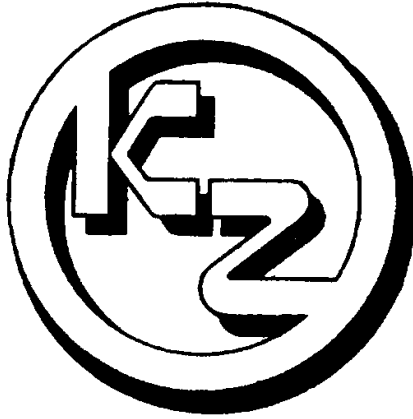


35th
Annual Report
2020-2021



K. Z. LEASING & FINANCE LTD.

1st Floor, Deshna Chamber, Ashram Road, Usmanpura,

Ahmedabad – 380014.

Important Communication to Shareholders
“Green Initiative in the Corporate Governance”

Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued a circular No.17/2011 on April 21, 2011 stating that the service of document to shareholders by a Company can be made through electronic mode.

Keeping in view the underlying theme and to support this green initiative of Government in the right spirit, members who holds shares in electronic mode and who have not registered their email addresses, so far, are requested to register their email address and changes therein from time to time, with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the below mentioned prescribed form, giving their consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement or any other communication in electronic mode, and register the said form with Link Intime India Private Limited.

Please note that you will be entitled to be furnished, free of cost, with a physical copy of the notice, balance sheet and all other documents required by law to be attached thereto including the profit & loss account and auditors’ report etc., upon receipt of a requisition from you, any time, as a member of the Company.

We are sure you would appreciate the “Green Initiative” taken by MCA and your Company’s desire to participate in such initiatives.

Email Address Registration Form

(For members who holds shares in Physical Forms)

K Z LEASING AND FINANCE LIMITED

Registered Office: 1st Floor, Deshana Chamber, B/h. Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014

Ledger Folio No. _____ No. of Share(s) held: _____

NAME OF THE SHAREHOLDER / JOINT HOLDER: _____

Email Address: i) _____ ii) _____

Contact No. (R) _____ (M) _____

I hereby give my / our consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement and all other documents required by law to be attached thereto or any other communication in electronic mode at my/our above mentioned email ID.

Signed this _____ day of _____, 2021.

Note:

- 1) Members are requested to send their duly completed form as above to the Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd., 5th Floor, 506 To 508, Amarnath Business Centre 1, Beside Gala Business Centre, Near St Xavier’s College Corner, Off C.G. Road, Navrangpura, Ahmedabad – 380009; Tele: 07926465179
- 2) Members are also requested to inform about any change in their email ID immediately to RTA.

Founder: Late Keshavlal Zaverchand Patel

Board of Directors

| | |
|----------------------------------|---|
| Shri Pravinkumar Keshavlal Patel | Chairman & Managing director |
| Shri Ankit Pravinkumar Patel | Director & CFO |
| Smt. Chaitali Ankitkumar Patel | Woman Director |
| Shri Dashrathbhai Devidas Patel | Independent Director (up to 22.04.2021) |
| Shri Babulal Maganlal Patel | Independent Director |
| Shri Kantibhai Sendharam Patel | Independent Director |

Audit Committee

Shri Babulal Maganlal Patel, Chairman
Shri Pravinbhai Keshavlal Patel, Member
Shri Kantibhai Sendharam Patel, Member

Shareholders / Investor's Grievance Committee

Shri Babulal Maganlal Patel, Chairman
Shri Kantilal Sendharam Patel, Member
Shri Pravinbhai Keshavlal Patel, Member
Smt. Chaitali A Patel, Member

Corporate Social Responsibility Committee

Shri Dashrathbhai Devidas Patel, Chairman (up to 22.04.2021)
Shri Babulal Maganlal Patel, Member
Shri Pravinkumar Keshavlal Patel, Member

Nomination & Remuneration Committee

Shri Kantibhai Sendharam Patel, Chairman
Shri Dashrathbhai Devidas Patel, Member (up to 22.04.2021)
Shri Babulal Maganlal Patel, Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Shreya Dharmendra Shah (Resigned from 16th June, 2021)
Mrs. Khyati Raval (Appointed w.e.f 16th June, 2021)

Registered Office

1st Floor, Dëshana Chamber,
B/h Kadwa Pattidar Wadi,
Ashram Road,
Ahmedabad-380014

CIN: L65910GJ1986PLC008864

Tel.: 079-27542298

Fax: 079-27543200

Email Id: info@kzgroup.in;
kzleasing@yahoo.com

Website: www.kzgroup.in

Statutory Auditor

Ranjit Galledar & Co.

Internal Auditor

M A A K & Associates

Secretarial Auditor

G K V & Associates

Bankers

- Suryoday Small Finance Bank Ltd.
- UCO Bank
- Shree Kadi Nagrik Sahakari Bank Ltd.

Registrars and Transfer Agents

Link Intime India Private Limited.

(Formerly, Intime Spectrum Registry limited)

C - 101, 247 Park,

L. B. S. Marg, Vikrohli (West)

Mumbai – 400083.

Phone: 022-49186000

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Notice to the Shareholders

NOTICE is hereby given that the 35th Annual General Meeting of the Members of K Z Leasing And Finance Limited will be held on Thursday 30th September, 2021 at 10.00 a.m. at the registered office of the company situated at 1st Floor Deshana Chamber, B/H Kadwapatidar Wadi Ashram Road Ahmedabad GJ 380001 In, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Profit & Loss for the year ended on March 31, 2021, the Balance Sheet as at that date and Cash flow together with the Auditor and Directors' Report thereon.
2. To appoint a director in place of Mr. Ankit Pravinkumar Patel (holding DIN 02901371), Director who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To consider Appointment of Mr. Arunbhai Shankerlal Patel (holding DIN:06365699) as the Non-executive Independent Director of the Company for the term of Five years and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provision of section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, Mr. Arunbhai Shankerlal Patel (DIN:06365699), who was appointed as Additional Independent Director on 04th September, 2021 and in respect of whom the company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for 5 (five) consecutive years.

“**RESOLVED FURHTER THAT** the Board of the company be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required in this regard.”

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

**ON BEHALF OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

**Pravinkumar K. Patel
(Chairman & Managing Director)
(DIN: 00841628)**

Date: 04/09/2021

NOTES:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Annual General Meeting (“Meeting”) is annexed hereto.
2. Generally, A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies and that a proxy need not be a member of the company. Proxies in order to be effective must be deposited not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10(ten) percent of the total share capital of the Company. However, a member holding more than 10% (ten percent) of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The route map of the venue of the Meeting is annexed hereto.
5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM inter-alia, indicating the process and manner of voting through electronic means along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company’s website.

6. Pursuant the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment/reappointment.
7. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, relating to special business if any is annexed thereto.
8. 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 Sundays, between 11 a.m. and 1 p.m. up to the date of meeting.
9. The Register of Members and the Share Transfer Books of the Company will remain closed for a period of Seven (7) days from Friday, 24th day of September, 2021 to Thursday 30th day of September, 2021 (both days inclusive).
10. Members are requested to contact Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikrohli (W), Mumbai-400083 Phone No. 022-49186000, for recording any change of address, bank mandate, ECS or nominations, and for redressal of complaints contact the Compliance Officer at the Registered Office of the Company.
11. The equity shares of the Company are available for dematerialization, as the Company has entered into an agreement with National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL). Those shareholders who wish to hold the company's share in electronic form may approach their depository participants.
12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents "Link Intime India Private Ltd", for assistance in this regard.
13. Section 72 of the Companies Act, 2013, extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders holding share certificates in physical form and willing to avail this facility may make nomination in Form SH 13, which may be sent on request. However, in case of demat holdings, the shareholders should approach to their respective depository participants for making nominations.
14. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
15. Members, who have multiple accounts in identical names or joint names in same order are requested to intimate M/s. Link Intime (India) Pvt. Ltd., the Ledger Folios of such accounts to enable the Company to consolidate all such share holdings into one account.
16. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.
17. Pursuant to the prohibition imposed vide Section 118 of the Companies Act, 2013 read with Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, no gifts/coupons shall be distributed at the Meeting.
18. Members desiring any information on the Accounts are requested to write to the Company at least 10 days before the meeting, so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
19. Members attending the AGM at the Venue shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
20. The Board of Directors of the Company has appointed M/s. GKV & Associates, Practicing Company Secretary, as the Scrutinizer, to scrutinize the e-voting and remote e-voting process in a fair and transparent manner.
21. The results of the voting shall be submitted by the Scrutinizer to the Chairman and the results shall be there after declared by the company which shall be available at the website of the company <http://www.kzgroup.in/>, Stock

Exchange of the Company viz. BSE Limited www.bseindia.com and the website of CDSL at <https://www.evotingindia.com/>

22 To support the 'Green Initiative', we request the Members of the Company to register their Email Ids with their DP or with the Share Transfer Agent of the Company, to receive documents / notices electronically from the Company in lieu of physical copies. Please note that, in case you have already registered your Email Id, you are not required to re-register unless there is any change in your Email Id. Members holding shares in physical form are requested to update their Email Ids at nilesh.dalwadi@linkintime.co.in

23 Voting through electronic means:
Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

- (i) The voting period begins on 27th September, 2021 09:00 a.m.(IST) and ends on 29th September, 2021 05:00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |

| | |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

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

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

iv) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

| For Shareholders holding shares in Demat Form other than individual and Physical Form | |
|--|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (iv) After entering these details appropriately, click on “SUBMIT” tab.
- (v) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vii) Click on the EVSN: - 210904043 of the KZLEASING & FIANCING LTD. on which you choose to vote.
- (viii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (ix) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (x) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiv) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; kzleasing@yahoo.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like 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 Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Explanatory Statements pursuant to section 102[1] of the Companies Act, 2013.

Item No. 3

Pursuant to the provisions of Sections 149,152 and other applicable provisions of the Companies Act, 2013(“the Act”) and the rules made there under (including any statutory modification (s) or re-enactment thereof) read with the Listing Regulations, Mr. Arunbhai S Patel(DIN:06365699) who was appointed as an Additional Independent Director of the Company with effect from 04th September, 2021 and whose term expires at ensuing general meeting is proposed to be appointed as Non-Executive Independent director of the Company to hold office for a term up to five consecutive years commencing from 04th September, 2021.

An ordinary resolution in terms as set out in item no.4 of the accompanying Notice is placed before the members in the meeting for approval.

Except Mr. Arunbhai S Patel(DIN:-06365699), being appointee none of the other Directors/key managerial personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions at item no.3 of the notice.

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

Date: 04/09/2021

**Pravinkumar K. Patel
(Chairman & Managing Director)
(DIN: 00841628)**

ANNEXURE TO THE NOTICE

BRIEF PROFILE OF THE DIRECTOR/S SEEKING APPOINTMENT / REAPPOINTMENT AT ANNUAL GENERAL MEETING

1. Details of Director retiring by rotation

| | |
|---|--|
| Name | Ankit Pravinkumar Patel |
| Qualification | <u>B.Com, M.com</u> |
| Experience | Over 12 years of wide ranging experience in Finance field |
| Other Directorship | K Z Cotspin India Limited |
| Chairman / Member of the Committees of the Board of the other companies on which he is a director | None |
| No. of shares held in the company | 69,234 Equity shares of Rs. 10 each |
| Disclosure of the relationships | Ankit P Patel is the son of Mr. Pravin K Patel, Chairman and Managing Director and Husband of Mrs. Chaitali A Patel, Director of the Company |

2. Details of director Independent Director

| | |
|---|---|
| Name | Arunbhai Shankerlal Patel |
| Qualification | <u>B COM. ,F C A</u> |
| Experience | Last 35 years in practice |
| Other Directorship | Sadbhav Infrastructure Project Limited Sadbhav Engineering Limited |
| Chairman / Member of the Committees of the Board of the other companies on which he is a director | N.A. |
| No. of shares held in the company | NIL |
| Disclosure of the relationships | Independent Director |

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

BY ORDER OF THE BOARD

Date: 04/09/2021

**Pravinkumar K. Patel
(Chairman & Managing Director)
(DIN: 00841628)**

DIRECTORS' REPORT

To,
The Members,
Your Directors are pleased to present the Company's 35th Annual Report and the audited accounts for the year ended 31st March, 2021.

FINANCIAL RESULTS FOR THE YEAR 2020-2021:

(Amount in Rs.)

| PARTICULARS | 2020-2021 | 2019-2020 |
|--------------------------------------|-----------------------|-----------------------|
| Income From Operation | 64,27,770.00 | 61,36,120.00 |
| Other Income | 66,85,042.00 | 50,26,938.00 |
| Total Income | 1,31,12,812.00 | 1,11,63,058.00 |
| Less: Operational Expenses | 65,03,066.00 | 48,86,939.00 |
| Profit before Interest, Depreciation | 66,09,746.00 | 62,76,118.00 |
| Less :Depreciation and Finance Cost | 51,25,719.00 | 36,16,159.00 |
| Profit/ Loss Before Tax | 14,84,027.00 | 26,59,960.00 |
| Less: Tax expenses | 0.00 | 2,42,070.00 |
| Profit/ Loss After Tax | 14,84,027.00 | 24,17,890.00 |

STATE OF COMPANY'S AFFAIRS:

During the year under review, the Company has generated total revenue of Rs. **1,31,12,812/-** as against Rs **1,11,63,058/-** of the previous financial year. The net profit for the year under review has been decreased to Rs. **14,84,027/-** as against Rs. **24,17,890/-** in the previous financial year. The Directors are continuously looking for the new avenues for future growth of the Company and expect more growth in future period.

A detailed analysis of the financial results is given in the Management Discussion and Analysis Report, which forms part of this report.

DIVIDEND & APPROPRIATIONS:

In order to conserve the resources, in the year 2020-21, the Directors do not recommend any dividend for the year under review.

RESERVES:

The Company has transferred 20% of its current year profit to Statutory Reserve under the provisions of Section 134(3) (j) of the Companies Act, 2013 and relevant rules made there under.

BOARD OF DIRECTORS:

- 1. Mr. Ankit Pravinkumar Patel (DIN: 02901371)**, Director of the Company retires by rotation and, being eligible, offers herself for re-appointment.
- The Independent Directors have submitted their declarations of independence, as required pursuant to the provisions of section 149(7) of the Act, stating that they meet the criteria of independence.
- Changes In Board During The Year:**

There was no change in the composition of Board of Directors during the year under consideration. Except the Following which occurred after 31st March, 2021:-

Mr. Dashratbhai Devibhai Patel, Independent Director of the Company ceased to act as director of the Company due to his untimely demise at 22.04.2021.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

Since the Company does not have any Subsidiary / Joint Ventures / Associate Concerns, No financial position of such concern(s) are required to be included in the financial statement.

PUBLIC DEPOSIT:

During the year under review your Company has not accepted deposit form public as envisaged by Chapter V of the Companies Act, 2013 and as per rules and regulations framed by Reserve Bank of India for Non-Banking Finance Companies.

CHANGE IN THE NATURE OF BUSINESS:

There is no Change in the nature of the business of the Company done during the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO:

As required by the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 the relevant data pertaining to conservation of energy, technology absorption are not applicable and hence, not given. The Company has no Foreign Exchange earnings and outgo during the year under review.

PARTICULARS OF EMPLOYEES:

There are no employees drawing the remuneration in excess of limits prescribed under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No Such Changes occurred which may affect the financial position of the Company.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

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

CHANGES IN SHARES CAPITAL:

The Company has not made any changes in the share capital of the company during the year under review.

INSURANCE:

All the assets of the company are adequately insured and the Company has developed proper system for taking insurance on all its assets in order to mitigate the risk.

DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013.

AUDITORS:

I. STATUTORY AUDITORS:

M/s. Ranjit Galledar & Co. (FRN: 108640W), Chartered Accountants, Surat was appointed as Auditors of the Company, for a term of 5 (five) consecutive years, at the Annual General Meeting held on 11th September, 2018. He has confirmed that he is not disqualified from continuing as Auditors of the Company.

II. AUDITORS' REPORT:

The Auditors' Report does not contain any qualification, reservation or adverse remark(s) and hence no comments required. The notes of accounts referred to in the auditors' report are self-explanatory and therefore do not require any further comments.

III. INTERNAL FINANCIAL CONTROLS

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. The internal control systems of the Company are monitored and evaluated by internal auditors and their audit reports are periodically reviewed by the Audit Committee of the Board of Directors. The observations and comments of the Audit Committee are also generally placed before the Board

IV. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of section 204 of the Act and The Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014, the Board has appointed G K V & Associates, Practising Company Secretary to conduct Secretarial Audit for the financial year ended on 31st March, 2021. Secretarial Audit Report is attached to this report as **Form MR-3**.

The Board has duly reviewed the Secretarial Auditor's Report and the observations and comments, appearing in the report are self-explanatory.

V. DETAILS OF FRAUD REPORTING BY AUDITOR:

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

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The CSR Committee comprises three Directors. The CSR Committee has recommended to the Board, a CSR Policy, indicating the activities to be undertaken by the Company, which is approved by the Board and carried to the Annual Report.

The company's net profit, turnover and net worth are outside the criteria of Section 135 of the Companies Act, 2013, therefore, it is not required to spend any amount under CSR Activity.

ENVIRONMENT, HEALTH AND SAFETY:

The Company is a Non-banking finance company hence it is not in such activity which affects the environment adversely, however, it accords the highest priority to Environment, Health and Safety. The management is constantly reviewing the safety standards of the employees and the management believes in the concept of sustainable development.

MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:

i. Vigil Mechanism / Whistle Blower Policy:

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy. The same is also uploaded on the website of the Company i.e. www.kzgroup.in

ii. Business Conduct Policy:

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and in an ethical manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

AUDIT COMMITTEE:

In the financial year 2020-21, the Audit Committee comprised of 3 members namely, Chairman Shri Babulal Maganlal Patel (DIN: 02901047), Shri Kantilal Sendharam Patel (DIN: 08077956), and Shri Pravinbhai Keshavlal Patel (DIN: 00841628). The audit committee duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Meetings of Audit committee was held four times on during the financial year and further details of attendance of directors in the Committee meeting are mentioned in Corporate Governance Report.

The Committee periodically discussed the Financial Reporting process, reviewed the Financial Statements, and discussed the quality of the applied accounting principles and significant judgment that affected the Company's Financial Statements. Before presenting the audited accounts to the members of the Board, the Audit Committee recommended the appointment of the statutory auditors, subject to the Board's approval. The audit Committee reviewed with adequacy of internal control systems with the management, statutory and internal auditors.

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:

In the financial year 2020-21, the Shareholders/Investors Grievance Committee comprised of Mr. Babulal Maganlal Patel (DIN: 02901047), the Chairman of the Committee, Mrs. Chaitali Ankit Patel (DIN: 06957559), Mr. Pravinkumar Patel (DIN: 00841628) and Mr. Kantilal Sendharam Patel (DIN: 08077956)

The primary function of the Shareholders / Investors Grievance Committee ("the Committee") is to consider and resolve the grievances of security holders of the Company. During the year under review, the committee reviewed the complaint status, share transfer details, dematerialization of security and also conducted audit by practicing company secretary.

NOMINATION AND REMUNERATION COMMITTEE:

In the financial year 2020-21, The Nomination and Remuneration Committee comprised of Mr. Kantilal Sendharam Patel (DIN: 08077956), the Chairman of the Committee, Mr. Dashrathbhai Devidas Patel (DIN: 08516041) and Mr. Babulal Maganlal Patel (DIN : 02901047)

The primary function of Committee is to recommend Board appointment and removal, carry out evaluation of director's performance and to ensure that level and composition of remuneration is sufficient and reasonable, the committee reviewed the performance of directors and also considered appointment of directors and Key Managerial Personnel.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The company has not declared dividend in any of the previous seven years and hence there is no fund lying as unclaimed/unpaid dividend and hence it is not required to transfer to IEPF Account.

ACCOUNTING STANDARDS AND FINANCIAL REPORTING:

The Company incorporates the accounting standards as and when issued by the Institute of chartered Accountants of India. The Company Complied with the Stock Exchange and legal requirement concerning the Financial Statements at the time of preparing them for the Annual Report.

CORPORATE GOVERNANCE:

As per the (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified 2nd September, 2015 issued by Securities and Exchange Board of India, vide circular no. SEBI/LAD-NRO/GN/2015-16/013, Corporate Governance is not applicable to the Company as Company has not attained the prescribed limit as mentioned hereunder:

As per the Regulation 15 (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicability of Corporate Governance shall not be mandatory for companies having paid up equity share capital not exceeding rupees ten crores and net worth not exceeding rupees twenty five crores, as on the last day of the previous financial year.

However the Company follows the principles of effective Corporate Governance. The Company has complied with the mandatory provisions of Corporate Governance as prescribed in the provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 executed with the Stock Exchange(s).

A separate section on Corporate Governance is included in the Annual Report and Certificate from Company's Auditors confirming the compliance with the code of Corporate Governance as enumerated in prescribed in the provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is annexed hereto.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under the provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 executed with the Stock Exchange, is presented in a separate section, forming part of the Annual Report.

DEMATERIALIZATION OF EQUITY SHARES:

As per direction of the SEBI, the Company's shares are compulsorily traded in dematerialized form on NSE and BSE. The Company has established connectivity with both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited and the International Securities Identification Number (ISIN) allotted to the Company's shares is INE006C01015. Presently shares are held in electronic and physical mode (82.30% of shares in demat, 17.70% in physical mode).

INTERNAL AUDITOR

The Board of Directors has appointed M/s M A A K & Associates, Chartered Accountants as Internal Auditors of the Company. The Internal Auditor directly reports to the audit committee. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

LISTING:

The equity shares of the company are listed in the Bombay Stock Exchange Limited which has the connectivity in most of the cities across the country.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) as well as the Report on Board of Directors (SS-4) issued by The Institute of Company Secretaries of India, have been duly followed by the Company.

DISCLOSURE ABOUT COST AUDIT

Maintenance of Cost Records and requirement of Cost audit as prescribed under provisions of Section 148(1) of the Act, are not applicable for business activities carried out by the Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors duly met 5 times at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The dates on which meetings were held are 30.06.2021, 27.07.2021, 14.08.2021, 05.11.2020 and 08.02.2021. The details regarding the attendance of the directors in the board meetings are mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE AUDIT COMMITTEE:

The Audit Committee duly met 5 times at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The details regarding the meetings of Audit Committee and the attendance of the directors in the same is mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee met 2 times at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes

Book maintained for the purpose. The details regarding the meetings of Nomination and Remuneration Committee and the attendance of the directors in the same is mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The CSR Committee met once during the mentioned financial year on 25/02/2020 and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board by way of individual feedback from directors. The Independent Directors carried out annual performance evaluation of the Chairperson. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members.

The evaluation frameworks were the following key areas:

- (a) For Non-Executive & Independent Directors:
 - Knowledge
 - Professional conduct
 - Comply Secretarial Standard issued by ICSI
 - Duties, Role and functions
- (b) For Executive Directors:
 - Performance as leader
 - Evaluating Business Opportunity and analysis of Risk Reward Scenarios
 - Key set investment goal
 - Professional conduct and integrity
 - Sharing of information with Board.
 - Adherence to applicable government law

The Directors expressed their satisfaction with the evaluation process.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) of SEBI (Prohibition of Insider Trading) Regulation, 2015 and the applicable Securities Law. The Insider Trading policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of Company as well as consequences of violation. The policy has been formulated to regulate, monitor, and ensure reporting of deals by employees and to maintain highest ethical standards of dealing in Company Securities. The policy is available on our website (www.kzgroup.in).

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal Act, 2013):

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability confirm and state that –

- i. In the preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual accounts on a going concern basis;
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

Since the Company is Non-Banking Financial Company registered with the RBI, the disclosures pertaining to Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are not applicable

EXTRACT OF ANNUAL RETURN:

In accordance with Sections 134(3)(a) & 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return for financial year 2020-21 is uploaded on the website of your Company and the same is available at <http://www.kzgroup.in/otherfillings.php>

RISK MANAGEMENT POLICY:

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure I in Form No. AOC-2 and the same forms part of this report. The Board has approved a policy for related party transactions which has been uploaded on the Company's website www.kzgroup.in

ACKNOWLEDGMENT:

Your Directors wish to place on record their sincere appreciation to the financial institutions, Company's bankers and customers, vendors and investors for their continued support during the year.

Your Directors are also pleased to record their appreciation for the dedication and contribution made by employees at all levels who through their competence and hard work have enabled your Company achieve good performance year after year and look forward to their support in future as well.

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

Date: 04/09/2021

**Pravinkumar K Patel
(Chairman and Managing Director)
(DIN: 00841628)**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: K Z LEASING AND FINANCE LIMITED (the Company) has not entered into any contract/arrangement/transaction with its related parties, which is not in ordinary course of business or at arm's length during FY 2020-21. The Company has laid down policies and processes/ procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts/arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts/arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board, if any: Not Applicable
- (f) Amount paid as advances, if any: None

Note: All related party transactions are benchmarked for arm's length, approved by Audit Committee and reviewed by Statutory Auditors. The above disclosures on material transactions are based on threshold of 10 percent of turnover and considering wholly owned subsidiaries are exempt for the purpose of Section 188(1) of the Act.

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

Date: 04/09/2021

**Pravinkumar K Patel
(Chairman and Managing Director)
(DIN: 00841628)**

FORM NO. MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
K Z Leasing and Finance Limited
(L65910GJ1986PLC008864)
1st Floor, Deshana Chamber,
B/h Kadwa Pattidar Wadi,
Ashram Road,
Ahmedabad-380014, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by K Z 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 Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2021 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14th May, 2015)
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – (not applicable);
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. The following industry specific laws, directions, circulars and guidelines:
The Reserve Bank of India Act, 1934.

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

7. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS 1) and General Meeting (SS 2).
8. Clauses of Listing Agreements (applicable till November 30, 2015) entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from December 01, 2015).

We further report that:

Compliances of applicable Financial Laws including, Direct & Indirect Tax Laws by the Company has not reviewed in this Audit Report; since the same has been subject to reviewed by the Statutory Auditor & other Designated Professionals.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- 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.
- We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliance under other laws and regulations applicable to the company.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that:

Based on our review of Compliance Mechanism established by the Company and on the basis of Compliance Certificate(s) issued by the Managing Director and taken on record by the Board of Directors at their meeting(s), we are of opinion that, there are adequate systems and processes in place in the Company, which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed the Company has responded appropriately to the notices received from various statutory/regulatory authorities including initiating action for corrective measures, wherever focused necessary.

Date: 04/09/2021

Place: Ahmedabad

GKV & Associates

SD/-

Gautam Virsadiya

Proprietor

ACS: 31820; COP: 19866

(UDIN: A031820C000894638)

To,
The Members,
K Z Leasing and Finance Limited

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

Management Responsibility:

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

Auditors Responsibility:

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company or verified compliances of Laws other than those mentioned above. Wherever required, we have obtained the management representation about the Compliance of laws, rules and regulations and happening of events etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

Disclaimer:

The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 04/09/2021

Place: Ahmedabad

GKV & Associates

SD/-

Gautam Virsadiya

Proprietor

ACS: 31820; COP: 19866

(UDIN: A031820C000894638)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
K Z Leasing and Finance Limited
1st Floor, Deshana Chamber,
B/h Kadwa Pattidar Wadi,
Ashram Road,
Ahmedabad-380014, India.

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of K Z Leasing and Finance Limited having CIN L65910GJ1986PLC008864 and having registered office at 1st Floor, Deshana Chamber, B/h Kadwa Pattidar Wadi, Ashram Road, Ahmedabad-380014, India (hereinafter referred to as "the Company"), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me/ us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|-----------------------------|----------|--------------------------------|
| 1 | Pravinkumar Keshavlal Patel | 00841628 | 01/04/1998 |
| 2 | Ankit Pravinkumar Patel | 02901371 | 30/01/2010 |
| 3 | Chaitali Ankitkumar Patel | 06957559 | 30/09/2014 |
| 4 | Babulal Maganlal Patel | 02901047 | 29/12/2016 |
| 5 | Kantibhai Sendharam Patel | 08077956 | 09/03/2018 |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 04/09/2021
Place: Ahmedabad

GKV & Associates

Sd/-
Gautam Virsadiya
Proprietor
ACS: 31820; COP: 19866
(UDIN: A031820C000894627)

Management Discussion and Analysis Report

This report covers the operations and financial performance of the Company and part forms of the Directors' Report.

AN INDUSTRY OVERVIEW:

The management is confident of improvement in the company's working in the near future with fast growth.

The scenario of the finance industry and economy in general is buoyant even after the industry is exposed to competition with policy of the government. The process of development, increasing thrust of the government on the finance industry, the future of industry appears quite bright.

OUTLOOK:

Financial year 2020-21 posed a serious challenge to the finance sector especially in Q4 in view of COVID-19 pandemic which engulfed the globe. Finance sector all over the globe is facing numerous issues exposed by global financial crisis, which have posed numerous challenges which we are trying to overcome. In consonance with idea of strengthening regulation and supervision, RBI has been constantly on the move to improve efficacy of its supervision and its regulatory functions. It is also focusing on both off site surveillance and on site surveillance.

BUSINESS HIGHLIGHTS:

Turnover:

K Z Leasing and Finance Limited have turnover of Rs. 1,31,12,812 in 2020-21 as against Rs. 1,11,63,058 in 2019-20.

Employee Benefit Expenses:

Employees emoluments (other than managerial remuneration) is Rs.34,37,892 during the year as against Rs. 30,93,265/- during the previous year.

Administrative and Other Expenses:

Major components of administrative and other expenses includes printing and stationary, audit fees, advertisement expenses, postage and stamps, listing fees, insurance premium etc. Administrative and other expenses for the year amounted to Rs. 30,65,174/- as against Rs. 17,93,674/- during the previous year.

Depreciation:

Depreciation charge for the current year came to Rs. 56,112 as against Rs. 57,023/- of the previous year.

Provision for Tax:

The Company has not made any provision towards current tax in the Current year. As there is no dividend payable this year, the company has not provided any amount for dividend distribution tax.

Profit/Loss after Tax:

The Company has made profit after tax for the current year is Rs. 14,84,027/- as against profit of Rs. 24,17,890/- during the previous year. The Directors are hopeful for the better and better performance in the future.

FINANCIAL CONDITION:

Non-Current assets

(i) Financial investments:

Financial investments of the company is Rs. 12,09,08,537.00 as at 31st March, 2021 against Rs. 7,65,30,117.00 which was at 31st March, 2020

(ii) Loans and Advances:

Loans and advances of the company is Rs. 10,22,29,313.00 as at 31st March,2021 against Rs. 10,54,56,317.00 of previous year

(iii) Property Plant and Equipment:

Net block of the fixed assets at the end of the year is Rs. 4,28,308.00 as against Rs 4,38,920.00 in the previous year.

Current assets

The total Current Assets of the company as at 31st March, 2021 is Rs. 1,73,85,193.00 which was Rs 21,60,861.00 in the previous year.

Non-Current Liabilities:

The Company's Non-Current Liabilities includes Long Term borrowings of Rs. 1,41,68,896.00 as at 31st March, 2021 as against Long Term Borrowings of Rs. 10,74,232.00 as at 31st March, 2020.

Current Liabilities:

Company's Current Liabilities includes Trade payables and Other Current Liabilities which are amounting to Rs. 4,52,02,901.00 as at 31st March, 2021 against Rs. 5,94,72,274 as at 31st March, 2020.

SWOT ANALYSIS OF THE COMPANY:

Strength:

- Management depth and ability to manage client / customer relationships
- Enhanced presence in the market through clientele basis

Opportunities and Threats:

The micro finance industry is subject to tough competition amongst various segments within and outside the country. The threat of competition is comparatively less in the area in which your company is operating. The increase in demand from business sector will provide opportunity to your company to increase more market share. Moreover, Indian Finance industry is witnessing changes in business dynamics.

A. RISKS AND CONCERNS :

The company is mainly focusing on manpower and the intelligence. Apart from the risk on account of interest rate and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions. The company has taken necessary measures to safe guard its assets and interest etc.

B. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and to monitor internal business process, financial reporting and compliance with applicable laws.

The internal control system has been designed so as to ensure that the financial and other records are reliable and reflects a true and fair view of the state of the Company's business. A qualified and independent committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

C. HUMAN RESOURCE MANAGEMENT :

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives.

Accounting Treatment

Audited Financial Statements for the year ended 31st March, 2021 are in compliance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Companies Act, 2013.

Cautionary Statement:

Statement made in the Management Discussion and Analysis Report describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates changes in the government regulations, tax laws & other statutes and other incidental factors.

Corporate Governance Report

OUR PHILOSOPHY

K Z Leasing And Finance Limited strives to adopt the highest standards of excellence in Corporate Governance. We strongly believe that corporate governance accompanies our long-term business success. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz., the Board of Directors, the senior management, employees, etc. The Company has consistently practiced good Corporate Governance norms for the past several years for the efficient conduct of its business and meeting its obligations towards all its stakeholders viz., the shareholders, customers, employees and the community in which the Company operates.

The Company has established procedures and systems to be fully compliant with the requirements stipulated by the Securities and Exchange Board of India (SEBI) from time to time as contained in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of which are given below.

The Company's Corporate Governance philosophy is reflected in the following key areas of the Company's approach to business and its stakeholders:

1. Board of Directors :

Composition:

As of date, the Board Comprises of 3 (Three) executive directors and 3 (Three) non-executive directors out of which all 3 (Three) are independent directors. The company has an executive chairman and the number of non-executive/independent directors is more than 50% of the total number of directors. The Company, therefore, meets with the requirements relating to the composition of the Board of Directors.

The composition and category of Directors are as follows:

| CATEGORY | NAME OF DIRECTORS | |
|--------------------------------|--|--|
| Promoter & Executive Directors | Shri. Pravinbhai K. Patel Shri. Ankit P. Patel Smt. Chaitali A Patel | (Chairman & Managing Director) (Director, Chief Financial Officer) (Woman Promoter Director) |
| Independent Directors | Shri Babulal Maganlal Patel Shri. Kantibhai Sendharam Patel Shri Kantilal Joytiram Patel* Shri Dashrathbhai Devidas Patel** | (Independent Director) (Independent Director) (Independent Director) (Independent Director) |

Disclosure of relationships between Directors inter-se:

| Name of directors | Relationship with other Director |
|-----------------------------------|---|
| Shri. Pravinbhai K. Patel | Father of Shri. Ankit P. Patel, and Father in law of Mrs. Chaitali A Patel Director of the Company. |
| Shri. Ankit P. Patel | Son of Shri Pravinbhai K. Patel, Chairman & Managing Director and Spouse of Mrs. Chaitali A Patel director of the company |
| Shri Kantilal Joytiram Patel* | Not, in any way, concern / interested / related with any of the other directors of the company |
| Smt. Chaitali A Patel | Mrs. Chaitali A Patel, is wife of Mr. Ankit P Patel and daughter in law of Mr. Pravin Patel |
| Shri. Babulal Maganlal Patel | Not, in any way, concern / interested / related with any of the other directors of the company |
| Shri. Kantibhai Sendharam Patel | Not, in any way, concern / interested / related with any of the other directors of the company |
| Shri Dashrathbhai Devidas Patel** | Not, in any way, concern / interested / related with any of the other directors of the company |

*Ceased to act as member w.e.f. 22.04.2021 due to demise

Attendance of each Director at the Board meetings, Last Annual General Meeting and Number of Other Directorships and Chairmanships / Memberships of Committees of each Director in various companies, during the year 2020-21:

| Name Of Directors | Attendance particulars | | No. of Directorships and Committee Memberships / Chairmanships | | |
|---------------------------------|------------------------|----------|--|----------------------|------------------------|
| | Board Meetings | Last AGM | Other Directorship | Committee Membership | Committee Chairmanship |
| Shri. Pravinbhai K. Patel | 5 | Yes | 1 | 3 | NIL |
| Shri Ankit P. Patel | 5 | Yes | 1 | Nil | NIL |
| Smt Chaitali A Patel | 5 | Yes | NIL | 1 | NIL |
| Shri Babulal Maganlal Patel | 5 | Yes | 1 | 4 | 3 |
| Shri Kantibhai Sendharam Patel | 5 | Yes | NIL | 1 | NIL |
| Shri Dashrathbhai Devidas Patel | 5 | Yes | NIL | 2 | 1 |

(No. of Directorship excludes directorship of Private Limited Companies, Foreign Companies, Companies license under Section 8 of the Companies Act, 2013 and Alternate Directorship.)

Note:

- I) Details of the Committee membership / chairmanship are in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- II) None of the Directors of the Company is a member of more than ten committees nor is the Chairman of more than five Committees across all the Companies in which he is a Director.

Number of Board Meetings held and dates on which held:

During the year under review, 5 (Five) Board Meetings were held as against the minimum requirement of 4 meetings. The dates on which the meetings were held are 30/06/2020, 27/07/2020, 14/08/2020, 05/11/2020, and 08/02/2021. The Company has held one meeting every quarter and the maximum time gap between two meetings was not more than 120 days.

The Information as required under Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meeting. Adequate information is circulated as part

of the Board papers and is also made available at the Board Meeting to enable the Board to take informed decisions. Where it is not practicable to attach supporting / relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the agenda.

Number of shares held by Non-executive directors

| Name of Directors | Category | No of Shares | Percentage (%) |
|------------------------------------|-----------------------------|--------------|----------------|
| Shri. Kantilal Joytiram Patel* | Non-executive / Independent | - | - |
| Shri Babulal Maganlal Patel | Non-executive / Independent | 100 | 0.003 |
| Shri. Dashrathbhai Devidas Patel** | Non-executive / Independent | - | - |
| Shri Kantilal Sendharam Patel | Non-executive / Independent | - | - |

*Ceased to act as member w.e.f. 22.04.2021 due to demise

MD/CEO Certification:

Mr. Pravinkumar Keshavlal Patel, Managing Director of the Company was giving annual certification on financial reporting and internal controls to the Board in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. He also gives quarterly certification on financial results while placing the financial results before the Board.

Code of Conduct:

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Risk Management Policy:

The Company has formulated a Corporate Risk Management Policy applicable to its operations, which is duly approved by the Board of Directors in compliance with the requirement of Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. Audit Committee and Board Members are reviewing and updating the said policy periodically.

2. Audit Committee:

The Board of Directors of the Company has constituted an Audit Committee and has it reconstituted from time to time. Presently, the Audit Committee comprises of 2 (Two) Independent directors namely Shri Babulal Maganlal Patel, Chairman (having financial and accounting knowledge) and Shri Kantibhai Sendharam Patel, and 1 (One) Executive Director, Shri Pravinkumar Keshavlal Patel as the member of the Committee.

The Constitution, composition and functioning of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges.

The terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

Powers of the Audit Committee:

The Audit Committee has powers that include the following:

- To investigate any activity of the Company within its terms of reference
- To seek information from any employee
- To obtain outside legal and other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Names of Members and Chairperson of the Audit Committee and the meetings attended by them during the Financial Year 2020-21 ending on 31st March, 2021, are as under:

| Name of Directors | Category | Status / Designation | No. of Meeting attended |
|----------------------------------|-----------------------------|----------------------|-------------------------|
| Shri Babulal Maganlal Patel | Non-executive / Independent | Chairman | 5 |
| Shri. Pravinbhai Keshavlal Patel | Executive Promoter Director | Member | 5 |
| Shri Kantilal Sendharam Patel | Non-executive / Independent | Member | 5 |

The Committee met 5 (Five) times during the year 2019-20. The dates on which the Audit Committee meetings were held are 30/06/2020, 27/07/2020, 14/08/2020, 05/11/2020 and 08/02/2021. The maximum time gap between any two meetings was not more than four months.

Members of the Audit Committee have requisite accounting, financial and management expertise.

3. Nomination and Remuneration Committee:

In 2020-21, The Nomination remuneration committee comprised of 3 (Three) members namely, Mr. Kantibhai Sendharam Patel as the Chairman of the Committee and Mr. Babulal Maganlal Patel and Mr. Dashrathbhai Devidas Patel* as other members. This Committee is entrusted with the responsibility of finalizing the remuneration of Executive / Whole Time Directors. The Committee met two (2) times i.e. 27/07/2020 and 08/02/2020 during the year under review.

*Ceased to act as member w.e.f. 22.04.2021 due to demise

4. Shareholders' and Investors' Grievance Committee:

The Board of Directors of the Company has constituted a Shareholders' and Investors' Grievance Committee which is reconstituted from time to time. In the year 2021-21, The Shareholders' and Investors' Grievance Committee comprised of Mr. Babulal Maganlal Patel as the Chairman of the Committee and Mrs. Chaitali Ankit Patel, Mr. Pravinkumar Patel and Mr. Kantilal Sendharam Patel as other members. The members of the Committee, inter alia, approve issue of duplicate certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipts of balance sheet, non-receipt of declared dividends etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Investor Grievances Committee met 4 (Four) Times during the year i.e. 30/06/2020, 14/08/2020, 05/11/2020 and 08/02/2021.

As required by the provisions of Regulation 13 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has designated the below cited e-mail ID of the Grievance Redressal Division / Compliance Officer exclusively for the purpose of registering complaints by investors.

E-mail ID – kzleasing@yahoo.com ; info@kzgroup.in

Also, the Company is registered on SCORES platform for handling the Investors' complaint electronically.

None of the request for transfers, dematerialization and re-materialization was pending for approval as on 31st March, 2021.

Quarter-wise Summary of Investors' Complaints received and resolved to the satisfaction of the shareholders during the financial year 2020-21.

| Quarter Period | | Complaints Position at the beginning of the quarter | Complaints received during the quarter | Complaints resolved during the quarter | Complaints pending at the end of the quarter |
|--|------------|---|--|--|--|
| From | To | | | | |
| 01/04/2020 | 30/06/2020 | 0 | 0 | 0 | 0 |
| 01/07/2020 | 30/09/2020 | 0 | 0 | 0 | 0 |
| 01/10/2020 | 31/12/2020 | 0 | 0 | 0 | 0 |
| 01/01/2021 | 31/03/2021 | 0 | 0 | 0 | 0 |
| Total | | 0 | 0 | 0 | 0 |
| Complaint pending at beginning of the year | | = 0 | | | |
| Complaint received during the year | | = 0 | | | |
| Complaint resolved during the year | | = 0 | | | |
| Complaint pending at the end of the year | | = 0 | | | |

Annual General Body Meetings:

Location, Date and Time for last three Annual General Meetings were as follows:

| Year | Location | Date | Time |
|---------|--|------------|----------|
| 2019-20 | 1 st Floor Deshana Chamber, B/h Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014 | 30/09/2020 | 11.30 am |
| 2018-19 | 1 st Floor Deshana Chamber, B/h Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014 | 27/09/2019 | 10.30 am |
| 2017-18 | 1 st Floor Deshana Chamber, B/h Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014 | 29/09/2018 | 10.00 am |

No Special Resolution has been passed in the previous three annual general meetings.

Disclosures:

- The Board of directors have formulated a policy on Related party transactions and have displayed on website of the Company www.kzgroup.in. During the Year there are no materially significant Related party transactions i.e. transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflicts with the interests of the company at large in the financial year 2020-21.
- The Company promotes ethical practices in all its business activities and has put in place a well-defined whistle blower mechanism as per the requirements of RBI, Companies Act 2013, SEBI Listing Regulations, for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct or Ethics policy.
- In this regard the bank affirms that no employee has been denied access to Managing director/Audit Committee of Board under Whistle Blower mechanism.

- The Company has complied with all the mandatory requirements of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- The Auditors have expressed an unmodified opinion on the Financial Statements of the Bank for Financial year 2020-21
- The Company has no exposure in Commodity and hence there is no Commodity risks.
- The Company does not have any Subsidiaries, hence relevant disclosures regarding material disclosures does not arises, though Company has formulated policy of determine material subsidiaries which is placed on company's website www.kzgroup.in.
- The Statutory auditors were paid an audit fees of Rs 20,000 towards audit services for Financial year 2020-21.
- The Company has a Comprehensive Code of conduct applicable to all members of Board and Senior management depending on roles and responsibilities . The copy of code is available on Company's website www.kzgroup.in.
- Further the Company has complied with all applicable requirements as prescribed under the SEBI Listing Regulations, 2015. A certificate to this has been obtained from Statutory Auditor M/s Ranjit Galledar & Co, Chartered Accountants, Surat, which is furnished at end of this report.

Disclosure under Sexual Harrasment of Women at Workplace

| | |
|--|-----|
| No of Complaints received during the financial year | Nil |
| No of Complaints disposed during the financial year | Nil |
| No of Complaints pending as on the end of financial year | Nil |

Means of Communication

The Company regularly intimates quarterly un-audited as well as yearly audited financial results to the Bombay Stock Exchange, immediately after the same are taken on record by the Board. These results are normally published in "Western Times" English daily and Gujarati Daily News Paper and also displayed on the website of Company www.kzgroup.in. These are not sent individually to the Shareholders.

General Shareholder Information

35th Annual General Meeting:

Date : 30th September, 2021

Time : 10.00 a.m.

Venue : 1st Floor Deshana Chamber, B/h Kadwa Patidar Wadi, Ashram Road, Ahmedabad-380014.

As required under provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, particulars of Director seeking re-appointment are given in annexure to the Notice of the Annual General Meeting to be held on 30th September, 2021.

Financial Year / Calendar:

The Company follows April to March as its Financial Year. The results for every quarter beginning from April are being declared in the month following the quarter as per the Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date of Book Closure:

From Friday, 24st day of September, 2021 to Thursday, 30th day of September, 2021 (both days inclusive).

Listing of Equity Shares on Stock Exchanges at:

Bombay Stock Exchange Limited, Mumbai (BSE),
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001

Annual listing fees for the year 2020-21, as applicable, have been paid to the Bombay Stock Exchange Limited. The Company has also paid Annual Custodial Fees for the year 2020-21, as applicable, to National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL].

Stock Code

Bombay Stock Exchange Limited : **511728**
Demat ISIN Number in NSDL & CDSL for Equity Shares: **INE006C01015**

Stock Market Data:

The monthly high and low quotations of shares traded at the BSE for the current year are provided as follows:

| Financial Year 2020-21 | High (Rs) | Low (Rs) |
|---------------------------|--------------|-------------|
| April | 7.88 | 7.03 |
| May | 6.69 | 6.69 |
| June | 8.85 | 6.36 |
| July | 10.27 | 7.07 |
| August | 8.92 | 7.66 |
| September | 12.07 | 8.62 |
| October | 12.49 | 9.02 |
| November | 9.19 | 7.46 |
| December | 11.43 | 8.16 |
| January | 12.60 | 9.08 |
| February | 11.06 | 9.81 |
| March | 10.50 | 8.41 |

(Source: BSE Website)

Registrar and Transfer Agents

Link Intime India Private Limited.

Registered Office:

C 101, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai - 400083.Tel : 91-22-49186000

E-Mail: nilesh.dalwadi@linkintime.co.in; mumbai@linkintime.co.in

Share Transfer / Demat System:

All the shares related work is being undertaken by our R & T Agent, Link Intime India Private Limited, Mumbai. To expedite the process of share transfer, transmission, split, consolidation, re-materialization and de-materialization etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's R & T Agent under the supervision and control of the Compliance Officer Ms Shreya Shah & Ms khyati raval who is placing a summary statement of transfer / transmission etc. of securities of the Company at the meeting of the Shareholders' and Investors' Grievance Committee. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2020, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents "Link Intime India Private Ltd", for assistance in this regard. The investors / shareholders grievances are also taken-up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in Practice as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Distribution Schedule and Shareholding Pattern as on 31st March, 2021**Distribution Schedule:**

| No. of equity shares held | No. of holders | % of Total Shareholders | No. of shares | % of Issued Capital |
|---------------------------|----------------|-------------------------|----------------|---------------------|
| 1 - 500 | 3607 | 90.81 | 529800 | 17.42 |
| 501 - 1000 | 198 | 4.98 | 168503 | 5.54 |
| 1001 - 2000 | 73 | 1.84 | 106117 | 3.49 |
| 2001 - 3000 | 17 | 0.43 | 42171 | 1.3 |
| 3001 - 4000 | 15 | 0.38 | 52821 | 1.74 |
| 4001 - 5000 | 15 | 0.38 | 70681 | 2.32 |
| 5001 - 10000 | 11 | 0.28 | 70495 | 2.32 |
| 10001 and Above | 36 | 0.90 | 2000612 | 65.78 |
| Total | 4002 | 100.00 | 3041200 | 100.00 |

Shareholding Pattern:

| Sr. No | Category | As on March 31, 2021 | | As on March 31, 2020 | |
|--------|--|----------------------|------------------|----------------------|------------------|
| | | Nos. of Shares held | % of Shares held | Nos. of Shares held | % of Shares held |
| 1 | Promoters | 821040 | 27.00 | 772404 | 25.40 |
| 2 | Mutual Fund & UTI | NIL | NIL | NIL | NIL |
| 3 | Bank, Financial Institutions (FI's), Insurance Companies | NIL | NIL | NIL | NIL |
| 4 | Foreign Institutional Investors (FII's) | NIL | NIL | NIL | NIL |
| 5 | NBFC | 31262 | 1.03 | 57602 | 1.89 |
| 6 | Other Bodies Corporate | 92454 | 3.04 | 76154 | 2.50 |
| 7 | Indian Public | 1943645 | 63.91 | 2006426 | 65.97 |
| 8 | HUF | 123450 | 4.06 | 127933 | 4.21 |
| 9 | Clearing Member | 26385 | 0.87 | 41 | 0.013 |
| 10 | Non Resident Indians | 1874 | 0.06 | 640 | 0.02 |
| 11 | Non Resident (Non Repatriable) | 1090 | 0.03 | 0 | 0.00 |
| | Total | 3041200 | 100.00 | 3041200 | 100.00 |

De- materialization of Shares and Liquidity

The Company's Shares are in compulsory Demat segment and as on 31st March, 2021, 25,03,090 Equity Shares of the Company forming 82.30% of the company's paid - up Equity share capital is in dematerialized form.

Outstanding GDR/DR/Warrants or any Convertible Instruments - Not applicable.

Address for correspondence

| | | |
|----|--|---|
| a) | Investor Correspondence for transfer / de-materialization of shares and any other query relating to the shares of the Company. | Link intime India Private Limited C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. Tel : 91-22-49186000 e-Mail: nilesh.dalwadi@linkintime.co.in |
| b) | Any other query and Annual Report | Secretarial Department 1 st Floor Deshana Chamber, B/h Kadva pattidar Wadi, Ashram Road, Ahmedabad-380001 Tel : 079-27542298, 27543200 e-mail: info@kzgroup.in |

Reconciliation of Share Capital Audit Report:

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of SEBI Circular No. D&CC/FITC/CIR-16/2002 dated December 31, 2002 reconciling the total shares held in both the depositories, viz NSDL and CDSL and in physical form with the total issued / paid-up capital of the Company were placed before the Board of Directors every quarter and also submitted to the Stock Exchange(s) every quarter in xbrl as well as pdf format.

DECLARATION UNDER REGULATION 34(3) READ WITH SCHEDULE V OF LODR, 2015

I confirm that all the directors and Senior management Personnel have affirmed compliance with code of conduct of Bank as applicable to them for year ended 31st March, 2021

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road, Ahmedabad –380014.

Date: 04/09/2021

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

**Pravinkumar K. Patel
(Chairman and Managing Director)
(DIN: 00841628)**

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
K Z Leasing and Finance Limited
1st Floor, Deshana Chamber,
B/h Kadwa Pattidar Wadi,
Ashram Road,
Ahmedabad-380014, India.

1. We have examined the compliance of conditions of Corporate Governance by K Z Leasing and Finance Limited for the year ended on 31st March, 2021 as stipulated in SEBI (LODR) regulation, 2015
2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI (LODR) regulation, 2015.
4. We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the shareholders / Investor's grievance committee.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 04/09/2021
Place: Ahmedabad

GKV & Associates
SD/-
Gautam Virsadiya
Proprietor
ACS: 31820; COP: 19866
(UDIN: A031820C000894616)

CERTIFICATION BY CEO & CFO MANAGING DIRECTOR

To
The Board of Directors
K Z LEASING AND FINANCE LIMITED
1st floor, Deshna chamber,
B/H Kadwa Pattidar Wadi,
Ashram Road, Usmanpura,
Ahmedabad - 380001.

Dear Members of the Board,

I, PRAVINKUMAR K PATEL, Managing Director (in capacity of Chief Executive Officer) and Ankit P Patel, Chief Financial Officer of the Company M/s. K Z LEASING AND FINANCE LIMITED, hereby certify that for the financial year ending **31st March, 2021** on the basis of the review of the financial statements and the cash flow statement and to the best of my knowledge and belief that :

1 These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

2 These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3 There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2020-21 which are fraudulent, illegal or in violation of the Company's code of conduct.

4 I accept responsibility for establishing and maintaining internal controls. I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies.

5 I further certify that:

- a) There have been no significant changes in internal control during this year.
- b) There have been no significant changes in accounting policies during this year.
- c) There have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Place: Ahmedabad

Date: 04/09/2021

PRAVINKUMAR K. PATEL
Chairman and Managing Director
(DIN: 00841628)

ANKIT P.PATEL
(Director, CFO)
(DIN: 02901371)

Auditors Certificate on Corporate Governance

To,
The Members
K. Z. Leasing & Finance Limited

The Corporate Governance is not applicable to the Company as it has not attained the prescribed limit as mentioned Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, However the Company follows an effective Corporate Governance. We have examined the compliance of corporate governance by K. Z. Leasing & Finance Limited ('the Company') for the year ended 31st March, 2021 as stipulated in Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with Stock Exchanges. We have conducted our review on the basis of relevant records and documents maintained by the Company for the year ended 31st March, 2021 and furnished to us for the purpose of the review and the information and explanation given us by the Company during the review.

The compliance of condition of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of corporate governance as stipulated in the abovementioned SEBI (Listing Obligations and Disclosure requirements) Regulations 2015. As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that no investor grievance is pending for period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which management has conducted the affairs of the Company.

Place : Surat
Date : 04/09/2021

For, Ranjit Galledar & Co
Chartered Accountant

CA Ranjit Galledar
Proprietor
M.No.: 033390

INDEPENDENT AUDITORS' REPORT

To

The Members of **K. Z. LESING AND FINANCE LIMITED**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **K. Z. LEASING AND FINANCE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, the changes in equity and cash flows for the year ended as on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing 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 Act 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.

Key audit matters

In our opinion and based on the information and explanations given to us, there are no other key audit matters to be communicated in our report, other than those more fully described in the Emphasis of Matters paragraph of our report which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management.

Principal Audit Procedures

- We assessed the Company's process to identify, assess, and respond to risks of material misstatement considering the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results for the year under consideration
- As part of the evaluation of whether sufficient appropriate audit evidence has been obtained, we have evaluated the appropriateness of our initial risk assessments and revises previous risk assessments in light of the COVID-19 crisis for certain financial statement areas, including disclosures
- We have considered the impact on the processes and controls that may be affected by necessary changes to business processes in light of circumstances such as travel restrictions, or as a result of remote working arrangements.
- We have designed, performed new procedures and modified previously planned audit procedures as a result of the necessity for carrying out the audit procedures remotely, including verification of the source and completeness of data provided for audit. This includes performing alternative audit procedures to obtain audit comfort in respect of significant account balances for recognition, measurement and disclosures.
- We have audited the management's estimates required in the financial statements, including, but not limited to, estimates related to expected credit loss, impairment analyses by checking the reasonableness of underlying assumptions in making those key estimates. We specifically discussed the impact of COVID-19 with the management and critically challenged the key assumptions and their reasonableness in making such key accounting estimates
- We have considered the basis of management judgment in determining impact on the financial statements of any subsequent events related to the COVID-19 pandemic, taking into consideration the date of the financial statements, the facts and circumstances pertaining to the entity, and the conditions that existed at, or arose after, that date. As the impacts of the COVID-19 outbreak continue to evolve, including regulatory restrictions/ conditions, capturing events that relate specifically to conditions that existed at the date of the financial statements, or after the date of the financial statements, we have considered all subsequent events and transactions to substantiate our conclusions on the appropriateness of management's assessment of the Covid'19 impact.
- We have carried out a detailed analysis of data and performed additional analytical procedures for validating the management's assessment of impact due to covid'19 related uncertainties
- We have considered management's adjustments or disclosures which includes the impact of the changes in the environment on the recognition and measurement of account balances and transactions in the financial statements or other specific disclosures.

Emphasis of Matter

As more specifically explained in Note 2 to the financial statements, the Company has made a detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, investments and trade

receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The Company continues to evaluate them as highly probable considering the orders in hand. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of the financial results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

Our opinion is not modified in respect of this matter.

Information other than the financial statements and auditors' report thereon

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

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

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

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

Management's responsibility for the financial statements

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain 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.
- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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 Companies Act, 2013, we give in Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (h) 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;
 - a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

Place : Surat
Date : 30/06/2021

For, Ranjit Galledar & Co.
Chartered Accountant
(FRN: 108640W)

Ranjit Galledar
Proprietor
(Mem. No. 033390)
(UDIN: 21033390AAAAEV9370)

Annexure “A” to the Independent Auditor’s Report*

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of **K.Z.LEASING AND FINANCE LIMITED** of even date)

| | | |
|-----|--|--|
| 1. | In respect of the Company’s fixed assets: | |
| | (a) | The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. |
| | (b) | The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification. |
| | (c) | According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company. |
| 2. | The Company is providing financial services and there is no inventory with the Company, this clause is not applicable to the Company. | |
| 3. | According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable. | |
| 4. | In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act, 2013. | |
| 5. | In our opinion and according to the information and explanations given to us, the company has complied with the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company in respect of the aforesaid deposits. | |
| 6. | The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable. | |
| 7. | In respect of statutory dues: | |
| | (a) | According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities. |
| | | According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable |
| | (b) | According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute. |
| 8 | In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable. | |
| 9. | The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable. | |
| 10. | To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year. | |
| 11. | In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act. | |
| 12. | The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company. | |
| 13. | 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 section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. | |
| 14 | 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. Accordingly, paragraph 3(xiv) of the order is not applicable. | |
| 15 | 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 them. Accordingly, paragraph 3(xv) of the order is not applicable. | |
| 16 | According to the information and explanations given to us and based on our examination of the records of the company, the company is NBFC Registered with under section 45-IA of the Reserve Bank of India Act 1934. | |

Place : Surat
Date : 30/06/2021

For, Ranjit Galledar & Co.
Chartered Accountant
(FRN: 108640W)

Ranjit Galledar
Proprietor
(Mem. No. 033390)
(UDIN: 21033390AAAAEV9370)

“Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of K.Z.LEASING AND FINANCE LIMITED of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub - section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of K.Z.LEASING AND FINANCE LIMITED (“the Company”) as at March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s responsibility for internal financial controls

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 judgement, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Surat

Date : 30/06/2021

For, Ranjit Galledar & Co.

Chartered Accountant

(FRN: 108640W)

Ranjit Galledar

Proprietor

(Mem. No. 033390)

(UDIN: 21033390AAAAEV9370)

Balance sheet as at 31 March,2021

| | Particulars | Notes | 2020-2021 | 2019-2020 |
|----------|---|-------|------------------------|------------------------|
| A | ASSETS | | | |
| 1 | Non Current assets | | | |
| | (a) Property Plant and Equipment | 4 | 4,28,308.00 | 4,38,920.00 |
| | (b) Capital work -in - progress | | 0.00 | 0.00 |
| | (c) Other Intangible assets | | 0.00 | 0.00 |
| | (d) Intangible assets under development | | 0.00 | 0.00 |
| | (e) Financial assets | | | |
| | (i) Investments | 5 | 12,09,08,537.00 | 7,65,30,117.00 |
| | (ii) Trade receivables | | 0.00 | 0.00 |
| | (iii) Loans and Advances | 6 | 10,22,29,313.00 | 10,54,56,317.00 |
| | (f) Deferred tax assets (net) | | 0.00 | 0.00 |
| | (g) Other non-current assets | | 0.00 | 0.00 |
| | Total Non - Current assets | | 22,35,66,159.00 | 18,24,25,354.00 |
| 2 | Current assets | | | |
| | (a) Inventories | | 0.00 | 0.00 |
| | (b) Financial Assets | | | |
| | (i) Investments | 7 | 1,57,75,815.00 | 12,17,640.00 |
| | (ii) Trade receivables | 8 | 8,21,925.00 | 48,024.00 |
| | (iii) Cash and cash equivalents | 9 | 9,320.00 | 1,17,063.00 |
| | (iv) Bank balances other than (iii) above | | 0.00 | 0.00 |
| | (v) Loans | 10 | 7,78,134.00 | 7,78,134.00 |
| | (vi) Other financial assets | | 0.00 | 0.00 |
| | (c) Other current assets | | 0.00 | 0.00 |
| | Total Current Assets | | 1,73,85,193.00 | 21,60,861.00 |
| 3 | Non-Current Assets classified as held for sale | | 0.00 | 0.00 |
| | Total Assets | | 24,09,51,352.00 | 18,45,86,215.00 |
| | EQUITY AND LIABILITIES | | | |
| | EQUITY | | | |
| | (a) Equity Share Capital | 11 | 3,04,12,000.00 | 3,04,12,000.00 |
| | (b) Other Equity | 12 | 13,41,66,781.00 | 8,32,68,338.00 |
| | Total Equity | | 16,45,78,781.00 | 11,36,80,338.00 |
| | LIABILITIES | | | |
| 1 | Non-Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 13 | 1,41,68,896.00 | 10,74,232.00 |
| | (ii) Trade Payables | | 0.00 | 0.00 |
| | (iii) Other Financial Liabilities | | 0.00 | 0.00 |
| | (b) Provisions | | 0.00 | 0.00 |
| | (c) Deferred tax liabilities (Net) | | 1,70,00,774.00 | 1,03,59,372.00 |
| | (d) Other non-current liabilities | | 0.00 | 0.00 |
| | Total Non - Current Liabilities | | 3,11,69,670.00 | 1,14,33,604.00 |
| 2 | Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 14 | 4,24,94,229.00 | 3,58,49,916.00 |
| | (ii) Trade Payables | 15 | 70,015.00 | 92,459.00 |
| | - total outstanding dues to Micro and small enterprises | | 0.00 | 0.00 |
| | - total outstanding dues to creditors other than micro and small enterprise | | 70,015.00 | 92,459.00 |
| | (iii) Other Financial Liabilities | | 0.00 | 0.00 |
| | (b) Other current liabilities | 16 | 26,18,657.00 | 2,35,29,898.00 |
| | (c) Provisions | 17 | 20,000.00 | 0.00 |
| | (d) Current Tax Liabilities (Net) | | 0.00 | 0.00 |
| | Total Current Liabilities | | 4,52,02,901.00 | 5,94,72,274.00 |
| | Total Equity and Liabilities | | 24,09,51,352.00 | 18,45,86,215.00 |
| | See accompanying notes forming part of the financial statements | | | |

In terms of our report attached.

For Ranjit Galledar & Co.
(Chartered Accountants)

By Order of Board
For K Z leasing and Finance Limited

CA Ranjit Galledar
Firm Regn no. 108640W
Mem. No. 033390
Place: Surat
Date : 30/06/2021

| | | |
|---|--|--|
| Pravinkumar K. Patel (Chairman and Managing Director) (DIN: 00841628) | Ankit P. Patel (Director, CFO) (DIN: 02901371) Place: Ahmedabad | khyati raval (Company Secretary) (ACS: 65462) Date : 30/06/2021 |
|---|--|--|

| Profit and Loss for the year ended 31 march,2021 | | | | |
|--|--|-------------|-----------------------|-----------------------|
| | Particulars | Notes | 2020-2021 | 2019-2020 |
| A | CONTINUING OPERATIONS | | | |
| | Income | | | |
| 1 | Revenue From Operations (Gross) | 17 | 64,27,770.00 | 61,36,120.00 |
| | Less: Excise duty | | 0.00 | 0.00 |
| | Revenue From Operations (Net) | | 64,27,770.00 | 61,36,120.00 |
| 2 | Other income | 18 | 66,85,042.00 | 50,26,938.00 |
| 3 | Total revenue | | 1,31,12,812.00 | 1,11,63,058.00 |
| 4 | Expenses | | | |
| | (a) Cost of Materials Consumed | | 0.00 | 0.00 |
| | (b)(Increase)/ decrease inventories of finished goods, work-in-progress and stock-in-trade | | 0.00 | 0.00 |
| | (c) Employee Benefits Expense | 29 | 34,37,892.00 | 30,93,265.00 |
| | (d) Other Expenses | | | |
| | Administrative & Office Expense | 20.a | 30,42,823.00 | 17,72,741.00 |
| | Selling & Distribution Expense | 20.b | 22,351.00 | 20,933.00 |
| 5 | Total | | 65,03,066.00 | 48,86,939.00 |
| 6 | Earning Before Interest, tax, depreciation and amortization (EBITDA) (3 - 5) | | 66,09,746.00 | 62,76,118.00 |
| | Depreciation and Amortisation expense | 4 | 56,112.00 | 57,023.00 |
| | Finance costs | 21 | 50,69,607.00 | 35,59,136.00 |
| 7 | Total | | 51,25,719.00 | 36,16,159.00 |
| 8 | Profit / (Loss) before tax (6 + 7) | | 14,84,027.00 | 26,59,960.00 |
| 9 | Tax expense: | | | |
| | (a) Current tax expense for current year | | 0.00 | 0.00 |
| | (b) (Less): MAT credit (where applicable) | | 0.00 | 0.00 |
| | (c) Current tax expense relating to prior years | | 0.00 | 2,42,070.00 |
| | (d) Net current tax expense | | 0.00 | 0.00 |
| | (e) Deferred tax Assets/ (Liabilities) | | 0.00 | 0.00 |
| | | | 0.00 | 2,42,070.00 |
| 10 | Profit / (Loss) from continuing operations (8 + 9) | | 14,84,027.00 | 24,17,890.00 |
| B | DISCONTINUING OPERATIONS | | | |
| 11. | Profit / (Loss) from discontinuing operations (before tax) | | 0.00 | 0.00 |
| i | | | | |
| 11. | Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations | | 0.00 | 0.00 |
| 11. | Add / (Less): Tax expense of discontinuing operations | | 0.00 | 0.00 |
| iii | | | | |
| | (a) on ordinary activities attributable to the discontinuing operations | | 0.00 | 0.00 |
| | (b) on gain / (loss) on disposal of assets / settlement of liabilities | | 0.00 | 0.00 |
| 12 | Profit / (Loss) from discontinuing operations (11.i + 11.ii + 11.iii) | | 0.00 | 0.00 |
| C | TOTAL OPERATIONS | | 0.00 | 0.00 |
| 13 | Profit / (Loss) for the year (10 ± 12) | | 14,84,027.00 | 24,17,890.00 |

In terms of our report attached.

For Ranjit Galledar & Co.
(Chartered Accountants)

By Order of Board
For K Z leasing and Finance Limited

CA Ranjit Galledar
Firm Regn no. 108640W
Mem. No. 033390
Place: Surat
Date : 30/06/2020

Pravinkumar K. Patel
(Chairman and Managing Director)
(DIN: 00841628)

Ankit P. Patel
(Director, CFO)
(DIN: 02901371)

Khyati Raval
(Company Secretary)
(ACS: 65462)

Place: Ahmedabad Date : 30/06/2020

Notes forming part of the Financial Statements and Significant Accounting Policies

Note Particulars

1) Corporate information

K. Z. Leasing & Finance Ltd. has over the years been practicing the principles of good Corporate Governance and continuously reviews its investor relationship measures with a view **K. Z. Leasing & Finance Ltd.** Basically need and is not to be looked upon as an issue of compliance alone.

2) Summary of Significant Accounting Policies

a) Basis of Accounting

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act and the Master Direction-Non Banking Financial Company ('the NBFC Master Directions') issued by RBI. The financial statements have been prepared on a going concern basis. The company uses accrual basis of accounting except in case of certain uncertainties. For all periods up to and including the year ended 31 March, 2021, the company had prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 and the NBFC Master Directions (herein referred as 'Previous GAAP'). These financial statements for the year ended 31 March, 2021 are the first, the company has prepared in accordance with Ind AS.

b) Recognition of Income & Expenditure

Revenue Recognition :

1. The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and provision of the Companies Act, 2013.
2. The Company generally follows mercantile system of accounting and recognizes significant items of Income and expenditure on accrual basis.

Expenses :

1. All Expenditure is on mercantile basis.
2. Interest rates on unsecured loans are decided by the Directors.
3. Hire Purchase advances also include the other type of advances guaranteed either on fixed assets or personal guarantee of the loan.
4. Bad & Doubtful advances written off as and when no recovery instead NPA of provision.

c) Fixed Assets

Fixed Assets are stated at cost. Cost comprises the purchase price or acquisition cost and any Attributable cost of bringing the assets to working condition for its intended use.

d) Depreciation

1. Depreciation on Tangible Assets has been provided on the Straight Line Method as per the rates prescribed in Schedule II of Companies Act, 2013.
2. Depreciation on addition during the year has been provided on pro rata basis i.e. from the date of its purchase or its actually put to use whichever is late and with reference to the method of Depreciation.

e) Inflation

The assets and liabilities except investment are recorded at historical cost in the company. These costs are not adjusted to reflect the changing value in the purchasing power of money. The policy opted for recording investments is at amortised cost as per the relevant Ind AS.

Note :4 Fixed Assets

| Name of assets | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|---------------------------|------------------|---|------------------|------------------|------------------|------------------|--------------------|-----------------|------------------|------------------|
| | Opening 01/04/20 | Addition acq. Through business combinations | Sale or transfer | Closing 31/03/21 | Opening 01/04/20 | For the year | Depreciation w/off | Total 31/03/21 | As on 31/03/21 | As on 31/03/20 |
| A. Tangible Assets | | | | | | | | | | |
| Air Conditioner | 46,000 | - | - | 46,000 | 24,137 | 8,735 | - | 32,872 | 13,128 | 21,863 |
| Office -Building | 5,58,200 | - | - | 5,58,200 | 2,18,605 | 8,833 | - | 2,27,438 | 3,30,762 | 3,39,595 |
| Furniture | 3,66,461 | - | - | 3,66,461 | 3,48,138 | - | - | 3,48,138 | 18,323 | 18,323 |
| Mobile | 85,239 | 30,500 | - | 1,15,739 | 69,438 | 14,441 | - | 83,879 | 31,860 | 15,801 |
| Computer | 1,03,320 | - | - | 1,03,320 | 59,982 | 23,228 | - | 83,210 | 20,110 | 43,338 |
| CCTC | - | 15,000 | - | 15,000 | - | 874 | - | 874 | 14,126 | - |
| TOTAL-A | 11,59,220 | | - | 11,89,720 | 7,20,300 | 56,111.59 | - | 7,75,538 | 4,28,308 | 4,38,920 |
| Previous year | 11,59,220 | | | 11,59,220 | 6,53,277 | 57,023 | | 7,20,300 | 15,21,718 | 12,07,237 |

Note : 5 Investments

| Particulars | 2020-2021 | 2019-2020 |
|--|---------------------|--------------------|
| Equity Share (Quoted) | | |
| 3 I infotech Ltd | 54,735.00 | 9,551.00 |
| Aditya Birla Capital Ltd | 7,15,800.00 | 2,52,900.00 |
| Apple Credit Corp. Ltd Shares | 160.00 | 160.00 |
| Apple finance Ltd-Shares | 2,141.00 | 1,463.00 |
| Apt Packaging Ltd | - | - |
| BSE | 5,71,100.00 | 2,96,800.00 |
| Bank of Maharashtra Shares | 10,83,680.00 | 3,47,990.00 |
| Bharat Electronics | 21,26,700.00 | 13,40,100.00 |
| Coal India Ltd | 3,91,050.00 | 1,40,050.00 |
| Central Bank of India –share | 1,12,780.00 | 84,758.00 |
| Dangee Dums Ltd | - | 58,88,000.00 |
| Empee Distileries Ltd-share | - | 2,805.00 |
| Glenmark Pharmaceutical | 17,19,390.00 | 7,61,645.00 |
| Gujarat NRI Coke Ltd | 14,724.00 | 14,724.00 |
| Gujarat NRI Coke class | 1,051.00 | 1,051.00 |
| Indag Product Ltd Shares | - | - |
| K.M.F Ltd Shares | - | - |
| Lupin Limited | 33,67,485.00 | 24,76,530.00 |
| Macchar Infrastructure Ltd | - | - |
| Modern Insulator Ltd Share | - | - |
| M T N L | 26,250.00 | 8,470.00 |
| NHPC Share | 3,66,750.00 | 2,99,250.00 |
| NMDC Ltd | 40,605.00 | 24,000.00 |
| North Gate | 540.00 | 270.00 |
| Organic Chemol Ltd shares | - | - |
| Premier pipes | 1,458.00 | 4920.00 |
| Proposed India | 120.00 | 87.00 |
| Punjab National Bank | 1,09,950.00 | 97,050.00 |
| Parasrampuriah Synth Ltd Shares | - | - |
| Q.S.T Ltd Shares | - | - |
| Reliance Industries Ltd | 63,05,759.00 | 46,75,523.00 |
| Reliance Power Ltd | 15,225.00 | 4,375.00 |
| Shipping Corporation | 66,420.00 | 22,500.00 |
| S N S Diagnostics Ltd Shares | - | - |
| Surya Protein Ltd. | - | - |
| Sun pharmaceuticals | - | 3,52,300 |
| Canara Bank(syndicate bank merged with canara bank w.e.f 01/07/2021 | 3,12,619.00 | 1,96,950.00 |
| TCSL Shares | 9,80,43,136.00 | 5,63,53,446.00 |
| Tirupati Ind (I) Ltd | 24.00 | 24.00 |
| UCO Bank | 4,20,574.00 | 3,46,018.00 |
| Unitech Ltd | 5,810.00 | 4,375.00 |
| United Leasing Ltd Shares | - | - |
| vedanta Ltd | 50,32,500.00 | 9,05,800.00 |
| Wockhardt | - | 4,31,625.00 |
| Mutual Fund | | |
| ABSL Frontline Growth Equity fund | - | 2,31,107.00 |
| DSP Blackrock Top 100 Equity fund | - | 1,80,500.00 |
| DSP Blackrock Equity Opportunity Fund | - | 2,39,617.00 |
| Reliance Growth Fund | - | 2,12,593.00 |
| Sundaram selected Midcap | - | 3,20,790.00 |
| Total | 12,09,08,535 | 7,65,30,117 |

*Investments are valued at market value

Note: 6 Loans and Advances

| Particulars | 2020-2021 | 2019-2020 |
|--|------------------------|------------------------|
| Current Loan | 7,40,63,781.00 | 7,78,88,846.00 |
| Npa Loan A/C | 8,68,806.00 | - |
| | 7,49,32,587.00 | 7,78,88,846.00 |
| Advance with Government Authority : | | |
| Tax deducted at source – Refund Receivable | 6,10,844.00 | 9,33,475.00 |
| | 6,10,844.00 | 9,33,475.00 |
| Deposits | | |
| The Navnirman Co Op Bank Ltd F D | 5,09,375.00 | 5,09,349.00 |
| Suryodaya Small Finance Bank Ltd | 51,00,001.00 | 51,03,668.00 |
| UCO Bank FD | 10,76,506.00 | 10,20,979.00 |
| Shree Kadi Nagrik Shahkari Bank Ltd | 2,00,00,000.00 | 2,00,00,000.00 |
| | 2,66,85,882.00 | 2,66,33,996.00 |
| Total | 10,22,29,313.00 | 10,54,56,317.00 |

Note : 7 Investments

| Particulars | 2020-2021 | 2019-2020 |
|--------------------------------|-----------------------|---------------------|
| Shares | | |
| Bajaj Holdings | 3,29,305.00 | 0.00 |
| HDFC Assets Management Company | 32,10,900.00 | 0.00 |
| UPL LTD | 3,20,925.00 | 0.00 |
| HDFC Bank Ltd Shares | 0.00 | 5,17,140.00 |
| Motherson Sumi Sys | 0.00 | 2,44,200.00 |
| Tata Steel Ltd | 0.00 | 2,69,600.00 |
| Titan Industres Ltd | 0.00 | 1,86,700.00 |
| MUTUAL FUND | | |
| Principal Large Cap | 6,64,367.00 | 0.00 |
| Principal mid cap | 3,96,773.00 | 0.00 |
| Nippon india pharma | 3,36,034.00 | 0.00 |
| HSBC Small cap | 5,69,715.00 | 0.00 |
| HSBC Short duration fund | 13,09,370.00 | 0.00 |
| SBI psu fund | 2,01,704.00 | 0.00 |
| Axis Short term | 25,14,990.00 | 0.00 |
| SBI Savings fund | 31,14,162.00 | 0.00 |
| SBI Short term debt fund | 28,07,570.00 | 0.00 |
| TOTAL | 1,57,75,815.00 | 12,17,640.00 |

Note : 8 Trade Receivables

| Particulars | 2020-2021 | 2019-2020 |
|---|--------------------|------------------|
| Trade Receivables outstanding for a period exceeding six months from the date they were due for payment | | |
| Other receivables | 8,21,925.00 | 48,024.00 |
| Total | 8,21,925.00 | 48,024.00 |

Note : 9 Cash and Cash Equivalent

| Particulars | 2020-2021 | 2019-2020 |
|-------------------------|-----------------|--------------------|
| (a) Cash on hand | 7,639.00 | 15,022.00 |
| (b) Balances with banks | 1,681.00 | 1,02,041.00 |
| Total | 9,320.00 | 1,17,063.00 |

Note: 10 Short-term loans and advances

| Particulars | 2020-2021 | 2019-2020 |
|-----------------------|--------------------|--------------------|
| Mat Credit Receivable | 7,78,134.00 | 7,78,134.00 |
| Total | 7,78,134.00 | 7,78,134.00 |

Note : 11 Share Capital

| PARTICULARS | 2020-2021 | | 2019-2020 | |
|--|---------------------|-----------------------|---------------------|-----------------------|
| | Number of shares | Amount Rs. | Number of shares | Amount Rs. |
| (a) Authorised | | | | |
| Equity shares of Rs. 10 (F.V.) each with voting rights | 32,00,000.00 | 3,20,00,000.00 | 32,00,000.00 | 3,20,00,000.00 |
| | 32,00,000.00 | 3,20,00,000.00 | 32,00,000.00 | 3,20,00,000.00 |
| (b) Issued, Subscribed and fully paid up | | | | |
| Equity shares of Rs. 10 each with voting rights | 30,41,200.00 | 3,04,12,000.00 | 30,41,200.00 | 3,04,12,000.00 |
| Total | 30,41,200.00 | 3,04,12,000.00 | 30,41,200.00 | 3,04,12,000.00 |

* The company has only one class of Equity share having Per Value of Rs.10 per share. Each holder of Equity shares is entitled to vote one per share

Note 11.a

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| Particulars | Opening Balance | Fresh issue | If, Any other | Closing Balance |
|----------------------------------|-----------------|-------------|---------------|-----------------|
| Equity shares with voting rights | | | | |
| Year ended 31 March, 2021 | | | | |
| - Number of shares | 30,41,200.00 | - | - | 30,41,200.00 |
| - Amount (Rs.) | 3,04,12,000.00 | - | - | 3,04,12,000.00 |
| Year ended 31 March, 2020 | | | | |
| - Number of shares | 30,41,200.00 | - | - | 30,41,200.00 |
| - Amount (Rs.) | 3,04,12,000.00 | - | - | 3,04,12,000.00 |

Note 11.b

(ii) Details of shares held by each shareholder holding more than 5% shares

| Class of shares / Name of shareholder | 2020-2021 | | 2019-2020 | |
|---|------------------|------------|------------------|------------|
| | Number of shares | Amount Rs. | Number of shares | Amount Rs. |
| No shareholders are having the holding of shares more than 5% | NIL | NIL | NIL | NIL |

Note 11.c

There were no instances of shares being issued / allotted by way of bonus shares or for consideration other than cash and no shares have been bought back by the company during the period of five years immediately preceding the date of balance sheet.

Note: 12 Reserves and surplus

| Particulars | 2020-2021 | 2019-2020 |
|---|-----------------------|-----------------------|
| (a) Revenue reserve | | |
| Opening Balance | 4,14,58,893.00 | 3,95,24,581.00 |
| Add : Addition During the Year | 11,87,222.00 | 19,34,312.00 |
| | 4,26,46,115.00 | 4,14,58,893.00 |
| (b) Statutory reserve | | |
| Opening Balance | 1,02,92,473.00 | 98,08,895.00 |
| Add : Addition During the Year | 2,96,805.00 | 4,83,578.00 |
| | 1,05,89,279.00 | 1,02,92,473.00 |
| (c) NPA Provision | | |
| Opening Balance | 20,32,605.00 | 20,32,605.00 |
| Add : Addition During the Year | 8,68,806.00 | - |
| Less: Deduction during the Year | - | - |
| | 29,01,411.00 | 20,32,605.00 |
| (d) Surplus / (Deficit) in Statement of Profit and Loss | | |
| Opening balance | - | - |
| Add: Profit / (Loss) for the year | 14,84,027.00 | 24,17,890.00 |
| Provision written back | - | - |
| Less: Interim dividend | - | - |
| Tax on dividend | - | - |
| Transferred to: | | |

| | | |
|---|------------------------|-----------------------|
| Statutory Reserve | 2,96,805.00 | 4,83,578.00 |
| Revenue Reserve | 11,87,222.00 | 19,34,312.00 |
| (e) Fair value through other Comprehensive income | | |
| Opening balance | 2,94,84,367.00 | 3,96,45,889.00 |
| Add : Addition during the year | 12,49,90,594.00 | 2,94,84,367.00 |
| Less : Deduction during the year | 7,64,44,984.00 | 3,96,45,889.00 |
| | 7,80,29,977.00 | 2,94,84,367.00 |
| Total | 13,41,66,781.00 | 8,32,68,338.00 |

Note : 13 Borrowings

| Particulars | 2020-2021 | 2019-2020 |
|---------------------------------------|-----------------------|---------------------|
| (a) Term loans | | |
| From banks | | |
| Secured | 0.00 | 0.00 |
| Unsecured | 0.00 | 0.00 |
| From other parties | 0.00 | 0.00 |
| Secured | 0.00 | 0.00 |
| Unsecured | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| (b) Loans and Advances From Directors | | |
| Secured | 0.00 | 0.00 |
| Unsecured | 0.00 | 0.00 |
| | 0.00 | 0.00 |
| (c) Loans and Advances From Others | | |
| Secured | 1,41,68,896.00 | 10,74,232.00 |
| Unsecured | 1,41,68,896.00 | 10,74,232.00 |
| | | |
| TOTAL (A+B+C) | 1,41,68,896.00 | 10,74,232.00 |

Note: 14 Borrowings

| Particulars | 2020-2021 | 2019-2020 |
|-------------------------------------|-----------------------|-----------------------|
| Unsecured | | |
| (a) Term loans from related parties | - | - |
| (b) Advance from other parties | - | - |
| (c) Deposits from related parties | 12,15,395.00 | 9,58,490.00 |
| (d) Other deposits | 4,12,78,834.00 | 3,48,91,426.00 |
| Total | 4,24,94,229.00 | 3,58,49,916.00 |

Note : 15 Trade Payables

| Particulars | 2020-2021 | 2019-2020 |
|--------------------------------|------------------|------------------|
| Trade Payables: | | |
| Dues to MSMED Creditors# | - | - |
| Due to Others | | |
| Creditors for goods & services | 70,015.00 | 92,459.00 |
| Total | 70,015.00 | 92,459.00 |

#Note for MSMED

The Company has not received the information and Certificate of Registration under MSMED from its Supplier and hence, the details are not available for disclosure

Note : 16 Other Current Liabilities

| Particulars | 2020-2021 | 2019-2020 |
|------------------------------|---------------------|-----------------------|
| Statutory Liabilities | | |
| TDS Payable | 2,95,417.00 | 2,31,582.00 |
| Short Term Payables | | |
| Professional Tax Payable | 4000.00 | 4000.00 |
| Other Liability | 9,896.00 | 6,62,645.00 |
| Bank Overdraft | 23,09,344.00 | 2,26,31,671.00 |
| Total | 26,18,657.00 | 2,35,29,898.00 |

Note : 17 Revenue From Operations

| Particulars | 2020-2021 | 2019-2020 |
|---------------|---------------------|---------------------|
| Loan Interest | 64,27,770.00 | 61,36,120.00 |
| Total | 64,27,770.00 | 61,36,120.00 |

Note : 18 Other Income

| Particulars | 2020-2021 | 2019-2020 |
|-------------------------------------|---------------------|---------------------|
| Dividend Income | 13,30,747.00 | 27,69,205.00 |
| Interest Received on Deposits (Net) | 21,12,669.00 | 23,19,272.00 |
| Long term Profit on sale of shares | -1,83,777.00 | 1,02,592.00 |
| Short term Profit on sale of shares | 23,97,842.00 | -2,49,900.00 |
| Share trading Profit & Loss | 0.00 | 52,082.00 |
| Call option profit & loss | 3,34,240.00 | 0.00 |
| F & o Profit & loss | 6,48,402.00 | 0.00 |
| Speculation Profit & loss A/C | 76,738.00 | 0.00 |
| Long term Profit on Mutual Fund | -,72,705.00 | 0.00 |
| Income tax refund interest income | 4,906.00 | -13,899.00 |
| Intrest income on income tax | 35,981.00 | 47,585.00 |
| Total | 66,85,042.00 | 50,26,938.00 |

Note : 19 Employee Benefits Expense

| Particulars | 2020-2021 | 2019-2020 |
|--------------------------|---------------------|---------------------|
| Salary Expenses | 13,14,761.00 | 12,08,400.00 |
| Remuneration to Director | 14,40,000.00 | 14,40,000.00 |
| Bonus Expenses | 6,31,600.00 | 3,58,600.00 |
| Staff Welfare | 51,531.00 | 86,265.00 |
| Total | 34,37,892.00 | 30,93,265.00 |

Note 20 Other expenses

| Particulars | 2020-2021 | 2019-2020 |
|--|-------------|-------------|
| 20.a Administrative & Office Expenses | | |
| Annual Custodian Charges | 21,240.00 | 25,987.00 |
| Legal & Professional Expenses | 1,45,000.00 | 10,000.00 |
| Audit Fees | 20,000.00 | 20,000.00 |
| Brokerage & Commission Exp | 81,530.00 | 25,521.00 |
| Car & Scooter Maintenance | 16,175.00 | 50,574.00 |
| Company Secretary Fees | 28,000.00 | 25,000.00 |
| Center GST | 8,483.00 | 2,747.00 |
| Computer Repairing Expense | 0.00 | 500.00 |
| Designated Depository Charges | 11,800.00 | 11,800.00 |
| Electric Power Expenses | 90,850.00 | 81,380.00 |
| Gujarat Chamber of Commerce and Industry | 0.00 | 3,894.00 |
| Internal Audit fees | 20,060.00 | 17,700.00 |
| Investmentor Securities Ltd Exps | 4,398.00 | 0.00 |
| Air Conditioning Repairing expenses | 0.00 | 2,000.00 |
| Other membership fees | 34,650.00 | 24,220.00 |
| Medical Expenses | 7,659.00 | 0.00 |
| Municipality tax | 62,308.00 | 59,732.00 |
| Office Expenses | 0.00 | 64,807.00 |
| Petrol | 1,84,042.00 | 2,88,346.00 |
| Postage & Tele. Expenses | 22,497.00 | 24,345.00 |
| Professional Tax | 2000.00 | 2,000.00 |
| Registration Filing Fees Expenses | 4,800.00 | 31,435.00 |
| Refreshment Exps | 1,09,101.00 | 1,79,642.00 |
| Securities Transaction Tax | 58,755.00 | 25,904.00 |
| Securities Transaction Tax f & o | 13,705.00 | 0.00 |
| State GST | 8,483.00 | 2,747.00 |
| Stationery expenses | 6,370.00 | 6,787.00 |

| | | |
|--|---------------------|---------------------|
| Stamp Expenses | 2,400.00 | 635.00 |
| STT On Speculation | 1,477.00 | 492.00 |
| Stamp Duty Expenses | 4,866.00 | 0.00 |
| Traveling Expenses | 1,41,473.00 | 2,53,760.00 |
| Bad Debts | 4,73,367.00 | 0.00 |
| Car Insurance | 42,48.00 | 45,598.00 |
| Kotak Charges | 11,413.00 | 2,235.00 |
| CIBIL Charges | 1,927.00 | 2,793.00 |
| Internet Connection Charges | 0.00 | 16,795.00 |
| Website Hosting & Maintenance & Emails | 0.00 | 7,670.00 |
| Other Expenses | 80,084.00 | 4,953.00 |
| Share Registrar & Transfer agent fees | 98,617.00 | 96,740.00 |
| Stock Exchange & Listing Fees | 3,54,000.00 | 3,54,000.00 |
| NPA Provisin | 8,68,803.00 | 0.00 |
| Total-A | 30,42,823.00 | 17,72,741.00 |
| 20.b Selling & Distribution Expense | | |
| Advertisement Expenses | 22,351.00.00 | 20,933.00 |
| Total-B | 22,351.00 | 20,933.00 |
| Total= A+B | 22,351.00 | 20,933.00 |

#Notes: Auditors Remuneration

| Particulars | 2020-2021 | 2019-2020 |
|------------------------------------|------------------|------------------|
| Payments to the auditors comprises | | |
| For Audit Fees | 20,000.00 | 20,000.00 |
| Total | 20,000.00 | 20,000.00 |

Note 23 Finance costs

| Particulars | 2020-2021 | 2019-2020 |
|---------------------------|---------------------|---------------------|
| Interest Expense | 50,64,934.00 | 35,56,205.00 |
| Bank Charges & Commission | 3,414.00 | 2,886.00 |
| Demat Charges | 1,260.00 | 45.00 |
| Total | 50,69,607.00 | 35,59,136.00 |

Cash Flow Statement for the Year Ended on 31/03/2021

| Particular | 2020-2021 | 2019-2020 |
|---|-----------------------|------------------------|
| A. Cash Flow From Operating Activities | | |
| Net profit before tax and extra-ordinary item | 14,84,027.00 | 26,59,960.00 |
| Add : | | |
| (A) Depreciation | 56,112.00 | 57,023.00 |
| (B) Preliminary exp,w/off | 0.00 | 0.00 |
| (C) Long term Capital Loss | 1,83,777.00 | 0.00 |
| (D) Short term Capital Loss | 0.00 | 2,49,900.00 |
| (E) Income Tax | 0.00 | 0.00 |
| (F) Income Tax Refund Int Income | 0.00 | 13,899.00 |
| (H) Bad debts | 4,73,367.00 | 0.00 |
| (I) NPA PROVISION | 8,68,803.00 | 0.00 |
| (J) Mutual fund p & L | 72,705.00 | 0.00 |
| (K) provision for cs | 20,000.00 | 0.00 |
| | 31,58,791.00 | 29,80,782.00 |
| Deduct : | | |
| Dividend Income | 13,30,747.00 | 27,69,205.00 |
| Bank Int. Income | 21,12,669.00 | 23,19,272.00 |
| Long term Capital Gain | 0.00 | 102,592.00 |
| Short Term Capital Gain | 23,97,842.00 | 0.00 |
| Speculation Gain | 76,738.00 | 52,082.00 |
| Interest Income on Income Tax | 40,887.00 | 47,585.00 |
| F & O Profit & loss | 6,48,402.00 | 0.00 |
| Call option profit & loss | 3,34,240.00 | 0.00 |
| | 69,41,525.00 | 52,90,737.00 |
| Operating profit before working Capital Changes | -37,82,734.00 | -23,09,955.00 |
| <u>Adjustment for working capital changes</u> | | |
| (Increase)/ Decreasing in Current asset | -7,73,901.00 | -46,694.00 |
| Increase/ (Decrease) in Current Liabilities | -6,11,359.00 | 88,396.00 |
| <u>Cash Flow From Operation</u> | | |
| Less: income tax paid | 0.00 | -2,42,070.00 |
| Net cash from Operating activities (A) | -51,67,993.00 | -25,10,323.00 |
| B. Cash Flow From Investing Activities | | |
| Sale of Share | 3,64,65,569.00 | 11,703,452.00 |
| Sale of Mutual fund | 16,34,237.00 | 0.00 |
| Intercorporate Loan taken | 1,07,13,489.00 | 1,19,45,259.00 |
| Current Loan taken | 7,30,85,939.00 | 5,31,40,159.00 |
| Decrease in TDS Receivable | 3,22,631.00 | 2,00,170.00 |
| Dividend Income | 13,30,747.00 | 27,69,205.00 |
| Bank Int. Income | 21,12,669.00 | 23,19,272.00 |
| Short term Capital Gain | 23,97,842.00 | 0.00 |
| Long term Capital Gain | 0.00 | 1,02,592.00 |
| F & O PROFIT & LOSS | 6,48,402.00 | 0.00 |
| CALL OPTION PROFIT & LOSS | 3,34,240.00 | 0.00 |
| Speculation profit | 76,738.00 | 52,082.00 |
| Interest Income of Income Tax | 40,887.00 | 33,686.00 |
| Less: Purchase of Equity shares | 3,04,14,369.00 | 1,72,20,967.00 |
| Purchase of Fixed Assets | 45,500.00 | 0.00 |
| Purchase of share & Mutual Fund | 1,14,35,019.00 | 0.00 |
| Intercorporate Loan Given | 1,04,56,581.00 | 85,90,917.00 |
| Current Loan Given | 7,06,03,047.00 | 7,23,52,588.00 |
| Long Term Capital Loss | 1,83,777.00 | 0.00 |
| Short Term Capital Loss | 0.00 | 2,49,900.00 |
| MUTUAL FUND PROFIT & LOSS | 72,705.00 | - |
| | 59,52,388.00 | -1,61,48,495.00 |
| Net cash from Investing activities (B) | | |
| C. Cash Flow Arising From Financing Activities | | |
| Director Loan Taken | 2,03,94,634.00 | 82,61,552.00 |
| Director Loan Repayment & Adjustment | -1,50,23,647.00 | -25,25,901.00 |
| Unsecured Loans Taken. | 1,33,40,061.00 | 3,17,453.00 |
| Unsecured Loans Repayment & Adjustment | -2,45,395.00 | 4,43,173.00 |
| Intercorporate Loans Taken. | 19,88,276.00 | 19,24,788.00 |
| Intercorporate Loans Repayment & Adjustment | -9,71,855.00 | -9,81,296.00 |
| Bank O/D Taken | 15,13,39,734.00 | 11,21,21,437.00 |
| Bank O/D Repayment | -17,16,62,060.00 | -10,39,71,566.00 |
| Net cash from Financing activities (C) | -8,40,252.00 | 1,47,03,294.00 |
| Net increase in cash and Bank equivalents during the year (A+B+C) | -55,857.00 | -39,55,524.00 |
| Add: Cash and Bank equivalents at the beginning of the year | 2,67,51,058.00 | 3,07,06,582.00 |
| Cash and Bank equivalents at the end of the year | 2,66,95,202.00 | 2,67,51,058.00 |

For Ranjit Galledar & Co.

(Chartered Accountants)

CA Ranjit Galledar

Firm Regn no. 108640W

Mem. No. 033390

Place : Surat

Date : 30/06/2021

By Order of Board

For K Z leasing and Finance Limited

Pravinkumar K. Patel Ankit P. Patel Khyati Raval
(Chairman and Managing Director)(Director, CFO) (Company Secretary)
(DIN: 00841628) (DIN: 02901371) (ACS: 65462)

Place : Ahmedabad

Date : 30/06/2021

AUDITOR REPORT

We have verified the above cash flow statements of K. Z. Leasing & Finance Ltd. Derived from the audited financial Statements for the year ended on March 31st, 2021 found the same to be drawn in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Surat
Date : 30/06/2021

For, Ranjit Galledar & Co.,
Chartered Accountants

CA Ranjit Galledar
Proprietor
(FRN: 108640W)
(UDIN: 21033390AAAAEV9370)

K. Z. LEASING & FINANCE LTD.
SCHEDULE TO THE
BALANCE SHEET OF A NON - BANKING FINANCIAL COMPANY
(As required in terms of Paragraph 9BB of
Non - Banking Financial companies Prudential Norms
(Reserve Bank) Directors, 1998 as on dated 31/03/2021

PARTICULARS

LIABILITIES SIDE :

| 1. | Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid : | Amount Outstanding | Amount Overdue |
|-------|--|--------------------|----------------|
| (a) | Debentures : Secured | Nil | Nil |
| | Unsecured (other than falling within the meaning of Public deposits) | Nil | Nil |
| (b) | Deferred credits | Nil | Nil |
| (c) | Terms Loans | Nil | Nil |
| (d) | Inter-corporate loans and borrowing | 301.14 | Nil |
| (e) | Commercial paper | Nil | Nil |
| (f) | Public Deposit | Nil | Nil |
| (g) | Other Loans (specify nature) (Director, Friends and Relatives Deposits) | 253.33 | Nil |

*please see note 1 below

| | | | |
|-------|---|-----|-----|
| 2. | Break up of (1) (f) above (outstanding public deposits inclusive or interest accrued thereon but not paid) : | | |
| (a) | In the form of Unsecured debentures | Nil | Nil |
| (b) | In the form of party secured debenture i.e. debentures where there is a shortfall in the value of security | Nil | Nil |
| (c) | Other public deposits | Nil | Nil |

* Please see Note 1 below

Assets Side :

Amount Outstanding

| | | |
|-------|---|---------|
| 3. | Break up of Loans and advances including bills receivable (other than those included in (4) | |
| | (a) Secured | 0.00 |
| | (b) Unsecured | 749.32 |
| ----- | | |
| 4. | Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities | |
| | (i) Lease assets including lease rents under sundry debtors : | |
| | (a) financial Lease | Nil |
| | (b) Operating Lease | Nil |
| | (ii) Stock on hire including hire charges under sundry debtors : | |
| | (a) Assets on hire | Nil |
| | (b) Repossessed Assets | - |
| | (iii)Hypothecation Loans counting towards EL/HP activities : | |
| | (a) Loans where assets have been repossessed | - |
| | (b) Loans other than(a) above | - |
| ----- | | |
| 5. | Break- up of investments | |
| | Current Investments: | |
| | 1 Quoted | |
| | (i) Shares : (a) Equity | 38.60 |
| | (b) Preference | Nil |
| | (ii) Debenture and bonds | Nil |
| | (iii) Units of mutual funds | 119.15 |
| | (iv) Government Securities | Nil |
| | (v) Other (Please Specify) | Nil |
| | 2 Unquoted | |
| | i) Shares : (a) Equity | Nil |
| | (b) Preference | Nil |
| | (ii) Debenture and bonds | Nil |
| | (iii) Units of mutual funds | Nil |
| | (iv) Government Securities | Nil |
| | (v) Other (Please Specify) | Nil |
| | Long Term Investments : | |
| | 1 Quoted | |
| | (i) Shares : (a) Equity | 1209.08 |
| | (b) Preference | Nil |
| | (ii) Debenture and bonds | Nil |
| | (iii)Units of mutual funds | Nil |
| | (iv) Government Securities | Nil |
| | (v) Other (Please Specify) | Nil |
| | 2 Unquoted | |
| | (i) Shares : (a) Equity | Nil |
| | (b) Preference | Nil |
| | (ii) Debenture and bonds | Nil |
| | (iii) Units of mutual funds | Nil |
| | (iv) Government Securities | Nil |
| | (v) Other (Please Specify) | Nil |

6. Borrower group wise classification of all leased assets, stock-on-hire and loans and advances Please see note 2 below

| Category | Amount net of provision | | |
|---------------------------------|-------------------------|---------------|---------------|
| | Secured | Unsecured | Total |
| 1. Related Parties | Nil | Nil | Nil |
| (a) Subsidiaries | Nil | Nil | Nil |
| (b) Companies in the same group | Nil | Nil | Nil |
| (c) Other related parties | Nil | Nil | Nil |
| 2. Other than related parties | Nil | 749.33 | 749.33 |
| Total | Nil | 749.33 | 749.33 |

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both Quoted and unquoted) Please see note 3 below

| Category | Market value / break up of fair value of NAV | Book Value (net of provisions) |
|---------------------------------|--|----------------------------------|
| 1. Related Parties | Nil | Nil |
| (a) Subsidiaries | Nil | Nil |
| (b) Companies in the same group | Nil | Nil |
| (c) Other related parties | Nil | Nil |
| 2. Other than related parties | 1366.84 | 416.54 |
| Total | 1366.84 | 416.54 |

*Fair value of unquoted investments taken at cost as management expected to realise the said investment fully

** As per Accounting Standard of ICAI (please see note 3)

8. Other Information

| Particular | Amount |
|---|--------|
| (i) Gross Non Performing Assets | |
| (a) Related Parties | Nil |
| (b) Other than related parties | Nil |
| (ii) Net Non Performing Assets | |
| (a) Related Parties | Nil |
| (b) Other than related parties | Nil |
| (iii) Assets acquired in satisfaction of debt | Nil |

Notes:

- As defined in paragraph 2(1) (xii) of the non-Banking Financial companies Acceptance of Public Deposit (Reserve Bank) Directions, 1998
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) directions, 1998
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

PROXY FORM

K.Z LEASING & FINANCE LIMITED

[CIN: L65910GJ1986PLC008864]

1st Floor, Deshana Chamber,

Ashram Road, Usmanpura,

Ahmedabad -380014

Email: kzleasing@yahoo.com

35th ANNUAL GENERAL MEETING

Name of the member (s) :

Registered address :

E-mail Id :

Folio / DP ID-Client ID No.:

I/We being the member(s) holding _____ shares of the above named Company hereby appoint:

(1) Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or falling him / her;

2) Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or falling him / her;

(3) Name: _____ Address: _____

E-mail ID: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on Thursday, 30th September, 2021 at 1st Floor, Deshna Chambers, Ashram Road, Usmanpura, Ahmedabad-380014 and at any adjournment thereof in respect of such resolutions as are indicated below:

Note:

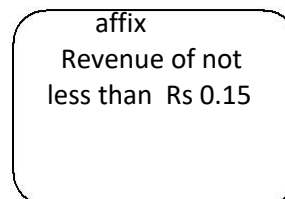
1. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
2. Electronic copy of the Annual Report for 2020-21 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form are being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2020-21 and Notice of the AGM along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email address is not registered or have requested for a hard copy.

| Resolution No. | Particulars of Resolution | Optional | |
|----------------|---|----------|---------|
| | | For | Against |
| | ORDINARY BUSINESS | | |
| 1 | To adopt the Financial Statements for the year ended on 31st March, 2021. | | |
| 2 | To reappoint Mrs. Ankit P. Patel, retiring by rotation. | | |
| | SPECIAL BUSINESS | | |
| 3 | To Regularise the Appointment of Mr.Arunbhai Shankerlal Patel as the Independent Director | | |

Signed this _____ day of _____ 2021

Signature of shareholder _____

Signature of Proxy holder(s) _____



Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 35nd Annual General Meeting.
3. 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 thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

ATTENDANCE SLIP

K.Z LEASING & FINANCE LIMITED

[CIN: L65910GJ1986PLC008864]

1st Floor, Deshna Chamber,

Ashram Road, Usmanpura,

Ahmedabad -380014

Email: kzleasing@yahoo.com

Phone: Tel.: 079-27543200

35th ANNUAL GENERAL MEETING

I/We hereby record my/our presence at the 35th Annual General Meeting of the company at 1ST Floor, Deshna Chamber, Ashram Road, Usmanpura, Ahmedabad- 380014 on Thursday, 30th September, 2021 at 10.00 a.m.

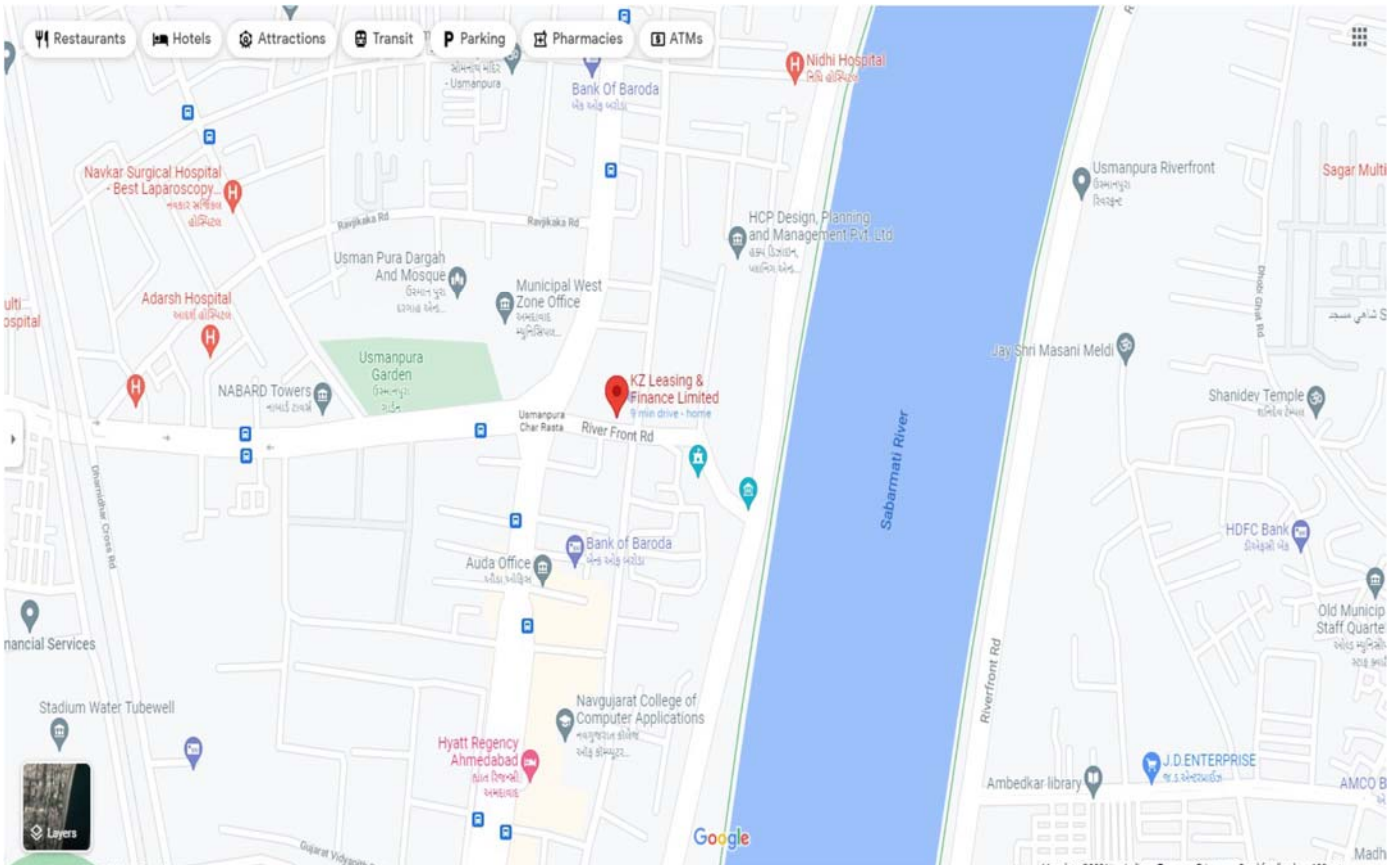
Member's Folio/DP ID-Client ID No.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING

**Registered Office:- 1ST FLOOR DESHANA CHAMBER/H KADWAPATTIDAR WADI
ASHRAM ROAD AHMEDABAD GJ 380001 IN**



(Printed Matter)
Book Post

K. Z. LEASING & FINANCE LTD.

1st Floor, Deshna Chamber, Ashram Road, Usmanpura,
Ahmedabad – 380014.