

# SUPERIOR FINLEASE LIMITED

CIN: L74899DL1994PLC061995

Regd. Off: NS-92, Khasra No-33/21, Ranaji Enclave, Najafgarh, Near Arjun Park Bus Stand  
New Delhi -110043; Email id: [superiorfinlease@gmail.com](mailto:superiorfinlease@gmail.com);

Website: <http://www.superiorfinlease.com>; Phone No.: +91-9953798335

August 27, 2019

The BSE Limited  
Phiroze Jeejeeboy Towers  
Dalal street,  
Mumbai- 400001  
Email Id: [corp.relations@bseindia.com](mailto:corp.relations@bseindia.com)

Metropolitan Stock Exchange of India Limited  
4<sup>th</sup> Floor, Vibgyor Towers, Plot No. C-62  
Bandra Kurla Complex, Bandra east  
Mumbai- 400098  
Email Id: [raviraj.nirbhawane@mcx-sx.com](mailto:raviraj.nirbhawane@mcx-sx.com)

Dear Sir/Madam,

Subject - Notice and Annual Report for the FY 2018-19 of the Company

Ref: Superior Finlease Limited ("Company")

This is with reference to the above captioned subject, we would like to state as follow:

1. Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the Register of Member and Share Transfer Books of the Company will remain closed from Saturday, September 21, 2019 to Friday, September 27, 2019 (both days inclusive) for the purpose of Annual General Meeting of the Company scheduled to be held on 27<sup>th</sup> September, 2019.

SYMBOL	TYPE OF SECURITY	BOOK CLOSURE	PURPOSE
SUPERIOR 539835	Equity Shares	Saturday, September 21, 2019 to Friday, September 27, 2019 (both days inclusive)	Annual General Meeting of the Company

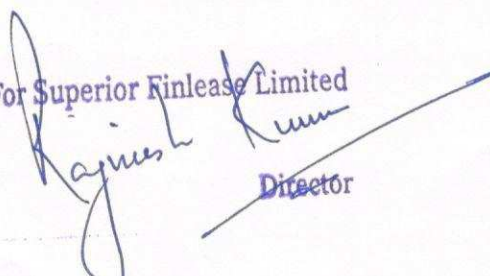
2. Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of the Annual General Meeting of the Company scheduled to be held on Friday, September 27, 2019 at 2:00 PM (IST) at the Registered Office of the Company at NS-92, Khasra No-33/21, Ranaji Enclave, Najafgarh, Near Arjun Park Bus Stand New Delhi -110043. The attendance slip, proxy form and route map forms part of this Notice.

The Notice of the AGM is also available on our website at the link:  
<http://www.superiorfinlease.com/investors.php>

3. Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report and Accounts of the Company for the Financial Year 2018-19 ('Annual Report').

The Annual Report is also available on our website at the link:  
<http://www.superiorfinlease.com/investors.php>

For Superior Finlease Limited

  
Director

# SUPERIOR FINLEASE LIMITED

CIN: L74899DL1994PLC061995

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New Delhi -110043; Email id: [superiorfinlease@gmail.com](mailto:superiorfinlease@gmail.com);

Website: <http://www.superiorfinlease.com>; Phone No.: +91-9953798335

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Kindly take the above information on record and oblige.

Thanking You,

For Superior Finlease Limited  
For Superior Finlease Limited

(RAJNEESH KUMAR)

Director

DIN: 02463693

Encl: As above

# ANNUAL REPORT

FY 2018-19

SUPERIOR FINLEASE LIMITED

### **Board of Directors**

Mr. Anil Agarwal

Ms. Shikha Garg

Mr. Harish Kumar

Mr. Rajneesh Kumar (Appointed w.e.f. October 05, 2018)

Mr. Ravi Kant Sharma (Appointed w.e.f. October 05, 2018)

### **Key Personnel**

Shipali Gupta - Company Secretary & Compliance Officer

Vaibhav Vashist - Chief Financial Officer

Mohd. Hishamuddin - Chief Executive Officer

### **Auditors**

#### **Statutory Auditors**

V.N Purohit & Co.,

Chartered Accountants

#### **Internal Auditors**

Mr. Viresh Verma & Associates

Company Secretaries

#### **Secretarial Auditor**

Kajal Goyal and Associates

Company Secretaries

### **Bankers**

Axis Bank Ltd.

RBL Bank Ltd.

### **Shares Listed at**

BSE Limited

The Metropolitan Stock Exchange of India Limited (MSE)

### **Registrar & Share Transfer Agent**

Skyline Financial Services Private Ltd.

D-153/A, First Floor,

Okhla Industrial Area, Phase - I,

New Delhi -110020.

Phone: 011 26812682-88

Email: info@skylinerta.com

### **Corporate office and Registered Office**

NS-92, Khasra No-33/21, Ranaji Enclave, Najafgarh,

Near Arjun Park Bus Stand New Delhi -110043

Email ID: superiorfinlease@gmail.com

Website: www.superiorfinlease.com

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# NOTICE

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## Notice

Notice is hereby given that the Annual General Meeting of **SUPERIOR FINLEASE LIMITED** will be held on Friday, the 27<sup>th</sup> Day of September, 2019 at **02:00 P.M.** at the Registered Office of the Company situated at **NS-92, Khasra No-33/21, Ranaji Enclave, Najafgarh, Near Arjun Park Bus Stand New Delhi -110043** to transact the following businesses:

### **Ordinary Business:**

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2019 including audited Balance Sheet for the year ended 31<sup>st</sup> March, 2019 and the Statement of Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

### **Special Business:**

2. **Regularisation of appointment of Mr. Rajneesh Kumar, (DIN: 02463693) as a Director of the Company.**

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

**“RESOLVED THAT** Mr. Rajneesh Kumar, (DIN: 02463693) who was appointed as an Additional Director of the Company with effect from 5<sup>th</sup> October, 2018 by the Board of Directors and who holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act'), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

3. **Regularisation of appointment of Mr. Ravi Kant Sharma, (DIN: 07456078) as a Director in the category of Independent Director.**

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

**“RESOLVED THAT** Mr. Ravi Kant Sharma, (DIN: 07456078) who was appointed as an Additional Director of the Company with effect from 5<sup>th</sup> October, 2018 by the Board of Directors and who holds office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act'), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing her candidature for the office of a Director, be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof ] and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the appointment of Mr. Ravi Kant Sharma, (DIN: 07456078) who has submitted a declaration that he meets the

criteria for independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years commencing from 5<sup>th</sup> October, 2018 to 4<sup>th</sup> October, 2023 (both days inclusive), be and is hereby approved.”

**4. Re-Appointment of Mr. Anil Agarwal, (DIN: 01373788) as a Director in the category of Independent Director.**

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

“**RESOLVED THAT** pursuant to provisions of sections 149, 152 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the ‘Act’) including the rules made there under read with Schedule IV to the Act and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the ‘Listing Regulations’) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Anil Agarwal, (DIN: 01373788), was appointed as an independent director of the Company for a term of five years up to 01<sup>st</sup> September 2019 and is eligible for being re-appointed as an independent director and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and considering the report of his performance evaluation for the year 2018-19, be and is hereby re-appointed as an independent director of the Company for a second term of five consecutive years, effective from 02<sup>nd</sup> September 2019 up to 01<sup>st</sup> September 2024.

**RESOLVED FURTHER THAT** pursuant to regulation of the Listing Regulations, approval of the members be and is hereby given for continuation of Mr. Anil Agarwal as an independent director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of sections 149 and other applicable provisions of the Act and the rules made there under, Mr. Anil Agarwal be paid such fees as the Board may approve from time to time and subject to such limits prescribed or as may be prescribed from time to time.”

**By Order of the Board  
Superior Finlease Limited**

Sd/-  
(Rajneesh Kumar)  
Director  
DIN: 02463693



## NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote, instead of himself/herself and the proxy need not be a member. A person can act as proxy on behalf of members up to and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company.

Further, a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the company not less than 48 hours before the time of holding the meeting.

2. The relevant details as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking Appointment/re-appointment as Directors, are also annexed.
3. The instrument appointing the Proxy, duly completed must be deposited at the Company's Registered Office not less than 48 hours before the commencement of the meeting. A Proxy form for the Annual General Meeting is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/Proxies/Authorized representatives are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.
6. Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from Saturday, September 21, 2019 to Friday, September 27, 2019 (both days inclusive) for the purpose of the Annual General Meeting.
7. The Company's Registrar and Transfer Agents for its share registry (both, physical as well as electronic) is M/s Skyline Financial Services Private Limited having its office at D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110020.
8. Members who are holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company/Skyline Financial Services Private Limited.
9. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the company a certified true copy of the relevant Board resolution together with the specimen signature(s) of the representative(s)

authorised under the said Board Resolution to attend and vote on their behalf at the meeting.

10. To support the 'Green Initiative', members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.
11. Members may also note that the Notice of the Annual General Meeting and the Annual Report for the year 2018-2019 will also be available on the Company's website <http://www.superiorfinlease.com//>. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at <http://www.superiorfinlease.com//>.
12. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or our Registrar & Transfer Agents.
14. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. Members, who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
17. Members/Proxies/Authorized representatives are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the

Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening Annual General Meeting to be held on Friday, September 27, 2019, at 02:00 P.M. The Company has engaged the services of National Depository Services Limited (NDSL) to provide the e-voting facility:

The e-voting facility is available at the link:

<https://www.evoting.nsdl.com/>.

19. The facility for voting through poll shall be made available at the AGM, to all the members attending the AGM, who have not opted e-voting facility. Further, the members who have opted e-voting facility may also attend the AGM but shall not be entitled to cast their vote again at the AGM.
20. Person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
21. E-voting commences on September 24, 2019 at 9:00 A.M. and will end at September 26, 2019 at 5:00 P.M. and at the end of e-voting period, the facility shall forthwith be blocked.
22. The Detailed instructions on remote e-voting is made part of a separate sheet "Instructions for e-voting" attached to this Notice.
23. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection in physical or electronic form at the Registered Office of the Company during business hours on all working days up to the date of declaration of the result of the Annual General Meeting of the Company and the copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the Company and also at the meeting.
24. For security reasons, no article/baggage will be allowed at the venue of the meeting.
25. Route map for directions to the venue of the meeting is provided in this notice and is also available on the website of the Company.
26. **The instructions for shareholders voting electronically are as under:**
  - i. The voting period begins on September 24, 2019 at 9:00 A.M. and will end at September 26, 2019 at 5:00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 20, 2019 may cast their vote electronically. The e-voting module shall be disabled by NDSL for voting thereafter.
  - ii. The shareholders should log on to the e-voting website <https://www.evoting.nsdl.com/>.

**Instructions for shareholders voting electronically are as under:**

- a) For CDSL: 16 digits beneficiary ID,

- b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer/Laptop or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL e-services 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 Digit 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 company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details 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. Open 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, your 'initial password' is communicated to you on your postal address.
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.
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.

**Details on Step 2 are given below:**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

5. 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.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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 [csnileshrvv@gmail.com](mailto:csnileshrvv@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- 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.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### **Other Instructions:**

- i. The e-voting period commences on September 24, 2019 at (9:00 A.M. IST) and will end at September 26, 2019 at (5:00 P.M. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, September 20, 2019 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.
- ii. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the Meeting through electronic voting system or poll paper.
- iii. Mr. Nilesh Ranjan, Practicing Company Secretary (Membership No. A43713), has been appointed as Scrutinizer to scrutinize the e-voting process (including the

Ballot Forms received from the members who do not have access to the e-voting process) in a fair and transparent manner.

- iv. The scrutiniser shall, immediately after the conclusion of voting at the AGM first count the votes cast at the meeting and thereafter unlock the votes cast through remote e-voting in the presence of at least two witnesses, who are not in the employment of the Company, and make a consolidated scrutiniser's report of the total votes cast in favour or against, if any, upon conclusion of the meeting, and submit it to the Chairman of the Company or in his absence Vice Chairman of the Company, who shall countersign the same.
- v. The result declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.superiorfinance.com/> and on the website of NSDL <https://www.evoting.nsdl.com/> immediately.

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

Pursuant to Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 2 of the accompanying Notice dated 14<sup>th</sup> August, 2018:

#### **Item no. 2**

At the Board Meeting of the Company held on 5<sup>th</sup> October, 2018, the Board had, based on the recommendations of the Nomination and Remuneration Committee and subject to the approval of the Members, appointed Mr. Rajneesh Kumar as Additional Director in the category of Non- Executive Non Independent Director of the Company. In terms of Section 161(1) of the Act, who holds office up to the date of this Annual General Meeting but is eligible for appointment as a Director. The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director.

Brief resume as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of Mr. Rajneesh Kumar nature of their expertise in specific functional areas and other details, is annexed to this Notice.

Mr. Rajneesh Kumar is interested in the Resolutions set out respectively at Item Nos. 2 of the Notice with regard to his respective appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in these Resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 2 of the Notice for approval by the shareholders.

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

At the Board Meeting of the Company held on 5<sup>th</sup> October, 2018, the Board had, based on the recommendations of the Nomination and Remuneration Committee and subject to the



approval of the Members, appointed Mr. Ravi Kant Sharma, (DIN: 07456078) as Additional Director in the category of Non- Executive Independent Director of the Company from 5<sup>th</sup> October, 2018 for a period of 5 years commencing from 5<sup>th</sup> October, 2018 to 4<sup>th</sup> October, 2023. In terms of Section 161(1) of the Act, who holds office up to the date of this Annual General Meeting but is eligible for appointment as a Director. The Company has received a Notice from a Member in writing under Section 160(1) of the Act proposing his candidature for the office of Director.

Brief resume as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Mr. Ravi Kant Sharma, (DIN: 07456078) nature of their expertise in specific functional areas and other details, is annexed to this Notice.

Mr. Ravi Kant Sharma, (DIN: 07456078) is interested in the Resolutions set out respectively at Item Nos. 3 of the Notice with regard to his respective appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives is in any way, concerned or interested, financially or otherwise, in these Resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 3 of the Notice for approval by the shareholders.

#### **Item No. 4**

At the Board Meeting of the Company held on 2<sup>th</sup> September, 2014, the Board had, based on the recommendations of the Nomination and Remuneration Committee and subject to the approval of the Members, appointed Mr. Anil Agarwal, (DIN: 01373788) as Independent Director and now that his term of five years has expired, it is being recommended to re-appoint him.

Brief resume as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Mr. Anil Agarwal, (DIN: 01373788) nature of their expertise in specific functional areas and other details, is annexed to this Notice.

Mr. Anil Agarwal, (DIN: 01373788) is interested in the Resolutions set out respectively at Item Nos. 4 of the Notice with regard to his respective appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in these Resolutions.

The Board recommends the Special Resolutions set out at Item Nos. 4 of the Notice for approval by the shareholders.

In accordance with Section 149 of the Act, which came into effect from 1<sup>st</sup> April 2014, requires every listed company to have one-third of the total number of directors as independent directors. Accordingly, on the recommendations of Nomination and Remuneration Committee, the Board of Directors, appointed Mr. Anil Agarwal as independent directors of the Company for a first term of five consecutive years from September 02, 2014 up to September 01, 2019. The appointment was also approved by the members at Annual General Meeting of the Company held in September 2014. Since the

first term of these independent directors was due for expiry, based on the recommendation of the Nomination and Remuneration Committee, considering the skills, experience, knowledge they possess and the report of performance evaluation of these independent directors for the year 2018-19, the Board, at its meeting held on 14<sup>th</sup> August 2019, recommended for the approval of the members, re-appointment of Mr. Anil Agarwal for a second term of five consecutive years with effect from 2<sup>nd</sup> September 2019 up to 01<sup>st</sup> September 2024 in terms of section 149 read with Schedule IV to the Act and the Listing Regulations including any amendment thereto or modification thereof. In accordance with section 149(10) and (11) of the Act, an Independent Director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. The aforementioned directors fulfil the requirements of an independent director as laid down under section 149(6) of the Act and regulation 16 of the Listing Regulations. In respect of the appointments of the aforesaid directors, notice in writing in the prescribed manner as required by section 160 of the Act and rules made thereunder, has been received by the Company, regarding candidature of each of these directors for the office of the director. The aforementioned directors have accorded their consent to act as directors and have also submitted the declaration of independence, stating that they meet the criteria of independence as provided in section 149(6) of the Act and regulation 16 of Listing Regulations and are not disqualified from being appointed as a director in terms of section 164 of the Act. The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the Company by any member from Monday to Friday during 10.00 a.m. to 12.30 p.m., except holidays, and the same shall also be available on the Company's website. The Board is of the opinion that these directors possess requisite skills, experience and knowledge relevant to the Company's business.

**By Order of the Board**  
**Superior Finlease Limited**

**Sd/-**  
(Rajneesh Kumar)  
**Director**  
**DIN: 02463693**

**INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTOR BEING APPOINTED/RE-APPOINTED**

<b>Name of Director</b>	<b>Mr. Rajneesh Kumar</b>	<b>Mr. Ravi Kant Sharma,</b>	<b>Mr. Anil Agarwal</b>
<b>Date of Birth</b>	23/04/1977	01/09/1975	16/12/1969
<b>DIN</b>	02463693	07456078	01373788
<b>Date of Appointment</b>	05/10/2018	05/10/2018	02/09/2019
<b>Expertise in specific Functional Area</b>	Experience of 11 years in managing operations encompassing business development and business management, providing investment advisory services to different organizations.	Experience of 12 years in sales & marketing.	He possesses requisite skills, experience and knowledge relevant to the Company's business.
<b>Qualifications</b>	Master in Business Administration	M.com from CCS University, Meerut and LLB from Vardhman College, Alwar	Graduate
<b>Terms and conditions of appointment or reappointment</b>	Appointment in the category of Non-Executive Non Independent Director	Appointment in the category of Independent Director of the Company for a term of five years subject to approval of shareholders of the company	Re-appointment in the category of Independent Director of the Company for a term of five years subject to approval of shareholders of the company
<b>Directorships held in listed companies</b>	NA	NA	1. Nespo Digital Lab Limited 2.MBS Facilities Private Limited
<b>Chairmanship of Committees in other listed Companies</b>	NA	NA	N.A.
<b>Number of shares held in the Company</b>	230226	NIL	23000
<b>Disclosure of relationships between directors inter-se</b>	Nil	NIL	N.A.

## ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP-ID/CLIENT-ID*	
Regd. Folio No.#	
No. of shares held	
Whether the member is attending the meeting in person or by proxy or by authorized representative.	
Name of the proxy (to be filed in if proxy attends instead of the member).	

\*Applicable for investors holding shares in Electronic form.

# Applicable for investors holding shares in Physical form.

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company. I/we hereby record my/our presence at the Annual General Meeting of the Company held on Friday, September 27, 2019 at 02:00 P.M., at the Registered Office of the Company at NS-92, Khasra No-33/21, Ranaji Enclave, Najafgarh, Near Arjun Park Bus Stand New Delhi -110043.

**Signature of the Member/Proxy**  
(To be signed at the time of handing over the slip)

**Form No. MGT-11**

**Proxy Form**

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

CIN: L74899DL1994PLC061995

**Name of the Company: Superior Finlease Limited**

**Registered Office:** NS-92, Khasra No-33/21, Ranaji Enclave, Najafgarh, Near Arjun Park Bus Stand New Delhi -110043.

Name of the Member(s)	
Registered Address:	
E-mail Id:	
*DP Id. / Client Id.	Regd. Folio No.

(\* Applicable for members holding share(s) in electronic form)

I / We, being the member(s) of ..... shares of the above named company, hereby appoint:

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_  
Signature : \_\_\_\_\_, or failing him  
\_\_\_\_\_

2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_  
Signatiure : \_\_\_\_\_, or failing him  
\_\_\_\_\_

3. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_  
Signatiure : \_\_\_\_\_

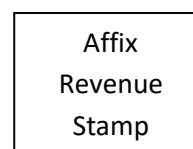
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Annual General Meeting** of the Company, to be held on Friday, September 27, 2019 at 02:00 P.M. at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resoluti on No.	Resolutions	Optional	
		For	Against
1	To receive, consider and adopt the Financial Statements of the Company for the year ended 31 <sup>st</sup>		

	March, 2019 including audited Balance Sheet for the year ended 31 <sup>st</sup> March, 2019 and the Statement of Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.		
<b>Special Business</b>			
2.	Regularisation of appointment of Mr. Rajneesh Kumar, (DIN: 02463693) as a Director of the Company		
3.	Regularisation of appointment of Mr. Ravi Kant Sharma, (DIN: 07456078) as a Director in the category of Independent Director		
4.	Re-Appointment of Mr. Anil Agarwal, (DIN: 01373788) as a Director in the category of Independent Director		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

Affix Revenue Stamp



Signature of Shareholders(s)

Signature of Proxy holders(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.

It is optional to put a (√) in the appropriate column against the Resolution indicated in the Box. If, you leave the ' For' and 'against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she think appropriate.

## ROUTE MAP FOR AGM VENUE





# DIRECTOR'S REPORT

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## DIRECTOR'S REPORT

To,  
The Members of **Superior Finlease Limited**

The Directors hereby present their Annual Report together with the audited financial statements for the Financial Year (FY) ended 31 March, 2019.

### BACKGROUND

The Company is a Non Deposit Accepting Non-Banking Finance Company ("NBFC"), holding a Certificate of Registration from the Reserve Bank of India ("RBI").

### STATE OF COMPANY'S AFFAIRS

With the expected positive momentum in the Indian economy, the Company is focused on growth and achieving profitability along with a renewed commitment to enhance quality and customer service and to reduce costs. Innovations, investment and positive modifications are expected in the near future, boosting the Company's revenues. Together with forward looking strategy, the Company is also focusing extensively on expanding the business and operational improvements through various strategic projects for operational excellence and cost cutting initiatives.

### FINANCIAL SUMMARY/HIGH LIGHTS/PERFORMANCE OF THE COMPANY

#### FINANCIAL HIGHLIGHTS

(Amount in Rs.)

<u>Particulars</u>	<u>Standalone</u>	
	<u>Current Year</u>	<u>Previous Year</u>
	<u>31<sup>st</sup> March, 2019</u>	<u>31<sup>st</sup> March, 2018</u>
Income from operations	2,606,573	2,239,305
Other Income	-	-
Total Income	2,606,573	2,239,305
Total Expenditure	1,277,812	1,763,716
Profit/ (loss) before tax	1,328,761	475,589
Less : Provision for taxation		
(i) Current Year	(369,718)	(122,464)

(ii) Earlier Year Adjustment	-	-
(iii) Deferred Tax	-	
Profit/(loss) of the Year	9,59,043	353,125

### **REVIEW OF OPERATIONS**

The revenue from operations for the year ended 31<sup>st</sup> March, 2019 stood at Rs. 2,606,573/- as compared to Rs. 2,239,305/- for the previous year ending 31<sup>st</sup> March, 2018.

The Profit before tax for the year ended 31<sup>st</sup> March, 2019 stood at Rs. 1,328,761/- as compared to profit of Rs. 475,589 for the year ending 31<sup>st</sup> March, 2018. The Profit after Tax stood at Rs. 959,043/- for the year ending 31<sup>st</sup> March, 2019 as compared to profit of Rs. 353,125 for the previous year.

### **TRANSFER TO RESERVES**

The Company has transferred a reserve of Rs. 191,809/- as required under Section 45-IC of RBI Act, 1934 to the Statutory Reserve. Other than this, the Company is not transferring any amount to reserve out the current years surplus.

### **DIVIDEND**

In view of need to conserve the resources of the company for the future growth, your Company's Directors do not recommend any dividend to the shareholders of the Company for the Financial Year 2018-19.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

In the opinion of the Board, there has been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### **CAPITAL PROJECTS**

The Company was not working on any kind of capital projects for the financial year 2018 - 19.

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

### **A. CONSERVATION OF ENERGY:**

Company has limited scope for undertaking energy conservation exercises, but nevertheless continues to emphasize work practices that result in conservation of energy. At the offices of your Company, special emphasis is placed on installation of energy-efficient lighting devices, use of natural light as best as possible, and adoption of effective procedures for conservation of electricity, water, paper and other materials that consume natural resources.

### **B. TECHNOLOGY ABSORPTION:**

Company did not absorb any new Technology during the financial year.

### **C. FOREIGN EXCHANGE AND OUTGO:**

There was no foreign exchange inflow or Outflow during the year under review.

## **ENVIRONMENT AND SAFETY**

The Company conducts various promotional activities relate do Safety, Health & Environment during National safety week, Road safety week & Fire service day. Quiz & poster contest, live demonstration of fire fighting techniques, domestic & household safety for the students of neighbouring schools, employees children and people residing in surrounding community are taken up during those days.

As part of the safety performances following parameters were considered:

- Health & Safety Management systems
- Workers participation in Health & Safety
- Health & Safety Training
- Work Permit, tag out & lockout systems
- Internal & External Safety auditing, review process
- Promotion of safety & health at workplace
- Community awareness programs
- Safety of the contract workers

## **INDUSTRIAL RELATIONS**

Cordial and conducive working conditions prevailed amongst the Company employees and the contract vendors.

## **EXTRACT OF THE ANNUAL RETURN**

Pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of The Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as on 31st March, 2019 is enclosed as **Annexure "1"** to the Directors' Report.

As a green initiative, a copy of the Annual Return has been hosted on the website of the Company at <http://www.superiorfinlease.com/> and can be accessed from the link below <http://www.superiorfinlease.com/investors.php>

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the rules made there under and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material. There are 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. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 is not applicable.

## **SHARE CAPITAL**

The paid up equity share capital as on March 31, 2019 was Rs. 3,00,10,000/-. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

## **LISTING OF SECURITIES**

The 3001000 equity shares of Rs. 10/- each of the Company are listed on BSE Limited and the Metropolitan Stock Exchange of India Limited.

The Annual listing fees for the year 2018-19 have been paid to both the Stock Exchanges.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Pursuant to Section 186 of the Companies Act, 2013 (the 'Act') read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a Non- Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act. The details of Loans, Corporate Guarantees and Investments made during the year under the provisions of Section 186 of the Companies Act, 2013 are given in notes to the financial statements.

## **NOMINATION & REMUNERATION POLICY AND DISCLOSURES ON REMUNERATION**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and employees in the Senior Management. In accordance with the provisions of Section 178 of the Act, the Board of Directors has adopted a Policy on Board Diversity and Director Attributes and the Remuneration Policy. The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

### **RISK MANAGEMENT POLICY**

Risk Management Policy identifies, communicate and manage risks across the organization. The policy also ensures that responsibilities have been appropriately delegated for risk management. Key Risk and mitigation measures are provided in the Management Discussion and Analysis annexed as **Annexure 3** to the Annual Report.

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

The Company in accordance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015 has established a vigil mechanism for directors and employees to report genuine concerns to the management viz. instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. The Company has also formulated a Whistle Blower Policy ("Policy") which provides for adequate safeguard against victimization of persons and has a provision for direct access to the Chairperson of the Audit Committee. The Company has not denied any person from having access to the Chairman of the Audit Committee.

### **CORPORATE SOCIAL RESPONSIBILITY ('CSR')**

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the rules made there under, the criteria for companying with the CSR activity does not applicable to the Company throughout the year.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

In accordance with the provisions of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company organizes familiarization programme for Independent Directors as and when required.

During the year the Meetings of the Independent Directors were held on 5<sup>th</sup> October, 2018 without the attendance of non-independent directors and members of the Management, inter alia, to discuss the following:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Section 134, 178 and Sch. IV of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the following performance evaluations were carried out:

- a. Performance evaluation of the Board, Chairman and non-Independent Directors by the Independent Directors;
- b. Performance evaluation of the Board, its committees and Independent Directors by the Board of Directors; and
- c. Performance evaluation of every director by the Nomination and Remuneration Committee.

### **COMPLIANCE**

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

The Company has generally complied with all applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, Listing Agreement executed with the Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

### **RBI GUIDELINES**

As a Non Deposit taking Non-Banking Finance Company, your Company always aims to operate in compliance with applicable RBI laws and regulations and employs its best efforts towards achieving the same.



**THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE PERIOD**

<b>S. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Date of Appointment/Cessation</b>	<b>Reason</b>
1.	Mr. Manoj Goel	Director	June 07, 2018	Resignation
2.	Mr. Harish Kumar	Additional Director in the Category of Independent Director	June 07, 2018	Appointment
3.	Mr. Rajneesh Kumar	Additional Director in the Category of Non-Executive Non Independent Director	October 5, 2018	Appointment
4.	Mr. Ravi Kant Sharma	Additional Director in the category of Non-Executive Independent Director	October 5, 2018	Appointment
5.	Ms. Shipali Gupta	Company Secretary	September 27, 2018	Appointment
6.	Mr. Vaibhav Vashisht	Chief Financial Officer	March 15, 2019	Appointment
7.	Mr. Mohd Hishamuddin	Chief Executive Officer	March 15, 2019	Appointment
8.	Mr. Rajneesh Kumar	Additional Director in the Category of Non-Executive Non Independent Director	September 5, 2018	Appointment
9.	Mr. Ravi Kant Sharma	Additional Director in the category of Non-Executive Independent Director	September 5, 2018	Appointment
10.	Ms. Anshika Garg	Company Secretary	September 5, 2018	Resignation

\*Mr. Rajneesh Kumar and Mr. Ravi Kant Sharma vacated office as an Additional Director and accordingly, they were re-appointed on 05.10.2018.

#### **BOARD MEETINGS:**

The agenda and Notice for the Meetings is prepared and circulated in advance to the Directors. During the year under review, Ten Board meetings were held on 30<sup>th</sup> May, 2018, 07<sup>th</sup> June, 2018, 11<sup>th</sup> August, 2018, 17<sup>th</sup> August, 2018, 05<sup>th</sup> September, 2018, 27<sup>th</sup> September, 2018, 05<sup>th</sup> October, 2018, 13<sup>th</sup> November, 2018, 14<sup>th</sup> February, 2019 and 15<sup>th</sup> March, 2019. Details of attendance of board meetings by Directors are as follows:

<b>Name of the Director</b>	<b>Nos. of meetings attended</b>
Mr. Anil Agarwal	10
Ms. Shikha Garg	10
Mr. Harish Kumar	9
Mr. Rajneesh Kumar	4
Mr. Ravi Kant Sharma	4

The necessary quorum was present in all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Companies Act, 2013.

*\*Mr. Manoj Goyal had resigned from the Board on June 07, 2018.*

#### **COMMITTEES OF THE BOARD:**

##### **AUDIT COMMITTEE:**

The Audit Committee comprises of three directors namely: Mr. Anil Agarwal, Ms. Shikha Garg and Mr. Harish Kumar.

<b>Name of the Member</b>	<b>Nos. of meetings attended</b>
Mr. Anil Agarwal	5
Ms. Shikha Garg	5
Mr. Harish Kumar	4

During the year under review Five Audit Committee Meetings were held on 30<sup>th</sup> May, 2018, 11<sup>th</sup> August, 2018, 17<sup>th</sup> August, 2018, 13<sup>th</sup> November, 2018, and 14<sup>th</sup> February, 2019 and all the recommendations of the Audit Committee were accepted by the Board.

Mr. Manoj Goyal had resigned from the Committee on June 07, 2018 and in place of him Mr. Harish Kumar appointed on the same day and accordingly, was appointed as a member of Audit Committee.

### **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee comprises of three directors namely: Mr. Anil Agarwal, Ms. Shikha Garg and Mr. Harish Kumar.

<b>Name of the Member</b>	<b>Nos. of meetings attended</b>
Mr. Anil Agarwal	5
Ms. Shikha Garg	5
Mr. Harish Kumar	5

During the year under review, five Nomination and Remuneration Committee Meeting was held on 07<sup>th</sup> June, 2018, 05<sup>th</sup> September, 2018, 27<sup>th</sup> September, 2018, 05<sup>th</sup> October, 2018 and 15<sup>th</sup> March, 2019.

Mr. Manoj Goyal had resigned from the Committee on June 07, 2018 and in place of him Mr. Harish Kumar appointed on the same day and accordingly, was appointed as a member of Nomination and Remuneration Committee.

### **STAKEHOLDER RELATIONSHIP COMMITTEE:**

The Stakeholder Relationship Committee comprises of three directors namely: Mr. Anil Agarwal, Ms. Shikha Garg and Mr. Harish Kumar.

<b>Name of the Member</b>	<b>Nos. of meetings attended</b>
Mr. Anil Agarwal	1
Ms. Shikha Garg	1
Mr. Manoj Goel	1

During the year under review one Stakeholders Relationship Committee Meeting was held on 14<sup>th</sup> March, 2018.

Mr. Manoj Goyal had resigned from the Committee on June 07, 2018 and in place of him Mr. Harish Kumar appointed on the same day and accordingly, was appointed as a member of Stakeholder Relationship Committee.

### **FIXED DEPOSITS**

The Company has not accepted fixed deposits in the past or during the year.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the courts/regulators or tribunals impacting the going concern status and company's operations in future.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments affecting the financial position of the company, which have occurred between the end of the financial year of the Company to which the financial statements relate and till the date of this annual report.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

The Company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The Company has designed and put in place adequate Standard Operating Procedures and Limits of Authority Manuals for conduct of its business, including adherence to Company's policies, safeguarding its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

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

## **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

In due compliance with the provisions of the Companies Act, 2013 read with the rules made there under a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of 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 discussed.

## **CORPORATE GOVERNANCE**

As per Regulation 15 of the SEBI (Listing Regulations and Disclosure Obligations Requirements) Regulations, 2015, the provisions of Chapter IV of the said Listing Regulations, 2015, the Compliance with the corporate governance provisions as specified

in Regulations 17, [17A,] 18, 19, 20, 21,22, 23, 24, 24A, 25, 26, 27and clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V shall not be mandatory, for the time being, in respect of the following class of companies:

- The listed entity having Paid up Equity Share Capital not exceeding Rs.10 Crore and Net Worth not exceeding Rs.25 Crore, as on the last day of the previous financial year;
- The Listed Entity which has listed its specified securities on the SME Exchange. Since the Company is neither listed exclusively on the SME Exchange nor its paid-up share capital and net-worth exceeds the prescribed threshold limits therefore, Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 are not applicable on the Company.

### **STATUTORY AUDITORS**

As per section 139 of the Companies Act, 2013 and Rules made there under, M/s. V.N. Purohit & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors of the Company for the term of five years from the Annual General Meeting held on September 30, 2016. The Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors.

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

### **COST AUDIT**

As per the Cost Audit Orders, Cost Audit is not applicable to the Company's for the FY 2018-19.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Kajal Goyal, Practicing Company Secretary as Secretarial Auditor, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2018-19 is enclosed as **Annexure 2** to this Directors' Report.

### **SECRETARIAL AUDITORS REPORT**

The Secretarial Auditor remarks are self-explanatory and do not require any clarification from the Board. Further, the observation describes about the delay in compliance that was due to inadvertent reasons and the same shall be taken care of in the near future.

**DISCLOSURE AS PER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

As per provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an Internal Complaints Committee for redressal of complaints against sexual harassment. There were no complaints/cases filed/pending with the Company during the year.

**CORPORATE POLICY**

We seek to promote and follow the highest level of ethical standards in our business transactions. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on the website of the Company viz. <http://www.superiorfinlease.com>.

The Policies are reviewed periodically by the Board and updated on the basis of need and new Compliance.

The Key Policies are as follows:

<b>Name of the Policy</b>	<b>Brief Description</b>
WHISTLE BLOWER POLICY (VIGIL MECHANISM)	This policy has been established with a view to provide a tool to Directors and Employees of the Company to report to Management genuine concerns including unethical behaviour, actual or suspected fraud or violation of the code or the policy. The Policy also provides for adequate safeguards against victimization of Director(s)/Employee(s) who avail of the mechanism and also provides for direct access to the chairman of the Audit Committee in exceptional cases.
NOMINATION & REMUNERATION POLICY	The Board has on the recommendation of Nomination and Remuneration Committee framed and adopted a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration.
POLICY FOR DETERMINING MATERIAL INFORMATION	The Objective of this policy is to outline the guidelines to be followed by the Company for consistent, transparent and timely public disclosures of material information events/information and to ensure that such information is adequately disseminated to the stock Exchange(s) where the securities of the Company are listed in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality
POLICY OF PRESERVATION OF DOCUMENTS	This policy sets the Standards for classifying, managing and storing the records of the Company. The Purpose of this policy is to establish framework for effective records Management and the process for Subsequent archival of such records
TERMS AND CONDITIONS OF APPOINTMENT	This has prescribed the code of conduct terms and conditions of appointment of the Independent Directors, which are subject to the extant provisions of the applicable

OF INDEPENDENT DIRECTOR	laws, including the Companies Act, 2013 ("2013 Act").
CODE OF CONDUCT FOR DIRECTORS	This Code prescribes the guidelines for the Directors to conduct themselves in the highest degree of dignity, authenticity and compliance standards.
RELATED PARTY TRANSACTION POLICY	In compliance with the Listing Regulations, the Company has the policy for transactions with Related Parties (RPT Policy). During the year, the Company has revised its Policy on dealing with Materiality of Related Party Transactions, in accordance with the amendments to the applicable provisions of the Listing Regulations. The RPT Policy is available on the Company website
RISK MANAGEMENT POLICY	The policy describes the major risks faced by business and the system based approach for risk management, with the clear objectives of identification, evaluation, monitoring and minimisation of the identified risks
POLICY ON FAMILIARIZATION OF INDEPENDENT DIRECTORS	This policy has been formulated to familiarize the independent directors with the Company, the functions of the Company and specify their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various Programs

#### **EMPLOYEES' STOCK OPTION SCHEME**

During the year under review, your Company has not provided any Stock Option Scheme to the employees.

#### **RIGHTS ISSUE OF SHARES**

During the year under review, no Right Issue was made in the financial year 2018-19.

#### **SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of our knowledge and belief and according to the information and explanation obtained by us, your Directors make the following statements in terms of provisions of Section 134 (5) of the Companies Act, 2013, and hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation material departures;
- (b) the directors have 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 have 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 have prepared the annual accounts on a going concern basis;
- (e) the directors, have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:** Not Applicable, as no remuneration was paid to any Director during the financial year under review.
- ii) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:** Not Applicable as the Company has not paid any remuneration to Directors during the financial year under review. Further, there is no increase in the remuneration of CFO and Company Secretary and Compliance officer of the Company during the year.
- iii) **The percentage increase in the median remuneration of employees in the financial year:** Not Applicable
- iv) **The number of permanent employees on the rolls of company:** 5
- v) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Nil

- vi) **the key parameters for any variable component of remuneration availed by the directors:** Nil
- vii) **affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OR MANAGERIAL PERSONNEL) RULES, 2014**

There is no directors/employees in the Company for which disclosure have to be made under the provisions of Rule 5 (2) & (3) of the Companies (Appointment and Remuneration or Managerial Personnel) Rules, 2014.

**A. Details of Top ten employees in terms of remuneration drawn:**

Name & Designation	Age (in Years)	Remuneration per month	Nature of Employment	Qualification & Experience	Date of commencement of Employment	Last Employment	% of Equity Share held	Whether related to Director or Manager
Mr. Vaibhav Vashish CFO	37 years	20000	Whole Time	MCA	15.03.2019	Indian Finance Guaranty Ltd	Nil	No
Mr. Md Hishamuddin CEO	35 years	20000	Whole Time	B.Com	15.03.2019	Indian Finance Guaranty Ltd	Nil	No
Mr. Anil Kumar Deputy Manager	42 years	20000	Whole Time	B.A.	04.01.2018	Indian Finance Guaranty Ltd	Nil	No
Mr. Gajender Kumar Sing Back Office Executive	51 years	18000	Whole Time	B.A.	04.01.2018	Indian Finance Guaranty Ltd	Nil	No
Ms. Shipali Gupta (Company Secretary)	27 Years	Rs. 10000/-	Whole Time	Company Secretary & 3 years	27.09.2018	GST Portal	Nil	No

Note: During the year under review, Ms. Anshika Garg, Company Secretary of the Company had resigned w.e.f. 05.09.2018.

**B. Details of other employees under aforesaid Rules:**

Nil.

**C. Statement showing the name of every employee of the company, who**

- if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees; - **None**

- if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;- **None**
- if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.- **None**

### **GREEN INITIATIVES**

Electronic copies of the Annual Report for the FY 2018-19 and the Notice of the AGM were sent to all the members whose email addresses are registered with the Company / Depository Participants. For members who have not registered their email address, physical copies are sent in the permitted mode.

### **ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation for the dedication, commitment and contribution of all stakeholders and employees of your Company.

**FOR AND ON BEHALF OF THE BOARD  
Superior Finlease Limited**

**Place: New Delhi  
Date: 14.08.2019**

**Rajneesh Kumar  
Director  
DIN: 02463693**

**Ravi Kant Sharma  
Director  
DIN: 07456078**

**MGT-9**  
**Extract of Annual Return**  
**As on the financial year ended on 31.03.2019**

(Pursuant to sec 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014)

**I. CORPORATE INFORMATION:**

i)	CIN:	L74899DL1994PLC061995
ii)	Registration Date:	06.10.1994
iii)	Name of the Company	Superior Finlease Limited
iv)	Category / Sub-Category of the Company	Company Limited By Shares
v)	Address of the Registered office and contact details	NS-92, Khasra No-33/21, Ranaji Enclave, Najafgarh, Near Arjun Park Bus Stand New Delhi - 110043
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	<b>Skyline Financial Services Private Limited</b> D-153, 1st Floor Okhla Industrial Area, Phase-I, New Delhi - 110 020. Tel: 011-2681268

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code (2008) of the Product/ service	% to total turnover of the company
1.	The business of advisors /consultants on finance and lease and to lend and advance money.	64990	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL**

**IV. SHARE HOLDING PATTERN**

**(Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A Promoters</b>									
1 Indian									
a) Individual/HUF	Nil	91,910	91,910	3.06	Nil	91,910	91,910	3.06	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	Nil	91,910	91,910	3.06	-	91,910	91,910	3.06	-
2 Foreign									
a) NRIs	-	-	-	-	-	-	-	-	-
b) Other	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	91,910	91,910	3.06	-	91,910	91,910	3.06	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	91,910	91,910	3.06	-	91,910	91,910	3.06	-
<b>B Public Shareholding</b>									
1 Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture	-	-	-	-	-	-	-	-	-
f) Insurance	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
i-i Foreign Bank	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

2	Non-Institutions									
	a) Bodies Corp.	-	-	-	-	-	-	-	-	-
	i) Indian	25862	0	25862	0.86	54931	-	54391	1.83	-
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals	-	-	-	-	-	-	-	-	-
	i) Individual shareholders holding nominal share capital up to 2 lakh	139450	591290	730740	24.35	100543	87650	188193	6.27	-
	ii) Individual shareholders holding nominal share capital in excess of 2 lakh	1082288	692000	1774288	59.12	1628936	777480	2406416	80.19	-
	c) Others									
	i) Clearing	-	-	-	-	-	-	-	-	-
	ii) Non Resident-Indians	-	-	-	-	-	-	-	-	-
	iii) Overseas	-	-	-	-	-	-	-	-	-
	iv) Trusts	49700	5700	55400	1.85	0	20	20	0.00	-
	v) HUF	179100	143700	322800	10.76	259490	40	259530	8.65	-
	Sub-total (B)(2) :									
	Total Public Shareholding (B)=(B)(1)+									
	TOTAL (A)+(B)	14,76,400	15,24,600	3001000	100	2043900	957100	3001000	100	-
C	Shares held by Custodian for GDRs & ADRs									
	Grand Total (A+B+C)	14,76,400	15,24,600	3001000	100	2043900	957100	3001000	100	-

ii) Shareholding of Promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares / of the company	% of Pledged / encumbered	No. of Shares	% of total Shares of the company	% of Pledged / encumbered	
1.	Anil Kumar Laroiya	10	0.0003	Nil	10	0.0003	Nil	NIL
2.	Parag Mittal	91,900	3.06	Nil	91,900	3.06	Nil	Nil
TOTAL		91,910	3.06	Nil	91,910	3.06	Nil	NIL

iii) Change in Promoters' Shareholding (please specify, if there is no change):

No Change in Promoters' Shareholding during the financial year 2018-19.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Ms. Seema Sharma</b>				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	291204	9.70	291204	9.70
	At the end of the year	291204	9.70	291204	9.70
<b>2.</b>	<b>Mr. Ajay Kumar Singh</b>				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	177081	5.90	177081	5.90
	At the end of the year	177081	5.90	177081	5.90
<b>3.</b>	<b>Ms. Sanjay Kumar Pathak</b>				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	154608	5.15	154608	5.15
	At the end of the year	154608	5.15	154608	5.15



<b>4.</b>	<b>Mr. Kaushliya Sharma</b>				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	137818	4.59	137818	4.59
	At the end of the year	137818	4.59	137818	4.59
<b>5.</b>	<b>Ramanlal Agrawal HUF</b>				
	At the beginning of the year	129100	4.30	129100	4.30
	Shares acquired/sold	0	0	0	0
	At the end of the year	129100	4.30	129100	4.30
<b>6.</b>	<b>Mr. Anita Karki</b>				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	120274	4.01	120274	4.01
	At the end of the year	120274	4.01	120274	4.01
<b>7.</b>	<b>Vikas Bansal HUF</b>				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	117390	3.91	117390	3.91
	At the end of the year	117390	3.91	117390	3.91
<b>8.</b>	<b>Mr. Ahmed Zaheer</b>				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	103976	3.46	103976	3.46
	At the end of the year	103976	3.46	103976	3.46
<b>9.</b>	<b>Ms. Rohit Sharma</b>				
	At the beginning of the year	0	0	0	0
	Shares acquired/sold	101160	3.37	101160	3.37
	At the end of the year	101160	3.37	101160	3.37
<b>10.</b>	<b>Mr. Rahul Kamboj</b>				
	At the beginning of the year	80951	2.70	80951	2.70
	Shares acquired/sold	0	0	0	0
	At the end of the year	80951	2.70	80951	2.70

v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Anil Agarwal (Director)	23000	0.76	23000	0.76
2	Mr. Rajneesh Kumar	230226	7.67	230226	7.67
	<b>Total</b>	<b>23000</b>	<b>0.76</b>	<b>23000</b>	<b>0.76</b>

V.INDEBTEDNESS

Amount in Rs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	-	1,00,09,220	-	1,00,09,220
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total(i+ii+iii)</b>	-	1,00,09,220	-	1,00,09,220
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
Addition	-	62,106,767	-	62,106,767
Reduction	-	-	-	-
<b>Net Change</b>	-	62,106,767	-	62,106,767
<b>Indebtedness at the end of the financial year</b>	-	72,115,987	-	72,115,987
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	72,115,987	-	72,115,987

## VI. Remuneration of Directors and Key Managerial Personnel

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Director
	<b>NIL</b>	
1.	Gross salary	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify...	-
5.	Others, please specify (Retirement Benefits)	-
6.	Total(A)	-

\*The above Salary is for part of the year.

### B. Remuneration to other Directors:

(In Rs.)

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	Anil Agarwal	Ravi Kant Sharma	Harish Kumar	Shikha Garg	
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil
2.	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-

Total (2)	-	-	-	-	-
Total (B)=(1+2)	-	-	-	-	-
Total Managerial Remuneration	Nil				
Overall Ceiling as per the Act	5% of the Net profit of the Company				

C. Remuneration to Key Managerial Personnel Other than MD /Manager /WTD

(In Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary	CEO	CFO	Total
		Shipali Gupta	Md. Hisham uddin	Vaibhav Vashisht	
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961	120000	240000	240000	600000
	(b)Value of perquisites u/s17(2)Income- tax Act,1961				
	(c)Profits in lieu of salary under section17(3)Income-tax Act,1961				
2.	Stock Option	-			
3.	Sweat Equity	-			
4.	Commission - as% of profit - others, specify...	-			
5.	Others, please specify(Retirement Benefits)	-			
6.	Total	120000	240000	240000	600000

**VII. Penalties/Punishment/Compounding Of Offences:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty	None				
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty	None				
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty	None				
Punishment					
Compounding					

**FOR AND ON BEHALF OF THE BOARD  
Superior Finlease Limited**

**Place: New Delhi  
Date: 14.08.2019**

**Rajneesh Kumar  
Director  
DIN: 02463693**

**Ravi Kant Sharma  
Director  
DIN: 07456078**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
 FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2019  
 [Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the  
 Companies (Appointment and Remuneration Personnel) Rules, 2014]

CIN	L74899DL1994PLC061995
AUTHORISED CAPITAL	Rs. 35000000/-
PAID UP CAPITAL	Rs. 30010000/-

To,  
 The Members,  
**Superior Finlease Limited**  
 NS-92, Khasra No-33/21, Ranaji Enclave, Najafgarh,  
 Near Arjun Park Bus Stand New Delhi - 110043

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Superior Finlease Limited** (hereinafter referred to as 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, we hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2019** ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2019** according to the provisions of -

- i. The Companies Act, 2013 ("the Act") and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made under that Act;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI) **(Not Applicable as there was no reportable event during the period under review);**
- 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, 2009;-(**Not Applicable as there was no reportable event during the period under review**);
- (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;-(**Not Applicable as there was no reportable event during the period under review**);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- (**Not Applicable as there was no reportable event during the period under review**);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not Applicable as there was no reportable event during the period under review**);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998-(**Not Applicable as there was no reportable event during the period under review**);

vi. Reserve Bank of India Act, 1934;

vii. Non-Banking Financial (Non-Deposit Accepting or Holding); Companies Prudential Norms (Reserve Bank) Directions, 2015;

**We have also examined compliance with the applicable clauses of the following:**

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- ii. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing agreements entered into by the Company with BSE Limited and the Metropolitan Stock Exchange of India Limited.

**We further report that:**

The Board of Directors of the Company duly constituted with the Independent Directors (Non-Executive 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. However, as required under Section 203 of the Companies Act, 2013,

*the Company has appointed Chief Financial Officer and Chief Executive Officer (Whole- time Key Managerial personnel) w.e.f. 15.03.2019.*

*Further, that the shareholding pattern for the quarter ended June, 2018 was submitted to the exchange on 26.09.2018 as required under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

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.

All decisions at Board Meetings and Committee Meetings thereof carried out with requisite majority.

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

**For Kajal Goyal and Associates  
Company Secretaries**

**Kajal Goyal**  
**Proprietor**  
**M. No.: A54393**  
**C.P. No.: 20082**

**Date:** 9<sup>th</sup> August, 2019  
**Place:** New Delhi

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



## ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
**Superior Finlease Limited**  
NS-92, Khasra No-33/21, Ranaji Enclave, Najafgarh,  
Near Arjun Park Bus Stand New Delhi - 110043

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, I 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. Wherever 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. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Kajal Goyal and Associates**  
**Company Secretaries**

**Kajal Goyal**  
**Proprietor**  
**M. No.: A54393**  
**C. P. No.: 20082**

**Date:** 09<sup>th</sup> August, 2019

**Place:** New Delhi

# **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors is pleased to present the business analysis and outlook of Superior Finlease Limited based on the current government policies and market conditions. The company is into contacts services as well as trading in Fabrics.

### INDUSTRY OVERVIEW

NBFCs have been playing a complementary role to the other financial institutions including banks in meeting the funding needs of the economy. They help fill the gaps in the availability of financial services that otherwise occur in the unbanked & the underserved areas.

The NBFC segment has witnessed considerable growth in the last few years and is now being recognized as complementary to the banking sector due to implementation of innovative marketing strategies, introduction of tailor made products, customer-oriented services, attractive rates of return on deposits and simplified procedures, etc.

NBFCs have been at the forefront of catering to the financial needs and creating livelihood sources of the so-called non bankable masses in the rural and semi-urban areas. Through strong linkage at the grassroots level, they have created a medium of reach and communication and are very effectively serving this segment. Thus, NBFCs have all the key characteristics to enable the government and regulator to achieve the mission of financial inclusion in the given time.

### OUR INDUSTRY SEGMENT

The Non-Banking Financial Companies (NBFC) Sector is still struggling for its growth in India. The NBFC Sector is doing much better all over the world as compared to Asian Countries as the general perception about NBFC in the mind of public is still hazy.

**Superior Finlease Limited** is an NBFC and is engaged mainly in the business of providing loans and advances to various Corporate. The main objective of the Company is to finance Industrial Enterprises by way of making loans and advances to industrial enterprises in India and to carry out all such activities as may be ancillary to the achievement of main objectives of the Company. The industry structure relevant to the Company's operations is mainly concerned with the capital market. The NBFCs have attracted substantial investments during the recent years both from the retail and from the wholesale side. The growth also has been significant during this year.

Your Company's performance for the year 2018- 19 has to be viewed in the context of aforesaid economic and market environment.

## **BUSINESS**

The Company is engaged in the business of providing loans and advances. The Company is registered as Non-deposit taking Non-Banking Finance Company with the Reserve Bank of India. Since the asset size of the company is not more than Rs. 100 crores it is presently Non Systemically Important Non Deposit taking NBFC.

## **OPPORTUNITIES AND THREATS**

Over the years, your Company has achieved an appropriate balance between risk and returns by setting up an efficient risk mitigation system to meet various forms of financial and other risks. The primary risks that the company is exposed to credit risk, market risk and operational risk. Deriving from the long years of experience in NBFC sector your Company's credit policy framework is designed to provide the right balance between business growth and portfolio quality.

## **OUTLOOK AND FUTURE PROSPECTS**

Competition continues to be intense, as the Indian and foreign banks have entered the retail lending business in a big way, thereby exerting pressure on margins. The erstwhile providers of funds have now become competitors. NBFCs can sustain in this competitive environment only through optimization of funding costs, identification of potential business areas, widening geographical reach, and use of technology, cost efficiencies, strict credit monitoring and raising the level of customer service.

## **RISKS & CONCERNS**

In today's complex business environment, almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Globalization, with increasing integration of markets, newer and more complex products & transactions and an increasingly stringent regulatory framework has exposed organizations to newer risks. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance to our continued success. Increased competition and market volatility has enhanced the importance of risk management. The sustainability of the business is derived from the following:

- Identification of the diverse risks faced by the company;
- The evolution of appropriate systems and processes to measure and monitor them;
- Risk management through appropriate mitigation strategies within the policy framework;

- Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review;
- Reporting these risk mitigation results to the appropriate managerial levels.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. These are designed to provide reasonable assurance with respect to maintaining reliable financial and operational information, complying with applicable statutes, executing transactions with proper authorisation coupled with ensuring compliance of corporate policies through documented Standard Operating Procedure (SOP) and Limits Of Financial Authority Manual (LOAM). These documents are reviewed and updated on an ongoing basis to improve the internal control systems and operational efficiency. The company uses a system to record data for accounting and managing information with adequate security procedure and controls.

The Company, through its own internal audit department supported by an external audit firm, carried out periodic audits based on the plan approved by the audit committee and brought out any deviations to internal control procedures. The observations arising out of audit are periodically reviewed and compliance ensured. The summary of the internal audit observations and status of implementation are submitted to the audit committee. The status of implementation of the recommendations is reviewed by the audit committee on a regular basis.

### **ENTERPRISE RISK MANAGEMENT (ERM)**

Company's ERM framework encompasses practices relating to identification, assessment, monitoring and mitigation of strategic, operational, financial and compliance related risks. The coverage includes both internal and external factors. The risks identified are prioritised based on their potential impact and likelihood of occurrence. Risk register and internal audit findings also provide input for risk identification and assessment. The prioritised risks along with the mitigation plan are discussed with the Board Committees on periodic basis.

The Company has, during the year internally conducted the Risk Assessment exercise for reviewing the existing processes of identifying, assessing and prioritizing risks. Mitigation plans have been defined for the prioritised risks and same are being reviewed for adherence periodically.

The Risk Management Committee shall periodically review the risks and report to the Board of Directors from time to time.

### **SEGMENT-WISE PERFORMANCE**

The Company is engaged in a single segment.

## **MATERIAL DEVELOPMENT IN HUMAN RESOURCES**

People remain the most valuable asset of your Company. Your Company is professionally managed with senior management personnel having rich experience and long tenure with the Company. Your Company follows a policy of building strong teams of talented professionals. Your Company encourages, appreciates and facilitates long term careers. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. The Company continues to focus on training programs for skill development, compliance and improved customer experience.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial performance of the Company during the year under reference was reasonably good. For detailed information, please refer to Directors' Report, which forms part of this Annual Report.

## **CAUTIONARY STATEMENT**

There are certain statements in this report which the Company believes are forward looking. The forward looking statements stated in this report could significantly differ from the actual results due to certain risks and uncertainties, including but not limited to economic developments, Government actions, etc.

**FOR AND ON BEHALF OF THE BOARD  
Superior Finlease Limited**

**Place: New Delhi  
Date: 14.08.2019**

**Rajneesh Kumar  
Director  
DIN: 02463693**

**Ravi Kant Sharma  
Director  
DIN: 07456078**

**FINANCIAL STATEMENTS FOR  
THE YEAR ENDED MARCH 31,  
2019**

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## INDEPENDENT AUDITOR'S REPORT

To  
The members of  
**SUPERIOR FINLEASE LIMITED**

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of **SUPERIOR FINLEASE LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2019, the statement of profit and loss, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereby referred as 'the financial statements').

In our opinion and to the best of our information and explanations given to us, the aforesaid 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 Accounting standard (AS) prescribed under section 133 the Companies Act, 2013 read with the Companies (Accounting Standard) Rules, 2006, as amended and the other accounting principles generally accepted in India: -

- i. In case of the Balance Sheet, of the **state of affairs** of the Company as at 31<sup>st</sup> March, 2019;
- ii. In case of Statement of Profit and Loss , of the **profit** for the year ended on that date; and
- iii. In case of Cash Flow Statement, of the **cash flows** for the year ended on that date.

#### Basis for Opinion

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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 the matters described hereunder to be key audit matters to be communicated in our report.

S.No.	Key audit matters	Auditor's response
1.	<p><b><u>Loans and advances:</u></b> -</p> <p>As the primary business of the Company is advancing of loans and during the year significant loan advancing transactions have taken place.</p> <p>We focused on the conditions of disbursement and appropriateness of sanctioning process.</p>	<p>Our audit procedure inter- alia include the following: -</p> <ol style="list-style-type: none"> <li>1. We evaluated the control environment including authorization, sanctioning and disbursement of significant loans advanced during the year.</li> <li>2. We have obtained external confirmations from third parties in respect of transactions and closing balance for significant loans advanced by the company.</li> <li>3. We tested all material entries recorded in connection with the loan advance and interest thereon to determine whether the accounting was appropriate.</li> </ol>
2.	<p><b><u>Compliance of RBI directions and circulars:</u></b></p> <p>The recent RBI regulations increased the responsibility of auditors of NBFCs.</p> <p>As Company is an NBFC, it is responsibility of Company to duly follow the directions and circulars.</p> <p>We focused on the requisite compliance and disclosure as per the requirements in the norms.</p>	<p>Our audit procedure inter- alia include the following: -</p> <p>We have reviewed the conditions for prudential norms prescribed by the RBI including: -</p> <ol style="list-style-type: none"> <li>a) Provision on standard assets.</li> <li>b) Transfer of 20% profit to reserve maintained under section 45-IC of the RBI Act.</li> <li>c) Holding of at least 50% of the financial assets and 50% of the financial income respectively.</li> <li>d) Maintaining minimum Net Owned Fund of Rs. 200 Lakhs.</li> </ol>

## **Information other than the financial statements and Auditor's Report Thereon**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

The Company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 are operating effectively for insuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of the internal controls 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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 reasonable be thought to bear on our independence, and where applicable, relevant safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, 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 reasonable be expected to outweigh the public interest benefits of such communication.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure- A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. The Company is a Non-Banking Financial Company not accepting public deposits and holding certificate of registration no. 14.00199 dated 04/03/1998 issued by the Reserve Bank of India.
  - a. The board of directors of the Company has passed a resolution for the non-acceptance of public deposits.
  - b. The Company has not accepted any public deposits during the relevant year.
  - c. The Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it.
3. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure-B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with 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 has disclosed the impact, if any of pending litigations on its financial position. Refer note 20 to the financial statements.
  - ii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.
  - iii. Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

**FOR V.N. PUROHIT & CO.**

**Chartered Accountants**

Firm Regn. 304040E

**O. P. Pareek**

Partner

Membership No. 014238

New Delhi, the 9<sup>th</sup> day of May, 2019

## ANNEXURE- A TO THE INDEPENDANT AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **SUPERIOR FINLEASE LIMITED** for the year ended on 31<sup>st</sup> March 2019.

- (i) According to the information and explanations given to us, the company does not have any fixed assets and therefore the provisions of this sub-clause are not applicable to the Company;
- (ii) According to the information and explanation given to us, the Company does not have any inventory and therefore the provisions of this sub-clause are not applicable to the Company;
- (iii) According to information and explanations given to us, the Company has granted unsecured loans to parties covered in register maintained under section 189 of the Companies Act, 2013 and;
  - a. According to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interests;
  - b. According to the information and explanations given to us, the unsecured loans are repayable on demand and thus no schedule of repayment of principal and payment of interest has been stipulated;
  - c. No amount is overdue in respect of unsecured loans granted as per stipulation.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 to the extent applicable in respect of loans, advances, guarantees and securities so given.
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed there under are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii)
  - (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;
  - (b) According to information and explanations given to us, there are no outstanding statutory dues on part of the Company which is not deposited on account of dispute.

- (viii) According to information and explanations given to us, the company has not obtained any loans and borrowings from any financial institution, bank, government or dues to debenture holders, therefore the provisions of this sub-clause are not applicable to the Company;
- (ix) According to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer. Neither has the Company obtained any term loans, thus the provisions of this sub-clause are not applicable to the Company;
- (x) To the best of our knowledge and belief, there is no noticed or unreported fraud on or by the Company during the year under audit;
- (xi) According to information and explanations given to us, the Company has not paid any managerial remuneration, thus the provisions of this sub-clause are not applicable to the Company;
- (xii) As per information, the Company is not a Nidhi Company, hence provisions of this sub-clause is not applicable to the Company;
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv) According to information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with him;
- (xvi) According to information and explanations given to us, the Company is a Non- Banking Financial Company duly registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Signed for the purpose of identification

**FOR V.N. PUROHIT & CO.**

**Chartered Accountants**

Firm Regn. No. 304040E

**O.P. Pareek**

Partner

Membership No. 014238

New Delhi, the 9th day of May 2019

## ANNEXURE- B TO THE INDEPNEDANT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of SUPERIOR FINLEASE LIMITED as on 31<sup>st</sup> March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

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

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

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

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



## **Meaning of Internal Financial Controls over Financial Reporting**

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

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

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

## **Opinion**

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on "the internal financial controls over financial reporting criteria 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 V.N. PUROHIT & CO.**

**Chartered Accountants**

Firm Regn. No. 304040E

**O.P. Pareek**

Partner

Membership No. 014238

New Delhi, the 9th day of May 2019

**SUPERIOR FINLEASE LIMITED**

CIN : L74899DL1994PLC061995

BALANCE SHEET AS AT 31ST MARCH 2019

	Notes	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
Share capital	2	30,010,000	30,010,000
Reserves and surplus	3	(866,773)	(1,677,980)
<b>Non- current liabilities</b>			
Long- term provisions	4	228,574	80,739
<b>Current liabilities</b>			
Short- term borrowings	5	72,115,987	10,009,220
Trade Payables	6	36,890	
Other current liabilities	7	1,235,714	1,329,086
<b>Total</b>		<b>102,760,393</b>	<b>39,751,065</b>
<b>ASSETS</b>			
<b>Non- current assets</b>			
Non current investments	8	8,225,113	6,403,000
Long term loans and advances	9	91,429,663	32,295,745
<b>Current Assets</b>			
Cash and cash equivalents	10	2,927,814	859,508
Short term loans & advances	11	108,819	192,812
Other current assets	12	68,983	-
<b>Total</b>		<b>102,760,393</b>	<b>39,751,065</b>
Notes on the financial statements	1-27		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of  
Superior Finlease Limited

O. P. Pareek  
Partner  
Membership No. 014238

RAJNEESH KUMAR  
Director  
DIN: 02463693

RAVI KANT SHARMA  
Director  
DIN:07456078

New Delhi, the 9th day of May 2019

Shipali Gupta  
Company Secretary  
PAN : BAEPG0448K

Mohd. Hishamuddin  
CEO  
PAN : ACTPH4397N

Vaibhav Vashist  
CFO  
PAN:ALDPV3126C

**SUPERIOR FINLEASE LIMITED**

CIN : L74899DL1994PLC061995

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2019

	Notes	For the year ended 31st March 2019 (Rupees)	For the year ended 31st March 2018 (Rupees)
<b>Income</b>			
Revenue from operations	13	2,606,573	2,239,305
<b>Total Revenue (I)</b>		<b>2,606,573</b>	<b>2,239,305</b>
<b>Expenses</b>			
Employee benefit expenses	14	372,169	447,483
Finance cost	15	-	28,938
Other expenses	16	905,643	1,287,295
<b>Total Expenditure (II)</b>		<b>1,277,812</b>	<b>1,763,716</b>
<b>Profit Before Tax</b>		<b>1,328,761</b>	<b>475,589</b>
Tax expenses: -			
Current tax		(369,718)	(122,464)
<b>Profit/ (Loss) for the year</b>		<b>959,043</b>	<b>353,125</b>
<b>Earning per equity share (EPS)</b> [nominal value of share Rs. 10]			
Basic		0.32	0.12
Diluted		0.32	0.12

Notes on the financial statements 1-27

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

Signed for the purpose of verification

FOR V.N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of  
Superior Finlease Limited

O. P. Pareek  
Partner  
Membership No. 014238

RAJNEESH KUMAR  
Director  
DIN: 02463693

RAVI KANT SHARMA  
Director  
DIN:07456078

New Delhi, the 9th day of May 2019

Shipali Gupta  
Company Secretary  
PAN : BAEPG0448K

Mohd. Hishamuddin  
CEO  
PAN : ACTPH4397N

Vaibhav Vashist  
CFO  
PAN:ALDPV3126C

**SUPERIOR FINLEASE LIMITED**

CIN : L74899DL1994PLC061995

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2019**

	<b>For the year ended 31st March 2018 (Rupees)</b>	<b>For the year ended 31st March 2017 (Rupees)</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/ (loss) before tax and after extra- ordinary items	1,328,761	475,589
<b>Adjustments for items: -</b>		
Interest paid	-	28,938
Operating Profit before working capital changes	<u>1,328,761</u>	<u>504,527</u>
<b>Working capital adjustments: -</b>		
(Increase)/decrease in loans and advances	96,000	(15,840)
(Increase)/decrease in other assets	(68,983)	-
Increase/(decrease) in other liabilities	(93,372)	66,691
Increase/(decrease) in trade payables	36,890	-
Cash generated from operations	<u>1,299,296</u>	<u>555,378</u>
Direct taxes paid	(381,725)	(208,796)
<b>Net cash flow from operating activities (A)</b>	<u><b>917,570</b></u>	<u><b>346,582</b></u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale/(purchase) of Investments	(1,822,113)	1,988,000
Loans advanced	(59,133,918)	(3,154,996)
<b>Net cash flow from investing activities (B)</b>	<u><b>(60,956,031)</b></u>	<u><b>(1,166,996)</b></u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net proceeds from borrowings	62,106,767	1,000,000
Interest paid	-	(28,938)
<b>Net Cash flow from financing activities (C)</b>	<u><b>62,106,767</b></u>	<u><b>971,062</b></u>
<b>Net cash flow during the year (A + B + C)</b>	2,068,306	150,648
Add: Opening cash and cash equivalents	859,508	708,860
<b>Closing cash and cash equivalents</b>	<u><b>2,927,814</b></u>	<u><b>859,508</b></u>
<b>Components of cash and cash equivalents</b>		
Cash on hand	812,086	832,924
Balances with banks in current accounts	2,115,728	26,584
<b>Total cash and cash equivalents (Note 10)</b>	<u><b>2,927,814</b></u>	<u><b>859,508</b></u>

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

**FOR V.N. PUROHIT & CO.**  
Chartered Accountants  
Firm Regn. No. 304040E

**For and on behalf of the Board of Directors of  
Superior Finlease Limited**

**O. P. Pareek**  
Partner  
Membership No. 014238

**RAJNEESH KUMAR**  
Director  
DIN: 02463693

**RAVI KANT SHARMA**  
Director  
DIN:07456078

New Delhi, the 9th day of May 2019

**Shipali Gupta**  
Company Secretary  
PAN : BAEPG0448K

**Mohd. Hishamuddin**  
CEO  
PAN : ACTPH4397N

**Vaibhav Vashist**  
CFO  
PAN:ALDPV3126C

## SUPERIOR FINLEASE LIMITED

CIN : L74899DL1994PLC061995

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019

2. Share Capital	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
<b>Authorised shares</b>		
35,00,000 ( 31 March 2018: 35,00,000) equity shares of Rs. 10 each	<u>35,000,000</u>	<u>35,000,000</u>
<b>Issued, subscribed and fully paid- up shares</b>		
30,01,000 (31 March 2018: 30,01,000) equity shares of Rs. 10 each	<u>30,010,000</u>	<u>30,010,000</u>
<b>Total issued, subscribed and fully paid- up share capital</b>	<u><b>30,010,000</b></u>	<u><b>30,010,000</b></u>

### a. Reconciliation of Shares outstanding at the beginning and at the end of reporting period

	As at 31st March 2019		As at 31st March 2018	
	Nos.	(Rupees)	Nos.	(Rupees)
Equity shares at the beginning of the period	3,001,000	30,010,000	3,001,000	30,010,000
Issue/ Changes during the year	-	-	-	-
<b>Equity shares at the end of the reporting period</b>	<u><b>3,001,000</b></u>	<u><b>30,010,000</b></u>	<u><b>3,001,000</b></u>	<u><b>30,010,000</b></u>

### b. Terms and rights attached to equity shares

The company has issued only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

### c. Details of shareholders holding more than 5% shares in the company

	As at 31st March 2019		As at 31st March 2018	
	Nos.	% holding	Nos.	% holding
Seema Sharma	291,204	9.70%	-	0.00%
Rajneesh Kumar	230,226	7.67%	-	0.00%
Ajay Kumar Singh	177,081	5.90%	-	0.00%
Sanjay Kumar Pathak	154,608	5.15%	-	0.00%
Ginny Garg	59,815	1.99%	213,400	7.11%
Gunjan Garg	-	0.00%	199,100	6.63%
Mukesh Garg	-	0.00%	202,600	6.75%

## 3. Reserves and Surplus

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
<b>Special Reserve u/s 45-IC of the RBI Act, 1934</b>		
Opening Balance	354,581	283,956
Add: Transfer from the statement of profit and loss	<u>191,809</u>	<u>70,625</u>
	546,390	354,581
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Balance as per last financial statements	(2,032,561)	(2,307,174)
Add: Profit/(loss) for the year	959,043	353,125
Less: Transfer to Reserve u/s 45-IC of RBI Act	(191,809)	(70,625)
Less: Standard Provision on loan portfolio	<u>(147,835)</u>	<u>(7,887)</u>
<b>Net Surplus/(deficit) in the statement of profit and loss</b>	<u><b>(1,413,162)</b></u>	<u><b>(2,032,561)</b></u>
	<u><b>(866,773)</b></u>	<u><b>(1,677,980)</b></u>

## 4. Long- term provisions

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
<b>Contingent provision against standard assets (Note 4.1)</b>		
Opening balance	80,739	72,852
Addition/ (written off) during the year	<u>147,835</u>	<u>7,887</u>
Closing balance	<u><b>228,574</b></u>	<u><b>80,739</b></u>
	<u><b>228,574</b></u>	<u><b>80,739</b></u>

4.1 A contingent provision of 0.25% (0.25% till 31st March, 2018) against standard assets has been created on their respective outstanding amount considering RBI circular Ref. No. DNBR (PD) CC.No. 002/03.10.001/2014-15 dated November 10, 2014.

## SUPERIOR FINLEASE LIMITED

CIN : L74899DL1994PLC061995

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019

### 5. Short- term borrowings

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
Loan from related parties (unsecured)	4,109,220	4,009,220
Loan from body corporates (unsecured)	68,006,767	6,000,000
	<u>72,115,987</u>	<u>10,009,220</u>

### 6. Trade Payables

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
For services other than MSME(s)	36,890	-
	<u>36,890</u>	<u>-</u>

6.1 There are no dues to Micro, Small and Medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as on Balance Sheet Date. The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company and has been duly relied upon by the auditors of the Company.

### 7. Other current liabilities

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
Audit fees payable	43,200	43,200
Expenses payable (Note 7.1)	1,186,014	1,282,686
TDS payable	6,500	3,200
	<u>1,235,714</u>	<u>1,329,086</u>

7.1 Expenses payable includes a sum of Rs. 11,86,014 (31 March 2018: 11,87,814) payable to Sh. Anil Agarwal, director against expenses of the Company personally paid by him.

### 8. Non- current investments

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
<u>Investments in equity shares, quoted (at cost)</u>		
20,852 (31 March 2018: Nil) equity shares of Rs. 10 each fully paid up in Lakshmi Vilas Bank Ltd.	1,822,113	-
<u>Investments in equity shares, unquoted (at cost)</u>		
1,713 (31 March 2018: 1,713) equity shares of Rs. 10 each fully paid up in Easy Buildcon Private Limited	197,000	197,000
64,000 (31 March 2018: 64,000) equity shares of Rs. 10 each fully paid up in Jay Dee Securities & Finance Limited	640,000	640,000
14,000 (31 March 2018: 14,000) equity shares of Rs. 10 each fully paid up in Kautilya Agencies Private Limited	140,000	140,000
1,17,500 (31 March 2018: 1,17,500) equity shares of Rs. 10 each fully paid up in LGR Leasing Private Limited	2,325,000	2,325,000
48,000 (31 March 2018: 48,000) equity shares of Rs. 10 each fully paid up in Saryu Securities Private Limited	72,000	72,000
52,900 (31 March 2018: 52,900) equity shares of Rs. 10 each fully paid up in Utrakhand Promoters Private Limited	1,169,000	1,169,000
36,000 (31 March 2018: 36,000) equity shares of Rs. 10 each fully paid up in Vanish Industries Private Limited	360,000	360,000
1,50,000 (31 March 2018: 1,50,000) equity shares of Rs. 10 each fully paid up in Vatanukulit Securities Private Limited	1,500,000	1,500,000
	<u>8,225,113</u>	<u>6,403,000</u>

### 9. Long term loans & advances

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
<u>Loan Portfolio (unsecured, considered good) (Note 9.1)</u>		
(loans include interest accrued)		
Loan to body corporates	76,191,600	27,484,933
Loan to others	15,238,063	4,810,812
	<u>91,429,663</u>	<u>32,295,745</u>

9.1 Standard assets - as per the classification of loans under the RBI guidelines.

**SUPERIOR FINLEASE LIMITED**

CIN : L74899DL1994PLC061995

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019

**10. Cash and cash equivalents**

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
Cash on hand (as certified)	812,086	832,924
Balances with banks in current accounts	2,115,728	26,584
	<u>2,927,814</u>	<u>859,508</u>

**11. Short term loans & advances**

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
Security deposit (rent)	-	96,000
Advance income tax (net of provisions)	71,838	59,831
MAT credit entitlement	36,981	36,981
	<u>108,819</u>	<u>192,812</u>

**12. Other current assets**

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
Advance to suppliers	68,983	-
	<u>68,983</u>	<u>-</u>

**13. Revenue from operations**

	For the year ended 31st March 2019 (Rupees)	For the year ended 31st March 2018 (Rupees)
Interest on loans	2,606,573	2,239,305
	<u>2,606,573</u>	<u>2,239,305</u>

**14. Employee benefits expense**

	For the year ended 31st March 2019 (Rupees)	For the year ended 31st March 2018 (Rupees)
Salaries & allowances	365,130	420,468
Staff welfare expenses	7,039	27,015
	<u>372,169</u>	<u>447,483</u>

**15. Finance costs**

	For the year ended 31st March 2019 (Rupees)	For the year ended 31st March 2018 (Rupees)
Interest charges	-	28,938
	<u>-</u>	<u>28,938</u>

**16. Other expenses**

	For the year ended 31st March 2019 (Rupees)	For the year ended 31st March 2018 (Rupees)
Advertisement expenses	24,338	55,533
Payment to statutory auditors (Note21)	56,640	77,366
Electricity expenses	6,229	12,848
Internet expenses	988	4,803
Legal & professional charges	145,540	131,090
Listing fees	359,900	446,150
Loss on intraday trading in investments	22,639	-
Miscellaneous expense	24,986	34,878
Office expenses	1,940	9,720
Office maintenance charges	5,703	22,408
Penalty	93,232	-
Registrar & depository charges	48,591	79,700
Rent expenses	96,000	384,000
Travelling & conveyance expenses	6,754	24,299
Website expenses	12,164	4,500
	<u>905,643</u>	<u>1,287,295</u>

## **1. Significant Accounting Policies**

### **A. Basis of preparation of financial statements**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles (Indian GAAP), including Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting periods.

### **B. Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialized.

### **C. Revenue recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company & revenue is reliably measured. Interest on loans advanced is accounted for over the period of the contract by applying the interest rate implicit in such contracts.

Having regard to the size, nature and level of operation of the business, the company is applying accrual basis of accounting for recognition of income earned and expenses incurred in the normal course of business.

### **D. Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Borrowing costs are capitalized as part of the cost of a qualifying asset when it is probable that they will result in future economic benefits to the enterprise and the costs can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

### **E. Investments**

Current investments are carried at lower of cost and quoted/ fair value, computed category-wise. Non-current investments are stated at cost. Provision for diminution in the value of Non-current investments is made only if such a decline is other than temporary.

### **F. Accounting for Taxes on Income**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period.

### **G. Earnings per share**



Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

#### H. Cash Flow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature, reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period.

#### I. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into loan amounts of cash and which are subject to insignificant risk of changes in values.

#### J. Investments

Investments are classified into long term investments and current investments. Investments that are intended to be held for one year or more are classified as long term investments and investments that are intended to be held for less than one year are classified as current investments.

Long term investments are valued at cost. Provision for diminution in the value of long term investments is made if in the opinion of the management such a decline is other than temporary. Current investments are valued at cost or market value, whichever is lower. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit or loss.

17. Transaction entered with the related parties covered by the Accounting Standard (AS) - 18 on 'Related Party Disclosures' during the period covered by these financial statements.

(i)	Key Management Personnel	Mr. Anil Agarwal (Director) Ms. Shikha Garg (Director) Mr. Rajneesh Kumar (Director) Mr. Harish Kumar (Director) Mr. Ravi Kant Sharma (Director) Mr. Manoj Goel (Past Director) Mr. VaibhavVashisht (CFO) Ms. Shipali Gupta (Company Secretary) Ms. Anshika Garg (Past Company Secretary) Mr. Mohd. Hishamuddin (C.E.O.)
(ii)	Relatives of Key Management Personnel	None
(iii)	Enterprises owned or significantly influenced by Key	M/s. Indian Finance guaranty Limited

	Management Personnel or their Relatives	
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**Transaction with related parties:**

Transaction with	Nature of transaction	Year ended		Balances as at	
		31/03/2019 (Rs.)	31/03/2018 (Rs.)	31/03/2019 (Rs.)	31/03/2018 (Rs.)
<u>Key Management Personnel:</u> -					
Mr. Rajneesh Kumar	Loan received	1,00,000	Nil	1,00,000	Nil
Mr. Vaibhav Vashisht	Salary	80,000	Nil	Nil	Nil
Mr. Mohd. Hishamuddin	Salary	75,000	Nil	Nil	Nil
Ms. Anshika Garg	Salary	50,000	1,20,000	Nil	10,000
M/s. Indian Finance Guaranty Limited	Loan given	6,11,50,000	Nil	5,90,90,000	Nil
	Loan recovered	20,60,000	Nil	Nil	Nil
	Interest income	20,85,510	Nil	4,89,579	Nil

18. Balance shown under head sundry debtors, creditors and advances are subject to confirmation.

19.	<b>Particulars</b>	<b>31/03/2019</b>	<b>31/03/2018</b>
		<b>(Rs.)</b>	<b>(Rs.)</b>
	Earnings/ remittances and/or expenditure in foreign currency	Nil	Nil

20.	<b>Particulars</b>	<b>31/03/2019</b>	<b>31/03/2018</b>
		<b>(Rs.)</b>	<b>(Rs.)</b>
	Contingent liabilities provided for Pending litigations by/against the Company	Nil None	Nil None

21. Break- up of payments made to statutory auditors (including taxes) is disclosed as under: -

	<b>Particulars</b>	<b>31/03/2019</b>	<b>31/03/2018</b>
		<b>(Rs.)</b>	<b>(Rs.)</b>
	In respect of statutory audit (including tax audit)	47,200	43,200
	In respect of taxation matters	Nil	23,000
	In respect of certification	9,440	11,166
	<b>TOTAL</b>	<b>56,640</b>	<b>77,366</b>

22. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
23. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
24. The financial statements were approved for issue by the Board of Directors on 09th May, 2019.
25. Previous year's figures have been re- arranged or re- grouped wherever considered necessary.
26. Figures have been rounded off to the nearest rupees.
27. Figures in brackets indicate negative (-) figures unless specified otherwise.

Signed for the purpose of Identification

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
Firm Regn. 304040E

**For and on behalf of the Board of Directors of  
Superior Finlease Limited**

**O. P. Pareek**  
Partner  
Membership No. 014238

**Rajneesh Kumar**  
Director  
DIN:02463693

**Ravi Kant Sharma**  
Director  
DIN: 07456078

New Delhi, the 9<sup>th</sup> day of May 2019

**Shipali Gupta**  
Company Secretary  
PAN: BAEPG0448K

**Mohd.Hishamuddin**  
CEO  
PAN : ACTPH4397N

**Vaibhav Vashisht**  
CFO  
PAN: ALDPV3126C

## SUPERIOR FINLEASE LIMITED

CIN : L74899DL1994PLC061995

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH 2019

### Annexure-I

#### Schedule appended to the Balance Sheet of a Non-Systemically Important Non-Deposit taking Non-Banking Financial Company

[as required in terms of Paragraph 13 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015]

Amount (Rs in lacs)

#### Particulars

#### Liabilities Side :

1 Loans and advances availed by the Non-Banking Financial Company (NBFCs) inclusive of interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
(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	721.16	-
(e) Commercial Paper	-	-
(f ) Public Deposits	-	-
(g) Other Loans #	41.09	-

# From Directors

#### Assets Side :

2 Break-up of Loans and Advances including bills receivables [other than those included in 4 below]	Amount Outstanding (Rs. in lacs)
(a) Secured	-
(b) Unsecured	914.30

<b>3 Break up of Leased Assets and stock on hire and other Assets counting towards AFC activities</b>	<b>Amount Outstanding (Rs. in lacs)</b>
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial Lease	-
(b) Operating Lease	-
(ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards AFC activities	-
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-
<b>4 Break-up of Investments :</b>	<b>Amount Outstanding (Rs. in lacs)</b>
<b><u>Current Investments</u></b>	
<b><u>1. Quoted :</u></b>	
(i) Shares :	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual fund	-
(iv) Government Securities	-
(v) Others	-
<b><u>2. Unquoted :</u></b>	
(i) Shares :	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual fund	-
(iv) Government Securities	-
(v) Others	-
<b><u>Long Term Investments :</u></b>	
<b><u>1. Quoted :</u></b>	
(i) Shares :	
(a) Equity	18.22
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual fund	-
(iv) Government Securities	-
(v) Others	-
	-

**2. Unquoted :**

(i) Shares :		
(a) Equity		82.25
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual fund		-
(iv) Government Securities		-
(v) Others (Gold Bars)		-

**5 Borrower group-wise classification of assets financed as in (2) and (3) above :**

Category	Amount net of Provisions (Rs. in Lacs)		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	914.30	914.30
<b>Total</b>			<b>914.30</b>

**6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

	Market Value / Break up or fair value or NAV in Lacs)	Book Value (Net of Provisions) (Rs.in Lacs)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	78.73	82.25
<b>Total</b>		<b>82.25</b>

**7 Other information**

Particulars	Amount (Rs. in Lacs)
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Assets acquired in satisfaction of debt	-

**Auditor's Report**

*"As per our separate report of even date"*

**For V. N. Purohit & Co.**  
**(Chartered Accountants)**

FRN No. 304040E

**For and on behalf of Board of Directors of**  
**Superior Finlease Limited**

**O.P. pareek**  
**Partner**

Membership No.: 014238

New Delhi, the 09th May, 2019

<b>Rajneesh Kumar</b>	<b>Ravi kant Sharma</b>	<b>Mohd Hishamuddin</b>
Director	Director	CEO
DIN: 02463693	DIN: 07456078	ACTPH4397N

<b>Vaibhav Vashist</b>	<b>Shipali Gupta</b>
CFO	Company Secretary
ALDPV3126C	BAEPG0448K