



# Classic Leasing & Finance Ltd.

## BOARD'S REPORT

To,  
The Members,

Your Directors have pleasure in presenting the 40<sup>th</sup> Annual Report of the Company along with the Audited Financial Statements of "Classic Leasing & Finance Ltd." ("the Company") for the year ended on 31<sup>st</sup> March, 2023:

### FINANCIAL HIGHLIGHTS

During the year under review, the performance of your Company is as under:

Particulars	(Rs. in Hundreds)	
	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Revenue from Operation	16,063.94	4,303.50
Other Income	16,592.78	22,325.52
Total Revenue	32,656.72	26,629.02
Expenses	31,445.40	25,775.29
Profit/(Loss) Before Exceptional Items & Tax	1,201.32	853.73
Exceptional Item	-	(779,963.70)
Profit/(Loss) Before Tax	1,201.32	(779,109.97)
Tax Expenses (Net)	(2,706.00)	780.28
Profit/(Loss) for the period	3,907.32	(779,890.25)

### STATE OF COMPANY'S AFFAIRS

The Company is primarily engaged in the business of leasing and financing activities. During the year under review, the Company had earned total revenue of Rs. 31,44,540. The net profit after tax of the Company stood at Rs. 3,90,732 for the Financial Year ended 31<sup>st</sup> March, 2023.

There has been no change in the business of the Company during the financial year ended 31<sup>st</sup> March, 2023.

### DIVIDEND

Your directors have not recommended any dividend during the year, as the company proposes to reserve the profit for development and expansion activity in future.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") there

CIN : L65921WB1984PLC037347,

Regd. Office : 16A, Everest House, 46C, Jawaharlal, Nehru Road, Kolkata - 700071, Phone : 033-2288 3104,  
Fax : 033-2288-3105, www.classicleasing.net, E-classicleasingfinance@gmail.com

was no unclaimed/unpaid dividend, hence the company is not required to transfer any amount to Investor Education and Protection Fund.

#### **RESERVES**

Your Directors do not propose to transfer any amount to Reserves.

#### **SHARE CAPITAL**

The paid-up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2023 was Rs. 3,00,02,000/-. During the year under review, the Company has not issued any Shares, Shares with Differential Rights, Convertible Warrant, Stock Options or Sweat Equity. Further, the Company has not issued any Debenture, Bonds or Convertible Securities during the financial year.

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

The Company's business activity primarily falls within a single business segment i.e., business of activities of leasing and financing. The analysis on the performance of the industry, the Company, internal control systems, risk management are presented in the Management Discussion and Analysis Report forming part of this report.

#### **RISK MANAGEMENT POLICY**

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. Considering the volume, size and business of the company no major risks have been identified by the Company. However, measures have been formulated in the areas such as business, financial, human, environment and statutory compliances.

#### **MATERIAL CHANGES BETWEEN END OF FINANCIAL YEAR AND DATE OF BOARD REPORT**

No material changes and commitments, affecting the financial position of the company, have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

#### **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**

No significant and material orders have been passed by the regulators or courts or tribunals having impact on the going concern status and company's operations in future.

#### **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Company does not have any Subsidiary, Associate or Joint Venture Company as on 31<sup>st</sup> March, 2023.

#### **PUBLIC DEPOSITS**



Your Company has not accepted/invited deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

#### **STATUTORY AUDITORS**

In terms of the provision of Section 139(8) of the Companies Act, 2013 read with the rules framed thereunder, M/s. Agarwal Khetan & Co., Chartered Accountants (FRN: 330054E) was appointed as the Statutory Auditor of the Company for the Financial Year 2022-23 to fill the casual vacancy caused by the resignation of M/s. R. Dagar & Associates., Chartered Accountants (FRN: 324912E). M/s. Agarwal Khetan & Co., Chartered Accountants (FRN: 330054E) will hold office up to the conclusion of 40<sup>th</sup> Annual General Meeting (AGM).

The Board of Directors of the Company is proposing the appointment of M/s. Agarwal Khetan & Co., Chartered Accountants (FRN: 330054E) as the statutory auditors of the Company for a period of 5 years, subject to approval of members at the ensuing AGM.

#### **DETAILS OF FRAUD REPORTED BY THE AUDITORS**

There is no fraud reported by the auditor in the Company during the financial year ended 31<sup>st</sup> March, 2023.

#### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed Ms. Twinkle Agarwal, Practicing Company Secretary, for conducting secretarial audit of the company for the financial year 2022-23. The Secretarial Audit Report of the Company is annexed as "Annexure A".

#### **MANAGEMENTS COMMENT ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER GIVEN IN AUDIT REPORTS**

##### **Independent Auditors Report:**

The Auditor's Report for the Financial year ended March 31, 2023 on the Financial statements of the Company forms part of the Annual Report. The said report was issued by the Statutory Auditor with an unmodified opinion. The Qualification and other observations by the Auditor is self explanatory and does not require any comment.

##### **Secretarial Audit Report:**

The Company has complied with most of the provisions of SEBI (LODR) Regulations, 2015. The Company will take necessary steps to ensure timely compliances of all provisions of the Companies Act, 2013 and SEBI Regulations, as applicable.

## **ANNUAL RETURN**

The Annual Return of the Company as on 31<sup>st</sup> March, 2023 in Form MGT - 7 is in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 and will be available on the website of the Company at [www.classicleasing.net](http://www.classicleasing.net).

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

Since there is no manufacturing activity carried out by the Company, the particulars in respect of conservation of energy and technology absorption as required u/s 134(3)(m) of the Companies Act, 2013 are not furnished. During the year, there was no foreign exchange outgo in terms of actual outflows and there was no foreign exchange earning in terms of actual inflows.

## **REMUNERATION RATIO TO DIRECTORS/KMP/EMPLOYEES**

The Company does not have any employee who is in receipt of remuneration as per the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration) Rules, 2014.

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

The Company has adopted a Vigil Mechanism/Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. It aims to provide an avenue for employees through this policy to raise their concerns on any violation of legal or regulatory requirements, suspicious fraud misfeasance, misrepresentation of any financial statements and reports. It also provides for direct access to the Chairman of the Audit Committee. The Vigil Mechanism/Whistle Blower Policy is being made available on the Company's website [www.classicleasing.net](http://www.classicleasing.net).

## **NOMINATION AND REMUNERATION POLICY**

The Board, has framed a Nomination and Remuneration Policy for selection, appointment and remuneration of Directors and Key Managerial Personnel including criteria for determining qualifications, positive attributes and independence of Directors. The policy has been uploaded on the Company's website [www.classicleasing.net](http://www.classicleasing.net).

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, the members of the Company appointed Mr. Prabir Ghosh (DIN: 03483127) as the Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14<sup>th</sup> February, 2022 not liable to retire by rotation.

Pursuant to Section 152 of the Companies Act, 2013, Mr. Chandra Shekhar Sony (DIN: 06431942), Managing Director, being liable to retire by rotation, retires from the Board this year and, being eligible, has offered himself for re-appointment.



The brief resume and other details relating to Mr. Chandra Shekhar Sony (DIN: 06431942) who is proposed to be re-appointed, as required to be disclosed under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is incorporated in the annexure to the notice calling ensuing Annual General Meeting.

Further, Ms. Nikita Parasrampur, was appointed as the Company Secretary cum Compliance Officer of the Company w.e.f. 1<sup>st</sup> February, 2023 and she subsequently resigned from the Company on 31<sup>st</sup> May, 2023. In her place, the Board appointed Mr. Joyjit Das as the Company Secretary cum Compliance Officer of the Company w.e.f. 1<sup>st</sup> June, 2023.

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

During the year 6 (Six) number of Board Meetings were held on 27<sup>th</sup> May, 2022, 15<sup>th</sup> July, 2022, 13<sup>th</sup> August, 2022, 14<sup>th</sup> November, 2022, 31<sup>st</sup> January, 2023 and 14<sup>th</sup> February, 2023 respectively.

The maximum interval between any two meetings did not exceed 120 days as prescribed under the Companies Act, 2013.

The numbers of meetings attended by the Directors are as follows:

Name of the Directors	No. of meeting attended / total meeting held during the Financial Year 2022-23
Mr. Prabir Ghosh	5/6
Mr. Chandra Shekhar Sony	5/6
Mrs. Minu Datta	5/6

#### **AUDIT COMMITTEE**

The Company has duly constituted the Audit Committee in terms of provisions of Companies Act, 2013.

The Committee has met 6 (six) times during the year on 27<sup>th</sup> May, 2022, 13<sup>th</sup> August, 2022, 14<sup>th</sup> October 2023, 14<sup>th</sup> November, 2022, 31<sup>st</sup> January, 2023 and 14<sup>th</sup> February, 2023 respectively.

#### **ANNUAL EVALUATION BY THE BOARD**

In compliance with the provisions of the Companies Act, 2013, the Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors.

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- Attendance of Board Meetings;
- Quality of contribution to Board deliberations;
- Strategic perspectives or inputs regarding future growth of Company and its performance;
- Providing perspectives and feedback going beyond information provided by the management;
- Commitment to shareholder and other stakeholder interests.

The evaluation involves self-evaluation by the Board Members and subsequently assessment by the Board of Directors. A member of the Board does not participate in the discussion of his / her evaluation.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The Company being a Non-Banking Financial Company (NBFC), the provisions of Section 186 of the Companies Act, 2013 read with Rule 11 of the Companies (Meetings of Board and its Power), Rules, 2014 are not applicable.

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

As there are no related parties transactions pursuant to sub-section (1) of Section 188 of the Companies Act, 2013, disclosure in Form AOC -2, is not required to be attached to this report.

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

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable to your company.

#### **CORPORATE GOVERNANCE**

The paid-up equity share capital of the Company is below Rs. 10 Crore and net worth is below Rs. 25 Crore, hence, the provisions of Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 are not applicable to the Company.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS (SS)**

During the period under review, the Company has complied with the provisions of SS-1 and SS-2 with respect to Meeting of Board of Directors and General Meetings respectively.

#### **COST RECORDS**

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

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

The company is committed to provide a safe and secure work environment to the employees and has in place a policy for prevention of sexual harassment of women in accordance with the Act. As per the said policy, every woman employee is treated with dignity, respect, equality. There is zero tolerance towards sexual harassment and invites serious disciplinary action. The Company did not receive any complain during the year 2022-23. The policy on prevention of sexual harassment at work place can be accessed in the company's website at [www.classicleasing.net](http://www.classicleasing.net).

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



In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors state that

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

#### DECLARATION BY INDEPENDENT DIRECTORS

The Company has received requisite declarations from Independent Directors.

#### PARTICULARS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

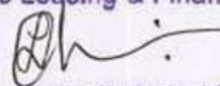
There is no application made or any proceeding pending under Insolvency and Bankruptcy Code, 2016 during the year under review.

#### ACKNOWLEDGEMENTS

The Board of Directors of your company wishes to express sincere gratitude for the cooperation, support and guidance provided from time to time by the Government, statutory auditors, business associates, consultants and look forward to their continued co-operation in the years to come. The Directors of your Company place on record the appreciation for the dedicated and sincere services rendered by the employees at all levels.

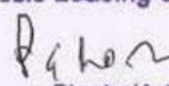
For and on behalf of the Board of Directors  
Classic Leasing & Finance Ltd.

For Classic Leasing & Finance Ltd.

  
Director/Authorised Signatory  
Chandra Shekhar Sony

Managing Director  
DIN: 06431942

For Classic Leasing & Finance Ltd.

  
Director/Authorised Signatory  
Prabir Ghosh

Director  
DIN: 03483127

Date: 9th August, 2023  
Place: Kolkata



**TWINKLE AGARWAL**

**PRACTISING COMPANY SECRETARY**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members of  
Classic Leasing & Finance Ltd.  
16A, Everest House,  
46C, J. L. Neheru Road  
Kolkata-700071

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Classic Leasing & Finance Ltd. (CIN: L65921WB1984PLC037347) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 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) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the period under review);



ADDRESS: 4/E, PRAFULLA SARKAR STREET, 2<sup>ND</sup> FLOOR, KOLKATA-700071  
PHONE NUMBER: (91) 8981 126828/6290597627  
EMAIL ID: CONTACT.C3CONSULTING@GMAIL.COM





- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the period under review);
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Company during the period under review);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the period under review); and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the period under review).
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015].
- j) Reserve Bank of India Act, 1934

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India

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

- The Company has not/delayed in complying with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the Company is currently suspended from Calcutta Stock Exchange.
- The Company held an Extra-Ordinary General Meeting (EGM) on 24<sup>th</sup> March, 2023 at 11.00 a.m. at their Registered Office and the notice intimating the same along with the proceedings of EGM was submitted to BSE, but the Voting Results and the Scrutinizer's Report was not submitted.
- The Company has delayed in appointing Company Secretary as per Section 203 of the Companies Act, 2013 and Compliance Officer as per Regulation 6 of SEBI (LODR), Regulations, 2015 (as amended).

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

I further report that

The Board of Directors of the Company is *not* duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Moreover, there was no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings/committee 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



ADDRESS: 4/E, PRAFULLA SARKAR STREET, 2<sup>ND</sup> FLOOR, KOLKATA-700071  
PHONE NUMBER: (91) 8981 126828/6290597627  
EMAIL ID: CONTACT.C3CONSULTING@GMAIL.COM



**TWINKLE AGARWAL**

**PRACTISING COMPANY SECRETARY**

meeting and for meaningful participation at the meeting. Majority decisions are carried through while dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that during the audit period, no events occurred which had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

*Twinkle Agarwal*

Twinkle Agarwal  
Practising Company Secretary  
Membership No. A52868  
COP: 25605



UDIN: A052868E000753645  
ICSI Peer Review No: 2540/2022

Date: 07.08.2023  
Place: Kolkata

*Note: This Report is to be read with my letter of even date which is annexed as "Annexure A" and forms an integral part of this report.*

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ADDRESS: 4/E, PRAFULLA SARKAR STREET, 2<sup>ND</sup> FLOOR, KOLKATA-700071  
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