conditions of loans, during the year are, prima facie, not prejudicial to the Company’s interest.  
  
(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. Being a Non-Banking Finance Company, there are instances where the repayment of principal and interest are not as per the stipulated terms.  
  
(d) In our opinion and according to the information and explanations given to us, the company has reschedule the loans during the year (refer note 42 of the standalone financial statements). As per rescheduled terms and conditions, there are no amounts of loans and advances in the nature of loans granted to companies and any other parties which are overdue for more than ninety days.  
  
(e) As the principal business of company is to give loans, para 3(iii)(e) is not applicable to the company.  
  
(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies and any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities.

There are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- b. According to the records of the Company, there are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanation given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender as at the balance sheet date.
 

(b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanation given to us, the company has not obtained any term loans. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of financial statements of the Company, the company has used funds raised on short term basis aggregating to INR 320.47 Lakhs for long term purpose.

(e) According to the information and explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanation given to us and on an overall examination of the financial statements of the Company, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order are not applicable to the Company.
 

(b) According to the information and explanation give to us, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, reporting under Clause 3(x)(b) of the Order are not applicable to the Company.

- xi. (a) During the course of the examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such case by the Management.
- (b) During the course of the examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 was not required to be filed. Accordingly, the reporting under Clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) During the course of the examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and as represented to us by the management, no whistle blower complaints have been received during the year by the Company. Accordingly, the reporting under Clause 3(xi)(c) of the Order are not applicable to the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanation and records made available by the company, the Company has complied with the provision of Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) We were unable to obtain any of the internal audit reports of the Company, hence the internal audit reports have not been considered by us.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, reporting under Clause 3(xv) of the Order are not applicable.
- xvi. (a) The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as a Non Deposit Taking Systemically Important Investment and Credit Company
- (b) The Company has conducted non-banking financial activities during the year and the Company holds a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has not any CIC of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee

nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the reporting under paragraph (xx)(a) to (b) of the Order are not applicable to the Company.

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**Vardhman Doogar**  
Partner  
Membership No. 517347

**UDIN:** 23517347BGPWXZ4108

**Place:** New Delhi  
**Date:** May 30, 2023

## **Annexure B to the Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Ekam Leasing and Finance Co. Limited of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Ekam Leasing and Finance Co. Limited as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 ("the Guidance Note"). 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 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 (hereinafter referred to as "the Act").

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, 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 we 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of such 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 standalone financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting with Reference to Standalone Financial Statements**

A company's internal financial controls over financial reporting with reference to standalone financial statements are a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting with reference to standalone financial statements include 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations 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 standalone financial statements.



## **Inherent Limitations of Internal Financial Controls over Financial Reporting with Reference to standalone Financial Statements**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**Vardhman Doogar**  
Partner  
Membership No. 517347

**UDIN:** 23517347BGPWXZ4108

**Place:** New Delhi  
**Date:** May 30, 2023

**Auditor's Report in accordance with the requirements of Master Direction - Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016**

**To  
The Board of Directors  
Ekam Leasing and Finance Company Limited**

**Dear Sirs,**

1. We have audited the Standalone Financial Statements of Ekam Leasing and Finance Co. Limited ("the Company") which comprises of Standalone Balance Sheet as at March 31, 2023, Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year ended then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information on which we have issued our qualified report dated May 30, 2023.

**Management's Responsibility**

2. 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 of the Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. The Management is also responsible for compliance with the provisions of Reserve Bank of India Act, 1934 and other relevant directions, circulars, notifications, as amended, issued by the Reserve Bank of India ('RBI') and for providing all required information to RBI.

**Auditor's Responsibility**

4. Pursuant to the requirements of 'Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 (the 'Directions') issued by the Reserve Bank of India (the 'RBI'), it is our responsibility to examine the books and records of the Company and report on the matters specified in Para 3 and 4 of the said Directions to the extent applicable to the Company.
5. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.
6. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

## Conclusion

8. Except for the matter described in the Basis of Qualified Opinion given in our Independent Auditors' Report and based on our examination of the books and records of the Company as produced for our examination and the information and explanations given to us we report that: -
- (i) The Company had applied for registration as provided in section 45-IA of the Reserve Bank of India Act, 1934 and has been granted certificate of registration by Reserve Bank of India on March 07, 1998 vide Registration No. 14.00332.
  - (ii) The Company is entitled to hold the certificate of registration to carry on the business of Non-banking financial institution without accepting public deposits as on March 31, 2023.
  - (iii) The Company has Net Owned Fund (NOF) of INR 288.35 Lakhs as on March 31, 2023 calculated in accordance with the "Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016" and therefore, meets the criteria of required Net Owned Fund.
  - (iv) The Board of Directors has passed the resolution for non-acceptance of any public deposits in its meeting held May 30, 2022.
  - (v) The Company has not accepted any public deposits during the year ended March 31, 2023.
  - (vi) 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 Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, in so far as the same are applicable to the Company.
  - (vii) The Company is a Non-Systemically Important Non-deposit taking Non-Banking Financial Company and therefore the reporting under Paragraph 3(C)(iv) is not applicable to the Company.
  - (viii) The Company is not Micro Finance Institutions (MFI) as defined in the Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 and Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

## Restriction on Use

Our report has been issued solely for meeting our responsibilities in relation to the compliance with the Directions. Our report should not be used for any other purpose or by any person other than the addressees of this report. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

*For Doogar & Associates*

**Chartered Accountants**

Firm Registration No. 000561N

**Vardhman Doogar**

Partner

Membership No. 517347

**UDIN:** 23517347BGPWYB3582

**Place:** New Delhi

**Date:** May 30, 2023

**Ekam Leasing and Finance Co. Limited**  
**Standalone Balance Sheet as at March 31, 2023**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>I. ASSETS</b>			
<b>1) Financial Assets</b>			
(a) Cash and cash equivalents	3	1.92	1.21
(b) Loans	4	566.49	526.79
(c) Investments	5	30.64	30.64
(d) Other financial assets	6	7.81	6.81
<b>Total financial assets</b>		<b>606.86</b>	<b>565.45</b>
<b>2) Non-financial assets</b>			
(a) Current tax assets (net)	7	17.25	16.44
(b) Deferred tax assets (net)	8	43.59	30.70
(c) Property, plant and equipment	9	0.07	1.53
(d) Other non financial assets	10	47.00	47.00
<b>Total non-financial assets</b>		<b>107.92</b>	<b>95.67</b>
<b>Total assets</b>		<b>714.77</b>	<b>661.12</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1) Financial liabilities</b>			
(a) Trade payables			
total outstanding dues of micro enterprise and small enterprise		-	-
total outstanding dues of creditors other than micro enterprise and small enterprise		-	-
(b) Debt securities		-	-
(c) Borrowings (other than debt securities)	11	356.79	330.52
(d) Other financial liabilities	12	7.55	5.48
<b>Total financial liabilities</b>		<b>364.34</b>	<b>336.00</b>
<b>2) Non financial liabilities</b>			
(a) Provisions	13	56.65	1.35
(b) Other non-financial liability	14	3.79	3.40
<b>Total non financial liabilities</b>		<b>60.44</b>	<b>4.75</b>
<b>3) Equity</b>			
(a) Equity share capital	15	300.00	300.00
(b) Other equity	16	(10.01)	20.37
<b>Total equity</b>		<b>289.99</b>	<b>320.37</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>714.77</b>	<b>661.12</b>

**Significant accounting policies**

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**For and on behalf of the Board**  
Ekam Leasing and Finance Co. Limited

**Vardhman Doogar**  
Partner  
M.No. 517347

**Rakesh Jain**  
Managing Director  
DIN: 00061737

**Saurabh Jain**  
Director  
DIN: 02815972

**Neha Sharma**  
Company Secretary

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

**Ekam Leasing and Finance Co. Limited**  
**Standalone Statement of Profit & Loss Account for the year ended March 31, 2023**  
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
<b>Revenue from operations</b>			
(i) Interest Income	17	63.09	57.31
(ii) Sale of Services		-	-
<b>Total revenue from operations</b>		<b>63.09</b>	<b>57.31</b>
Other income	18	0.08	-
<b>Total Income</b>		<b>63.17</b>	<b>57.31</b>
<b>Expenses :</b>			
(i) Finance costs	19	34.92	32.23
(ii) Employee benefits expenses	20	1.50	1.65
(iii) Depreciation and amortisation expense	9	0.03	0.66
(iv) Other expenses	21	67.77	9.43
<b>Total expenses</b>		<b>104.22</b>	<b>43.98</b>
<b>Profit before tax</b>		<b>(41.04)</b>	<b>13.34</b>
<b>Tax Expense:</b>			
(i) Current tax		2.22	2.08
(ii) MAT Credit entitlement		(2.22)	(2.08)
(iii) Deferred tax		(10.66)	3.65
<b>Total tax expense</b>		<b>(10.66)</b>	<b>3.65</b>
<b>Profit for the year</b>		<b>(30.38)</b>	<b>9.69</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Equity instruments through other comprehensive income		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>		<b>(30.38)</b>	<b>9.69</b>
<b>Earnings per equity share (face value of INR 5 each)</b>			
(i) Basic		<b>(0.51)</b>	<b>0.16</b>
(ii) Diluted		<b>(0.51)</b>	<b>0.16</b>

**Significant accounting policies**

2

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**For and on behalf of the Board**  
Ekam Leasing and Finance Co. Limited

**Vardhman Doogar**  
Partner  
M.No. 517347

**Rakesh Jain**  
Managing Director  
DIN: 00061737

**Saurabh Jain**  
Director  
DIN: 02815972

**Neha Sharma**  
Company Secretary

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

**Ekam Leasing and Finance Co. Limited**  
**Standalone Statement of Changes in Equity**  
(All amounts in INR Lakhs, unless otherwise stated)

**A. Equity share capital**

Balance as at April 01, 2021	Movement during the year 2021-22	Balance as at March 31, 2022	Movement during the year 2022-23	Balance as at March 31, 2023
300.00	-	300.00	-	300.00

**B. Other equity**

Particulars	Reserves & Surplus		Other Comprehensive Income	Total
	Statutory Reserve u/s Section 45-IC	Retained Earnings	Gain on account of fair valuation of Equity instrument	
<b>Balance as at April 01, 2021</b>	<b>10.41</b>	<b>2.62</b>	<b>(2.35)</b>	<b>10.68</b>
Profit/(Loss) for the year	-	9.69	-	9.69
Transferred to Statutory reserves	1.94	(1.94)	-	-
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>12.35</b>	<b>10.36</b>	<b>(2.35)</b>	<b>20.37</b>
Profit/(Loss) for the year	-	(30.38)	-	(30.38)
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>12.35</b>	<b>(20.01)</b>	<b>(2.35)</b>	<b>(10.01)</b>

Significant accounting policies

2

The accompanying notes form an integral part of the Financial Statements

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**For and on behalf of the Board of Directors**  
Ekam Leasing and Finance Co. Limited

**Vardhman Doogar**  
Partner  
M.No. 517347

**Rakesh Jain**  
Managing Director  
DIN: 00061737

**Saurabh Jain**  
Director  
DIN: 02815972

**Neha Sharma**  
Company Secretary

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

Place : New Delhi  
Date : May 30, 2023

**Ekam Leasing and Finance Co. Limited**  
**Standalone Statement of Cash Flows for the year ended March 31, 2023**  
**(All amounts in INR Lakhs, unless otherwise stated)**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Cash flow from operating activities</b>		
Net profit/(loss) before tax	(41.04)	13.34
<b>Adjustments for:-</b>		
Depreciation and amortisation	0.03	0.66
Profit from sale of property plant and equipment	(0.08)	-
Provision on sub-standard assets	55.30	-
<b>Operating profit before working capital changes</b>	<b>14.21</b>	<b>14.00</b>
<b>Adjustments for:-</b>		
Other financial assets	(1.00)	-
Loans	(39.70)	(35.10)
Borrowings	26.27	25.99
Other financial liabilities	2.08	(0.33)
Other non financial liabilities	0.39	0.24
<b>Cash generated from operations</b>	<b>2.23</b>	<b>4.80</b>
Income tax (paid)/refund	(3.02)	(4.07)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(0.79)</b>	<b>0.73</b>
<b>B. Cash flow from investing activities</b>		
Sale of fixed assets	1.50	-
<b>Net cash inflow / (outflow) from investing activities</b>	<b>1.50</b>	<b>-</b>
<b>C. Cash inflow/(outflow) from financing activities</b>		
<b>Net cash inflow / (outflow) used in financing activities</b>	<b>-</b>	<b>-</b>
<b>Net changes in cash and cash equivalents</b>	<b>0.71</b>	<b>0.73</b>
<b>Opening Cash and cash equivalents</b>	<b>1.21</b>	<b>0.48</b>
<b>Closing Cash and cash equivalents</b>	<b>1.92</b>	<b>1.21</b>

**Note:**

The above Statement of Cash Flows has been prepared under 'Indirect Method' as set out in Indian Accounting Standard (Ind AS) 7 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).

**Significant accounting policies**

The accompanying notes form an integral part of the Financial

2

As per our report of even date attached

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N

**For and on behalf of the Board**  
Ekam Leasing and Finance Co. Limited

**Vardhman Doogar**  
Partner  
M.No. 517347

**Rakesh Jain**  
Managing Director  
DIN: 00061737

**Saurabh Jain**  
Director  
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**Neha Sharma**  
Company Secretary

Place : New Delhi  
Date : May 30, 2023

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Date : May 30, 2023

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Standalone Financial Statements for the year ended March 31, 2023**

#### **1. GENERAL INFORMATION**

Ekam Leasing and Finance Co. Limited is a Public Limited Company whose shares are listed in BSE. Ekam Leasing and Finance Co. Limited. is a NBFC subject to relevant RBI Guidelines applicable.

#### **2. SIGNIFICANT ACCOUNTING POLICIES**

##### **a) Basis of preparation**

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). These standalone financial statements are presented in INR Lakhs and all values are rounded to the nearest lakhs, except when otherwise indicated.

The regulatory disclosures as required by Master Directions for Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company Directions, 2016 issued by the RBI ('RBI Master Directions') to be included as a part of the Notes to Accounts are prepared as per the Ind AS financial statements pursuant to the notification on Implementation of Indian Accounting Standards, dated March 13, 2020.

##### **b) Use of estimates and judgements**

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the balances of assets and liabilities, disclosures of contingent liabilities as at the date of the standalone financial statements and the reported amounts of income and expenses for the periods presented. The Company has a policy to review these estimates and underlying assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

##### **c) Revenue recognition**

###### **Interest Income**

Under Ind AS 109 interest income is recorded using the effective interest rate ('EIR') method for all financial instruments measured at amortised cost. The EIR is the rate that discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

###### **Other income**

Other income comprises dividend income and gains / (losses) on disposal of investments.. Dividend income is recognized when the right to receive payment is established.

##### **d) Employee Benefits Expense**

Provisions of Provident Fund Act & Employee State Insurance Act are not applicable to the Company for the period under consideration.

##### **e) Property, Plant and Equipment**

###### **(i) Measurement**

Items of Property, plant and equipment, are measured at cost (which includes capitalized borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.



## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Standalone Financial Statements for the year ended March 31, 2023**

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

#### **(ii) Subsequent expenditure**

Subsequent expenditure is capitalized only if it is probable that it will increase the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing Property, plants and equipment, including day to day repair and maintenance and cost of replacing parts are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

#### **(iii) Derecognition**

An item of Property, plant and equipment is derecognized upon its disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the same (calculated as the difference between the net disposal proceeds and its carrying amount) is recognized in the Statement of Profit and Loss in the period the item is derecognized.

#### **(iv) Depreciation**

Depreciation is calculated using written down value method over the useful lives of assets and is recognized in the Statement of profit and loss. Depreciation for assets purchased / sold during the period is proportionately charged. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

#### **f) Impairment of Non-financial Assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available.

If no such transactions can be identified, an appropriate valuation model is used. Impairment losses including impairment on inventories are recognized in the Statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

#### **g) Investment in Subsidiaries and Associate**

Investment in Subsidiaries and associates are carried at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. Upon disposal of investment, the difference between the net disposal proceeds and the carrying amount is credited or charged to the Statement of Profit and Loss.

**h) Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet and in the Statement of Cash flows comprise of cash in hand and balance with banks in current accounts.

**i) Borrowing Costs**

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

**j) Exceptional Items**

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, associates and joint venture and impairment losses/ write down in value of investment in subsidiaries, associates and joint venture and significant disposal of fixed assets etc.

**k) Provisions and Contingent Liabilities**

Provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

**l) Tax Expense**

Income tax expense represents the sum of the tax currently payable and deferred tax. Current tax and deferred tax is recognized in the Profit and Loss except when it relates to items that are recognized in Other Comprehensive Income.

**Current tax**

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

**Deferred tax**

Deferred tax is recognized using the Balance Sheet approach. It represents temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill. The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Standalone Financial Statements for the year ended March 31, 2023**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a Deferred tax asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### **m) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **(i) Financial Assets**

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss).
- Those measured at amortized cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

##### **Initial recognition and measurement**

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

### **Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in following categories:

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

### **Financial assets at amortized cost**

A 'financial asset' is measured at the amortized cost if both the following conditions are met:

**Business Model Test:** The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;

**Cash flow characteristics test:** The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category general applies to trade and other receivables.

### **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

### **Financial assets designated at fair value through Other Comprehensive Income (OCI)**

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Standalone Financial Statements for the year ended March 31, 2023**

- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass through” arrangement and either;
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company’s continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the right and obligations that the Company has retained.

#### **Impairment of financial assets**

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company follows “simplified approach” for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables without significant financial element;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 –Leases

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head ‘other expenses’ in the statement of profit and loss.

#### **(ii) Financial liabilities:**

##### **Initial recognition and measurement**

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Standalone Financial Statements for the year ended March 31, 2023**

attributable transaction costs. The Company financial liabilities include loans and borrowings, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

#### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortized cost (loans and borrowings)

#### **Financial liabilities at Fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

#### **Financial liabilities at Amortized cost**

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

#### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### **Offsetting of financial instruments**

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### **n) Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Standalone Financial Statements for the year ended March 31, 2023**

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

#### **o) Segment Information**

The accounting policies adopted for Segment reporting are in line with the accounting policies of the Company with the following additional policies:

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Unallocable".

Assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the Segment. Assets and liabilities, which relate to the enterprise as a whole and are not allocable to Segments on a reasonable basis have been included under "Unallocable".

#### **p) Fair value measurement**

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 ordinary 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.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole ) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **q) Standards issued but not effective**

##### **I. New and amended standards adopted by the Company**

## **EKAM LEASING AND FINANCE CO. LIMITED**

### **Notes to the Standalone Financial Statements for the year ended March 31, 2023**

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

#### **II. New and amended standards issued but not effective**

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.



**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**3 Cash and cash equivalents**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
(i) Cash on hand	1.16	1.16
(ii) Balances with banks - in current accounts	0.77	0.05
<b>Total cash and cash equivalents</b>	<b>1.92</b>	<b>1.21</b>

**4 Loans**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Loans - At amortised cost Unsecured, considered good</b> Given to others	566.49	526.79
<b>Total loans</b>	<b>566.49</b>	<b>526.79</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**5 Investments**

S.N.	Particulars	Par Value	As at March 31, 2023		As at March 31, 2022	
			Nos.	Amount	Nos.	Amount
I.	<b>Equity Instruments</b>					
	<b>Unquoted equity shares</b>					
	<b>Subsidiaries</b>					
	<b>(measured at deemed cost)</b>					
	S & S Balajee Mercantile Private Limited	10	3,01,250	16.01	3,01,250	16.01
	Jet Air Securities Private Limited	10	10,520	0.53	10,520	0.53
Rex Overseas Private Limited	10	27,295	13.65	27,295	13.65	
			<b>30.19</b>		<b>30.19</b>	
	Less: allowance for impairment		-		-	
	<b>Sub-total (A)</b>			<b>30.19</b>	<b>30.19</b>	
II.	<b>Associates</b>					
	<b>(measured at deemed cost)</b>					
	NKJ Securities Private Limited <sup>1</sup>	10	4,500	0.45	4,500	0.45
				<b>0.45</b>		<b>0.45</b>
	Less: allowance for impairment		-		-	
	<b>Sub-total (B)</b>			<b>0.45</b>	<b>0.45</b>	
III.	<b>Others</b>					
	<b>(measured at Fair Value Through OCI)</b>					
	Indo Dutch Bio Tech Private Limited	10	42,500	-	42,500	-
	Less: allowance for impairment			-	-	
	<b>Sub-total (C)</b>			-	-	
	<b>Total (A to C)</b>			<b>30.64</b>	<b>30.64</b>	

<sup>1</sup>The Company has been struck off from the register of companies from November 19, 2019. The management is in the process of revival of the Company.

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**6 Other financial assets**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Other receivables	7.81	6.81
<b>Total other financial assets</b>	<b>7.81</b>	<b>6.81</b>

**7 Current tax assets (net)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Advance tax (Net of provision)	17.25	16.44
<b>Total Current tax assets (net)</b>	<b>17.25</b>	<b>16.44</b>

**8 Deferred tax assets (net)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Deferred tax assets / (liability)	20.06	9.40
MAT credit entitlement	23.53	21.30
<b>Total deferred tax assets (net)</b>	<b>43.59</b>	<b>30.70</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**9. Property, plant and equipment**

<b>Particulars</b>	<b>Furniture &amp; Fixtures</b>	<b>Vehicles</b>	<b>Computers</b>	<b>Printers</b>	<b>Total</b>
<b>Gross carrying amount</b>					
As at April 1, 2021	0.09	6.68	1.98	0.20	8.95
Additions	-	-	-	-	-
Disposal/Adjustments	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>0.09</b>	<b>6.68</b>	<b>1.98</b>	<b>0.20</b>	<b>8.95</b>
Additions	-	-	-	-	-
Disposal/Adjustments	-	(6.68)	-	-	(6.68)
<b>As at March 31, 2023</b>	<b>0.09</b>	<b>-</b>	<b>1.98</b>	<b>0.20</b>	<b>2.28</b>
<b>Accumulated Depreciation</b>					
As at April 1, 2021	0.09	4.57	1.93	0.18	6.76
Depreciation for the year	-	0.66	-	-	0.66
Disposal/reversal	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>0.09</b>	<b>5.23</b>	<b>1.93</b>	<b>0.18</b>	<b>7.42</b>
Depreciation for the year	-	0.03	-	-	0.03
Disposal/reversal	-	(5.26)	-	-	(5.26)
<b>As at March 31, 2023</b>	<b>0.09</b>	<b>-</b>	<b>1.93</b>	<b>0.18</b>	<b>2.19</b>
<b>Net Carrying amount</b>					
As at March 31, 2022	0.00	1.45	0.05	0.02	1.53
As at March 31, 2023	0.00	-	0.05	0.02	0.07

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**10 Other Non financial assets**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Capital advances		
Related parties	7.00	7.00
Others	40.00	40.00
<b>Total Other Non financial assets</b>	<b>47.00</b>	<b>47.00</b>

**11 Borrowings (other than debt securities)**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Vehicle loan	-	-
<b>Loans repayable on demand</b>		
From related parties	246.55	231.03
From others	110.24	99.49
<b>Total Other payables</b>	<b>356.79</b>	<b>330.52</b>

**12 Other financial liabilities**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Dues to employees	2.30	2.00
Other payables	5.25	3.48
<b>Total other financial liabilities</b>	<b>7.55</b>	<b>5.48</b>

**13 Provisions**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Provision for standard assets	-	1.35
Provision for sub-standard assets	56.65	-
<b>Total provisions</b>	<b>56.65</b>	<b>1.35</b>

**14 Other non -financial liabilities**

<b>Particulars</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
Statutory liabilities	3.79	3.40
<b>Total other non-financial liabilities</b>	<b>3.79</b>	<b>3.40</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**15. EQUITY SHARE CAPITAL**

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised Capital</b>				
Equity shares of Rs. 5/- each	60,00,000	300.00	60,00,000	300.00
<b>Issued , Subscribed &amp; Paid up Capital</b>				
Equity shares of Rs. 5/- each	60,00,000	300.00	60,00,000	300.00

**a) The details of Shareholders holding more than 5% shares**

Shareholder	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	% held	No. of Shares	% held
Rakesh Jain	7,78,000	12.97%	7,78,000	12.97%
Mukesh Gangwal	4,78,926	7.98%	4,78,926	7.98%
Pawan Kumar Jain	4,04,800	6.75%	4,04,800	6.75%

**b) The reconciliation of the number of shares outstanding is set out below**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Equity Shares at the beginning of the year	60,00,000	60,00,000
Add : Increase in the number of shares	-	-
<b>Equity Shares at the end of the year</b>	<b>60,00,000</b>	<b>60,00,000</b>

**c) Rights, preference and restrictions attached to shares**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 5/- 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 will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) The Board of Directors at their Meeting held on 14 February 2019 approved the sub-division of each equity share of face value of Rs. 10 fully paid up into 2 equity shares of face value of Rs 5 each fully paid up. The same has been approved by the Members on 06 April 2019 through postal ballot and e-voting. The effective date for the subdivision was 06 April 2019.

**e) Details of shares held by promoters in the company**

Shareholder	Percentage Change	As at 31st March, 2023		As at 31st March, 2022	
		No. of Shares	% held	No. of Shares	% held
Rakesh Jain	0.00%	7,78,000	12.97%	7,78,000	12.97%
Mukesh Gangwal	0.00%	4,78,926	7.98%	4,78,926	7.98%
Pawan Kumar Jain	0.00%	4,04,800	6.75%	4,04,800	6.75%

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**16. Other equity**

Particulars	Reserves & Surplus		Other Comprehensive Income	Total
	Statutory Reserve u/s Section 45-IC	Retained Earnings	Gain on account of fair valuation of Equity instrument	
<b>Balance as at April 01, 2021</b>	<b>10.41</b>	<b>2.62</b>	- <b>2.35</b>	<b>10.68</b>
Profit/(Loss) for the year	-	9.69	-	9.69
Transferred to Statutory reserves	1.94	(1.94)	-	-
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>12.35</b>	<b>10.35</b>	<b>(2.35)</b>	<b>20.37</b>
Profit/(Loss) for the year	-	(30.38)	-	(30.38)
Transferred to Statutory reserves	-	-	-	-
Other comprehensive income/(loss) for the year (net of income tax)	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>12.35</b>	<b>(20.02)</b>	<b>(2.35)</b>	<b>10.01</b>

**Statutory Reserve u/s Section 45-IC**

Statutory reserve represents the reserve created as per Section 45IC of the RBI Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

**Retained**

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

**Other Comprehensive Income**

Other Comprehensive Income represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through Other Comprehensive Income.

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**17 Interest Income**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Interest on loans measured at amortised costs	63.09	57.31
<b>Total interest income</b>	<b>63.09</b>	<b>57.31</b>

**18 Other income**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Profit on sale of fixed assets	0.08	-
<b>Total other income</b>	<b>0.08</b>	<b>-</b>

**19 Finance costs**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
<b>On instruments measured at amortised cost</b>		
Interest on borrowings	34.91	32.17
Interest on hire purchase of car	-	0.05
Other borrowing cost	0.01	0.01
<b>Total finance costs</b>	<b>34.92</b>	<b>32.23</b>

**20 Employee benefit expenses**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Salaries and wages	1.50	1.65
Contribution to provident and other funds	-	-
Staff welfare expenses	-	-
<b>Total employee benefits expenses</b>	<b>1.50</b>	<b>1.65</b>



**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**21 Other expenses**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Listing fees	3.69	3.47
AGM expenses	0.08	0.46
Registrar & share transfer expenses	0.57	0.36
Corporate action fee	0.12	-
Travelling and conveyance fee	0.06	-
Audit fee (refer note below)*	1.18	1.18
Rent rates & taxes	0.92	0.92
Advertisement expenses	0.87	0.80
Interest on TDS	0.56	0.31
Internal audit fees	0.35	0.35
Depository charges	0.69	0.60
Directorship fees	1.40	-
Professional charges	0.71	0.71
Registration and membership fees	0.66	-
Internet & website expenses	0.05	0.07
ROC expenses	0.10	0.10
Provision for substandard assets	55.30	-
Late Filing Fee	0.46	0.09
<b>Total other expenses</b>	<b>67.77</b>	<b>9.42</b>

**\*Payment to auditors includes**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Statutory audit fee	1.18	1.18
Tax audit fee	-	-
<b>Total</b>	<b>1.18</b>	<b>1.18</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**22 EARNING PER SHARE (EPS)**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit attributable to the equity holders of the Company (A)	(30.38)	9.69
Weighted average number of equity shares (B)	60,00,000	60,00,000
Basic Earning per share (Rs)* (A/B)	(0.51)	0.16
Diluted earnings per share (Rs)(A/B)	(0.51)	0.16
Face Value per equity share (Rs.)	5.00	5.00

In compliance with Indian Accounting Standard 33- 'Earnings per share', the disclosure of earnings per share for the year ended March 31, 2023 and March 31, 2022 has been arrived at after giving effect to the above subdivision.

**23 Sundry Creditors include the following dues to micro and small enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) to the extent such parties have been identified from the available information.**

Particulars	As at 31st March, 2023	As at 31st March, 2022
Principal amount outstanding as at end	-	-
Principal amount overdue more than 45	-	-
Interest due and unpaid as at end of year	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during	-	-
Interest due and payable for the year of	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in	-	-

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**24 TAXATION**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income tax recognised in Statement of Profit and Loss</b>		
Current tax	2.22	2.08
MAT Credit entitlement	(2.22)	(2.08)
Deferred tax	(10.66)	3.65
<b>Total income tax expenses</b>	<b>(10.66)</b>	<b>3.65</b>
The income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	(41.04)	13.34
Applicable Tax Rate	26.00%	26.00%
Computed Tax Expense	(10.67)	3.47
<b>Tax effect of :</b>		
Amount not deductible	0.01	0.18
<b>Tax Expenses recognised in Statement of Profit and Loss</b>	<b>(10.66)</b>	<b>3.65</b>

**The significant component of deferred tax assets / (liabilities) and movement during the year ended March 31, 2023 are as under:**

Particulars	Deferred tax (Liability)/Asset as at April 01, 2022	Recognised through statement of profit & loss	Recognised through other comprehensive Income	Deferred tax (Liability) / Asset as at March 31, 2023
Property, Plant and Equipment	0.49	(0.10)	-	0.39
Losses and unabsorbed depreciation	7.95	(3.64)	-	4.32
Investments	0.61	-	-	0.61
Provisions	0.35	14.38	-	14.73
<b>Total</b>	<b>9.40</b>	<b>10.66</b>	<b>-</b>	<b>20.06</b>

**The significant component of deferred tax assets / (liabilities) and movement during the year ended March 31, 2022 are as under:**

Particulars	Deferred tax (Liability)/Asset as at April 01, 2021	Recognised through statement of profit & loss	Recognised through other comprehensive Income	Deferred tax (Liability)/Asset as at March 31, 2022
Property, Plant and Equipment	0.65	(0.16)	-	0.49
Losses and unabsorbed depreciation	11.44	(3.49)	-	7.95
Investments	0.61	-	-	0.61
Provisions	0.35	-	-	0.35
<b>Total</b>	<b>13.05</b>	<b>(3.65)</b>	<b>-</b>	<b>9.40</b>

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**25 SEGMENT REPORTING**

As per IND AS 108 para 4, Segment has been disclosed in Consolidated financial statement, Hence no separate disclosure has been given in standalone financial statements of the Company.

**26 FINANCIAL INSTRUMENT AND RISK MANAGEMENT****a) Financial instruments by category**

Particulars	Rs in lakhs	
	As at 31st March, 2023	As at 31st March, 2022
	Carrying Amount*	Carrying Amount*
<b>Financial Assets at amortised cost</b>		
Cash and cash equivalents	1.92	1.21
Loans	566.49	526.79
Investments	30.64	30.64
Other financial assets	7.81	6.81
<b>At Fair value through other comprehensive Income</b>		
Investments	-	-
<b>Total Financial Assets</b>	<b>606.86</b>	<b>565.45</b>
<b>Financial Liabilities at amortised cost</b>		
Borrowings (other than debt securities)	356.79	330.52
Other financial liabilities	7.55	5.48
<b>Total Financial liabilities</b>	<b>364.34</b>	<b>336.00</b>

\*Carrying value of the financial assets and financial liabilities designated at amortised cost approximates its fair value.

**b) Fair value hierarchy**

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	As at 31st March, 2023	As at 31st March, 2022
	Fair Value	Fair Value
Investment at Level 3	-	-

**c) Financial risk management**

The Company's corporate treasury functions provides services to the business, coordinates access to the financial markets, monitors and manages the financial risks relating to operations of the Company through internal risk reports which analyse exposure by degree and magnitude of risk. These risks include market risk (including currency risk, interest rate risk and other price risks, credit risk and liquidity risk).

The principal financial assets of the Company include loans and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the Company, include loans and borrowings and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the Company.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

This note explains the risks which the Company is exposed to and policies and framework adopted by the Company to manage these risks.

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

**i. Credit risk**

Credit risk is the risk that the Company will incur a loss because of counterparties fail to discharge their contractual obligation. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties, and by monitoring exposures in relations to such limits.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, loans, investments, other receivables.

Deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks / financial institutions as approved by the Board of directors.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

**ii. Liquidity risk**

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and to close out market positions.

The Company has a view of maintaining liquidity with minimal risks while making investments. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The table below analyses the Company's financial liabilities and financial assets into relevant maturity groupings based on their contractual maturities for year ended March 31, 2023

Particulars	Carrying Value	With in 1 year	From 1 to 5 year	More than 5 year
<b>Financial Assets</b>				
Cash and cash equivalents	1.92	1.92	-	-
Loans	566.49	566.49	-	-
Investments	30.64	-	-	30.64
Other financial assets	7.81	-	7.81	-
<b>Total</b>	<b>606.86</b>	<b>568.41</b>	<b>7.81</b>	<b>30.64</b>
<b>Financial Liability</b>				
Borrowings (other than debt securities)	356.79	356.79	-	-
Other financial liabilities	7.55	7.55	-	-
<b>Total</b>	<b>364.34</b>	<b>364.34</b>	<b>-</b>	<b>-</b>

The table below analyses the Company's financial liabilities and financial assets into relevant maturity groupings based on their contractual maturities for year ended March 31, 2022

Particulars	Carrying Value	With in 1 year	From 1 to 5 year	More than 5 year
<b>Financial Assets</b>				
Cash and cash equivalents	1.21	1.21	-	-
Loans	526.79	526.79	-	-
Investments	30.64	-	-	30.64
Other financial assets	6.81	-	6.81	-
<b>Total</b>	<b>565.44</b>	<b>527.99</b>	<b>6.81</b>	<b>30.64</b>
<b>Financial Liability</b>				
Borrowings (other than debt securities)	330.52	330.52	-	-
Other financial liabilities	5.48	5.48	-	-
<b>Total</b>	<b>336.00</b>	<b>336.00</b>	<b>-</b>	<b>-</b>

**Ekam Leasing and Finance Co. Limited**

**Notes forming part of standalone financial statements for the year ended March 31, 2023**

**(All amounts in INR Lakhs, unless otherwise stated)**

**iii. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2023 and March 31, 2022.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates.

As the Company has no significant Company's debt obligations and assets with floating interest rates, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's has only fixed rate borrowings which are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**b) Market price risks**

The Company is exposed to market price risk, which arises from FVOCI investments. The management monitors the proportion of these investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

**d) Capital Management**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital, security premium reserve and all other equity reserves. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents.. The Company monitors capital using gearing ratio, which is net debt divided by total capital.

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gross Borrowings	356.79	330.52
Less : Cash and Cash Equivalents	(1.92)	(1.21)
<b>Net debt</b>	<b>354.87</b>	<b>329.32</b>
<b>Total Equity</b>	<b>289.99</b>	<b>320.37</b>
<b>Gearing Ratio</b>	<b>122.37%</b>	<b>102.79%</b>

**27 Additional Information as required by Reserve Bank of India, Master Direction - Core Investment Companies (Reserve Bank) Directions, RBI/DNBR/2016-17/39, Master Direction DNBR. PD. 003/03.10.119/2016- 17, August 25, 2016**

These disclosures have been prepared based on IndAS financial statements in line with RBI notification dated March 13, 2020.

SL No.	Particulars	Amount outstanding	Amount Overdue
		As at 31st March, 2023	
	<b>Liabilities:</b>		
(1)	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>		
	(a) Debentures		
	Secured	-	-
	Unsecured (other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	356.79	-
	(e) Commercial Paper	-	-
	(f) Other Loans - Vehicle Loan	-	-

SL No.	Particulars	Amount outstanding	Amount Overdue
		As at 31st March, 2022	
	<b>Liabilities:</b>		
(2)	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:</b>		
	(a) Debentures		
	Secured	-	-
	Unsecured (other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	330.52	-
	(e) Commercial Paper	-	-

**Ekam Leasing and Finance Co. Limited**  
**Notes forming part of standalone financial statements for the year ended March 31, 2023**  
**(All amounts in INR Lakhs, unless otherwise stated)**

(f) Other Loans - Vehicle Loan	-	-
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Ekam Leasing and Finance Co. Limited

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

SL No.	Particulars	Amount outstanding	
		As at 31st March, 2023	As at 31st March, 2022
	<b>Assets:</b>		
(3)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (3) below]:</b>		
	(a) Secured	-	-
	(b) Unsecured	566.49	526.79
(4)	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
	(i) Lease assets including lease rentals under sundry debtors :	-	-
	(ii) Stock on hire including hire charges under sundry debtors :	-	-
	(iii) Other loans counting towards AFC activities	-	-

SL No.	Particulars	Amount outstanding	
		As at 31st March, 2023	As at 31st March, 2022
(5)	<b>Break-up of Investments (net of provision for diminution in value):</b>		
	<b>Current Investments :</b>		
	<b>1. Quoted :</b>		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-
	<b>2. Unquoted :</b>		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-
	<b>Long Term Investments :</b>		
	<b>1. Quoted :</b>		
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-
	<b>2. Unquoted :</b>		
	(i) Shares : (a) Equity	30.64	30.64
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-

SL No.	Particulars	Amount (Net of provision for Non-performing assets)		
		Secured	Unsecured	Total
(6)	<b>Borrower group-wise classification of assets financed as in (3) and (4) above:</b>			
	<b>As at March 31, 2023</b>			
	1. Related Parties			
	(a) Subsidiaries	-	214.58	214.58
	(b) Companies in the same Group	-	31.98	31.98
	(c) Other related Parties	-	-	-
	2. Other than Related Parties	-	110.24	110.24
	<b>Total</b>			
	<b>As at March 31, 2022</b>			
	1. Related Parties			
	(a) Subsidiaries	-	201.69	201.69
	(b) Companies in the same Group	-	29.34	29.34
	(c) Other related Parties	-	-	-
	2. Other than Related Parties	-	99.49	99.49
	<b>Total</b>			

**Ekam Leasing and Finance Co. Limited**

Notes forming part of standalone financial statements for the year ended March 31, 2023

(All amounts in INR Lakhs, unless otherwise stated)

SL No.	Particulars	Market value / Break value or fair value or Net Asset Value	Book Value (net of provisioning)
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): <b>As at March 31, 2023</b>		
	1. Related Parties		
	(a) Subsidiaries	30.19	30.19
	(b) Companies in the same Group	0.45	0.45
	(c) Other related Parties	-	-
	2. Other than Related Parties	-	-
	<b>Total</b>	30.64	30.64
	<b>As at March 31, 2022</b>		
	1. Related Parties		
	(a) Subsidiaries	30.19	30.19
	(b) Companies in the same Group	0.45	0.45
	(c) Other related Parties	-	-
	2. Other than Related Parties	-	-
	<b>Total</b>	30.64	30.64

SL No.	Particulars	Amount outstanding	
		As at 31st March, 2023	As at 31st March, 2022
(8)	<b>Other Information</b>		
(I)	Gross Non- performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	566.49	-
(ii)	Net Non Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	509.84	-
(iii)	Assets acquired in satisfaction of debt.		
	(a) Related parties	-	-
	(b) Other than related parties	-	-

**28 Disclosure on Restructured Accounts**

Type of Restructuring	Particulars	Asset classification
		Sub-standard
<b>Restructured loans as on April 1, 2022</b>	<b>Number of borrowers</b>	-
	<b>Amount outstanding</b>	-
	<b>Provision thereon</b>	-
Fresh Restructured during the year (based on asset classification at the time of restructuring)	Number of borrowers	5
	Amount outstanding	566.49
	Provision thereon	56.65
Upgradations to restructured category during the year	Number of borrowers	-
	Amount outstanding	-
	Provision thereon	-
Restructured loans ceases to attract higher provision or additional risk weight at Provision	Number of borrowers	-
	Amount outstanding	-
	Provision thereon	-
Downgrade of restructured accounts during the year	Number of borrowers	-
	Amount outstanding	-
	Provision thereon	-
Write-off of restructured accounts during the year	Number of borrowers	-
	Amount outstanding	-
	Provision thereon	-
<b>Restructured loans as on March 31, 2023</b>	<b>Number of borrowers</b>	<b>5</b>
	<b>Amount outstanding</b>	<b>566.49</b>
	<b>Provision thereon</b>	<b>56.65</b>



**Ekam Leasing and Finance Co. Limited**  
**Notes forming part of standalone financial statements for the year ended March 31, 2023**  
**(All amounts in INR Lakhs, unless otherwise stated)**

**29 Disclosures of related parties as required by Ind AS-24**

**(i) Subsidiary Companies**

Jet Air Securities Pvt. Ltd.  
S & S Balajee Mercantile Pvt. Ltd.  
Rex Overseas Pvt. Ltd.

**(ii) Associate Companies**

NKJ Securities Pvt. Ltd.- Struck off by ROC from register of companies dated November 19, 2019

**(iii) Key managerial personnel**

<b>Name of Related Party</b>	<b>Designation</b>
Mr. Rakesh Jain	Managing Director
Mr. Amit Kumar Khetan	CFO (Joined on 01/06/2021 and resigned at 02/05/22)
Mr. Astik Mani Tripathi	Director (Joined on 15/05/2021 and resigned at 12/05/22)
Mr. Saurabh Jain	Director
Ms. Mahak Chwala	Company Secretary (Appointment on 31st August, 2020 and resigned at 27/12/21)
Ms. Komal	Company Secretary (Resigned on 16.06.2020)
Ms. Neha Sharma	Company Secretary (Joined w.e.f. 7/12/2022)
Mr. Krishan Kumar Didwaniya	CFO (Resigned on 02/12/2020)
Mr. Prakash Goyal	Director (Ceased from the Directorship due to Demise on 01/05/2021)
Mr. Gajendra Singh	Director of Rex Overseas Private Limited
Mrs. Vandana Singh	Director (Joined on 01/06/2020 and resigned at 12/08/21)
Mrs. Mamta Jain	Director (Ceased from the Directorship due to Demise on 25/05/2021)
Ms. Rashi Varshney	Independent Director (Joined w.e.f. 7/12/2022)

**(iv) Enterprises over which KMP have significant influence**

Pro-Rub Processor Private Limited	Alsar Rubber & Chemicals Private Limited
Alsar Securities Private Limited	Multipronged Initiative in Lifestyle And Education Solution Private Limited
Chandra Prabhu International Limited	E-Taka Online Solutions Private Limited
Pramuk Energy Private Limited	

**Transactions with related parties**

<b>Particulars</b>	<b>Name of related party</b>	<b>Year ended</b>	
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
Finance Cost	NKJ Securities Pvt Ltd.	2.93	2.69
	Rex Overseas Pvt. Ltd.	7.07	6.66
	Jet Air Securities Pvt. Ltd.	2.75	2.52
	S & S Balajee Mercantile Pvt. Ltd.	10.22	9.52
Employee Benefit Expense	Mr. Amit Kumar Khetan	-	0.30
	Ms. Neha Sharma	1.50	-
	Ms. Mahak Chawla	-	1.35
Repayment of Loans Taken	Rex Overseas Pvt. Ltd.	2.72	1.61
	S & S Balajee Mercantile Pvt. Ltd.	2.43	1.19

**Outstanding balance**

<b>Particulars</b>	<b>Name of related party</b>	<b>As at</b>	
		<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Loans Taken</b>	NKJ Securities Pvt Ltd.	31.98	29.34
	Jet Air Securities Pvt. Ltd.	29.98	27.50
	S & S Balajee Mercantile Pvt. Ltd.	109.57	102.81
	Rex Overseas Pvt. Ltd.	75.03	71.38
<b>Other Payables</b>	Mr. Krishan Kumar Didwaniya	2.00	2.00
	Ms. Neha Sharma	0.30	-
	Ms. Mehak Gupta	-	0.30
<b>Other Receivables</b>	Pramuk Energy Private Limited	7.63	7.63

**Key Management Personnel Compensation:**

<b>Particulars</b>	<b>Year ended March 31, 2023</b>	<b>Year ended March 31, 2022</b>
Short term employee benefits	1.50	1.65
<b>Total compensation</b>	<b>1.50</b>	<b>1.65</b>

**30 Investment in Subsidiaries and Associates :**

- a) These financial statements are separate financial statements prepared in accordance with Ind-AS 27 "Separate Financial Statements".  
b) The Company's Investment in Subsidiaries is as under :

Name of Subsidiary	Country of Incorporation	Portion of Ownership Interest as at 31st March, 2023	Portion of Ownership Interest as at 31st March, 2022
S & S Balajee Mercantile Private Limited	India	100%	100%
Jet Air Securities Private Limited	India	100%	100%
Rex Overseas Private Limited	India	100%	100%

- c) The Company's Investment in associates is as under :

Name of Associates	Country of Incorporation	Portion of Ownership Interest as at 31st March, 2023	Portion of Ownership Interest as at 31st March, 2022
NKJ Securities Private Limited	India	45.00%	45.00%

- 31** Company does not made any investment and given any guarantee or provide any security covered u/s 186 (4) of the Companies Act, 2013 during the year. Details of investment outstanding as on March 31, 2023 are as follows :

Particulars	No of Shares	Investment outstanding as at March 31, 2023	Investment outstanding as at March 31, 2022
S & S Balajee Mercantile Private Limited	3,01,250	16.01	16.01
Jet Air Securities Private Limited	10,520	0.53	0.53
Rex Overseas Private Limited	27,295	13.65	13.65
NKJ Securities Private Limited	4,500	0.45	0.45
<b>Total</b>		<b>30.64</b>	<b>30.64</b>

**32 Details of Benami property held**

No proceedings have been initiated on or pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988(45 of 1988) and rules made thereunder.

**33 Wilful Defaulter**

The company has not been declared wilful defaulter by any bank or financial institution or other lender.

**34 Relationship with struck off companies**

The company has transactions and balances with the companies struck off under section 248 of the companies Act, 2013 or section 560 of the companies act, 1956 are as follows :

**Transactions with struck off companies :**

Name of struck off Company	Nature of Transaction	Amount	Relationship with the Struck off company
NKJ Securities Private Limited*	Interest expenses	2.93	Associate Company

**Balance with Struck off companies**

Name of struck off Company	Nature of Balances	Balance outstanding	Relationship with the Struck off
NKJ Securities Private Limited*	Investment in shares	0.45	Associate Company
NKJ Securities Private Limited*	Borrowings	31.98	Associate Company

\*The Company has been struck off from the register of companies from November 11, 2019. The management is in the process of revival of the Company

**35 Registration of charges or satisfaction with registration of Companies(ROC)**

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory Period.

**36 Compliance with number of layers of companies**

The companies has complied with number of layers prescribed under the section 2(87) of the Companies Act, 2013 read with companies (Restriction on number of Layers) Rules, 2017.

**37 Utilisation of borrowed funds and Share premium**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

**38 Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the income Tax Act,1961,that has not been recorded previously in the books of Account.

**39 Details of crypto currency or virtual currency**

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**Ekam Leasing and Finance Co. Limited****Notes forming part of standalone financial statements for the year ended March 31, 2023**

(All amounts in INR Lakhs, unless otherwise stated)

**40 Ratio Analysis :**

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022: -

Particulars	Numerator	Denominator	As at March 31,	As at March 31, 2022	Variance	Remarks
Capital to risk-weighted assets ratio (CRAR)	274.77	695.59	39.50%	47.87%	-8.37%	Not Applicable
Tier I CRAR	274.77	695.59	39.50%	47.87%	-8.37%	Not Applicable
Tier II CRAR	274.77	-	-	-	-	Not Applicable
Liquidity Coverage Ratio	-	-	-	-	-	Not Applicable

**Note :** "Tier I capital", "Tier II capital", "Owned Fund" and Capital Adequacy Ratio are calculated as defined in Master direction - Non-Banking Financial company - Systemically important non-deposit taking company and deposit taking company (Reserve Bank) directions, 2016

- 41 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- 42 Loans amounting INR 566.49 Lakhs which include the principal loan amount and interest due on it. The company is not able to recover the interest along with principal amounts. Accordingly these loans have been rescheduled during the year and management is of the view that these loans including interest, are recoverable and categorised under the category of "Sub-standard Assets" and accordingly provision is recognised on the same. However, the loans are under "Sub-standard" category prior to rescheduling. Auditor has drawn attention to the fact in their report.
- 43 The company has recognised the interest income amounting INR 55.45 Lakhs on certain loans which are classified as Non Performing Assets. On the basis of ongoing discussions, Management is of the view that these interest are recoverable and not required to derecognise it. The auditor has drawn attention to this fact in their report.
- 44 The company has deferred tax assets (net) on unabsorbed depreciation & business losses and of MAT credit entitlement as on year end date of amounting to INR 20.06 lakhs and INR 23.53 lakhs respectively. On the basis of future prospects of the company, Management is confident that the company will have sufficient profits against these unused tax credit and unused losses. The auditor has drawn attention to the fact in their report.
- 45 The Company has been issued income tax notices under Section 153C pertaining to the Assessment Years (AY) 2011-12 to 2017-18. In light of these notices, the company has filed the writ petition before Delhi High Court, citing the grounds that the notices are beyond the statutory time limit and the same is pending for adjudication.
- 46 Previous year figures have been re-grouped/re-classified wherever necessary.

Significant accounting policies

2

The accompanying notes form an integral part of the Financial Statements

**For Doogar & Associates**Chartered Accountants  
Firm Registration No. 000561N**Vardhman Doogar**Partner  
M.No. 517347Place : New Delhi  
Date : May 30, 2023**For and on behalf of the Board of Directors****Rakesh Jain**  
Managing Director  
DIN: 00061737Place : New Delhi  
Date : May 30, 2023**Saurabh Jain**  
Director  
DIN: 02815972Place : New Delhi  
Date : May 30, 2023**Neha Sharma**  
Company SecretaryPlace : New Delhi  
Date : May 30, 2023

# Ekam Leasing and Finance Co. Limited

## REGD OFFICE:

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Website : [www.ekamleasing.com](http://www.ekamleasing.com)

**CIN No.: L74899DL1993PLC055697**