

**32ND
ANNUAL REPORT
2019-2020**

SUN FINLEASE (GUJARAT) LIMITED
(CIN No. - L65910GJ1988PLC010293)

SUN FINLEASE (GUJARAT) LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS:

Mr. Parag P. Shah	Chairman & Managing Director
Mr. Paras K. Sharma	Independent Director
Mrs. Bhargavi V. Talati	Independent Director
Mr. Mahendar Patel	Non-Executive Director

CHIEF FINANCIAL OFFICER:

Mr. Nitin B. Shah

COMPANY SECRETARY:

Mr. Avinash G. Bhojwani

STATUTORY AUDITORS:

M/s. Devpura Navlakha & Co.
Chartered Accountants
401, Ashoka Complex,
Near Golden Triangle,
S.P. Stadium Road, Navrangpura,
Ahmedabad- 380014

SECRETARIAL AUDITOR:

M/s. Ravi Kapoor & Associates
Company Secretaries
4th floor, "Shaival Plaza",
Gujarat College Road
Ellisbridge,
Ahmedabad - 380 006

REGISTERED OFFICE:

3, Ravipushp Apartment,
B/s Navneet House,
Memnagar,
Ahmedabad – 380 052
(Gujarat)

REGISTRAR AND SHARE TRANSFER AGENTS:

Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East,
Mumbai - 400 059, Maharashtra
Tel: 022 62638200
Fax: 022 62638299
E-mail: investor@bigshareonline.com

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SUN FINLEASE (GUJARAT) LIMITED

(CIN: L65910GJ1988PLC010293)

Regd. Office: 3, Ravipushp Apartment, B/s. Navneet House, Memnagar, Ahmedabad – 380 052.

Tel.: (079) 2749 6313 Email id: sfgl.1988@gmail.com Website: www.sfgl.in.net

NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of **SUN FINLEASE (GUJARAT) LIMITED** will be held through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) on Tuesday, 29th Day of September, 2020 at 04:30 p.m. The venue of the meeting shall be deemed to be the Registered Office of the Company. The following business will be transacted at the meeting:-

ORDINARY BUSINESS:

- (1) To receive, consider, and adopt financial statements of the Company for the year ended 31st March, 2020 including the Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit & Loss and Cash flow statement for the year ended on 31st March, 2020 and the reports of the Directors’ and the Auditors’ thereon.
- (2) To appoint a director in place of Mr. Parag P. Shah (DIN: 00228965) who retires by rotation and being eligible; offers himself for re-appointment.

SPECIAL BUSINESS:

To Consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

(3) Re-appointment of Mr. Paras K. Sharma (DIN: 06872890) as an Independent Director of the Company:

“**RESOLVED THAT**, pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions if any, of the Companies Act, 2013 (the Act), Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25 read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Paras K. Sharma (DIN: 06872890) who was appointed as an Independent Director at the 27th Annual General Meeting of the Company and holds office upto 8th September, 2019 and who is eligible for re-appointment and who meets the criteria for Independence as provided under section 149 (6) of the Act along with rules framed thereunder and Regulation 16 (1) (b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a recommendation from the Nomination and Remuneration Committee and a notice in writing under Section 160 of the Act, from a member of the Company proposing his candidature for office of Director, be and is hereby re-appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a second term of Five consecutive years with effect from 09.09.2019 to 08.09.2024.

“**RESOLVED FURTHER THAT**, any Director or Company Secretary of the Company be and are hereby severally authorized to do all things, deeds and acts as may be necessary and expedient to give effect to this resolution”.

Regd. Office:

3, Ravipushp Apartment,
B/S Navneet House, Memnagar,
Ahmedabad-380 052 Gujarat

**BY ORDER OF BOARD OF DIRECTORS
FOR SUN FINLEASE (GUJARAT) LIMITED**

**PARAG P. SHAH
(CHAIRMAN)
DIN: 00228965**

PLACE : Ahmedabad

DATE : 02.09.2020

NOTES:

1. In view of the massive outbreak of the COVID-19 Pandemic, social distancing is a norm to be followed and Pursuant to the General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13,2020 and General Circular No. 20/2020 dated May 5, 2020, issued by Ministry of Corporate Affairs , physical attendance of the Members to the AGM Venue is not required and AGM be held through Video Conferencing (VC) or Other Audio Visual Mode (OAVM). Hence, AGM is convened through VC/OAVM in compliance with the applicable provisions of the Act, LODR Regulations read with above referred MCA Circulars and Members can attend and participate in the ensuing AGM through VC/OAVM. The Members may please refer to INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the schedule time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include Large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, The Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are not allowed to attend the AGM without restriction on account of first come first served basis.

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3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. Corporate members intending to send their authorised representative(s) to attend the meeting are requested to send to the company a certified copy of relevant board resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the meeting.
6. In line with the MCA Circular No. 17/2020 dated April 13, 2020 the Annual Report containing the Notice calling the AGM has been uploaded on the website of the Company at www.sfgl.in.net and also can be accessed from the website of the Metropolitan Stock Exchange of India Ltd. at www.msei.in and is also available on the website of National Securities Depository Limited (NSDL) (agency for providing remote e-voting facility) i.e. www.evoting.nsdl.com. Also pursuant to the MCA Circular No. 17/2020 dated April 13, 2020 and SEBI Circular dated May, 12 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositaries.
7. Books of the Company shall remain closed from Wednesday, 23rd September, 2020 to Tuesday, 29th September, 2020 (both days are inclusive).
8. Members are requested to notify immediately any change in their Registered Address to the Company's Registrar; BIGSHARE SERVICES PRIVATE LIMITED, Unit: SUN FINLEASE (GUJARAT) LIMITED, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400 059 Maharashtra.
9. Shareholders seeking any information with regards to the Accounts are requested to write to the Company at an early date to enable the Management to keep the information ready.
10. The documents pertaining to the items of business to be transacted at the AGM and the statutory registers required under the Act are available for inspection in electronic mode. The shareholders may write an email to sfgl.1988@gmail.com by mentioning "Request for Inspection" in the subject of the email.
11. Since the AGM will be held through VC / OAVM, Attendance Slip, Proxy Form and Route Map are not annexed in this Notice.
12. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of LODR Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by CDSL. Members having shares in physical form are requested to intimate their e-mail id's to Registrar & Share Transfer Agents viz., Bigshare Services Private Limited, and members holding shares in electronic form are requested to intimate their e-mail Id's to Depository Participants with whom they have maintained their Demat Account.
13. In terms of Section 152 of the Companies Act, 2013, Mr. Parag P. Shah (DIN:00228965), Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Details of Directors seeking Appointment/Re- Appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further, the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India requires certain additional disclosures with respect to the appointment of Director, which are annexed hereto:

14. A. NOTES FOR E-VOTING:

In compliance with the provisions of section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the facility of remote e-voting facility for business as set out in the Notice. Please note that the voting through electronic means is optional for shareholders.

The members, whose names appear in the Register of members/list of Beneficial Owners as on Tuesday, 22nd September, 2020 i.e. cut off date are entitled to vote on the resolutions set forth in this Notice.

The Company has appointed Mr. Ravi Kapoor, Practicing Company Secretary (Membership No. F 2587) of M/s. Ravi Kapoor & Associates, to act as the scrutinizer for conducting the electronic voting process in a fair and transparent manner.

B. E-Voting Instructions:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Friday, 25th September, 2020 at 9.00 a.m. and ends on Monday, 28th September, 2020 at 05.00 p.m.** During this period, shareholders of the Company holding shares either in physical form or in Dematerialized form, as on the cut-off date **Tuesday, 22nd September, 2020** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

SUN FINLEASE (GUJARAT) LIMITED

- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID (Shareholders can identify their User ID as per the information given below)
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form 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"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN Field.
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 (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Sun Finlease (Gujarat) Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be mailed to helpdesk.evoting@cDSLindia.com.

SUN FINLEASE (GUJARAT) LIMITED

- 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.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- i. 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), AADHAAR (self attested scanned copy of Aadhaar Card) by email to Company at sfgl.1988@gmail.com or RTA at investor@bigshareonline.com.
- ii. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to Company sfgl.1988@gmail.com or RTA at investor@bigshareonline.com.

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

PROCESS AND MANNER FOR ATTENDING THE 32ND AGM THROUGH ZOOM APP:

For a smooth experience of AGM proceedings, shareholders who are registered for the event are requested to download and install the Zoom application in advance on the device that you would be using to attend the meeting by clicking on the link <https://www.zoom.com/downloads.html/>. Shareholders also have an option to click on the URL provided to attend the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions.

1. Open the internet browser and launch the URL for Zoom Meeting and register with your following details:-
 - a. Demat Account Demat Account No. or Folio No.: Enter your 16-digit **Demat Account No.** or **Folio Number** registered with the Company.
 - b. **PAN:** Enter your 10-digit Permanent Account Number.
 - c. **Mobile No.:**
 - d. **Email ID:**
2. Click “Go to Meeting”
3. Members can log in and join 15 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time. The Company shall provide VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & remuneration committee and stakeholders’ relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evoting.cdsl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of CDSL.
5. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company’s email address sfgl.1988@gmail.com at least 48 hours in advance before the start of the meeting i.e. by 04.30 P.M. September 29, 2020. Such questions by the Members shall be taken up during the meeting or replied within 7 days from AGM date by the Company suitably.

SUN FINLEASE (GUJARAT) LIMITED

INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO SPEAK DURING THE AGM THROUGH ZOOM:

1. Shareholders who would like to speak during the meeting must register their request mentioning their name, demat account number/ folio number, email id, mobile number at sfgl.1988@gmail.com, atleast 48 hours prior to the date of AGM.
2. Speakers will only be allowed to express their views/ask questions on first come first served basis during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
3. Shareholders who would like to ask questions, may send the same in advance mentioning their name, demat account number/folio number, email id, mobile number at , sfgl.1988@gmail.com at least 48 hours prior to the date of AGM. The same will be replied by the Company suitably.
4. Shareholders will get confirmation on first come first served basis depending upon the provision made by the Company.
5. Shareholders will receive 'speaking serial number' once they mark attendance for the meeting. Shareholders are requested to speak only when Moderator of the meeting will announce the name and serial number for speaking.
6. Please remember 'speaking serial number' and start your conversation with panelist by switching on audio of your device.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS TO VOTE DURING THE AGM THROUGH ZOOM APP:

Once the electronic voting is activated by the Scrutinizer/Moderator during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:-

1. On the shareholders VC page, click on the link for e-Voting 'Cast your vote'.
2. Enter Demat Account No./Folio No. and OTP (received on the registered mobile number/ registered Email ID) received during registration for Zoom Meeting and click on 'Submit'.
3. After successful login, you will see 'Resolution Description' and against the same the option '**Favour/Against**' for voting.
4. Cast your vote by selecting appropriate option i.e. as '**Favour/Against**' as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under '**Favour/Against**'.
5. After selecting the appropriate option i.e. as desired '**Favour/Against**' and you have decided to vote, click on 'Save'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Confirm'; else to change your vote, click on 'Back' and accordingly modify your vote.
6. Once you confirm your vote on the Resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders present at the AGM through Zoom Meeting facility and who have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting but till the expiry of 15 minutes after the AGM is over.

Shareholders who have voted through remote e-voting prior to the AGM will be eligible to attend/participate in the AGM through Zoom Meeting. However, they will not be eligible to vote again during the meeting.

Shareholders are encouraged to join the AGM through Tablets/Laptops connected through broadband for better experience. Shareholders are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the currency of the AGM.

Please note that shareholders connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate such kind of glitches. In case shareholders have any queries regarding e-voting, they can address them to zoommeeting@cdsl.co.in or call on 022-23058542.

Regd. Office:

3, Ravipushp Apartment,
B/S Navneet House, Memnagar,
Ahmedabad-380 052 Gujarat

**BY ORDER OF BOARD OF DIRECTORS
FOR SUN FINLEASE (GUJARAT) LIMITED**

**PLACE : Ahmedabad
DATE : 02.09.2020**

**PARAG P. SHAH
(CHAIRMAN)
DIN: 00228965**

SUN FINLEASE (GUJARAT) LIMITED

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT")

Item No. 3

Pursuant to the relevant provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') as amended, Mr. Paras K. Sharma (DIN: 06872890) was appointed as Non-Executive Independent Director for a period of 5 (five) consecutive years and who hold office as an Independent Director of the Company up to 08.09.2019. As per Section 149(10) of the Act an Independent Director shall hold office for a term up to five consecutive years on the Board and shall be eligible for re- appointment on passing a Special Resolution by the Company. The Nomination & Remuneration Committee, on the basis of the report of performance evaluation, has recommended the re-appointment of Mr. Paras K. Sharma, for a second term of 5 (five) consecutive years, i.e. from 09.09.2019 to 08.09.2024. The Board of Directors, based on the recommendation of the Nomination & and Remuneration Committee and the report of performance evaluation, considered that his professional expertise coupled with valuable contributions made by him during his present tenure, it would be in the beneficial interest of the Company to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Paras Sharma, as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years i.e. from 09.09.2019 to 08.09.2024. The Company has received requisite disclosures and declarations from Mr. Paras K. Sharma required under the Act and the SEBI Listing Regulations. Mr. Paras K. Sharma is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board of Directors of the Company, Mr. Paras K. Sharma fulfils the conditions specified in the Act and the Rules made thereunder and is Independent of the Management. Further, Mr. Paras K. Sharma is not debarred or disqualified from holding the office of Director pursuant to any order of the Securities and Exchange Board of India or any other such Authority. The copy of the draft letter of appointment of the proposed appointee as an Independent Director would be available for inspection through electronically. All relevant documents referred herein above would be open for inspection by the Members through electronically upto the date of the Annual General Meeting.

This statement may also be regarded as appropriate disclosure under the Act and SEBI Listing Regulations. Accordingly, the Board of Directors at its meeting held on 2nd September, 2020, recommended the resolution set out at Item no. 3 to be passed as a special resolution by the members. Further, as per Regulation 36 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and as per the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India which requires certain additional disclosures with respect to appointment or reappointment of Independent Director, which is mentioned herewith.

Except Mr. Paras K. Sharma, none of the other, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

SUN FINLEASE (GUJARAT) LIMITED

Details of Directors seeking Appointment/Re- Appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further, the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India requires certain additional disclosures with respect to the appointment of Director, which are mentioned below:

Information about Director Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to Secretarial Standard the details of the Directors eligible for the appointment and re-appointment are as follows:

Name of the Director	Mr. Parag P. Shah	Mr. Paras K. Sharma
Designation	Chairman and Managing Director	Non Executive Independent Director
Director Identification Number (DIN)	00228965	06872890
Father's Name	Mr. Priyakant Shah	Mr. Kamlesh Sharma
Date of Birth	13/09/1961	18/06/1983
Educational Qualification	Commerce Graduate	B.com
Experience/Expertise	Mr. Parag P. Shah is associated with the Company since 2000. He possesses long and rich experience in finance business. As far as financial progress and positive growth are concerned, his contribution is worth appreciating as he is well versed with the finance activities, the Company has developed positive business relationships with all the concerns in his directorship	Mr. Paras Sharma is associated with the Company since 2015. He possesses vast experience in the field of finance. Being and Independent Director on the Board of the Company, his consent and advisory role aids Company to navigate the business with all the applicable framework.
Date of Appointment as Director	10/01/2000	16/05/2014
Terms and condition of the Appointment	N.A.	N.A.
Remuneration paid	NIL	Nil
Relationship with other Director, Manager and KMP of the Company	N.A.	N.A.
Directorship in the Listed entities (Other than Sun Finlease (Gujarat) Limited)	None	None
Chairman/membership in Committee of other entities	Three	Three
Shareholding (No. of equity shares)	100	Nil
No. of Board Meetings attended during the year	10	10
Justification for Appointment as Independent Director	N.A.	N.A.

Regd. Office:

3, Ravipushp Apartment,
B/S Navneet House, Memnagar,
Ahmedabad-380 052 Gujarat

**BY ORDER OF BOARD OF DIRECTORS
FOR SUN FINLEASE (GUJARAT) LIMITED**

**PLACE : Ahmedabad
DATE : 02.09.2020**

**PARAG P. SHAH
(CHAIRMAN)
DIN: 00228965**

SUN FINLEASE (GUJARAT) LIMITED

(CIN: L65910GJ1988PLC010293)

DIRECTORS' REPORT

To,
The Members,
SUN FINLEASE (GUJARAT) LIMITED

Your Directors have pleasure in presenting the 32nd Annual Report together with audited accounts of the Company for the financial year ended on March 31, 2020 (F.Y 2019-20).

1. FINANCIAL RESULTS:

The summary of the Company's financial performance for F.Y. 2019-20 compared to the previous F.Y. 2018-19 is given below:

(Amount. in Rs.)

Particulars	Current Financial Year (31.03.2020)	Previous Financial Year (31.03.2019)
Revenue from operations (Net) and other income	6,09,24,622	29,25,64,491
Profit/(Loss) before Prior period items and Tax	4,23,068	6,70,490
Less: Current Tax	31,730	51,213
Less: Deferred Tax	33,596	(39,818)
Less : MAT Credit entitlement		(51,213)
Less : MAT Credit reversal		-
Less: Earlier Years Tax & Deferred Tax		(6,939)
Profit / (Loss) after tax	357,742	717,247
Balance Brought Forward from Previous Year from profit and loss statement	1,41,59,043	1,35,85,244
Profit Available for appropriation	1,45,16,784	1,39,82,672
APPROPRIATIONS		
Interim Equity Dividend	0	0
Proposed Final Equity Dividend	0	0
Tax on Equity Dividends	0	0
Previous Year Tax on Dividends	0	0
Transfer to General Reserve	0	0
Transfer to Statutory Reserve	(89,436)	(1,43,449)
Surplus carried to the next year's account	1,44,27,348	1,41,59,043

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTUS:

During the year under review, the Company recorded total income of Rs. 6,09,24,622/- against Rs. 29,25,64,491/- in the previous year. However, the Company managed to earn a profit of Rs. 3,57,742/- for the year under review as against previous year's Profit of Rs. 7,17,247/-. Your Directors are hopeful for more positive results in the coming years.

3. DIVIDEND:

In view of insufficient profit earned by the Company during the year under review, your Directors do not recommend any dividend for the year ended on 31st March, 2020.

4. RESERVES:

During the year under review, the Company has Transferred a sum of Rs. 89,436/- to Statutory Reserve as required under Section 45-IC of the Reserve Bank of India Act, 1934.

5. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments, if any, affecting the financial position of the Company which has occurred between the ends of the financial year of the Company to which the financial statements relate and the date of the report.

6. INTERNAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

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

SUN FINLEASE (GUJARAT) LIMITED

7. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any Subsidiary/ Joint Venture/ Associate concerns, and hence, no financial positions of such concern(s) are required to be included in the financial statements.

8. DEPOSITS:

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

In accordance with the provisions of Section 152(6) and Articles of Association of the Company, Mr. Parag P. Shah (DIN:00228965), Director, will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board recommends his appointment.

There was a change among the Key Managerial Personnel of the company which is as follows:

Mr. Masoom Shah, Whole-Time Company Secretary of the Company, has resigned from the post of Company Secretary of the Company w.e.f 13.11.2019.

Mr. Avinash G. Bhojwani, an Associate Member of the Institute of Company Secretaries of India (ICSI) was appointed as a Whole-Time Company Secretary of the Company w.e.f 14.11.2019.

10. DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has received declarations from Mrs. Bhargavi V. Talati and Mr. Paras K. Sharma that they meet with the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013.

11. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the following that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year i.e. at 31st March, 2020 and of the profit and loss of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL BOARD EVALUATION:

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter-se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines.

The Board carried out annual performance evaluation of the Board, Board Committees and Individual Directors and Chairperson.

The Chairperson/Chairman of the respective Board Committees shared the report on evaluation with the respective Committee members.

The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees.

The reports on performance evaluation of the Individual Directors were reviewed by the Chairperson of the Board.

SUN FINLEASE (GUJARAT) LIMITED

13. WEBLINK OF THE ANNUAL RETURN:

The Annual Return for the financial year 2019-20 in Section 92(3) of the Companies Act, 2013 will be placed on website of the Company after completion of Annual General Meeting of the Company and the same can be accessed on the weblink www.sfgl.in.net.

14. WHISTLE BLOWER POLICY/VIGIL MECHANISM:

The Company promotes ethical behavior in all its business activities and has put in implementation of a mechanism wherein the employees are free to report illegal or unethical behavior, actual or suspected fraud or violation of the Company's Codes of Conduct or any improper activity to the Chairman of the Audit Committee of the Company. The Whistle Blower Policy has been appropriately communicated within the Company. Under the Whistle Blower Policy, the confidentiality of those reporting violation(s) is protected and they are not subject to any discriminatory practices. No personnel have been denied access to the Audit Committee.

15. BOARD MEETINGS:

During the Financial Year 2019-20, Ten (10) Board Meetings were held and the details of the dates of Board Meetings are as mentioned below:

Sr. No	Date	Sr. No	Date	Sr. No	Date	Sr. No	Date
1.	04.04.2019	2.	24.05.2019	3.	24.06.2019	4.	12.08.2019
5.	10.10.2019	6.	13.11.2019	7.	22.11.2019	8.	02.12.2019
9.	14.02.2020	10.	02.03.2020	--	--	--	--

16. COMMITTEES:

i) Audit Committee:

The Committee comprises of Mrs. Bhargavi V. Talati, Chairperson and Independent non-executive Director, Mr. Paras K. Sharma, Independent non-executive Director, Mr. Parag P. Shah, Executive Director, and Mr. Mahendar Patel, non-executive director.

During the Financial Year 2019-20, Four (4) Audit Committee Meetings were held; the dates of which are as follows:

Sr. No.	Date	Sr. No.	Date
1.	24.05.2019	2.	12.08.2019
3.	12.11.2019	4.	14.02.2020

ii) Stakeholders' Relationship Committee:

The Committee comprises of Mrs. Bhargavi V. Talati, Chairperson and Independent non-executive director, Mr. Paras K. Sharma, Independent non-executive director, Mr. Parag P. Shah, Executive Director and Mr. Mahendar Patel, non-executive director.

During the Financial Year 2019-20, Four (4) Stakeholders' Relationship Committee meetings were held; the dates of which are as follows:

Sr. No.	Date	Sr. No.	Date
1.	01.04.2019	2.	16.07.2019
3.	05.11.2019	4.	17.01.2020

iii) Remuneration Policy & Nomination and Remuneration Committee:

The Company's policy relating to the appointment of directors, positive attributes, independence of directors, remuneration and other related matters as provided in Section 178(3) of the Companies Act, 2013 is available on <http://www.sfgl.in.net/policy>.

Nomination and Remuneration Committee comprises of Mrs. Bhargavi V. Talati Chairperson and Independent non-executive director, Mr. Paras K. Sharma, Independent non-executive director, Mr. Parag P. Shah, Executive Director and Mr. Mahendar Patel, non-executive director.

During the Financial Year 2019-2020, Four (4) Nomination and Remuneration Committee meetings were held; dates of which are as follows:

Sr. No.	Date	Sr. No.	Date
1.	15.05.2019	2.	12.08.2019
2.	13.11.2019	4.	28.01.2020

SUN FINLEASE (GUJARAT) LIMITED

17. AUDITORS:

Appointment of Statutory Auditors

M/s. Devpura Navlakha & Co., Chartered Accountants, Ahmedabad (Firm Registration No.: 121975W), were appointed as Statutory Auditors of the Company, to hold office till the conclusion of the 36th Annual General Meeting.

Details in Respect of Fraud, if any, reported by Auditors:

There have been no frauds reported during the Financial Year ended March 31, 2020.

Internal Auditor:

The Company has appointed M/s. T.M. Parikh & Co., Chartered Accountants, Mumbai (Firm Registration No. 114580W), as an internal auditor of the Company for the financial year 2019-20

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board on the recommendations of the Audit Committee, has appointed M/s. Ravi Kapoor & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2020. Secretarial Audit Report issued by M/s. Ravi Kapoor & Associates, Company Secretaries, in form MR-3 forms part of this report.

18. EXPLANATION OR COMMENTS ON AUDITORS REPORT AND SECRETARIAL AUDITORS REPORT:

i) Statutory Auditor's Report:

There are no qualifications, reservations or adverse remarks or disclaimer in the Statutory Audit Report issued by the Statutory Auditors of the Company.

ii) Secretarial Audit Report:

There are no qualifications, reservations or adverse remarks or disclaimer in secretarial audit report issued by the company secretary in practice. Secretarial Audit Report is attached to this report.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details required under the provisions of the section 134 (3) (m) of the Companies Act, 2013 regarding conservation of Energy and Technology Absorption are not applicable as the company is not carrying out any manufacturing operation. The details of foreign exchange earnings and outgo are as follows:

Foreign exchange earnings and Outgo:

Foreign Exchange Earning : Rs. Nil.

Foreign Exchange Outgo : Rs. Nil.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY:

Since the Company is a 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.

21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the period under review, there were no material transactions between the Company and the related parties as defined under Section 188 of the Companies Act, 2013 and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly there were no transactions that were required to be reported in Form AOC-2.

22. PARTICULARS OF EMPLOYEES:

Pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has no employee who was in receipt of remuneration in excess of limits specified in such rules. The Company has not paid any remuneration to the Directors of the Company.

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(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	Name of Director	Designation	Ratio to median remuneration of the Employees
	Mr. Parag P. Shah	Executive Managing Director	Nil
	Mr. Paras K. Sharma	Non-Executive Director/ Independent Director	Nil
	Mrs. Bhargavi V. Talati	Non-Executive Director/ Independent Director	Nil
	Mr. Mahendar Patel	Non-Executive Director	Nil
No Remuneration was paid by the Company to any directors of the Company			
(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year.	<p>Increase in Remuneration of Directors & KMP is as follows:</p> <p>Directors - Not Applicable*</p> <p>MD - Applicable**</p> <p>CFO - Applicable***</p> <p>CS - Applicable****</p> <p>* No Remuneration was paid by the Company to any Directors of the Company.</p> <p>** In the Previous Financial year (i.e. 2018-19) remuneration paid to Mr. Parag P. Shah (Managing Director) from 01.04.2018 to 31.03.2019 was Rs. 3,85,200/- and during the Current Financial Year (i.e. 2019-20) remuneration paid to Mr. Parag P. Shah from 01.04.2019 to 31.03.2020 was Rs 4,96,400/- Hence, there was no increase in the remuneration payable to him.</p> <p>*** In the Previous Financial year (i.e. 2018-19) remuneration paid to Mr. Nitin B. Shah (Chief Financial Officer) from 01.04.2018 to 31.03.2019 was Rs. 4,69,200/- and during the Current Financial Year (i.e. 2019-20) remuneration paid to Mr. Nitin B. Shah from 01.04.2019 to 31.03.2020 was Rs. 6,16,800/- Hence, there was no increase in the remuneration payable to him.</p> <p>**** In the Previous Financial year (i.e. 2019-20) remuneration paid to Mr. Masoom Shah was Rs. 1,98,971/- He Resigned On 13th November, 2019. Hence, there was no increase in the remuneration payable.</p> <p>**** In the Current Financial Year (i.e. 2019-20) Mr. Avinash G. Bhojwani Appointed on 14th November, 2019 (Company Secretary) Remuneration paid of Rs. 88,679/-</p>		
(iii) The percentage increase in the median of employees in the financial year:	Nil		
(iv) The number of permanent employees on the roll of the Company	5		
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average percentage increase in salaries of employees other than the managerial personnel in the last financial year was Nil		
(vi) Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration is as per the Remuneration Policy of the Company.		

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) The Company does not have any employees who is drawing remuneration in excess of limit prescribed under section 197(12) of the Companies Act, 2013 read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- b) The statement containing the names of top ten employees will be made available on request sent to the Company on sfgl.1988@gmail.com

SUN FINLEASE (GUJARAT) LIMITED

23. CORPORATE GOVERNANCE:

As per the provisions of Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance requirements are not applicable to our Company, as the Company has not attained the prescribed limit as mentioned hereunder:

As per the Regulations 17 to 27 (including both regulations) and clauses (b) to (i) of Sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V, it shall not apply in respect of- the companies having paid up equity share capital not exceeding Rs. 10.00 crores (Rupees Ten Crores) and net worth not exceeding Rs. 25.00 crores (Twenty Five Crores) as on the last day of the previous financial year (i.e. 2019-20).

24. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

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

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

26. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the year under review, the Company has not commenced any new business activity.

27. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Pursuant to Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is as follows:

INDUSTRY OVERVIEW:

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

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

NBFCs have played a critical role as a key contributor to the economy by providing a fillip to infrastructure, employment generation, wealth creation and access to financial services to the rural and weaker sections of the society. The health and success of the NBFC sector has far-reaching implications on the inclusive development of the economy, financial inclusion of diverse population segments, capital formation and eventually the growth in GDP.

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

Business:

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

OPPORTUNITIES & THREATS:

Opportunities:

The Indian economy has been on a positive trajectory in the amount of formal credit deployed, supplemented by rising consumer disposable income and ease of access to credit. However, despite overall credit growth, India still remains under-penetrated in retail and MSME lending, with household credit to GDP ratio lagging several major emerging and developed economies. The opportunity has driven several non-banks to enter the retail lending space, through the use of innovative lending models and product innovation.

Threats:

The emergence of new-age digital lenders has further intensified the competition for NBFCs in the market. Primarily FinTech companies, these digital lenders are attempting to gain a share of the lucrative opportunity in the Indian lending market through their mastery of data and technology. These start-ups conduct off-balance sheet and on-balance sheet lending; powered by innovative processes to

SUN FINLEASE (GUJARAT) LIMITED

deliver a captivating customer experience, quick turnaround time, reduced fees and increased transparency. The threat posed by such lenders is seen in the form of an estimated market share of nearly INR 70 trillion over the next five years.

Business conditions continue to be challenging and Business growth will depend on the recovery of the global economies. The growth of the Company is subject to opportunities and threats as are applicable to the industry from time to time.

Outlook:

From the reports available in public domain, it is believed that the global economic recovery is in its way. It is only hoped that the growth momentum gathers, steam soon and fast.

Segment wise or Product wise performance:

At present the Company is carrying out its operations in only one segment, namely; Dealing in Shares and Securities (Finance & Investment).

Risks & Areas of Concern:

With recent events increasing scrutiny on NBFCs and their operations, it is imperative for them to build robust risk and governance models as they grow their lending business; some of the risks that they need to manage include credit risk, vendor risk, conducting periodic compliance reviews, performing quality control checks to ensure process adherence and information integrity.

The Company is exposed to specific risks that are particular to its businesses and the environment within which it operates, including capital market volatility, economic cycle, and credit risk. The Company manages these risks by maintaining a conservative financial profile and by following prudent business and risk management policies.

Internal Financial Control Systems and Adequacy:

The Company has disciplined approach to costs and follows prudential norms in every sphere of its activities. The Profit making is put at the center of decision making. The costs are budgeted, reviewed and monitored. The Company has established internal control systems for ensuring optimum use of resources and safeguarding the assets. The Internal Control Systems and procedure are adequate and commensurate with the size of the Company. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

Human resource / Industrial relations:

The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people. The Company has cordial relations with employees and staff. There were no HR relations problems during the year and the Company does not anticipate any material problems on this count in the current year.

Discussion on financial performance with respect to operational performance

Key Financial Ratios:

The key financial ratios and details of significant changes in these ratios, to the extent applicable, as required by SEBI (LODR) (Amendment) Regulations, 2018 are given below:

Key Financial Ratios	Year 2019-20	Year 2018-19
(i) Debtors Turnover	N.A.	N.A.
(ii) Inventory Turnover	N.A.	N.A.
(iii) Interest Coverage Ratio	3.11	1.035
(iv) Current Ratio	3.06:1	1.37:1
(v) Debt Equity Ratio	0.46:1	2:58:1
(vi) Operating Profit Margin (%) or sector-specific equivalent ratios, as applicable.	30.62%	7.98%
(vii) Net Profit Margin (%) or sector-specific equivalent ratios, as applicable.	0.59%	0.25%
(viii) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation	N.A.	N.A.

Cautionary Statement:

The statements in Management Discussion and Analysis Report describing our Company's objectives, expectations or predictions may be forward looking within the meaning of applicable regulations and other legislations. Actual results may differ materially from those expressed in the statement. Important factors that could influence Company's operations include global and domestic financial market conditions affecting the interest rates, availability of resources for the financial sector, market for lending, changes in regulatory directions issued by the Government, tax laws, economic situation and other relevant factors.

SUN FINLEASE (GUJARAT) LIMITED

28. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

To foster a positive workplace environment, free from harassment of any nature, we have institutionalized the Anti-Sexual Harassment Initiative (ASHI) framework, through which we address complaints of sexual harassment at all the workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. We have also constituted a Special Complaints Committee to consider and address sexual harassment complaints in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. To that effect, during the year under review, there were no incidences of sexual harassment reported.

29. RISK MANAGEMENT POLICY:

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

30. ACKNOWLEDGEMENTS:

Your Directors wish to convey their appreciation to all the employees of the Company for their enormous personal efforts as well as their collective contribution to the Company's performance. The Directors would also like to thank all the stakeholders involved including the shareholders, bankers, Government and all the other business associates for the continuous support given by them to the Company and their confidence in its management.

Regd. Office:

3, Ravipushp Apartment,
B/S Navneet House, Memnagar,
Ahmedabad-380 052 Gujarat

**BY ORDER OF BOARD OF DIRECTORS
FOR SUN FINLEASE (GUJARAT) LIMITED**

PLACE : Ahmedabad

DATE : 02.09.2020

**PARAG P. SHAH
(CHAIRMAN)
DIN: 00228965**

SUN FINLEASE (GUJARAT) LIMITED

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SUN FINLEASE (GUJARAT) LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sun Finlease (Gujarat) Limited (herein after referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sun Finlease (Gujarat) Limited ("the Company") for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) Provisions of Reserve Bank of India Act, 1934 are specifically applicable to the Company.

We have also examined compliance with applicable clauses of the following

1. Secretarial Standards issued by the Institute of Company Secretaries of India.
2. Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

SUN FINLEASE (GUJARAT) LIMITED

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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

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

We further report that during the audit period, there are no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For, Ravi Kapoor & Associates

Ravi Kapoor

Company Secretary in practice

FCS No. 2587

C P No.: 2407

Place : Ahmedabad

Date : 02nd Spetember, 2020

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

ANNEXURE-A

To,
The Members,
Sun Finlease (Gujarat) Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Ravi Kapoor & Associates

Ravi Kapoor

Company Secretary in practice

FCS No. 2587

C P No.: 2407

Place : Ahmedabad

Date : 02nd Spetember, 2020

SUN FINLEASE (GUJARAT) LIMITED

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Sun Finlease (Gujarat) Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the financial statement of SUN FINLEASE (GUJARAT) LIMITED ("the company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the matter so required and give a true and fair view in conformity with the state of affairs of the Company as at March 31 2020, and loss including other comprehensive income, its cash flow and (the change in equity) for the year ended on that date.

Basis for the Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 on Ind AS financial Statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
(a) Transition to Ind AS accounting framework (as described in note 4 of the Ind AS financial statements)	
<p>The Company has adopted Ind AS from 1 April 2019 with an effective date of 1 April 2018 for such transition. For periods up to and including the year ended 31 March 2019, the Company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect of the transition to Ind AS, these financial statements for the year ended 31 March 2020, together with the comparative financial information for the previous year ended 31 March 2019 and the transition date Balance Sheet as at 1 April 2018 have been prepared under Ind AS.</p> <p>The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting and disclosure requirements prescribed under extant Reserve Bank of India (RBI) directions.</p> <p>In view of the complexity involved, Ind AS transition and the preparation of financial statements subsequent to the transition date have been areas of key focus in our audit.</p>	<ul style="list-style-type: none">- Evaluated the exemptions and exceptions allowed by Ind AS and applied by the Management in applying the first-time adoption principles of Ind AS 101 in respect of fair valuation of assets and liabilities existing as at transition date.- Tested the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS.- Tested the disclosures prescribed under Ind AS.

SUN FINLEASE (GUJARAT) LIMITED

Information other than the standalone Ind AS financial statements and auditors' report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the company's Annual Report, but does not include the financial statements and our auditors' 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. Based on the representations received from the Company's Management and Board of Directors, we expect to receive the 'Other Information' subsequent to the date of our audit report. Accordingly, we are unable to comment on any inconsistencies or uncorrected misstatements, if any, in such 'Other Information'.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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 accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that 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. Those charged with governance 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 Ind AS 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.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

SUN FINLEASE (GUJARAT) LIMITED

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:-
 - a) 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended
 - e) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g) In our opinion, the managerial remuneration for the year ended 31 March 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - 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:
 - i. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - ii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For & behalf of
Devpura Navlakha & Co.
FRN-121975W
Chartered Accountants

CA Ashwini Devpura
(Partner)
Mem No. : 047390
UDIN- 20047390AAAABV2703

Place : Ahmedabad
Date : 30.06.2020

SUN FINLEASE (GUJARAT) LIMITED

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

referred to in paragraph (1) under the heading 'Report on other legal and regulatory requirements' of our report of even date

- (1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, majority of the fixed assets have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) According to the information and explanations given by the Management, the company is not having any immovable property.
- (2) The Company's business does not involve inventories and, accordingly, the requirements under clause 3(ii) of the Order are not applicable to the Company.
- (3) During the year the Company has not given any loans secured or unsecured to the companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence Clause (iii) (a), (b) and (c) are not applicable to the Company.
- (4) Based on our audit procedures and on the basis of information and explanations given to us by the management, provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security have been complied with.
- (5) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the rules framed there under.
- (6) According to Information and explanation given to us the Central Government of India has not prescribed the maintenance of cost records under Section 148 (1) of the Act for any of the services rendered by the Company.
- (7) (a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, duty of custom, duty of excise, value added tax, goods and services tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (8) In our opinion and according to the information and explanations given by the Management, the company has not defaulted in repayment of loans or borrowings to a financial institution or bank or dues to debenture holders.
- (9) According to the information and explanations given by the Management, during the Financial Year 2019-20 the Company has not raised any money by way of initial public offer or further public offer.
- (10) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the Management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (11) According to the information and explanations given by the Management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (12) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company
- (13) According to the information and explanations given by the Management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (14) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company
- (15) According to the information and explanations given by the Management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- (16) The Company is registered as Non-Banking Financial Institution (NBFI) and is holding a certificate of registration (COR) from Reserve Bank of India to carry on business of NBFI in terms of Sec 45-IA of the RBI Act, 1934.

For & behalf of
Devpura Navlakha & Co.
FRN-121975W
Chartered Accountants

CA Ashwini Devpura
(Partner)

Mem No. : 047390

UDIN- 20047390AAAABV2703

Place : Ahmedabad

Date : 30.06.2020

SUN FINLEASE (GUJARAT) LIMITED

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

referred to in paragraph 2(f) under the heading 'Report on other legal and regulatory requirements' of our report of even date

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

We have audited the internal financial controls over financial reporting of Sun Finlease (Gujarat) Limited (the 'Company') as of 31 March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.

Meaning of internal financial controls over financial reporting with reference to these Ind AS Financial Statements

A Company's internal financial control over financial reporting with reference to these Ind AS financial statements 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 with reference to these Ind AS financial statements includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls over financial reporting with reference to these Ind AS Financial Statements

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

Opinion

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

For & behalf of
Devpura Navlakra & Co.
FRN-121975W
Chartered Accountants

CA Ashwini Devpura
(Partner)

Place : Ahmedabad
Date : 30.06.2020

Mem No. : 047390
UDIN- 20047390AAAABV2703

SUN FINLEASE (GUJARAT) LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

(Amount in Rs.)

Sr. No.	Particulars	Note No	As at March 31 , 2020	As at March 31 , 2019	As at April 01 , 2018
ASSETS:					
I	Financial assets				
	(a) Cash and cash equivalent	5	3,70,575	10,58,613	4,56,19,137
	(b) Bank balance other than (a) above		-	-	1,00,000
	(c) Loans	6	3,79,78,050	10,76,68,219	4,68,69,573
	(d) Investments	7	50,29,177	4,28,13,050	30,69,08,483
	(e) Other financial assets	8	2,25,03,126	2,52,79,876	37,71,357
	Total Financial Assets		6,58,80,928	17,68,19,758	40,32,68,550
II	Non Financial Asset				
	(a) Property Plant and Equipment	9	24,20,855	11,65,886	15,26,061
	(b) Other Intangible assets		-	-	-
	(c) Deferred Tax Assets	10	45,217	78,813	38,995
	(d) Other Non Financial Assets	11	83,61,758	84,21,234	1,06,43,569
	Total Non Financial Assets		1,08,27,830	96,65,933	1,22,08,625
	Total Assets		7,67,08,758	18,64,85,691	41,54,77,175
LIABILITIES AND EQUITY:					
LIABILITIES					
I	Financial Liabilities				
	(a) Other Payables				
	(i) Total outstanding dues of micro enterprise and small enterprise		-	-	-
	(ii) Total outstanding dues of creditors other than above	12	1,69,404	1,82,451	4,76,893
	(b) Borrowings	13	2,28,49,998	13,20,70,000	35,57,43,625
	(c) Other financial Liabilities	14	9,13,836	17,59,480	77,35,745
	Total Financial Liabilities		2,39,33,238	13,40,11,931	36,39,56,263
II	Non Financial Liabilities				
	(a) Provisions	15	3,05,901	3,61,883	1,26,283
	Total Non Financial Liabilities		3,05,901	3,61,883	1,26,283
III	Equity				
	(a) Equity share capital	16	3,03,33,700	3,03,33,700	3,03,33,700
	(b) Other Equity	17	2,21,35,919	2,17,78,177	2,10,60,929
	Total Equity		5,24,69,619	5,21,11,877	5,13,94,629
	Total Liabilities and Equity		7,67,08,758	18,64,85,691	41,54,77,175
	Significant accounting policies	2			

The accompanying notes from 5 to 35 are an integral part of the financial statements.

In terms of our report attached
For Devpura Navlakha & Co.
Chartered Accountants
FRN-121975W

Ashwini devpura
(Partner)
Membership No:047390
UDIN:20047390AAAABV2703

Place : Ahmedabad
Date : 30/06/2020

For and on behalf of the Board of Directors of
SUN FINLEASE (GUJARAT) LIMITED

Parag P. Shah
Director
DIN 00228965

Nitin B. Shah
Chief Financial Officer

Bhargavi V. Talati
Director
DIN 03069724

Avinash Bhojwani
Company Secretary

SUN FINLEASE (GUJARAT) LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in Rs.)

Sr. No.	Particulars	Note No	Year ended March 31 , 2020	Year ended March 31 , 2019
Revenue From Operations				
(i)	Interest Income	18	97,96,100	99,64,890
(ii)	Dividend Income	-	2,20,669	1,80,450
(iii)	Profit/(Loss) on F & O	-	(32,68,224)	4,63,82,602
(iv)	Profit / (Loss) on Shares on Speculation	19	-	16,535
(v)	Profit on Sale of Investment	-	5,31,45,331	23,51,76,401
I	Total Revenue from operations		5,98,93,876	29,17,20,878
II	Other Income	20	10,30,746	8,43,613
III	Total Income (I+II)		6,09,24,622	29,25,64,491
Expenses				
(i)	Finance Costs	21	1,82,99,613	2,26,43,463
(ii)	Net loss on fair value changes	-	3,77,83,873	26,40,95,433
(iii)	Employee benefit expenses	22	24,22,441	29,19,548
(iv)	Depreciation , amortization and impairment	-	3,26,271	3,75,751
(v)	Others expenses	23	16,14,182	17,47,614
(vi)	Prior period expenses		55,174	1,12,192
IV	Total Expenses		6,05,01,554	29,18,94,001
V	Profit before tax (III-IV)		4,23,068	6,70,490
VI	Tax expense:			
	(A) Deferred Tax	24	33,596	(39,818)
	(B) Provision for tax related to earlier years/ Excess Provision for tax		-	(6,939)
	(C) Current Tax (MAT)	24	31,730	51,213
	(D) MAT Credit Entitlement		-	(51,213)
			65,326	(46,757)
VII	Profit/ (loss) before impact of change in the rate on opening deferred tax (V-VI)		3,57,742	7,17,247
VIII	Impact of change in the rate on opening deferred tax		-	-
IX	Profit for the year (VII-VIII)		3,57,742	7,17,247
X	Other comprehensive income		-	-
XI	Total comprehensive income for the year (IX+X)		3,57,742	7,17,247
XII	Earnings per equity share			
	Basic (Rs.)	25	0.12	0.24
	Diluted (Rs.)	25	0.12	0.24
	Significant accounting policies	2		

The accompanying notes from 5 to 35 are an integral part of the financial statements.

In terms of our report attached
For Devpura Navlakha & Co.
Chartered Accountants
FRN-121975W

Ashwini devpura
(Partner)
Membership No:047390
UDIN:20047390AAAABV2703

Place : Ahmedabad
Date : 30/06/2020

For and on behalf of the Board of Directors of
SUN FINLEASE (GUJARAT) LIMITED

Parag P. Shah
Director
DIN 00228965

Nitin B. Shah
Chief Financial Officer

Bhargavi V. Talati
Director
DIN 03069724

Avinash Bhojwani
Company Secretary

SUN FINLEASE (GUJARAT) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2020

(Amount in Rs.)

Sr. No.	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
A.	Cash Flow From Operating Activities		
	Net Profit/(Loss) Before Tax	4,23,068	6,70,490
	Add :Non operating and non cash items debited in P&L		
	Depreciation and Amortisation expense	3,26,271	3,75,751
	Net Gain And Loss Fair Value chages	3,77,83,873	26,40,95,433
		3,81,10,144	26,44,71,184
	Less :Non operating and non cash items credited in P&L		
	Interest Income on Fixed Deposit	-	2,26,506
		-	2,26,506
	Operating Profit Before Working Capital Changes	3,85,33,212	26,49,15,168
	(Increase) / Decrease in Current Assets		
	Changes in Inventories		
	Changes in Short term Loan & Advances	7,25,67,117	(8,01,49,928)
	Changes in Interest Receivable	(14,126)	34,280
	Securities Deposits	7,000	(9,000)
	Increase / (Decrease) in Current Liabilities		
	Changes in Other Current Liabilities	(8,36,402)	(60,35,108)
	Cash Generated From Operations	11,01,78,531	17,87,55,412
	Direct Taxes Paid	65,326	(46,757)
	Net Cash Inflow/(outflow) flow from operating activities (A)	11,01,13,205	17,88,02,169
B.	Cash Flow From Investing Activities		
	Purchase of Fixed Assets	(15,81,240)	(15,576)
	Interest Income on FD	-	2,26,506
	Investment in FD	-	4,01,00,000
	Net Cash Inflow/(outflow) flow from Investing activities (B)	(15,81,240)	4,03,10,930
C.	Cash Flow From Financing Activities		
	Proceeds/(Repayment) of Short Term Borrowings	(10,92,20,002)	(22,36,73,623)
	Net Cash Inflow/(outflow) flow from Financing activities (C)	(10,92,20,002)	(22,36,73,623)
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(6,88,037)	(45,60,524)
	Add : Cash and Cash Equivalents as at 1st April, 2019	10,58,612	56,19,137
	Cash and Cash Equivalents as at 31st March, 2020	3,70,575	10,58,613

SUN FINLEASE (GUJARAT) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2020

Notes:

- 1 The above cash flow Statement has been Prepared under the " Indirect Method" as set out in IND AS-7, " Statement of Cash Flow"
- 2 Components of Cash & Cash Equivalents as under:

Particulars	Year ended March 31 , 2020	Year ended March 31 , 2019
(Amount in Rs.)		
Cash and cash equivalents comprise of (Note-5)		
a. Balance with Banks		
(i) In Current Accounts	2,69,280	9,39,688
Less:- Bank Overdraft from Axis Bank		
(ii) Fixed Deposit		
(iii) Overdraft Account		
At the end of reporting period	2,69,280	9,39,688
b. Cash On Hand	1,01,295	1,18,924
Total	3,70,575	10,58,612

In terms of our report attached
For Devpura Navlakha & Co.
Chartered Accountants
FRN-121975W

Ashwini devpura
(Partner)
Membership No:047390
UDIN:20047390AAAABV2703

Place : Ahmedabad
Date : 30/06/2020

For and on behalf of the Board of Directors of
SUN FINLEASE (GUJARAT) LIMITED

Parag P. Shah
Director
DIN 00228965

Nitin B. Shah
Chief Financial Officer

Bhargavi V. Talati
Director
DIN 03069724

Avinash Bhojwani
Company Secretary

SUN FINLEASE (GUJARAT) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A EQUITY SHARE CAPITAL

(Amount in Rs.)

Particulars	As at 31 st March, 2020	As at 31 st March, 2019	As at 01 st April, 2018
Balance at the beginning of the reporting period	3,03,33,700 00	3,03,33,700 00	3,03,33,700 00
Changes during the year	-	-	-
Balance at the reporting period	3,03,33,700 00	3,03,33,700 00	3,03,33,700 00

B OTHER EQUITY

(Amount in Rs.)

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Retained Earnings	General Reserve	Reserve fund u/s 45-IC (1) Of Reserve Bank Of India Act, 1934		
Balance as at April 01, 2019	1,41,59,041	65,405	75,53,730	-	2,17,78,176
Profit for the period			-		-
Transfer from Retained Earnings	3,57,742		-		3,57,742
Transfer to Reserve fund in terms of section 45IC (1) of RBI Act, 1934	(89,436)		89,436		-
Items of the OCI for the year, net of tax			-		-
Remeasurement benefit of defined benefit plans			-		-
Balance as at March 31, 2020	1,44,27,348	65,405	76,43,166	-	2,21,35,919
Balance as at April 01, 2018	1,35,85,244	65,405	74,10,281		2,10,60,930
Profit for the period	-	-	-		-
Transfer from Retained Earnings	7,17,246				7,17,246
Transfer to Reserve fund in terms of section 45IC (1) of RBI Act, 1934	(1,43,449)		1,43,449		-
Items of the OCI for the year, net of tax	-	-	-		-
Remeasurement benefit of defined benefit plans	-	-	-		-
Balance as at March 31, 2019	1,41,59,041	65,405	75,53,730	-	2,17,78,177

As required by section 45-IC of the RBI Act 1934, the company maintains a reserve fund and transfers there in a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared. The company cannot appropriate any sum from the reserve fund except for the purpose specified by Reserve Bank of India from time to time. Till date RBI has not specified any purpose for appropriation of Reserve fund maintained under section 45-IC of RBI Act, 1984.

The accompanying notes from 5 to 35 are an integral part of the financial statements .

In terms of our report attached
For Devpura Navlakha & Co.
Chartered Accountants
FRN-121975W

Ashwini devpura
(Partner)
Membership No:047390
UDIN:20047390AAAABV2703

Place : Ahmedabad
Date : 30/06/2020

For and on behalf of the Board of Directors of
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Parag P. Shah
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Director
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Company Secretary

SUN FINLEASE (GUJARAT) LIMITED
NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31ST MARCH 2020

1. CORPORATE INFORMATION

Sun Finlease (Gujarat) Limited ("the Company") is a listed company having Registered office at 3, Ravipushpa Apartment, B/s Navneet House, Memnagar , Ahmedabad-380052. The company is registered with Reserve Bank of India ("RBI") as a Non-Deposit taking Non-Systematic Important Investment and Credit Company ("NBFC-ND-NSI-ICC"). The company is primarily engaged in business of investment in share & Securities.

The Company has obtained permission from the Reserve Bank of India for carrying on the business of Non-Banking Financial Institutions on 19th March 1998 vide Regn No. 01.00120

The Financial Statements for the year ended March 31, 2020 are approved by the Board of Directors and authorised for issue on June 30, 2020.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation:

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) and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC") along with other relevant provisions of the Act and the Master Direction – Non-Banking Financial Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions') issued by RBI.

For all periods up to and including the year ended 31 March 2019, 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 (hereinafter referred as 'Previous GAAP'). These financial statements for the year ended 31 March 2020 are the first the Company has prepared in accordance with Ind AS. The Company has applied Ind AS 101 'First-time Adoption of Indian Accounting Standards'; for transition from previous GAAP to Ind AS.

Refer to Note 4 for information of how the transition from previous GAAP to Ind AS has affected the Company's Balance sheet, Statement of Profit & Loss and Statement of cash flow.

2.2 Historical Cost Convention:

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below. The Financial statements have been prepared on a going concern basis. The Company presents its balance sheet in order of Liquidity.

2.3 Presentation of Financial Statements

The Company presents its financial statements to comply with Division III of Schedule III to the Companies Act, 2013 (which provides general instructions for the preparation of financial statements of a non-banking financial company (NBFC to comply with Ind AS) and the requirements of Ind AS.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in the normal course of business.

2.4 Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which are the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.5 Summary of Significant Accounting Policies

The following are the significant accounting policies applied by the Company in preparing its financial statements consistently to all the periods presented including the preparation of the opening Ind AS Balance Sheet as at April 1, 2018 being the date of transition to Ind AS:

SUN FINLEASE (GUJARAT) LIMITED

2.6 Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognized in the period in which the results are known / materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

2.7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposit with original maturity up to three months, which are subject to insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consists of cash at bank, cash on hand and short-term deposit, as defined as they are considered as integral part of company's cash management.

2.8 Loans and Advances

Loans and Advances are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate method (where the time value of money is significant) net of any expected credit losses.

2.9 Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.10 Fair value measurement

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

All financial assets and financial liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement indirectly or indirectly observable, or
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.11 Financial Instruments

Financial instruments are any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and measurement

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis.

Subsequent measurement:

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

SUN FINLEASE (GUJARAT) LIMITED

(a) Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the Statement of Profit and Loss.

(b) Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest rate method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is recognized in the Statement of Profit and Loss.

(c) Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in the Statement of Profit and Loss. Dividends are not reclassified to profit or loss.

Classification and subsequent measurement

Financial Asset

On initial recognition, a financial asset is classified and measured at

- Amortized Cost
- Fair Value Through Other Comprehensive Income (FVOCI); or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not recognized as at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI) (designated as FVOCI- equity investment). This election is made on an investment by investment basis.

All financial assets not classified and measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Derecognition of Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Impairment of financial instruments

The Company recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not Fair Value through Profit and Loss. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk or the assets have become credit impaired from initial recognition in which case, those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise

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the assets and to settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or counterparty.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows which the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances, if any for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

2.12 Property, plant and equipment

Property, Plant and Equipments are stated at cost less accumulated depreciation, and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property plant & equipment recognized as at 1 April 2018 measured as per previous GAAP and use that carrying value as deemed cost of property, plant and equipment.

Depreciation on Property, plant and equipment

Depreciable amount for property, plant and equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. The estimated useful lives and residual values of the Property, plant and equipment are reviewed at the end of each financial year.

Derecognition of Property, plant and equipment

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognized in the statement of profit and loss when the item is derecognized.

2.13 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Trade and other payables

Trade and other payables are recognized at the transaction cost, which is its fair value, and subsequently measured at amortized cost.

De-recognition of financial liabilities

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

2.14 Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses on EIR amortisation and de-recognition are recognised in profit or loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent that it is probable that some or all the facility will be drawn down to the extent there is no evidence, the fee is capitalised as a payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss as other income or other expenses.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

2.15 Provisions, contingent liabilities and contingent assets

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements; however, they are disclosed where the inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is no longer a contingent asset and is recognized as an asset.

2.16 Leases

Effective from 1st April, 2019 the company adopted Ind AS 116 "Leases" and applied the same to the lease contracts existing on 1st April, 2019 using the modified retrospective approach, recognizing right of use asset and adjusted lease liability. Accordingly, comparatives for the year ended 31st March, 2019 and other periods disclosed have not been retrospectively adjusted. The effect of the adoption is not significant to the profit for the period.

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets, and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company as a Lessee

The Company leases its office premises. The Company previously classified these leases as operating leases under Ind AS 17 – Leases if, substantial portion of the risk and rewards of the ownership were retained by the lessor. Under Ind AS 116 – Leases, the Company recognises Right-of-Use (ROU) and lease liabilities for these leases i.e. these leases are on-balance sheet.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and is discounted using the Company's incremental borrowing rate. Certain leases include lease and non-lease components, which are accounted for as one single lease component. Occupancy lease agreements, in addition to contractual rent payments, generally include additional payments for certain costs incurred by the landlord, such as maintenance expenses and utilities. To the extent these are fixed or determinable; they are included as part of the lease payments used to measure the lease liability.

Right of use assets are measured at their carrying amount at the commencement date and are discounted using the Company's incremental borrowing rate at the date of initial application. The Right of use assets are subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

SUN FINLEASE (GUJARAT) LIMITED

Leases may include options to extend or terminate the lease which are included in the Right of Assets and Lease Liability when they are reasonably certain of exercise. The lease liability is premeasured when there is a change in one of the following:

- the Company's estimate of the amount expected to be payable under a residual value guarantee, or
- the Company's assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is premeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the ROU asset has been reduced to nil.

Short-term leases and leases of low-value assets

The Company has elected not to recognise Right of use and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense over the lease term.

The Company as a Lessor.

When the Company is the lessor, the lease is classified as either a finance lease or an operating lease. A finance lease is a lease which confers substantially all the risks and rewards of the leased assets on the lessee. An operating lease is a lease where substantially all of the risks and rewards of the leased asset remain with the lessor.

Amounts due from lessees under finance leases are recorded as receivables. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.17 Revenue recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaces all existing revenue recognition standards and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfil these contracts.

- A. Revenue - Revenue is measured at the fair value of consideration received or receivable. Revenue is recognized only when it can be reliably measured and it is probable that future economic benefits will flow to the Company.
 - a) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.
 - b) Dividend income is recognized when the Company's right to receive dividend is established.

2.18 Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of cost of such assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowings.

Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.19 Retirement and other employee benefits

i. Short-Term Employee Benefits

Liabilities for salaries and wages, including non-monetary benefits and accumulating leave balance in respect of employees' services up to the end of the reporting period, are recognised as expensed when the liabilities are settled.

The company also recognises a liability and records an expense for bonuses (including performance-linked bonuses) where contractually obliged or where there is a past practice that has created a constructive obligation.

ii. Defined Contribution Plan

The company is not liable as well as registered under employee provident fund and employee pension schemes administered by government organisations set up under the applicable statute. Hence, company does not operate any Defined Contribution Plan as provided under Ind AS 19 – Employee Benefits.

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iii. Defined Benefit Obligation

The company is not required to provide Gratuity as required under Payment of Gratuity Act, 1972 and hence no obligation has been provided under Defined Benefit Obligation required as per Ind AS 19 – Employee Benefits.

However, Company may decide to pay Gratuity to it's existing as well as former employees on Ex-Gratia Basis. Such liability is not being recognised as a liability and recorded as an expense as and when such Gratuity is being paid. The company has no further payment obligations once the Gratuity has been paid.

2.20 Accounting for taxes on income

Tax expense comprises of current and deferred tax.

Current tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Current tax is recognized in the statement of profit and loss except to the extent that the tax relates to items recognized directly in other comprehensive income

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities/Assets are recognized for all taxable temporary differences.

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

Presentation of current and deferred tax

Current and deferred tax are recognized as income or an expense in the statement of profit and loss, except to the extent they relate to items that are recognized in other comprehensive income, in which case, the current and deferred tax income / expense are recognized in other comprehensive income.

Minimum Alternate Tax (MAT) paid in accordance with tax laws, which give rise to future economic benefits in the form of adjustment of future tax liability, is recognized as an asset only when, based on convincing evidence, it is probable that the future economic benefits associated with it will flow to the Company and the assets can be measured reliably.

2.21 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

2.22 Earnings per share

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted-average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted-average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares..

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3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The application of the Company's accounting policies as described in Note 2, in the preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The estimates at 1st April, 2018 and at 31st March, 2019 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April, 2018, the date of transition to Ind AS and as of 31st March, 2019.

Key Sources of estimation uncertainty:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4. FIRST-TIME ADOPTION OF IND AS

These financial statements for the year ended March 31, 2020 are the first annual Ind AS financial statements, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2019, the Company 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 (Indian GAAP) Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2020 together with the comparative period data as at and for the year ended March 31, 2019 as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 1, 2018 is the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements including the balance sheet as at April 1, 2018 and the previously published Indian GAAP financial statements as at and for the year ended March 31, 2019.

Exemptions applied

Ind AS 101 "First-time Adoption of Indian Accounting Standards" allows first-time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

- The Company has considered previous GAAP carrying amount for its property, plant and equipment and Intangible assets as deemed Costas on the date of transition to Ind AS.
- For Lease arrangements entered into prior to 1st April, 2018, the company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition
- The Company has designated all Financial Assets as fair value through Profit and Loss as management is holding those instruments for trading in regular course of business.

Exceptions:

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

a) Estimates

The estimates at 1st April, 2018 and at 31st March, 2019 in these financial statements are consistent with those made for the same dates in accordance with Previous GAAP apart from the items where application of Previous GAAP did not require estimation.

b) Derecognition of financial assets and financial liabilities

The Company has elected to apply the derecognition requirements for financial assets and financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

c) Classification and measurement of financial assets

The company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

SUN FINLEASE (GUJARAT) LIMITED

Notes to Adjustments:

A. Investment

Under the Previous GAAP, the company had accounted for long term investment measured at cost less provision for other than temporary diminution in the value of investments; Current investments were carried at lower of cost and fair value.

Under Ind AS, the company has designated investments as Fair Value through Profit and Loss (FVTPL)

Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

Reconciliation between previous GAAP and Ind AS

Reconciliation of equity as at March 31, 2019 & April 1, 2018

Particulars	(Rs. in Lacs)	
	As at March 31, 2019	As at April 1, 2018
Equity under previous GAAP	521.12	513.95
Adjustments to Ind AS	-	-
Equity as per Ind AS	521.12	513.95

Reconciliation of total comprehensive income reconciliation for the year ended March 31, 2019.

Particulars	(Rs. in Lacs)	
	2018-19	
Profit after Tax as per Previous GAAP	7.17	
Adjustments to Ind AS	-	
Profit after Tax as per Ind AS	7.17	
Other comprehensive Income (Net of tax)	-	
Total Comprehensive income as per Ind As	7.17	

4(l). Regrouped, Recast, Reclassified

Figures of the earlier year have been regrouped or reclassified to conform to Ind AS presentation requirements.

SUN FINLEASE (GUJARAT) LIMITED
NOTES TO FINANCIAL STATEMENTS AS ON 31.03.2020

(Amount in Rs.)			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
5 CASH & CASH EQUIVALENTS			
CASH & CASH EQUIVALENTS			
a. Balance with Banks			
(i) In Current Accounts	2,69,280	9,39,688	55,11,181
(ii) Fixed Deposit			4,00,00,000
(iii) Overdraft Account			318
At the end of reporting period	2,69,280	9,39,688	4,55,11,499
b. Cash On Hand			
	1,01,295	1,18,925	1,07,638
Total	3,70,575	10,58,613	4,56,19,137
6 LOANS			
(Amount in Rs.)			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(Unsecured considered good unless otherwise stated)			
Loans to Employees	1,68,219	1,68,219	1,68,219
Loan to others	3,78,09,831	10,75,00,000	4,67,01,354
Total	3,79,78,050	10,76,68,219	4,68,69,573
7 INVESTMENTS			
(Amount in Rs.)			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
(Valued at lower of cost or net realizable value)			
Stock in trade:			
a. Equity Shares-Quoted Shares			
	11,524	13,050	30,20,93,483
b. Equity Shares-UnQuoted Shares			
(i) Yuva Trading Co private Limited	48,00,000	48,00,000	48,00,000
c. Mutual Funds			
(i) JM Large Cap FUND Regular Fund Plan-Div payout	2,17,653	-	-
(ii) HDFC Overnight Mutual Fund	-	3,80,00,000	-
(iii) JM High Liquidity Fund - Direct -Growth	-	-	15,000
Total	50,29,177	4,28,13,050	30,69,08,483
8 OTHER FINANCIAL ASSETS			
(Amount in Rs.)			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
a. Security Deposit	50,840	57,840	48,840
b. Advances recoverable in cash or kind Others	2,24,52,286	2,52,08,482	36,46,086
c. Interest receivable		13,554	76,431
Total	2,25,03,126	2,52,79,876	37,71,357

SUN FINLEASE (GUJARAT) LIMITED

9 PROPERTY, PLANT AND EQUIPMENTS

(Amount in Rs.)

Particulars	Property, Plant and Equipments				
	Furniture	Vehicles	Office Equipment	Computers	Total
Cost of assets					
As at 1st April 2017	37,474	21,96,972	4,16,927	4,67,665	31,19,038
Additions	-	8,97,657	17,588	-	9,15,245
Disposal / Adjustment	-	6,86,758	-	-	6,86,758
As at 31 March 2018	37,474	24,07,871	4,34,515	4,67,665	33,47,525
Additions	-	-	-	15,576	15,576
Disposal / Adjustment	-	-	-	-	-
As at 31st March 2019	37,474	24,07,871	4,34,515	4,83,241	33,63,101
Additions	-	15,43,740	-	37,500	15,81,240
Disposal / Adjustment	-	-	-	-	-
As at 31st March 2020	37,474	39,51,611	4,34,515	5,20,741	49,44,341
Depreciation Fund					
As at 31 March 2017	13,791	13,25,842	2,43,194	3,25,928	19,08,755
Charge for the year	2,336	2,47,574	43,550	78,177	3,71,637
Disposal / Adjustment	-	4,58,928	-	-	4,58,928
As at 31 March 2018	16,127	11,14,488	2,86,744	4,04,105	18,21,464
Charge for the year	2,329	2,85,935	45,284	42,203	3,75,751
Disposal / Adjustment	-	-	-	-	-
As at 31st March 2019	18,456	14,00,423	3,32,028	4,46,308	21,97,215
Charge for the year	2,335	2,72,027	38,067	13,842	3,26,271
Disposal / Adjustment					-
As at 31st March 2020	20,791	16,72,450	3,70,095	4,60,150	25,23,486
Net Block					
As at 31 March 2018	21,347	12,93,383	1,47,771	63,560	15,26,061
As at 31st March 2019	19,018	10,07,448	1,02,487	36,933	11,65,886
As at 31st March 2020	16,683	22,79,161	64,420	60,591	24,20,855

10 DEFERRED TAX ASSETS

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Opening Balance	7,8813	38,995	41,202
Fixed Asset: Impact of difference between tax depreciation and depreciation charged for the financial reporting	(33,596)	39,818	(2,207)
Deferred Tax Assets	45,217	78,813	38,995
Total	45,217	78,813	38,995

11 OTHER NON FINANCIAL ASSETS

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
a. Pre-paid expenses	52,709	28,597	31,049
c. Advance Tax and TDS (Net of Provision)	73,34,145	74,17,733	96,88,829
d. MAT Credit Receivable	9,74,904	9,74,904	9,23,691
Total	83,61,758	84,21,234	1,06,43,569

SUN FINLEASE (GUJARAT) LIMITED

12 FINANCIAL LIABILITIES (Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Other Payables			
Total outstanding dues of micro enterprise and small enterprise	-	-	-
Total outstanding dues of creditors other than micro enterprise and small enterprise	1,69,404	1,82,451	4,76,893
Total	1,69,404	1,82,451	4,76,893

13 BORROWINGS (Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured			
From Other	2,28,49,998	13,20,70,000	35,57,43,625
Total	2,28,49,998	13,20,70,000	35,57,43,625

14 OTHER FINANCIAL LIABILITIES (Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
a. Statutory Dues	9,13,836	17,59,480	77,35,745
Total	9,13,836	17,59,480	77,35,745

15 NON FINANCIAL LIABILITIES (Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
a. Contingent Provisions against Standard Assets	2,69,171	2,69,171	1,26,283
b. Provision for tax	31,730	51,213	-
c. Provision for expenses	5,000	41,499	-
Total	3,05,901	3,61,883	1,26,283

16 AUTHORISED SHARE CAPITAL (Amount in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of shares	In Rs.	No. of shares	In Rs.	No. of shares	In Rs.
Equity Shares of Rs.10/- each	49,60,000	4,96,00,000	49,60,000	4,96,00,000	49,60,000	4,96,00,000
2% Cumulative Redeemable Preference shares of Rs.10/-each	40,000	4,00,000	40,000	4,00,000	40,000	4,00,000
6% Non- Cumulative Redeemable Preference shares of Rs.10/-each	50,00,000	5,00,00,000	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Total	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000	1,00,00,000	10,00,00,000

(Amount in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
	No. of shares	In Rs.	No. of shares	In Rs.	No. of shares	In Rs.
Issued, Subscribed & Fully paid up capital						
Equity Shares of Rs. 10/- each fully paid up	30,33,370	3,03,33,700	30,33,370	3,03,33,700	30,33,370	3,03,33,700

SUN FINLEASE (GUJARAT) LIMITED

a. Reconciliation of number of shares (Amount in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019		As at March 31, 2018	
	No. of shares	In Rs.	No. of shares	In Rs.	No. of shares	In Rs.
Shares outstanding at the beginning of the year	30,33,370	3,03,33,700	30,33,370	3,03,33,700	30,33,370	3,03,33,700
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	30,33,370	3,03,33,700	30,33,370	3,03,33,700	30,33,370	3,03,33,700

b. Terms/Rights, Preferences and Restrictions attached to securities:

Equity Shares:

The company has one class of equity shares having a par value of Rs.10 each. Each share holder is eligible for one vote per share held. The dividend proposed by the board of director is subject to the approval of share holders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential dues, in proportion to their shareholding.

c. Details of shareholders holding more than 5% shares in the Company (Amount in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019		As at March 31, 2018	
	No. of shares held	% of Holding	No. of shares held	% of Holding	No. of shares held	% of Holding
Unilon Private Limited	512500	16.90%	512500	16.90%	0.169	0.00%
Lakshya Infraspace Private Limited	579200	19.09%	579200	19.09%	0.1909	0.00%
Legacy Infotech Private Limited	605800	19.97%	605800	19.97%	0.1997	0.00%

17 OTHER EQUITY (Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
a. General Reserve			
Balance as per last accounts	65,405	65,405	65,405
Less : Adjusted against Fixed assets written off			
	65,405	65,405	65,405
b. Statutory Reserve			
(Reserve fund in terms of section 45 (1C(i)) of the Reserve Bank of India Act, 1934)			
Balance as per last accounts	75,53,730	74,10,281	70,12,853
Add: Transferred from Profit & Loss Account	89,436	1,43,449	3,97,428
	76,43,166	75,53,730	74,10,281
c. Surplus in Statement of Profit & Loss			
Balance as per last accounts	1,41,59,041	1,35,85,244	1,59,69,813
Add : Profit for the year	3,57,743	7,17,246	(19,87,141)
Less: Appropriations Transfer to Statutory Reserve	(89,436)	(1,43,449)	(3,97,428)
	1,44,27,348	1,41,59,041	1,35,85,244
Total (a+b+c)	2,21,35,919	2,17,78,177	2,10,60,929

18 INTEREST INCOME (Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
a. Loans	97,96,100	97,38,384
b. Deposit with Bank	-	2,26,506
Total	97,96,100	99,64,890

SUN FINLEASE (GUJARAT) LIMITED

19 PROFIT / (LOSS) ON SHARES ON SPECULATION		(Amount in Rs.)	
Particulars	As at March 31, 2020	As at March 31, 2019	
Profit / Loss on Speculation in Shares	-	16,535	
Total	-	16,535	
20 OTHER INCOME		(Amount in Rs.)	
Particulars	As at March 31, 2020	As at March 31, 2019	
a. Marketing Income	10,00,000	3,50,000	
b. Interest on Income Tax Refund	43,975	2,86,985	
c. Miscellaneous Income	100	-	
d. Miscellaneous Balances written of	(13,329)	2,06,628	
Total	10,30,746	8,43,613	
21 FINANCE COST		(Amount in Rs.)	
Particulars	As at March 31, 2020	As at March 31, 2019	
a. Interest Expense	63,11,359	1,84,94,458	
b. Interest on IPO funding availed	1,19,88,254	41,44,116	
c. Interest on Late Payment of TDS	-	4,889	
Total	1,82,99,613	2,26,43,463	
22 EMPLOYEE BENEFIT EXPENSES		(Amount in Rs.)	
Particulars	As at March 31, 2020	As at March 31, 2019	
a. Ex-Gratia Payment to staff	23,514	1,10,293	
b. Salary to staff	23,76,939	22,29,743	
c. Gratuity to staff	-	2,05,962	
d. Leave Encashment	21,988	3,73,550	
Total	24,22,441	29,19,548	
23 OTHER EXPENSE		(Amount in Rs.)	
Particulars	As at March 31, 2020	As at March 31, 2019	
a. Advertisement Exp	23,698	30,614	
b. Bank charges	767	8,077	
c. Legal & Professional Charges	5,60,849	2,66,637	
d. Car Petrol & Repairing	1,03,377	3,77,963	
e. Payment to Auditors:	51,760	25,960	
f. Rent, Rates & Taxes	2,46,000	2,46,000	
g. Listing Fees	64,900	55,000	
h. Electricity Expenses	45,032	45,069	
i. Website Development	2,950	2,425	
j. Share Registrar Fees	26,550	33,000	
k. Custodial Fees	21,240	19,641	
l. Insurance Premium	39,649	44,918	
m. Travelling Exp	67,934	24,569	
n. Contract Charges	3,186	3,186	
o. Telephone & Internet Expenses	52,053	51,225	
p. Office Expenses	1,12,701	1,19,082	

SUN FINLEASE (GUJARAT) LIMITED

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
q. Postage and Courier Exp	70,484	1,11,636
r. Provision on standard assets	-	1,42,888
s. Printing & Stationery	68,222	61,482
t. Filling Fees	8,550	4,650
u. Membership Fees	21,103	40,000
v. Income Tax Ay 2012-13 (Appeal Payment)	1,000	-
w. Amc Charges	2,441	-
x. Conveyance Expenses	19,736	33,592
Total	16,14,182	17,47,614

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Payment to Auditors		
For Audit Fees	25,960	25,960
For other matters	25,800	-
Total	51,760	25,960

24 INCOME TAX

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Current tax		
Current income tax	31,730	-
Short/ (Excess) provision of IT written back	-	(6,939)
Deferred tax		
Deferred tax expense	33,596	(39,818)
Income tax expense reported in the statement of profit and loss	65,326	(46,757)

Reconciliation of deferred tax assets / (liabilities), net

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance as of April 1	78,813	38,995
Tax income/(expense) during the year recognised in profit or loss	(33,596)	39,818
Tax income/(expense) during the year recognised in OCI	-	-
Closing balance as at March 31	45,217	78,813

25 EARNING PER SHARE (BASIC AND DILUTED)

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Profit attributable to ordinary equity holders	3,57,742	7,17,247
Total no. of equity shares at the end of the year	30,33,370	30,33,370
Weighted average number of equity shares		
For basic EPS	30,33,370	30,33,370
For diluted EPS	30,33,370	30,33,370
Nominal value of equity shares	10	10
Basic earning per share	0.12	0.24
Diluted earning per share	0.12	0.24
Weighted average number of equity shares		
Weighted average number of equity shares for basic EPS	30,33,370	30,33,370
Effect of dilution: Share options	-	-
Weighted average number of equity shares adjusted for the effect of dilution	30,33,370	30,33,370

SUN FINLEASE (GUJARAT) LIMITED

26 DISCLOSURE AS PER RBI MASTER DIRECTIONS

(INR in lakhs)			
Particulars			
Liabilities side		Amount Outstanding	Amount Overdue
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a)	Debentures : Secured	-	-
	: Unsecured (other than falling within the meaning of public deposits)	-	-
(b)	Deferred Credits	-	-
(c)	Term Loans		-
(d)	Inter-corporate loans and borrowing	228.50	-
(e)	Commercial Paper	-	-
(f)	Public Deposits	-	-
(g)	Other Loans (from Directors)	-	-
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :		N.A.
(a)	In the form of Unsecured debentures	-	-
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of Security	-	-
(c)	Other public deposits	-	-
Assets side		Amount outstanding	
3	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a)	Secured		-
(b)	Unsecured		604.82
4	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i)	Lease assets including lease rentals under sundry debtors :		
(a)	Financial lease		-
(b)	Operating lease		-
(ii)	Stock on hire including hire charges under sundry debtors :		
(a)	Assets on hire		-
(b)	Repossessed Assets		-
(iii)	Other loans counting towards Asset Finance Company activities		
(a)	Loans where assets have been repossessed		-
(b)	Loans other than (a) above		-

SUN FINLEASE (GUJARAT) LIMITED

(INR in lakhs)			
Particulars			
Liabilities side		Amount Outstanding	Amount Overdue
5	Break-up of Investments		
	Current Investments		
1	Quoted		
	(i) Shares		
	(a) Equity		0.12
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		2.18
	(iv) Government Securities		-
	(v) Others (please specify)		-
2	Unquoted		
	(i) Shares		
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	Long Term investments		
1	Quoted		
	(i) Share		
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
2	Unquoted		
	(i) Shares		
	(a) Equity		48.00
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (Investment in Property & Units of Business Trust)		-

SUN FINLEASE (GUJARAT) LIMITED

6.	BORROWER GROUP-WISE CLASSIFICATION OF ASSETS FINANCED AS IN (3) AND (4) ABOVE:				
	Particulars		Amount net of provisions (Rs. In Lacs)		
1	Related Parties		Secured	Unsecured	Total
	(a)	Subsidiaries	-	-	-
	(b)	Companies in the same group	-	-	-
	(c)	Other related parties	-	-	-
2	Other than related parties		-	228.50	228.50
	Total		-	228.50	228.50
7.	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
	Category			Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties				
	(a)	Subsidiaries		-	-
	(b)	Companies in the same group		-	-
	(c)	Other related parties		-	-
2	Other than related parties			50.30	76.44
	Total			50.30	76.44
8.	Other information				
	Particulars			Amount (Rs. In Lacs)	
	(i)	Gross Non-Performing Assets			
	(a)	Related parties			-
	(b)	Other than related parties			-
	(ii)	Net Non-Performing Assets			
	(a)	Related parties			-
	(b)	Other than related parties			-
	(iii)	Assets acquired in satisfaction of debt			

27 FINANCIAL INSTRUMENTS

Financial Risk Management objective and Policies

The Company is exposed to market risk, credit risk, liquidity risk and operational and business risk. The Company's senior management oversees the management of these risks.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily impacts financial instruments measured at fair value through profit or loss.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rate as it has debt obligations with fixed interest rates, which are measured at amortised cost.

Foreign currency risk:

The company enters into transactions in currency other than its functional currency and is therefore exposed to foreign currency risk. The Company analyses currency risk as to which balances outstanding in currency other than the functional currency of that company.

The management has taken a position not to hedge this currency risk.

The company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are not hedged considering the insignificant impact and period involved on such exposure.

The Company does not have any foreign currency risk. Hence no sensitivity analysis is required

Credit Risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities towards inter-corporate deposits to its related and other parties where no significant impact on credit risk has been identified.

SUN FINLEASE (GUJARAT) LIMITED

Equity Price Risk

The Company's investments in non-listed equity securities are accounted at cost in the financial statements net of impairment. The expected cash flows from these entities are regularly monitored to identify impairment indicators.

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's Accounts and Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company manages its liquidity requirement by analysing the maturity pattern of the Company's cash flows of financial assets and financial liabilities. The Company invests its surplus funds in Equity Shares and Mutual Funds, which have high liquidity.

28 FAIR VALUES

The Management assessed that Fair Values of Financial Assets and Liabilities are approximately their carrying values except in case of investment in quoted shares, fair value is taken as per market value of stock as on 31/03/2020.

29 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Principles for Estimating Fair Value

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.

Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method at 31st March, 2020. The different levels have been defined as follows:

Level 1: Category includes financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market.

Level 2: Category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Company's own valuation models whereby the material assumptions are market observable. The majority of the Company's over-the-counter derivatives and several other instruments not traded in active markets fall within this category.

Level 3: Category includes financial assets and liabilities measured using valuation techniques based on non-market observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Company.

As at March 31st 2020

Particulars	Total	Fair Value (In Rs.)		
		Level 1	Level 2	Level 3
Fair Value Through Profit and Loss (FVTPL)	-	-	-	-
Investments in Equity Shares	48,11,524	48,11,524	-	-
Investments in Mutual Funds	2,17,653	2,17,653	-	-
Total	50,29,177	50,29,177		

As at March 31st 2019

Particulars	Total	Fair Value (In Rs.)		
		Level 1	Level 2	Level 3
Fair Value Through Profit and Loss (FVTPL)	-	-	-	-
Investments in Equity Shares	48,13,050	48,13,050	-	-
Investments in Mutual Funds	3,80,00,000	3,80,00,000	-	-
Total	4,28,13,050	4,28,13,050	-	-

The carrying amount of other payables, borrowings, other financial liabilities, loans, other financial assets, cash and cash equivalents as at 31st March, 2020 and 31st March, 2019, are considered to the same as fair values, due to their short-term nature. These are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counter party credit risk.

During the reporting period ending 31st March, 2020, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

SUN FINLEASE (GUJARAT) LIMITED

30 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

Based on the information received by the Company, there are no amounts due but remaining unpaid as on 31/03/2020 to any suppliers covered under this Act as at the Balance Sheet date and hence, disclosures relating to amounts unpaid as at the year-end together with interest paid/payable as required under the said Act have not been given.

31 LEASES

For the reporting period, company does not have any lease contract for which Right-of-Use (ROU) of asset is required to be recognised. As company has availed the exemption provided in Ind AS 116 – Leases pertaining to short term leases, there is no significant impact on financial performance or financial position of the company.

Particulars	For the year ended March 31, 2020 (In Rs.)	For the year ended March 31, 2019 (In Rs.)
A. Asset Taken on lease:-		
i. Lease Payment for Short-term lease recognised in the Statement of Profit and Loss	2,46,000	2,46,000

32 RELATED PARTY TRANSACTIONS

Key Management Personnel and Relatives.

Sr. No.	Name	Designation
1	Mr. Parag P. Shah	Managing Director
2	Mrs. Bhargavi V. Talati	Director
3	Mr. Paras K. Sharma	Director
4	Mr. Mahendar R. Patel	Director
5	Mr. Nitin B. Shah	Chief Financial Officer
6	Mr. Masoom Shah (Resigned on 13 th November, 2019)	Company Secretary
7	Mr. Avinash Bhojwani (Appointed on 14 th November, 2 019)	Company Secretary

Nature and Volume of Transactions with related party are as under:

Sr. No	Name	Relation	2019-20 (Amount in Rs.)	Nature of Payment
1	Mr. Parag P. Shah	Managing Directors	4,96,400	Remuneration
2	Mr. Nitin B. Shah	KMP (CFO)	6,16,800	Salary
3	Mr. Masoom Shah	KMP (C.S)- Earlier	1,98,971*	Salary
4	Mr. Avinash Bhojwani	KMP (C.S)- Present	95,168*	Salary

* Amount paid for part of the year

33 OPERATING SEGMENTS

The company is primarily engaged in the business of Dealing in shares and securities and there are no separate reportable segments identified as per the Ind AS 108 – Segment Reporting.

34 The Balance of Loans & Advances, Deposits, etc. are subject to balance confirmation by the respective parties and necessary adjustment if any will be made on its reconciliation.

35 There is no expenditure or income in foreign currency.

In terms of our report attached
For Devpura Navlakha & Co.

Chartered Accountants
 FRN-121975W

Ashwini devpura
 (Partner)
 Membership No:047390
 UDIN:20047390AAAABV2703

Place : Ahmedabad
 Date : 30/06/2020

For and on behalf of the Board of Directors of
SUN FINLEASE (GUJARAT) LIMITED

Parag P. Shah
 Director
 DIN 00228965

Nitin B. Shah
 Chief Financial Officer

Bhargavi V. Talati
 Director
 DIN 03069724

Avinash Bhojwani
 Company Secretary

To,

If undelivered please return to :

SUN FINLEASE (GUJARAT) LIMITED

(CIN No. - L65910GJ1988PLC010293)

Regd. Office: 3, Ravipushp Apartment,

B/s. Navneet House, Memnagar,

Ahmedabad-380052.

Phone No. 079 27496313

Email id- sfgl.1988@gmail.com