

BHAGYASHREE LEASING AND FINANCE LIMITED

**26TH ANNUAL REPORT FOR THE FINANCIAL YEAR 2019-20
BHAGYASHREE LEASING AND FINANCE LIMITED
CIN - L65910PN1994PLC138655
(1ST FLOOR, KUMAR CAPITAL, 2413, EAST STREET, CAMP PUNE 411001 MH IN)**

BHAGYASHREE LEASING AND FINANCE LIMITED
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CORPORATE INFORMATION

Board of Directors (As on 04th September, 2020)

Mr. Rajas Vimalkumar Jain	Chairman, CEO and Executive Director
Mr. Ameya Inder Jain	Executive Director and CFO
Mrs. Ranjana Inderkumar Jain	Non-Executive (Non-Independent)
Mr. Mangesh Nandkumar Gulunekar	Non-Executive (Independent)

Registrar & Transfer Agent:

Skyline Financial Services (P) Ltd.
D-153 A, 1st Floor, Okhla Industrial Area, Phase – I, New Delhi-110 020.

Statutory Auditors:

M/s. M D S & Co.,
LLP Chartered Accountants
(FRN- 100118W)

Secretarial Auditors:

M/s. SNA & Associates,
Practicing Company Secretary

Registered office:

1ST Floor, Kumar Capital, 2413, East Street, Camp
Pune 411001 MH IN
Tel. 26350660, 30528888 FAX: 91-20-26353365
Email- manjiri.h@kumarworld.com

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AGM NOTICE

NOTICE is hereby given that the **26th Annual General Meeting (“AGM”)** of **Bhagyashree Leasing and Finance Limited** (“the Company”) will be held on **Wednesday, 30th September 2020** at **03:30 P.M.** at the registered office of the Company situated at **1st Floor, Kumar Capital, 2413, East Street, Camp Pune 411001** to transact the following businesses:

ORDINARY BUSINESSES:-

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, including the audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.**
- 2. To appoint a director in place of Smt. Ranjana Jain (DIN 00035305), who retires by rotation and being eligible offers herself for re-appointment.**

By and on behalf of the Board of Directors
For **BHAGYASHREE LEASING AND FINANCE LIMITED**

Rajas Jain
Director | DIN: 00037599

Date: 4th September, 2020
Place: Pune

NOTES

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”/ “AGM”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

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

2. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to Section 113 of the Act authorising their representative(s) to attend and vote on their behalf at the Meeting.
3. Members/Proxies should fill in the Attendance Slip for attending the Meeting and bring their Attendance Slip along with their copy of the annual report to the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members holding shares in electronic form are requested to write their DP ID and Client ID and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays during business hours up to the date of the Meeting.
7. The Register of Members and Transfer Books of the Company shall remain closed from **24th day of September 2020** to **30th day of September 2020** (both days inclusive) for the purpose of AGM.
8. Members holding shares in electronic form are requested to intimate any change in their address or bank mandates to their Depository Participants with whom they are maintaining Demat accounts immediately. Members holding shares in physical form are also requested to intimate any change of address or bank mandates immediately to the Company/ Registrar and Transfer Agent, Skyline Financial Services Pvt. Ltd. (hereinafter referred to as “RTA”/ “Skyline”).

9. Non-resident Indian Members are requested to inform Skyline immediately on:
- a) the change in the residential status on return to India for permanent settlement; and
 - b) the particulars of the bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank, if not furnished earlier.
10. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form, therefore, requested, to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Transfer Agent.
11. The details of the Director seeking re-appointment under item no. 2 of the accompanying Notice, as required under Regulation 36 (3) of the Listing Regulations are given in Annexure to the notice.
12. Members holding shares in single name and physical form are advised to make a nomination in respect of their shareholding in the Company.
13. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Skyline, for consolidation into a single folio.
14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication's including Annual Report, Notices, Circulars, etc. From the Company electronically.
15. Members may note that the Road map to the venue of the AGM is provided at the end of the Annual Report.

16. Voting through electronic means:

- I) In compliance with Regulation 44 of Listing Regulations, Section 108 of the Act, and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Company is pleased to provide its Members, facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means. The facility of casting the votes by the Members using an electronic voting system from a place other than the venue of the AGM ("remote e-voting") will be provided by Skyline.
- II) Board has appointed Ms. CS Smita Jaju, Practicing Company Secretary (Membership No. 7549 & COP No.8236) as the Scrutinizer ("the Scrutinizer") to

scrutinize the remote e-voting and voting process at the AGM in a fair and transparent matter.

- III) The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.
- IV) The Members who have cast their votes by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

INSTRUCTIONS FOR SHAREHOLDERS TO VOTE ELECTRONICALLY:

Step-1

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 or on mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under the '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 e-services 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 :**

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) 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***
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5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to log in 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.

6. 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 digits client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
7. 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.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on 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 mentioning your Demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

8. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the checkbox.
9. Now, you will have to click on the “Login” button.
10. After you click on the “Login” button, the Home page of e-Voting will open.

Step-2

How to cast your vote electronically on NSDL e-Voting system?

1. After a 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 the whose voting cycle is in active status.
3. Select “EVEN” of the 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 smitajcs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take the 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 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 or call on toll-free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to (manjiri.h@kumarworld.com).

In case shares are held in Demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to (manjiri.h@kumarworld.com).

2. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

Other Instructions

- i. The remote e-voting period commences on **Sunday, September 27th, 2020 (9:00 a.m.)** and ends on **Tuesday, September 29, 2020 (5.00 p.m.)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off date i.e. **Thursday, September 24th, 2020** (“Cut-Off date”), may cast their vote by remote e-voting during the said period. 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 the 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 voting, either through remote e-voting or voting at the AGM through the electronic voting system or poll paper.
- iii. In case of any grievances related to e-voting you may contact **Ms. Manjiri Harischandrakar, Group Company Secretary** of the Company through

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Contact No. 9850888124 or by writing an e-mail at manjiri.h@kumarworld.com.

- iv. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/ her existing User ID and password for casting the vote.
- v. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- vi. The result declared along with the Scrutinizer's Report shall be placed on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

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ANNEXURE TO THE NOTICE

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE AGM

{Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

Name of the Director	RANJANA JAIN
DIN	00035305
Date of Birth	22/04/1964
Date of Appointment	20/03/2015
Qualification	Graduate
Relationship with other Directors	Mother of Mr Ameya Jain (Director and CFO of the Company)
Directorship of Other Companies	NIL
Chairman/ Member of Committee of Other Companies	NIL
Shareholding in the Company	799670 shares

Expertise in the specific functional area:

Smt. Ranjana Jain was appointed as the Director of the Company on 20th March, 2015 and is associated with the company for a last 5 years. Her in built expertise in the field of finance and long-term visionary approach has been contributing towards establishing effective business operations she directs the annual operating review process, oversees financial reporting and analysis and drives continuous improvement of finance processes.

By and on behalf of the Board of Directors
For **BHAGYASHREE LEASING AND FINANCE LIMITED**

Rajas Jain
Director | DIN: 00037599

Date: 4th September, 2020
Place: Pune

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DIRECTORS' REPORT

To
The Members of
Bhagyashree Leasing and Finance Limited (the "Company")
Pune

Your Directors present the **26th Annual Report** together with the Audited Financial Statements of the Company for the year ended on **31st March 2020**.

Directors have tried to maintain coherence in disclosures and flow of the information by clubbing required information topic-wise, and thus certain information which is required in Directors Reports clubbed elsewhere and has to be read as a part of Directors' Report.

FINANCIAL RESULTS

The financial results of the Company for the year under review as compared to the previous year are as under:

(Rupees in INR)

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Total Income	17,43,513	13,30,417
Total Expenses	9,09,165	5,47,779
Profit/(Loss) before tax	8,34,348	7,82,638
b) Deferred Tax	3,45,908	5,24,871
Profit after tax	4,88,440	2,57,767

PERFORMANCE OF THE COMPANY

During the year under review, there is no revenue from the main business activity of the Company;

Your Directors are positive that in the foreseeable future the company will begin its operations and establish itself in the market as soon as possible.

Current scenario and future prospects

In the mid-month of February 2020, the COVID-19 pandemic developed rapidly into

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a global crisis, forcing governments to enforce lockdowns of all economic activity and enforced social distancing in the public places and offices.

The Directors are aware of prospective challenges and are confident of growth, both in terms of market capitalization and in concrete monetary terms in the foreseeable future.

STATE OF COMPANY'S AFFAIRS

Your Company has earned other income of Rs.17,43,513/- as against the profits of Rs.13,30,417/- in the previous year. As the Company has not earned any revenue from operations it has been taking measures to adopt suitable business practices and looking forward to good opportunities in the near future.

CHANGE IN THE NATURE OF BUSINESS

The Company has not changed its nature of business during the period under review i.e. Financial Year 2019-20.

DIVIDEND

Your Directors does not recommend dividend for the period under review.

RESERVES

During the year the Company has not transferred any amount to any of its reserves. The outstanding balance of reserves of the Company is as follows-

Reserves	Amount (in Rs. actual)
Capital Reserves	9,70,000
Statutory Reserves	20,168

DEPOSITS

During the year under report, your Company has not accepted any deposit from the public pursuant to the provisions of Section 73 to 76A of the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Composition of the Board of Directors:

Pursuant to the provisions of Section 152 (6) (C) of the Companies Act, 2013, Smt. Ranjana Jain (DIN 00035305) Director is liable to retire by rotation and being eligible offer herself for re-appointment.

Mr. Ashok Hemchand Palesha and Mr. Harish Prakash Chopada were re-appointed as Non-Executive Independent Directors of the Company with effect from 30th September, 2019.

Except the above, there is no change in the Composition of the Board during the reporting period.

KEY MANAGERIAL PERSONNEL

Mr. Rajas Jain is a Chief Executive Officer, Mr. Ameya Jain is a Chief Financial Officer of the Company and during the year Mr. Sunil Patel has been appointed as Company Secretary of the Company with effect from 13th June, 2019.

BOARD OF DIRECTORS

A. COMPOSITION:

As on March 31, 2020, the Board comprised six members, consisting of two executive directors, four non-executive directors and three independent directors. An independent director is the chairperson of each of the Board committees – namely Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee.

As required under Section 149(3) of the "the Act", Mrs. Ranjana Jain (DIN 00035305), a woman Director, is on Board designated as Woman Director.

B. BOARD MEETINGS HELD DURING THE YEAR:

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. Minimum four Board meetings are held every year (one meeting in every calendar quarter). Additional meetings are held to address specific needs of the Company.

During the Financial Year 2019-20, the Board of Directors met six times. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Companies Act 2013.

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Board Meetings held during the Year

Sr. No.	Dates on which Board Meetings were held	Total Strength of the Board	No. of Directors present
1.	May 30, 2019	6	3
2.	June 13, 2019	6	4
3.	August 13, 2019	6	5
4.	September 03, 2019	6	5
5.	December 12, 2019	6	5
6.	February 04, 2020	6	6

C. COMPOSITION OF THE BOARD AND DIRECTORSHIP HELD DURING THE YEAR 2019-20 AND NO OF MEETINGS ATTENDED:

Name of the Director	Category	Attendance of Meeting during 2019-20		No of Director ship in other public limited Companies	No of Membership, Chairmanship board Committees of the other Companies		Share holding of the Director
		Board Meeting	Last AGM		As Chairman	As Member	
Ranjana Jain	Non-Executive (Non-Independent)	4	Yes	Nil	Nil	Nil	799670
Rajas Jain	Executive Director	6	Yes	Nil	Nil	Nil	271295
Ameya Jain	Executive Director	6	Yes	Nil	Nil	Nil	Nil
Mangesh Gulunekar	Non-Executive (Independent)	4	Yes	Nil	Nil	Nil	Nil
Ashok Palesha	Non-Executive (Independent)	5	Yes	Nil	Nil	Nil	Nil
Harish Chopada	Non-Executive (Independent)	2	Yes	Nil	Nil	Nil	Nil

COMMITTEES OF THE BOARD:

The Board of Directors have constituted following committees in order to effectively cater its duties towards diversified role under the “the Act” and Equity Listing Agreement with the Stock Exchange wherever applicable:

- Audit Committee;
- Stakeholders Relationship Committee;
- Nomination and Remuneration Committee;

Details of the constitution, terms of references of each Committee and number of meetings attended by individual member, etc. are provided below.

A. AUDIT COMMITTEE:

Pursuant to the Companies Act 2013 and the NBFC Regulations, the Company has constituted an Audit Committee. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Companies Act 2013, the SEBI Listing Regulations and the NBFC Regulations.

In compliance with the provisions of the Companies Act 2013 and the three Members of the Audit Committee, including the Chairman, are Independent Directors. All the members are non-executive directors and are financially literate and have accounting or related financial management expertise.

i) Composition of the Audit Committees as is below:

The audit committee (“the Committee”) comprised of three independent directors as on March 31, 2020:

Sr. No.	Full Name	Category
1	Ashok Hemchand Palesha	Chairman, Non-executive, independent
2	Harish Prakash Chopada	Non-executive, independent
3	Mangesh Nandkumar Gulunekar	Non-executive, independent

During the year there is no change in composition of Committee. The Company Secretary acts as the secretary to the Committee.

ii) Meetings and Attendance

During 2019-20, the Audit Committee met Four times, i.e. May 30 2019, August 13, 2019, December 12, 2019 and February 04, 2020. The meetings

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were scheduled well in advance and not more than one hundred and twenty days elapsed between any two meetings.

The attendance of the members of the Committee is given below:

Sr. No.	Full Name of the Members	Designation	No. of Meetings Held	No. of Meetings Attended
1	Ashok Hemchand Palesha	Chairman and Member	4	4
2	Harish Prakash Chopada	Member	4	1
3	Mangesh Nandkumar Gulunjkar	Member	4	3

The minutes of the Audit Committee Meetings are noted by the Board of Directors of the Company at the subsequent Board Meetings.

Mr. Ashok Hemchand Palesha, Chairman of the Audit Committee, was present at the Annual General Meeting of the Company held on September 30, 2019, to answer shareholders' queries.

iii) Brief Description of Terms of Reference:

The terms of reference of this committee cover the matters specified for the audit committee under Section 177 of the Companies Act 2013. The audit committee was constituted to ensure prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. The quarterly results are reviewed by the Audit Committee and recommended to the Board for its adoption.

iv) Role and Objectives:

- Reviewing with the Management the quarterly/half yearly/annual financial statements and auditor's report thereon before submission to the Board for approval;
- Recommendation for appointment, remuneration, terms of appointment of auditors of the Company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Reviewing with the Management and Internal and Statutory Auditors, the adequacy of internal control systems;
- Discussion with the Auditors periodically about internal control system;

Any significant findings and follow up thereon and reviewing with the management, the financial statements before submission to the Board.

B. NOMINATION AND REMUNERATION COMMITTEE [NRC]:

Pursuant to the section 178 of the Companies Act 2013 and the NBFC Regulations, the Company has constituted a Nomination and Remuneration Committee.

The Committee acts as a Nomination Committee, as per the NBFC Regulations, to ensure 'fit and proper' status of the directors to be appointed/re-appointed and recommend their appointment/re-appointment to the Board of Directors.

i) Composition of the NRC Committees as is below:

The nomination and remuneration committee ("the Committee") comprised three independent directors as on March 31, 2020:

Sr. No.	Full Name	Category
1	Ashok Hemchand Palesha	Chairman, Non-executive, independent
2	Harish Prakash Chopada	Non-executive, independent
3	Mangesh Nandkumar Gulunekar	Non-executive, independent

During the year there is no change in composition of Committee.

ii) Meetings and Attendance

During the year under review, the Committee met twice, i.e. on May 30, 2019 and August 13, 2019.

The attendance of the members of the Committee is given below:

Sr. No.	Full Name of the Members	Designation	No. of Meetings Held	No. of Meetings Attended
1	Ashok Hemchand Palesha	Chairman and Member	2	2
2	Harish Prakash Chopada	Member	2	1
3	Mangesh Nandkumar Gulunekar	Member	2	1

The minutes of the Nomination and Remuneration Committee Meetings are noted by the Board of Directors of the Company at the subsequent Board Meetings

Mr. Ashok Hemchand Palesha, Chairman of the NRC Committee, was present at the Annual General Meeting of the Company held on September 30, 2019, to answer shareholders' queries.

iii) Brief Description of Terms of Reference:

The NRC shall act in terms of reference specified by the Board which inter-alia includes –

- Identify persons who are qualified to become directors and who may be appointed as Senior Management.
- Recommend to the Board for appointment and removal of senior management.
- Carry out evaluation of every director's performance.
- Formulate Criteria for determining qualifications, positive attributes and independence of director, recommend to the Board a policy, relating to the remuneration for the directors, KMP and other employees ensuring the following –
 - The level and composition of remuneration is reasonable to retain the directors of the quality required to run the Company successfully.
 - Relationship of remuneration to performance is clear.
 - Remuneration involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives.

iv) DIRECTORS' REMUNERATION:

Non-Executive Directors have not been paid any remuneration during the financial year.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC):

Pursuant to the Companies Act 2013, the Company has constituted a Stakeholders Relationship Committee. This Committee was constituted to specifically look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend, payment of unclaimed dividends etc.

i) Composition of the SRC is as below:

The stakeholder's relationship committee ("the Committee") comprised one independent director and two executive directors as on March 31, 2020:

Sr. No.	Full Name	Category
1	Ashok Hemchand Palesha	Chairman, Non-executive, independent
2	Rajas Vimalkumar Jain	Executive Director
3	Ameya Inder Jain	Executive Director

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During the year there is no change in composition of Committee. The Board has appointed Mr. Sunil Patel, Company Secretary, as the Compliance Officer, as required under the Listing Regulations to ensure compliance applicable to the Company.

ii) Meetings and Attendance

During the year under review, the Committee met twice times, i.e. on May 22, 2019 and August 13, 2019.

The attendance of the members of the Committee is given below:

Sr. No.	Full Name of the Members	Designation	No. of Meetings Held	No. of Meetings Attended
1	Ashok Hemchand Palesha	Chairman and Member	2	2
2	Rajas Vimalkumar Jain	Member	2	2
3	Ameya Inder Jain	Member	2	2

The minutes of the Committee Meetings were noted by the Board of Directors of the Company at the subsequent Board Meetings.

iii) Brief description of terms of reference:

The Committee reviews the performance of the Company's Registrar and Transfer Agent and also recommends the Board measures for overall improvement for better investor services.

iv) Roles & objectives:

- To look into complaints of shareholders and investors pertaining to transfer/transmission of shares, non-receipt of share certificates, non-receipt of dividends, non-receipt of Annual Reports, issue of duplicate share certificates and other miscellaneous complaints.
- The Committee is responsible for satisfactory redressal of investors' complaints.

v) Shareholders complaints Status

Number of shareholders complaints received so far;	Nil
Number not solved to the satisfaction of shareholders;	Nil
A number of pending complaints.	Nil

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GENERAL BODY MEETINGS:

- a) The details of the last three Annual General Meetings ('AGM') are given below:

Financial Year	General Meeting	Location	Date	Time
2018-19	25 th AGM	2413, Kumar Capital, 1 st Floor, East Street, Camp, Pune 411001	30.09.2019	3.30 P.M.
2017-18	24 th AGM	2413, Kumar Capital, 1 st Floor, East Street, Camp, Pune 411001	29.09.2018	11.30 A.M.
2016-17	23 rd AGM	2413, Kumar Capital, 1 st Floor, East Street, Camp, Pune 411001	29.09.2017	11.30 A.M.

STATEMENT REGARDING THE OPINION OF A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

During the year under review the following Independent Directors were re-appointed on the Board of the company:

- 1.Mr. Ashok Palesha (DIN:02932035)
- 2.Mr. Harish Chopada (DIN:03073873)

The Board is of the opinion that the aforesaid Independent Directors were re-appointed on the Board of the Company are of integrity and possess the requisite expertise and experience.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted declaration of independence, as required under section 149(7) of the Act stating that they meet the criteria of independence as provided in section 149(6) of the Act as amended and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations'), as amended.

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The Board took on record the declaration and confirmation submitted by the Independent Directors regarding the prescribed criteria of independence, after undertaking a due assessment of the veracity of the same as required under Regulation 25 of the SEBI Listing Regulations.

BOARD EVALUATION

Pursuant to the provisions of the Act and the Listing Regulations, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution, and performance of specific duties, obligations, and governance. The performance evaluation of the Directors was completed during the year under review. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review on the operations and performance of the Company and its business is given in the Management Discussion and Analysis, which forms part of this Annual Report as **ANNEXURE I**.

CORPORATE GOVERNANCE

The Company's philosophy on corporate governance is to ensure fairness to the stakeholders, empowerment of employees and collective decision-making and customers delight through transparency, full disclosures and business ethics in discharge of its corporate responsibilities.

The Company has in place a system of Corporate Governance.

Further, your Company has availed the exemption provided under regulation 15(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) hence a separate report on Corporate Governance as per regulation 34 of LODR is not attached to this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Act:

- i) that in the preparation of the Annual Accounts for the year ended March 31, 2020, the applicable accounting standards have been followed;

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- ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020, and of the profit and loss of the Company for the year ended on that date;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The annual accounts have been prepared on a going concern basis;
- v) That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

a) STATUTORY AUDITORS

M/s. M D S & Co. LLP, Chartered Accountants (FRN W100118) were appointed as the Statutory Auditors of the Company at the 25th Annual General Meeting (the "AGM") held on 30th September, 2019 for a period of 5 years, commencing from the conclusion of 25th AGM till the conclusion of the 30th AGM.

b) 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, your Company has appointed M/s. SNA & Associates, Practicing Company Secretary, to undertake the Secretarial Audit of your Company. The Report of the Secretarial Audit is annexed as **ANNEXURE II**.

Reserved Remarks in the Secretarial Report:

- (i) According to the documents, papers, correspondences shown to us, Five Lacs Shares out of the total paid-up capital of the company are pending for listing at BSE Ltd.

- (ii) All the information which is required be displayed/uploaded on the company's website under the listing agreement could not be availed as the company has not developed its own website.

Directors Reply:

- (i) The Company had filed an application with BSE for listing of 500,000 Equity shares in 2001. In 2013, the Company received directives from BSE Ltd to obtain an order from Securities and Exchange Board of India (SEBI) for compounding of offence occurred while issue of 500,000 Equity Shares. Accordingly, the company has filed compounding application with Securities and Exchange Board of India (SEBI) and has received the order. The Company has applied with BSE Limited for the listing of the same and is in process.
- (ii) The company is under process to develop its own website.

c) COST AUDIT

As per the Cost Audit Rules, Cost Audit is not applicable to any of the Company's products/ business of the Company for the financial year 2019-20.

REPORTING OF FRAUDS BY THE AUDITORS

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

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

INTERNAL AUDIT & CONTROLS

The Company has appointed **SPAK & CO, CHARTERED ACCOUNTANTS**, Pune having firm registration number (FRN: 139877W) as the Internal Auditors of the Company for the financial year under review, who has taken the adequate measures to review the processes for safeguarding the assets of the Company also reviewed the operational efficiency, the effectiveness of systems and processes, and assessing the internal control strengths in all areas.

RISK MANAGEMENT POLICY

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A statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, this in the opinion of the Board may threaten the existence of the Company.

CODE OF CONDUCT COMPLIANCE

A declaration signed by the chief executive officer affirming compliance with the Company's Code of Conduct by the Directors and Senior Management for the Financial Year 2019-20 as required under Schedule V (D) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is included in the Corporate Governance Report.

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report marked as **ANNEXURE III**.

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

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are 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 the date of this report.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adopted adequate procedures for ensuring internal financial controls. The Company adheres best practices for safeguarding its assets, the prevention, and detection of frauds and errors and timely preparation of reliable and accurate financial information.

Internal Financial Control has also been evaluated by the Statutory Auditors M/S M D S & Co., Chartered Accountants and forms part of this Annual Report.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN ATWORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013

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The Company has a Prevention of sexual harassment policy. There were no complaints received or pending during the financial year 2019-20.

- a. number of complaints filed during the financial year- Nil
- b. number of complaints disposed of during the financial year- Nil
- c. number of complaints pending as on end of the financial year- Nil

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the reporting period, the Company has not entered into any related party transaction, hence the disclosure in Form AOC-2 is not applicable.

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

During the year, your Company being a Non-Banking Financial Company, section 186 of the Act with respect to advancing of loan is not applicable to it. Further, it has not given any guarantee or made investments, which falls under Section 186 of the Act.

RATIO OF THE REMUNERATION OF THE DIRECTORS TO THE MEDIAN EMPLOYEES UNDER SECTION 197 OF THE COMPANIES ACT, 2013

There are no employees in the Company except the Chief Executive Director, Chief Financial Officer and Company Secretary. Please refer extract of Annual Return for the remuneration of Directors and Key Managerial Personnel of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, the Compliance of CSR under section 135 of the Act is not applicable to the Company.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) during the reporting period.

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

Conservation of Energy and Technology Absorption:

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Considering the nature of the business there is nothing to be reported under the head conservation of energy and technology. Nevertheless, the Company is taking a due care to control unnecessary usage of electricity.

Foreign Exchange Earnings and Outgo:

The Company has neither earned nor spent any foreign exchange during the year.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any subsidiary/joint venture/associate company at the end of the financial year. Hence the details pursuant to the provision of Section 129(3) need not to be given.

REASON FOR SUSPENSION OF SECURITIES FROM TRADING

The Securities of the Company are restricted for trading on account of GSM.

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

ACKNOWLEDGMENT

Your Directors have placed on record their sincere gratitude to the Government, Bankers and business constituents for their continued and valuable co-operation and support to the Company.

On behalf of the Board of Directors
For BHAGYASHREE LEASING AND FINANCE LIMITED

RAJAS JAIN
DIRECTOR & CEO | DIN: 00037599

AMEYA JAIN
DIRECTOR & CFO | DIN: 01947076

Date: 4th September, 2020

Place: Pune

Annexure I

Management Discussion and Analysis Report

Background:

Bhagyashree Leasing and Finance Limited (the Company) is a non-deposit accepting Non-Banking Finance Company (“NBFC”), holding a Certificate of Registration from the Reserve Bank of India (“RBI”) engaged in a loan finance business. The Company is headquartered in Pune.

Micro Economic Overview:

A brief summary of FY2020 and the emerging trends in the wake of COVID-19 pandemic are discussed below.

FY2020 began with an expectation that the year would witness a slowdown in growth owing to a significant moderation in economic activity. Recognising the economic headwinds, the Government of India undertook various measures to boost growth — which included a substantial tax relief to the corporate sector to boost investments. Even without the terrible effects of COVID-19, India’s GDP growth was rapidly slowing down.

Before the COVID-19 pandemic and lockdown, both the RBI and the Central Statistics Office (CSO) of the Government of India had revised the GDP growth rate downwards. The RBI changed its full year GDP growth estimate from an initial 7.2% to 5% in December 2019, and ascribed the tapering of growth to a tight credit market impacting fresh investments, weak capital expenditure and a slowdown in manufacturing. In a similar vein, the second advance estimates of national income for FY2020 released by the CSO on 28 February 2020 was substantially lower: GDP growth for FY2020 was pegged at 5% — a decadal low — compared to 6.1% in the financial year 2018-19 (FY2019); and growth in gross value added was estimated at 4.9% in FY2020 versus 6% in FY2019.

On 29 May 2020, the CSO released its estimates of GDP and GVA growth for FY2020 and the fourth quarter of FY2020. In this exercise, it also substantially revised downward its earlier estimates for the first three quarters of FY2020.

GDP growth was 5.7% in January-March 2019; fell to 5.2% in April-June 2019; then yet again to 4.4% in July-September 2019; followed by 4.1% growth in October-December 2019 and 3.1% growth in January-March 2020.

GDP growth for FY2020 was 4.2% — worst in the last 11 years.

Table 1 gives the data on real GDP and gross value added (GVA) growth over the last four financial years.

Table 1: Growth in Real GDP and GVA, India

Particulars	FY2017 (3rd RE)	FY2018 (2nd RE)	FY2019 (1st RE)	FY2020 (PE)
Real GDP growth	8.3%	7.0%	6.1%	4.2%
Real GVA growth	8.0%	6.6%	6.0%	3.9%

Source: Government of India, CSO. RE denotes revised estimate and PE denotes provisional estimate.

Retail inflation, measured by the consumer price index (CPI), peaked in January 2020 and then fell by a full percentage point in February 2020 to 6.6%. Fuel inflation increased sharply in February 2020, only to plunge in March with international crude prices plummeting as never before, including the brief phenomenon of negative prices for May 2020 futures. If the reduction in oil prices is allowed to pass-through, it will help to keep inflation down for at least the first half of FY2021. However, cash-strapped central and state Governments may not do so.

In line with slowdown in economic growth in FY2020, bank credit recorded a dismal 6.1% year-on-year growth as of 27 March 2020 — largely driven by growth in personal loans. Credit growth to industry and services has been decelerating sharply.

Systemic liquidity has remained in surplus territory since June 2019. The domestic money market conditions tightened considerably since the onset of COVID-19, with bond markets witnessing a sharp rise in yields on the back of sustained Foreign Portfolio Investor (FPI) selling. Continuous redemption pressures and an overall risk aversion have elevated yields on all fixed income segments like commercial papers and corporate bonds. Moreover, the recent action of one of the mutual funds to shut six of its open-ended debt schemes created a tizzy in the money markets. Thankfully, the RBI intervened and provided a special liquidity facility for mutual funds of up to H 50,000 crore through commercial banks. While this will ease liquidity pressures on mutual funds and provide confidence to financial system, it is definitely going to have an impact on pricing and flow of funds in money markets.

Industry Overview

The NBFC sector continued to grow its share in the financial services industry. Credit growth of scheduled commercial banks (SCBs) continued to moderate throughout FY2020. On 31 March 2019, growth in advances of SCBs was 13.2%. By 30 September 2019, this had reduced to 8.7% and on 27 March 2020, it was further down to 6.1%. SCBs also continued to face asset quality challenges in FY2020. Data published by the RBI in its Financial Stability Report dated 27 December 2019 show that NBFCs have outperformed SCBs on asset quality, as the figures below indicate.

Table 2: Comparison of asset quality of NBFCs and SCBs

		31 March 2019		30 September 2019	
Particulars		SCBs	NBFCs	SCBs	NBFCs
Gross Non-Performing Assets		9.3%	6.1%	9.3%	6.3%
Net Non-Performing Assets		3.8%	3.4%	3.7%	3.4%

Source: Reserve Bank of India, Financial Stability Report, dated 27 June 2019 and 27 December 2019

While the importance of NBFCs in credit intermediation continued to grow, repayment default by a systemically important NBFC in September 2018 brought to focus asset-liability mismatches of the sector — where some NBFCs were more impacted than the others. To strengthen the asset-liability profile of the sector, RBI introduced a liquidity coverage ratio (LCR) requirement for all NBFCs with AUM of H 5,000 crore and above. The LCR regulation mandates NBFCs to maintain a minimum level of high-quality liquid assets to cover expected net cash outflows in a stressed scenario. The regulation also stipulates that NBFCs should attain LCR of 100% in a phased manner over a period of four years starting December 2020. It is a welcome regulatory change and will significantly strengthen ALM profile of the NBFC sector.

COVID-19 further accentuated ALM challenges of the NBFC sector. The RBI's moratorium measures for customers is likely to put additional stress on many NBFCs. There is an asymmetry. On one hand, NBFCs have to offer such moratoriums to their customers; while on the other, their market borrowings must be repaid on due dates.

To ease liquidity pressure on NBFCs, the RBI has taken multiple actions including a Targeted Long-Term Repo Operation (TLTRO) for the sector of H 50,000 crore and a special financing window through SIDBI, NABARD and National Housing Bank (NHB) of another H 50,000 crore to enable financing NBFCs. It remains to be seen whether the RBI will open a direct window to support the NBFC sector.

The COVID-19 pandemic is also expected to result in a deterioration in the asset quality of the financial sector. NBFCs too will face similar pressures. Early indicators of non-delinquent customers opting for moratoriums reflect a considerable level of anxiety from customers. It remains to be seen how this anxiety eases when economic activities resume. A long-drawn lockdown or frequent lockdowns of economic activities may require the RBI to frame forbearance policies for impacted borrowers like a comprehensive one-time restructuring of loans without impacting asset classification. Such a one-time restructuring framework would enable financial sector to continue to lend and also provide customers adequate time to recover from the economic crisis and honour their obligations.

The Company

The Company is not in operation for last couple of years hence its comparative figures/Analysis/Structure is available only with respect to non-revenue/business transactions as per Schedule V (B) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Financial Review:

Your Company is a private sector Non-Banking Financial Company (NBFC) primarily involved in the business of leasing and hire purchase financing and financial services.

The Company has not earned income from operations during the financial year under review whereas, Total Expenses incurred during the year is Rs. 9,09,165/- as against the expenses of previous year Rs.5,47,779/-.

Business Review:

The operations of the Company continue to be focused on Investment. The Directors are very much optimistic about further improvement in performance during the current year.

Risk Management:

Risk Management is an integral part of the Company's business strategy. The Company is exposed to specific risks that are peculiar to its business including interest rate volatility, economic cycle, market risk and credit risk. The management continuously assesses the risk and monitors the business and risk management policies to mitigate the risk.

Internal Control Systems and Their Adequacy:

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company.

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Cautionary statements:

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectation may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

On behalf of the Board of Directors
For BHAGYASHREE LEASING AND FINANCE LIMITED

RAJAS JAIN
DIRECTOR & CEO | DIN: 00037599

AMEYA JAIN
DIRECTOR & CFO | DIN: 01947076

Date: 4th September, 2020

Place: Pune

Annexure II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 2019-20

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

To,
The Members,
**Bhagyashree Leasing And
Finance Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bhagyashree Leasing And Finance Limited**(hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Bhagyashree Leasing And Finance Limited**; books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Bhagyashree Leasing And Finance Limited** ("the Company")

for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules and modifications made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the amended rules made thereunder;
- (iii) The Depositories Act, 1996 and the amended Regulations and Bye-laws framed thereunder; -
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - There were no instances of foreign currency inflow / outflow in the Financial year 2019-20
- (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 as amended from time to time; - N.A for the year under review
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and as amended; N.A.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 as amended from time to time;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and as amended from time to time; - N.A and
 - (h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; - N.A
- (vi) Listing Agreement with Stock Exchanges as amended from time to time
- (vii) Guidelines, notifications, Master circulars etc issued by the Reserve Bank of India in connection with NBFCs by virtue of powers vested in Chapter III B of the Reserve Bank of

India Act, 1934

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s)

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

(i) According to the documents, papers, correspondences shown to us, Five Lacs Shares out of the total paid-up capital of the company are pending for listing at BSE Ltd.

(ii) All the information which is required be displayed/uploaded on the company's website under listing agreement could not be availed as the company has not developed its own website

I further report that

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

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

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

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

I further report that during the audit period the company has not done any of the activity mentioned below.

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

For SNA & Associates,

Company Secretaries

CS Neha Apte

FCS: 8441

CP: 9608

UDIN: F008441B000603013

Place: Pune

Date: 21/08/2020

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ANNEXURE III

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L65910PN1994PLC138655
ii)	Registration Date	08/08/1994
iii)	Name of the Company	BHAGYASHREE LEASING AND FINANCE LIMITED
iv)	Category / Sub-Category of the Company	Public Limited Company / Non-Government Company
v)	Address of the Registered office and contact details	1ST FLOOR, KUMAR CAPITAL, 2413, EAST STREET, CAMP PUNE MH 411001 IN
vi)	Whether listed company Yes / No	YES
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	SKYLINE FINANCIAL SERVICES PRIVATE LIMITED D-153A, 1ST Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 Contact No.- 011-40450193-97, 26812682-83

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of the main products/services	NIC Code of the Product/ service	% of the total turnover of the company
1	Finance and Leasing	6591	NIL

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the	CIN/GLN	Holding/ Subsidiary/	% of shares	Applicable Section
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	Company		Associate	held	
1	N.A.	-	-	-	-

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of 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
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian -									
a) Individual/HUF	262500	-	262500	75.00	262500	-	262500	75.00	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/FI's	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	262500	-	262500	75.00	262500		262500	75.00	-
(2) Foreign -									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FIs	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total	262500	-	262500	75.00	26250	-	262500	75.00	NIL

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Shareholding of Promoter (A)=(A)(1)+(A) (2)	0		0		00		0		
B. PUBLIC SHAREHOLDING									
1. Institutions -									
a) Mutual Funds	-								
b) Banks/FIs									
c) Central Govt									
d) State Govt									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Fund									
i) Others (Specify)									
Sub Total (B) (1)									
2. Non-Institutions -									
a) Bodies Corp -									
i) Indian	563884	-	563884	16.11	563485	-	563485	16.10	(0.01)
ii) Overseas									
b) Individuals -									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	86841	39370	126211	3.61	88040	39370	127410	3.64	0.03

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ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	173409	-	173409	4.95	173409	-	173409	4.95	-
c) Others (HUF)	1502	-	1502	0.04	1502	-	1502	0.04	
NRI	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Margin Account	9900		9900	0.28	9100	-	9100	0.26	(0.02)
Clearing Members	194	0	194	0.005	194	-	194	0.005	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies									
Sub Total (B) (2)	835730	39370	875100	25.00	835730	39370	875100	25.00	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	835730	39370	875100	25.00	835730	39370	875100	25.00	-
C. Shares held by custodian for GDRS & ADRS	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	3460730	39370	350010	100.00	3460730	39370	350010	100.00	

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(ii) Shareholding of Promoters

S I N .	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareh olding during the year
		No. of Shares	% of the total shares of the compa ny	% of Shares Pledge d/encu mbered to total shares	No. of Shares	% of the total shares of the compa ny	% of Shares Pledged/e ncumbere d to total shares	
1	KewalkumarKesarimalJain	483070	13.80	0.00	483070	13.80	0.00	-
2	Ranjana Inderkumar Jain	799670	22.85	0.00	799670	22.85	0.00	-
3	Jain Pushpa Vimalkmar	799670	22.85	0.00	799670	22.85	0.00	-
4	Rajas Vimalkmar Jain	271295	7.75	0.00	271295	7.75	0.00	-
5	Manish Vimalkmar Jain	271295	7.75	0.00	271295	7.75	0.00	-
	Total	262500 0	75.00	0.00	262500 0	75.00	0.00	-

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

Sl. No.		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.	KewalkumarKesarimalJain				
	At the beginning of the year	No Change			
	Date wise Increase / Decrease in Shareholding during the year				

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	specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	
	At the end of the year	
2.	Ranjana Inderkumar Jain	
	At the beginning of the year	No change
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	
	At the end of the year	
3.	Pushpa Vimalkmar Jain	
	At the beginning of the year	No Change
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	
	At the end of the year	
4	Rajas Vimalkmar Jain	
	At the beginning of the year	No Change
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	
	At the end of the year	
5	Manish Vimalkmar Jain	
	At the beginning of the year	No Change
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for	

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	increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):
	At the end of the year

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

Sl. No	Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
1	KETKI LAND HOLDING PVT LTD	322100	9.20	322100	9.20
2	ITEZA PROPERTIES PRIVATE LIMITED	238400	6.81	238400	6.81
3	ANAND RAMESH KERING	72800	2.08	72800	2.08
4	RAMESH MOONALAL KERING	72800	2.08	72800	2.08
5	RAKESH ANANTRAI SHAH	15000	0.43	15000	0.43
6	RASHMI P BOTHRA	12809	0.37	12809	0.37
7	PARVEEN SINGHANIA	9500	0.27	9500	0.27
8	MASTER SHARE & STOCK BROKERS LTD	8800	0.25	8800	0.25
9	HARIVADAN MUKUNDBHAIPATEL	7100	0.20	7100	0.20
10	PANKAJ RAI BOTHRA	4600	0.13	4600	0.13

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(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of the total shares of the company	No. of shares	% of total shares of the company
1.	Rajas Jain- Director & CEO				
	At the beginning of the year	271295	7.75	271295	7.75
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change			
	At the End of the year	271295	7.75	271295	7.75
2.	AMEYA INDER JAIN- Director & CFO				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
3.	RANJANA INDERKUMAR JAIN - Director				
	At the beginning of the year	799670	22.85	799670	22.85
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year	799670	22.85	799670	22.85

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4.	MANGESH NANDKUMAR GULUNJKAR – Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year	-	-	-	-
5.	ASHOK HEMCHAND PALESHA - Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year	-	-	-	-
6	HARISH PRAKASH CHOPADA - Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
	At the End of the year	-	-	-	-

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V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year				
Addition	0	0	0	0
Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl no	Particulars of Remuneration	Name of MD/WTM/ Manager				Total Amount
		(Director)				
1.	Gross Salary :					

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	(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, Specify					
	Total (A)					
	Ceiling as per the Act					

B. Remuneration to other directors: NIL

SI no	Particulars of Remuneration	Name of Directors			Total Amount
		(Director)	(Director)		
1.	Independent Directors				
	Fee for attending board/committee Meetings				
	Commission				
	Others, please specify				

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Total (1)					
2	Other Non-Executive Directors				
	Fee for attending board/committee Meetings				
	Commission				
	Others, please specify				
Total (2)					
Total (B)=(1)+(2)					
Total Managerial remuneration					
Overall Ceiling as per the Act					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

Sl. no	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
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, Specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: N.A.

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Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

On behalf of the Board of Directors
For BHAGYASHREE LEASING AND FINANCE LIMITED

RAJAS JAIN
DIRECTOR & CEO | DIN: 00037599

AMEYA JAIN
DIRECTOR & CFO | DIN: 01947076

Date: 4th September, 2020

Place: Pune

Independent Auditor's Report

To the Members of Bhagyashree Leasing & Finance Limited

Report on the Audit of the Standalone Financial Statements

We have audited the standalone financial statements of **Bhagyashree Leasing & Finance Limited** ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss, statement of changes in equity and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit/loss, changes in equity and its 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 Companies Act, 2013. 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 the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and

other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and 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 31 March 2020 taken on record by the Board of Directors, none of the directors is

disqualified as on 31 March 2020 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”; and
- (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 does not have pending litigations which will impact the financial position in its financial statements.
- (ii) The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
- (iii) There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

For MDS& Co
F.R.NO.: 100118W
Chartered Accountants

Dhruva Doshi
Partner
M. No.:164482
Place : Pune
Date: 29.06.2020
UDIN: 20164482AAAABH2079

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report that:

- (i) The Company does not hold fixed assets, therefore clause (i) (a), clause (i) (b) and clause (i) (c) of paragraph 3 of the order is not applicable to the company.
- (ii) The Company does not hold any inventories, therefore clause (ii) of paragraph 3 of the order is not applicable to the company.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firm or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of Clause (iii) (a) Clause (iii) (b) and Clause (iii) (c) of paragraph 3 of the Order not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the directives issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act.
- vii) In respect of statutory dues:
 - (a) According to the records of the Company, undisputed statutory dues including Income tax and other applicable statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2020 for a period of more than six months from the date of becoming payable.
 - (b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and Cess which have not been deposited on account of any dispute.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) No managerial remuneration has been paid or provided. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act 1934.

For MDS& Co
F.R.NO.: 100118W
Chartered Accountants

Dhruva Doshi
Partner
M. No.:164482
Place: Pune
Date: 29.06.2020
UDIN: 20164482AAAABH2079

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Bhagyashree Leasing and Finance Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The 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 Companies Act, 2013.

Auditors' Responsibility

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

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected

depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MDS& Co
F.R.NO.: 100118W
Chartered Accountants

Dhruva Doshi
Partner
M. No.:164482
Place: Pune
Date:29.06.2020
UDIN: 20164482AAAABH2079

**NON-BANKING FINANCIAL COMPANIES AUDITORS' REPORT FOR THE YEAR
ENDED 31ST MARCH 2020**

**TO THE BOARD OF DIRECTORS OF
Bhagyashree Leasing & Finance Limited**

As required by the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016 issued by Reserve Bank of India (RBI) on the matters specified in Para 3 and 4 of the said Directions to the extent applicable to **Bhagyashree Leasing & Finance Limited** ("the Company") and according to the information and explanations given to us for the purpose of audit, we report that:

- a. The Company had applied for registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and has been granted certificate of registration dated 26 May, 1998 from the Reserve Bank of India as a Non-Banking Financial Company (NBFC). Further, the company is entitled to continue to hold such Registration in terms of its asset/income pattern as on 31st March, 2020.
- b. The company meets the required net owned fund requirements as laid down in Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.
- c. The Board of Directors of the Company has passed a resolution for non-acceptance of any public deposits;
- d. The company has not accepted any public deposits during the year under reference; and
- e. The company has complied with prudential norms relating to the income recognition, accounting standards, asset classification and provision of bad and doubtful debts as applicable to it.

For MDS & Co
F.R.NO.: 100118W
Chartered Accountants

Dhruva Doshi
Partner
Membership No.: 164482
Place: Pune
Date: 29.06.2020
UDIN: 20164482AAAABH2079

BHAGYASHREE LEASING AND FINANCE LIMITED
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<p style="text-align: center;">BHAGYASHREE LEASING & FINANCE LIMITED 2413, KUMAR CAPITAL, EAST STREET, CAMP, PUNE - 411001.</p> <p style="text-align: center;">Balance sheet as at March 31, 2020 (All amounts in rupees unless otherwise stated)</p> <p style="text-align: right;">(Amount in Rs.)</p>				
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
ASSETS				
1 Non Current Assets				
a Other Intangible Assets				
a Financial Assets				
(i) Investment		-	-	-
(ii) Loans	3	10,391,092	9,507,579	8,752,162
(iii) Other Financial Assets	4	29,500	29,500	29,500
b Other Non Current Assets	5	5,128,314	5,474,223	5,999,094
Deferred Tax Asset				
Total Non Current Assets (A)		15,548,907	15,011,302	14,780,756
2 Current Assets				
a Other Current Assets				
(i) Cash and cash equivalent	6	80,246	130,112	93,090
Total Current Assets		80,246	130,112	93,090
Total Assets		15,629,153	15,141,413	14,873,847
EQUITY AND LIABILITIES				
1 Equity				
a Equity Share Capital b	7	35,001,000	35,001,000	35,001,000
Other Equity				
Total Equity	8	(19,408,847)	(19,897,287)	(20,155,054)
		15,592,153	15,103,713	14,845,946
2 Current Liabilities				
a Other current liabilities	9	37,000	37,700	27,900
b Provision		-	-	-
Total Current Liabilities		37,000	37,700	27,900
Total Equity & Liabilities		15,629,153	15,141,413	14,873,846
<p>Significant accounting policies and notes on Financial statements</p> <p>As per our report on even date MDS & CO Chartered Accountants FRN : 100118W</p> <p>For and on behalf of Board of Directors of Bhagyashree Leasing & Finance Ltd.</p> <p>Dhruva Doshi Partner M. No : 164482 Place :- Pune Date :- 29.06.2020 UDIN: 20164482AAAABH2079</p> <p>Ameya Jain Director & CFO DIN: 01947076</p> <p>Rajas Jain Director & CEO DIN: 00037599</p> <p>Sunil Patel Company Secretary M. No: A43296</p>				

BHAGYASHREE LEASING AND FINANCE LIMITED
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<p style="text-align: center;">BHAGYASHREE LEASING & FINANCE LIMITED 2413, KUMAR CAPITAL, EAST STREET, CAMP, PUNE - 411001. Statement of Profit and loss for the year ended March 31, 2020 (Amount in Rs.)</p>				
Particulars		Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I	Revenue from operations Other income	10	-	-
II	Total Income (I)+(II)		1,743,513	1,330,417
III			1,743,513	1,330,417
IV	Expenses Finance costs Other expense	11	-	136
	Total expenses (IV) (Loss)		909,165	547,643
	before tax (III)-(IV)		909,165	547,779
V	Tax expense		834,348	782,638
VI	a) Current tax b) Deferred tax c) Prior year Income Tax		-	-
	(Loss) for the year (V)-(VI)		-	-
	Other Comprehensive Income		(345,908)	(524,871)
A	(i) Items that will not be reclassified to Profit or Loss		-	-
VII	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		488,440	257,767
VIII	B (i) Items that will be reclassified to profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income [A (i)-(ii) + B (i)-(ii)] (VIII) Total Comprehensive Income for the period (VII)+(VIII)		-	-
IX			-	-
			488,440	257,767
<p>Significant accounting policies and notes on Financial statements As per our report on even date MDS & CO Chartered Accountants FRN : 100118W</p>			<p>For and on behalf of Board of Directors of Bhagyashree Leasing & Finance Ltd.</p>	
<p>Dhruva Doshi Partner Membership No : 164482 Place :- Pune Date :- 29.06.2020 UDIN:20164482AAAABH2079</p>			<p>Ameya Jain Director & CFO DIN: 01947076</p>	<p>Rajas Jain Director & CEO DIN: 00037599</p>
			<p>Sunil Patel Company Secretary M. No: A43296</p>	

BHAGYASHREE LEASING AND FINANCE LIMITED
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BHAGYASHREE LEASING & FINANCE LIMITED 2413, KUMAR CAPITAL, EAST STREET, CAMP, PUNE - 411001. Cash Flow Statements as at 31st March, 2020			
	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A.	Cash flow from operating activities: Net (loss)/profit before tax but after exceptional/extraordinary items Adjustments for profit and loss account items: Interest expense Operating profit before working capital changes Adjustments for changes in working capital: Decrease in Trade receivables & other current assets Increase in current liabilities Cash generated from / (used in) operating activities Income tax (paid) / refund received Net cash from / (used in) operating activities	 834,348 - 834,348 (883,513) (700) (49,865) (49,865)	 782,638 - 782,638 (755,417) 9,800 37,021 37,021
B.	Cash flow from investing activities: Investment made Net cash generated from / (used in) investing activities	 - -	 - -
C.	Cash flow from financing activities: Changes in other equity Net cash generated from / (used in) financing activities Increase/ (decrease) in cash and cash equivalents, net Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the end of the period Cash and cash equivalents includes Cash in hand Balances with scheduled banks	 - - (49,865) 130,112 80,247 53,950 26,296 80,246	 - - 37,021 93,091 130,112 53,950 76,161 130,112
As per our report on even date MDS & CO Chartered Accountants FRN : 100118W Dhruva Doshi Partner M. No : 164482 Place :- Pune Date :- 29.06.2020 UDIN:20164482AAAABH2079		For and on behalf of Board of Directors of Bhagyashree Leasing & Finance Ltd. Ameya Jain Rajas Jain Sunil Patel Director & Director & Company CFO CEO Secretary DIN: DIN: M. No: 01947076 00037599 A43296	

A. Equity Share Capital

Particulars	Amount (Rs.)
Balance as at April 1, 2017	35,001,000
Changes in equity share capital during FY 2017-18	-
Balance as at March 31, 2018	35,001,000
Changes in equity share capital during FY 2018-19	-
Balance as at March 31, 2019	35,001,000

B. Other Equity

(Amount in Rs.)

Particulars	Capital Reserve	Statutory Reserve	Retained Earnings	Total
Balance as at April 1, 2017	970,000	20,168	2,046,056	3,036,224
(Loss) for the year FY 2017-18	-	-	(117,839)	(117,839)
Balance as at March 31, 2018	970,000	20,168	1,928,217	2,918,385
(Loss) for the year FY 2018-19	-	-	257,767	257,767
Add: Adjustment on account of IND AS	-	-	-	-
Other Comprehensive Income for the year, net of income tax	-	-	(22,584,999)	(22,584,999)
Total Comprehensive Income for the year	-	-	(22,327,232)	(22,327,232)
Balance as at March 31, 2020	970,000	20,168	(20,399,015)	(19,408,847)

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3. LOANS AND ADVANCES			
Particulars	From April 1, 2019 to March 31, 2020	From April 1, 2018 to March 31, 2019	From April 1, 2017 to March 31, 2018
Other loans and advances			
Advance income-tax including TDS (net of provision for tax Rs. nil)	17,665	17,665	17,665
Advances	10,373,427	9,489,914	8,734,497
	10,391,092	9,507,579	8,752,162
4. OTHER FINANCIAL ASSET			
Particulars	From April 1, 2019 to March 31, 2020	From April 1, 2018 to March 31, 2019	From April 1, 2017 to March 31, 2018
Other Receivable	29,500	29,500	29,500
	29,500	29,500	29,500
5. OTHER NON CURRENT ASSET			
Particulars	From April 1, 2019 to March 31, 2020	From April 1, 2018 to March 31, 2019	From April 1, 2017 to March 31, 2018
Deferred Tax Asset	5,128,314	5,474,223	5,999,094
	5,128,314	5,474,223	5,999,094
6. CASH AND CASH EQUIVALENT			
Particulars	From April 1, 2019 to March 31, 2020	From April 1, 2018 to March 31, 2019	From April 1, 2017 to March 31, 2018
Balances with banks:			
On Current account	26,296	76,161	39,140
Cash on hand	53,950	53,950	53,950
	80,246	130,112	93,090

BHAGYASHREE LEASING AND FINANCE LIMITED
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<p style="text-align: center;">BHAGYASHREE LEASING & FINANCE LIMITED. 2413, KUMAR CAPITAL, EAST STREET, CAMP, PUNE - 411001.</p> <p style="text-align: center;">Schedules to the balance sheet as at March 31, 2020 (All amounts in rupees unless otherwise stated)</p>			
Note 7: Equity Share Capital			
Particulars	2019-2020	2018-2019	2017-2018
Authorized shares 35,10,000 (March 31, 2019 : 35,10,000) Equity Shares of Rs.10/- each	35,100,000	35,100,000	35,100,000
	35,100,000	35,100,000	35,100,000
Issued, subscribed and fully paid-up shares Equity Share Capital 35,00,100 (March 31, 2019 : 35,00,100) Equity Shares of Rs.10/- each	35,001,000	35,001,000	35,001,000
Total	35,001,000	35,001,000	35,001,000
(a) Terms/ rights attached to equity shares The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled for one vote per share.			
(b) Details of shareholders holding more than 5% shares in the company Equity shares			
Particulars	2019-2020 No. of shares	2018-2019 No. of shares	2017-2018 No. of shares
Equity Shares			
Kewalkumar Jain (13.80%) (4,83,070 Equity Shares of Rs. 10 Each)	483,070	483,070	483,070
Ranjana Jain (22.85%) (7,99,670 Equity Shares of Rs. 10 Each)	799,670	799,670	799,670
Rajas Jain (7.75%) (2,71,295 Equity Shares of Rs. 10 Each)	271,295	271,295	271,295
Manish Jain (7.75%) (2,71,295 Equity Shares of Rs. 10 Each)	271,295	271,295	271,295
Ketki land holding pvt ltd (9.20%) (3,22,100 Equity Shares of Rs. 10 Each) Iteza	322,100	322,100	322,100
Properties Private Limited (6.81%) (2,38,400 Equity shares of Rs. 10 Each)	238,400	238,400	238,400
Pushpa V Jain (22.85%) (7,99,670 Equity Shares of Rs. 10 Each)	799,670	799,670	799,670
Total	3,185,500	3,185,500	3,185,500
(c) As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.			

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8.OTHER EQUITY- RESERVES AND SURPLUS			
Particulars	From April 1, 2019 to March 31, 2020	From April 1, 2018 to March 31, 2019	From April 1, 2017 to March 31, 2018
Capital Reserve			
At the beginning of the year	970,000	970,000	970,000
Add: Additions	-	-	-
Less: Deletions	-	-	-
Closing balance	970,000	970,000	970,000
Statutory Reserves			
At the beginning of the year	20,168	20,168	20,168
Add: Additions	-	-	-
Less: Deletions	-	-	-
Closing balance	20,168	20,168	20,168
Net Loss For the Year	488,440	257,767	(117,839)
Net Surplus/ (deficit) in the statement of profit and loss	(3,813,110)	(4,070,877)	(3,953,038)
Other Comprehensive Income	(23,073,439)	(23,073,439)	(23,073,439)
Retained Earnings	5,999,094	5,999,094	5,999,094
Total Loss Transfer to Balance Sheet	(19,408,847)	(19,897,287)	(20,155,054)
9. OTHER CURRENT LIABILITIES			
Particulars	From April 1, 2019 to March 31, 2020	From April 1, 2018 to March 31, 2019	From April 1, 2017 to March 31, 2018
Trade Payables	-	-	-
Other liabilities	-	-	-
Audit Fees Payable	15,000	30,000	26,500
Professional fees payable	-	6,300	-
Salary Payable	20,000	-	-
PF Payable	1,800	-	-
Profession Tax Payable	200	-	-
Tds Payable	-	1,400	1,400
	37,000	37,700	27,900
	37,000	37,700	27,900

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10. Other Income

Particulars	From April 1, 2019 to March 31, 2020	From April 1, 2018 to March 31, 2019
Fair Value Of Financial Assets	1,743,513	1,330,417
	1,743,513	1,330,417

11. OTHER EXPENSES

Particulars	From April 1, 2019 to March 31, 2020	From April 1, 2018 to March 31, 2019
Advertisement Audit Fees	64,957	47,401
Consultancy Charges Custody	20,400	17,440
Fees	74,638	114,620
Listing Fees Postage	21,240	21,240
Charges	354,000	295,000
ROC Fees & Filing Fees Legal	10,762	14,335
Expenses	5,400	4,200
RTA Charges Salary	93,540	1,500
A/c GST Expenses	32,514	31,907
PF - Employer Contribution Bank	208,191	-
Charges	7,916	-
	15,600	-
	7	136
	909,165	547,643

Summary Significant Accounting Policies:

1) Nature of Operations:

Bhagyashree Leasing & Finance Limited ("the Company") was incorporated on August 8, 1994. The Company is primarily engaged in the business of leasing and hire purchase financing and financial Services.

2) Statement of Significant Accounting Policies

a) Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as notified under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 by Ministry of Corporate Affairs ('MCA') as amended by the Companies (Indian Accounting Standards) Rules, 2016.

For all periods up to and including the year ended March 31, 2020 the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) as amended from time to time.

The financial statements for the year ended March 31, 2020 are the Company's first Ind AS financial statements. The Company has adopted Ind AS standards effective from April 01, 2019 with comparatives for year ending March 31, 2019 and April 01, 2018 being restated and the adoptions were carried out in accordance with Ind AS 101 – First time adoption of Indian Accounting Standards. All applicable Ind AS have been applied consistently and retrospectively wherever required. The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates is recognized prospectively.

c) Investments

Investments that are specifically realized and intended to be held not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary decline in the value of the investments. As on the Balance Sheet Date, the Company is not having any investment.

d) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- e)** The Company has complied with the provisions of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms, (Reserve Bank)

f) Provisions, Contingent Liabilities and Contingent Assets

A Provision is recognised when there is preset obligation as a result of past event and it is probable that an outflow of resource will be require to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Disclosures for the contingent Liability is made, without a provision in books, when there is an obligation that may, but probably will not require outflow of resources.

Contingent Assets are neither recognised not disclosed in the financial statements.

g) Statement of cash flows:

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash

flow for the year are classified by operating, investing and financing activities.

h) Earnings per share:

Basic earnings per share is computed, by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

i) Financial instruments

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

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

Financial assets are measured at the amortised cost, if both of the following criteria are met:

- These assets are held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

j) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities:

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

(ii) Subsequent measurement of financial liabilities:

For purposes of subsequent measurement, financial liabilities are classified and measured as follows:

- Loans and Borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) Derecognition of financial liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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

k) Income Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are in force at the reporting date. Current income tax relating to items recognised outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets current tax assets and current tax liabilities where it has a legally enforceable right to set off the recognised amounts and where it

intends either to settle on a net basis, or to realize the assets and settle the liability simultaneously.

Deferred tax

Deferred income tax is recognised using the balance sheet approach.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, Associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

- I) There was no opening stock and closing stock during the year 2019-20.

Notes To Accounts

12) Segment Reporting

The Company is engaged in the business of Trading Investments and allied Non Banking Financial Companies Activities and there are no separate and reportable segments as per Accounting Standard 17 "Segment Reporting".

13) Related Party Transaction

Related Party Disclosure, as required by Accounting Standard – 18, “Related Party Disclosures” are given below.

Names of related parties where control exist irrespective of whether transaction have occurred or not.	
Directors	1) Ameya Jain 2) Rajas Jain
Enterprises owned or significantly influenced by Directors or their relatives	1) Kumar Agro Products Private Limited 2) Prakruti Constructions Pvt Ltd 3) Kewal Real Estate Developers Private Limited 4) Himmat Land Holdings Pvt Ltd 5) Sommji Kumar Properties Private Limited 6) Sukumar Township Development Pvt.Ltd. 7) Ranjan Real Estate Developers Pvt.Ltd. 8) Kewal Properties And Estates Pvt.Ltd. 9) Jain Somjee Properties Private Limited 10)Samyak Promoters LLP 11)Kumar Kering Developers LLP 12)Zida Impex LLP 13)Pauravi Estate Developers LLP 14)Hitesh Real Estate Developers LLP 15)Shirole Properties LLP 16)Cube Real Estate Properties & LLP 17)Rajkumar Properties LLP 18)Krystalline Constructions LLP 19)Kumar Prism Realty LLP 20)R Tatva Capital Consultancy LLP 21)Nature Plus Products LLP 22)Kumar Properties Education Foundation

	23)Kumar Properties & Promoters Pvt. Ltd. 24)Kumar Kering Properties Pvt. Ltd. 25)Ved Real Estate Developers Pvt.Ltd 26)Himmat Land Holdings Pvt. Ltd 27)Viraj Projects Pvt. Ltd 28)Trisma Constructions Pvt. Ltd. 29)Kumar Heritage Homes Pvt. Ltd 30)Kumar & Potnis Pvt. Ltd.
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14) Directors' Remuneration

The Company has not paid any remuneration or commission to its Directors during the current year.

15) Dues to the Micro, Small and Medium Enterprises

There are no Micro, Small or Medium Enterprises to whom amounts are outstanding for more than 45 days as at March 31, 2020.

As at March 31, 2020, no supplier has intimated the Company about its status as Micro or Small enterprises or its registration with the appropriate authority under 'The Micro, Small and Medium Enterprises Development Act, 2006'.

The accounts of certain debtors, loans and advances given/received, creditors are, however, subject to confirmations and reconciliations, if any.

16) Payment To Auditors

Auditors remuneration for the year 2019-20 is Rs. 15,000/-

17) Previous Year Comparatives

Previous years have been regrouped or reclassified, where necessary, to conform to the current year's presentation.

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In the opinion of Board of Directors Current Assets, Loans & advances have the value at which they were stated in the Balance Sheet, if realized in the ordinary course of business.

Schedules 3 to 17 form an integral part of Profit & Loss Account and Balance Sheet as at 31st March, 2020.

As per our report of even date
For MDS & Co.
Chartered Accountants
FRN 100118W

Dhruva Doshi	Ameya Jain	Rajas Jain	Sunil Patel
Partner	Director CFO	Director	Company
Membership No. 164482	DIN : 01947076	CEO	Secretary
Place: Pune		DIN:	M. No.
Date : 29.6.2020		00037599	A43296
UDIN: 20164482AAAABH2079			

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 L65910PN1994PLC138655
Name of the Company Bhagyashree Leasing and Finance Limited
Registered office 1ST Floor, Kumar Capital, 2413, East Street, Camp Pune 411001
MH IN

Name of the member(s) Registered Address: Email Id: Folio No. / Client Id: DP ID:

I/We, being the member (s) of shares of Bhagyashree Leasing and Finance Limited, hereby appoint

1. Name
Address
Email ID
Signature
or failing him/her

2. Name
Address
Email ID

Signature

As my/our Proxy to attend and vote (on a poll) for me /us and on my / our behalf at the 26th Annual General Meeting of the Bhagyashree Leasing and Finance Limited, to be held on **Wednesday, 30th September, 2020 at 03:30 P.M.** at the registered office of the company situated at **1st Floor, Kumar Capital, 2413, East Street, Camp Pune 411001 MH IN** and at any adjournment thereof in respect of such resolution as are indicated overleaf.

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Resolution No	Resolutions	Vote (See Note)	
		For	Against
ORDINARY BUSINESS			
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, including the audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.		
2.	To appoint a director in place of Smt. Ranjana Jain (DIN 00035305), who retires by rotation and being eligible offers herself for re-appointment.		

Signature of Shareholder

**Affix
Revenue
Stamp**

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

It is optional to put an "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.

BHAGYASHREE LEASING AND FINANCE LIMITED
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BHAGYASHREE LEASING AND FINANCE LIMITED

1ST FLOOR, KUMAR CAPITAL, 2413, EAST STREET, CAMP PUNE MH 411001

Tel. 26350660, 30528888 FAX: 91-20-26353365

CIN: L65910PN1994PLC138655

ATTENDANCE SLIP

(To be presented at the entrance)

I/We hereby record my/our presence at the 26th Annual General Meeting of the Company to be held on **Wednesday, 30th September 2020** at **03:30 P.M.** at the registered office of the company situated at **1st Floor, Kumar Capital, 2413, East Street, Camp Pune 411001 MH IN**

Folio No./DP ID

No./Client ID

No.

Name of

the

Member

Name of

the

Proxyhol

der

Signature_____

Signature_____

1. Only Member/Proxyholder can attend the Meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.

BHAGYASHREE LEASING AND FINANCE LIMITED
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CIN: L65910PN1994PLC138655

FORM NO.MGT-12

POLLING PAPER

[Pursuant to section 109 (5) of the Companies Act, 2013 and Rule 21 (1) (c) of
the Companies (Management and Administration) Rules, 2014]

NAME OF THE COMPANY	BHAGYASHREE LEASING AND FINANCE LIMITED
CIN	L65910PN1994PLC138655
REGISTERED OFFICE	1ST FLOOR, KUMAR CAPITAL, 2413, EAST STREET, CAMP PUNE 411001 MH IN
TELEPHONE	(022) 6350660, 30528888
EMAIL	manjiri.h@kumarworld.com

BALLOT PAPER

Sr. No.	Particulars	Details
1.	Name of the First-named Shareholder (In BLOCK letters)	
2.	Postal address	
3.	Registered Folio No./ *DP ID and Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	Equity Shares of Rs.10 /- each

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

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Sr. No	Resolutions	No. of shares held by me	I assent to the resolution	I dissent from the resolution
ORDINARY BUSINESS				
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, including the audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.			
2.	To appoint a director in place of Smt. Ranjana Jain (DIN 00035305), who retires by rotation and being eligible offers herself for re-appointment.			

Place:

Date:

(Signature of the shareholder)

ROUTE MAP TO VENUE OF THE MEETING

From Swargate, Pune, Maharashtra to Bhagyashree Leasing and Finance Limited-
Registered Office @ 2.6 km

