



**India Finsec Limited**  
(L65923DL1994PLC060827)

**Date: 01.10.2018**

**To**  
**The Department of Corporate Relations**  
**BSE Limited**  
**PJ Towers,**  
**Dalal Street, Fort,**  
**Mumbai – 400 001**

**Sub: Submission of the Annual Report for the financial year 2017-18**

Dear Sir,

Pursuant to Regulation 34 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing a copy of the Annual Report for the financial year 2017-18, duly adopted by the shareholders in a 24<sup>th</sup> Annual General Meeting of the Company held on September 29, 2018 at 09:00 A.M. at the registered office of the Company.

Further please note that the Annual Report has also been uploaded on the website of the Company at <http://www.indiafinsec.com/wp-content/uploads/2018/09/Annual-Report-2018.pdf>.

You are requested to take the same on your records.

Thanking you,

Yours faithfully

**For India Finsec Limited**

**VARSHA**  
**BHARTI**

**Varsha Bharti**  
**Company Secretary**  
**M. No.-A37545**  
Place: New Delhi

Digitally signed by VARSHA BHARTI  
DN: cn=IN, o=Personal, postalCode=110085,  
st=Delhi,  
c=IN, email=179846522577e2d613aebb637079a25  
31fb885ce056009704ab48974b848f8,  
serialNumber=001ac564da712c74ee8157b1af7d  
Fb12a7e8b5f566ea499d39975840e223d23,  
cn=VARSHA BHARTI  
Date: 2018.10.01 18:43:39 +05'30'

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Rohini, New Delhi - 110085

Tel : 011-47096097 • e-mail id : indiafinsec@gmail.com • Website : www.indiafinsec.com



# INDIA FINSEC LIMITED

Annual Report 2017-18



## Corporate Information

### BOARD OF DIRECTORS

Mr. Gopal Bansal  
(Chairman & Managing Director)

Mr. Mukesh Sharma  
(Whole- Time Director)

Mr. Basant Mittal  
(Independent Director)

Mrs. Charu Goyal  
(Independent Director)

### Internal Auditor

M/s Bansal Mangal Singhal & Goyal  
(Chartered Accountants)

### Chief Financial Officer

Mr. Manoj Kumar Gupta

### Company secretary

Ms. Varsha Bharti

### Registrar & Share Transfer Agent

Skyline Financial Services Pvt Ltd

D-153A, Okhla Industrial Area, Phase-I,  
New Delhi-110020

### Statutory Auditors

M/s V.N. Purohit & Co.  
(Chartered Accountants)

### Registered Office

India Finsec Limited  
D-16 , 1st Floor, Above ICICI Bank,  
Prashant Vihar, Sector-14, Rohini  
New Delhi-110085

### Secretarial Auditor

Mrs. Rachna Bhasin  
(Practicing Company Secretary)

### Bankers

HDFC Bank  
Punjab National Bank  
IDBI Bank  
ICICI Bank

### SHARES LISTED AT

Bombay Stock Exchange

# Committees of Board of Directors

## AUDIT COMMITTEE



### Composition:

- **Mr. Basant Mittal**  
(Chairman, Independent Director)
- **Ms. Charu Goyal**  
(Member, Independent Director)
- **Mr. Gopal Bansal**  
(Managing Director, Member)
- **Ms. Varsha Bharti**  
(Secretary)

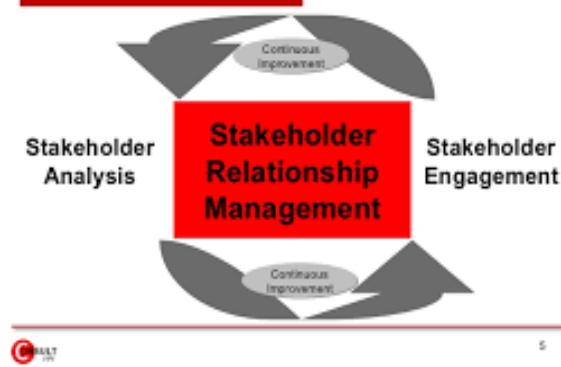
## Nomination & Remuneration Committee



### Composition:

- **Mr. Basant Mittal**  
(Chairman, Independent Director)
- **Ms. Charu Goyal**  
(Member, Independent Director)
- **Mr. Mukesh Sharma**  
(Director, Member)

## SRM – Conceptual Overview



### Composition:

- **Mr. Basant Mittal**  
(Chairman, Independent Director)
- **Ms. Charu Goyal**  
(Member, Independent Director)
- **Mr. Gopal Bansal**  
(Managing Director, Member)

Risk  
Management Committee



**Composition:**

- **Mr. Gopal Bansal**  
(Chairman, Managing Director)
- **Ms. Charu Goyal**  
(Member, Independent Director)
- **Mr. Basant Mittal**  
(Member, Independent Director)

# **IFL Housing Finance Limited-**

*Subsidiary of India Finsec Limited*

# **IFL ENTERPRISES LIMITED-**

*Associate of India Finsec limited*



## **BOARD OF DIRECTORS OF “IFL HOUSING FINANCE LIMITED”**

- **Mr. Gopal Bansal**, *Managing Director*
- **Mrs. Sunita Bansal**, *Whole-Time Director*
- **Mr. Gaurav Suri**, *Executive Director*
- **Mr. Basant Mittal**, *Independent Director*
- **Mr. Arvinder Singh**, *Independent Director*
- **Mr. Saurabh Chhabra**, *Independent Director*

## **BOARD OF DIRECTORS OF “IFL ENTERPRISES LIMITED”**

- **Mr. Ashok Kumar Bansal**, *Whole-Time Director*
- **Mr. Gopal Bansal**, *Director*
- **Mr. Pramod Sharma**, *Independent Director*
- **Ms. Himanshi Kashyap**, *Independent Director*

# PRODUCT PORTFOLIO

## Unsecured Loans



## Retail IPO funding



## Personal Loans



## Management Consultancy



## Financial Consultancy



## **Loan Against Property**



### **OUR VISION :-**

**To delight our customers and be their number one choice of partner across all the services we offer.**

### **OUR MISSION:-**

**To deliver highly dependable solutions and services that is critical to our customer's business.**

## **Inter Corporate Deposits**



### **OUR VALUES:-**

- **Integrity:**

**We will conduct business fairly and ensure we honour all our commitments to our clients and collaborators.**

- **Empathy:**

**We will listen closely to the needs of our customers and offer them customized solutions that best suit their needs.**

- **Passion:**

**We will bring passion and enthusiasm to everything we do, from the smallest to the biggest projects.**



## CHAIRMAN SPEECH

### 24<sup>TH</sup> Annual General Meeting



Dear Stakeholders,

Our historic success would not have been possible without the unstinted support and cooperation of all stakeholders and on behalf of the Board and on my own behalf I would like to place on record my deep sense of gratitude to each and every one of you. We feel immense pleasure in presenting before you the performance of your Company for the financial year 2017-18.

Non-banking financial companies (NBFCs) have undergone a significant transformation over the past few years. The sector has managed to witness robust credit growth in past few years and has been clear outperformers in last three years on the back of the fading effects of RERA, higher growth in loan books and improvement in spreads between borrowing and lending rates. According to RBI's recent financial stability report, aggregate balance sheet size of the NBFC sector was Rs 22.1 Lakh Cr.

As per the RBI Bulletin, Non-Banking Finance Companies (NBFCs) have played an important role in the Indian financial system by complementing and competing with banks, and by bringing in efficiency and diversity into financial intermediation. NBFCs have evolved considerably in terms of operations, heterogeneity, asset quality and profitability, and regulatory architecture. Going forward, the growing systemic importance and interconnectedness of this sector calls for regulatory vigil.

During the Financial Year 2017-18, your company recorded consolidated revenue of Rs. 7, 00,52,062 as compared to previous year's consolidated revenue of Rs. 9,13,46,463 resulted in a consolidated profit of Rs. 1,84,54,443 as compared to previous year's consolidated profit of Rs. 1,72,64,338 in the financial year 2016-17. With your ongoing support, we are confident that, this figure will continue to increase in near future. Your Company has once again, delivered strong results despite volatile external environment. The Company has developed strong internal systems and processes to withstand market volatility.

The Company is now a matured organization with strong belief in corporate governance and compliances. As we grow, we have strengthened corporate governance and risk management framework. We want to be recognized as a dependable Company striving for growth with a strong governance model. India Finsec Limited has taken various steps towards business growth which includes investment **(95.29% holding)** in a housing finance company i.e. **IFL Housing Finance Limited** (Subsidiary of '**India Finsec Limited**') which will help the company in also expanding its business activities in the line of housing finance. During the year, the Company successfully gets registered with National Housing Board and received its Certificate of Registration from National Housing Bank on December 12, 2017. IFL Housing Finance is a housing finance company that cares about the housing dreams of both formal & informal income spectrum. You aspire for a house and we help you to build your dream castle. National Housing Bank approved, IFL Housing Finance is amongst the first organizations in India to claim disbursal in 3 days.

The government is playing a key role in the development of affordable housing sector in India. Under its watchful eyes, the housing sector has been seeing a healthy growth, with transparency and orderliness. To address the wide unmet housing need of millions of Indians, the subsidiary Company future priorities persists towards creating customer friendly products targeting new customer ensuring access to low-cost and diversified sources of funds and making their dreams come true of owning a house. Government of India has introduced an interest subsidy scheme under **Pradhan Mantri Awas Yojna (PMAY) - Housing For All**, for purchase/construction/extension/improvement of house to the eligible customers. IFL Housing Finance Limited is an approved lender under Pradhan Mantri Awas Yojna (PMAY) and borrowers who satisfy the eligibility criteria can avail the subsidy after the request being forwarded to the National Housing Bank by the housing finance company

and accordingly loan amount and monthly instalment (EMI) will be reduced. Our subsidiary has opened two branches in Jaipur and Karnal and is planning to open more branches all over India.

I also express my thanks to all our Directors for their invaluable contribution through their guidance and encouragement, which have been critical for the success of the Company. I also take this opportunity to thank the National Housing Bank for invigorating the housing finance ecosystem in the Country. I extend my gratitude to The Reserve Bank of India which tends to the needs of the sector with encouraging interventions, making it more lucrative for the customers. Finally, I thank each and every shareholder, large and small, for your support and trust. I assure you that each one of us is committed to build a company that is high on corporate governance, is of great value for society and is a company that you will be proud of.

Yours Sincerely,

**Gopal Bansal**

Chairman & Managing Director



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## **BOARD'S REPORT**

To,

The Members,

Your Directors have pleasure in presenting the **Twenty Fourth Annual Report** of the Company with the Audited Financial Statements and the Auditor's Report of your Company for the financial year ended **31<sup>st</sup> March, 2018**.

### **1. COMPANY BACKGROUND**

India Finsec Limited ("the Company") is a RBI registered Non-Banking Financial Company ("NBFC"). The registered office of the Company is situated at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085. The Company was incorporated on August 10, 1994. The Company has its Equity Shares listed at BSE Limited.

### **2. BUSINESS OVERVIEW**

The Company is engaged in the business of financing, Inter Corporate Deposits, Personal Loans, IPO funding, funding against shares and securities and Long against Property (LAP) to the individuals and Body Corporate.

**Your Company posted Total income and Net Profit of Rs. 5,88,74,302/- and Rs. 1,22,66,830/- respectively as on March 31, 2018 as against Rs. 9,11,92,080/- and Rs. 1,69,64,885 respectively in the previous year.**

Despite facing the stiff competition, the Company registered substantial growth in terms of its revenue from business operations. Your Company has been able to achieve substantial market share, steady price for its products by taking up newer challenges.

### **STATEMENT OF AFFAIRS**

The Company's Performance during its Twenty Fourth years of Operations is summarized below:

#### **FINANCIAL RESULTS**

Particulars	Financial year ended (in Rs.)			
	Standalone		Consolidated	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Total Income	5,88,74,302.00	9,11,92,080.00	7,00,52,062.00	9,13,46,463.00
Total Expenditure	4,24,09,334.00	6,71,33,379.00	5,41,73,127.00	6,72,83,130.00
Profit/(Loss) before tax	1,64,64,968.00	2,40,58,701.00	1,58,78,935.00	2,40,63,333.00
Profit/(Loss) after tax	1,22,66,830.00	1,69,64,885.00	1,15,07,076.00	1,69,91,054.00
Paid- up Share Capital	24,94,17,150.00	24,94,17,150.00	24,94,17,150.00	24,94,17,150.00
Reserves and Surplus	19,72,78,982.00	18,49,07,218.00	20,37,40,146.00	18,51,80,769.00

### **3. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of the Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis is set out in the Annual Report.

### **4. DIVIDEND**

The Board of Directors of the Company has decided not to declare any dividend for the financial year under consideration.

### **5. TRANSFER TO GENERAL RESERVES**

As the company has not declared any dividend, therefore, the Company has not proposed to carry any sum to the General Reserves of the Company for the period under consideration.



## 6. CHANGES IN THE NATURE OF BUSINESS

The Company is engaged in the business of Financing, Inter Corporate Deposits, advancing personal loans, funding of IPO, funding against shares and securities, loan against properties to individuals & companies etc. However, there has been no change in the nature of business during the year under review by the Company.

## 7. MATERIAL CHANGES AND COMMITMENTS

There is no material change which may affect the financial position of the Company between the financial year and up to the date of this report.

## 8. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

## 9. PUBLIC DEPOSITS

During the year under review, the company has not accepted any deposit under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 1975.

## 10. AUDITORS

### **STATUTORY AUDITOR**

M/s V.N. Purohit & Co., Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment.

The Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 139(2) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 139(1) of the said Act.

### ***Auditor's Report***

The Auditor's Report for financial year ended 2018, does not contain any qualification, reservation or adverse remarks. All Observations made in the Independent Auditors' Report and Notes forming part of the Financial Statements are self explanatory and do not call for any further comments and also, there is no incident of fraud requiring reporting by the auditors under section 143(12) of the Companies Act, 2013 during the year. The Auditor's report is enclosed with the financial statements in this Auditor's Report.

### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Rachna Bhasin (CP No.: 12952, ACS: 23539), Practising Company Secretary, to undertake the secretarial audit of the Company for the Financial Year 2017-2018.

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

The Secretarial Audit Report for the financial year ended March 31, 2018 does not contain any qualification, reservation or adverse remark. A copy of Secretarial Audit Report as provided by Company Secretary in Practice has been annexed with the Report. ***(Annexure-I)***

### **INTERNAL AUDITOR**

Pursuant to provisions of Section 138 read with rules made there under, the Board has appointed M/s Bansal Mangal Singhal & Goyal, Chartered Accountants, as an Internal Auditor of the Company, to check the internal controls and functioning of the activities of the Company and also recommends way of improvement. They have provided Internal Audit Report of the Company for the financial year ended March 31, 2018. The Internal audit is carried out



quarterly basis and the report is placed in the Audit Committee Meeting and Board Meeting for their consideration and direction.

### **COST AUDITOR**

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

## **11. SHARE CAPITAL**

The paid up equity share capital as on March 31, 2018 was Rs. 24,94,17,150/-. During the year under review:

### **A. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS**

The Company has not issued any equity shares with differential rights so no disclosure is required as per Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014.

### **B. ISSUE OF SWEAT EQUITY SHARES**

The Company has not issued sweat equity shares, so no disclosure is required as per Rule 8(13) of the Companies (Share Capital and Debentures) Rules 2014.

### **C. ISSUE OF EMPLOYEE STOCK OPTIONS**

The Company has not issued employee stock options, so no disclosure is required as per Rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014.

### **D. PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARE BY EMPLOYEES OR BY TRUSTEE FOR THE BENEFIT OF EMPLOYEES**

The Company has not made any provision for purchase of its own share by employees or by trustee for the benefit of employees so no disclosure is required as per Rule 16(4) of the Companies (Share Capital and Debentures) Rules 2014.

### **E. ISSUE OF SHARES ON PREFERENTIAL BASIS**

The Company has not issued any share on preferential basis during the year.

## **12. LISTING FEES**

The Company has paid the Annual Listing Fees to the Bombay Stock Exchange Limited (BSE) for the financial year ended March 31, 2018.

## **13. EXTRACT OF THE ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return in **Form No. MGT – 9** as '**Annexure-II**' has been enclosed with the Board's Report.

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

The details of conservation of energy, technology absorption, foreign exchange and outgo are as follows:

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

Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding conservation of energy are not applicable.

### **B. TECHNOLOGY ABSORPTION**

Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding Technology absorption are not applicable.



### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

There has been no expenditure and/or earning in foreign exchange.

### 15. POLICIES

There has been no change in the following policies during the financial year 2017-18:

- Policy on Preservation of Documents and Archives Management as per Regulation 9 and 30(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy for Disclosure of events/ information and Determination of materiality as per Regulation 30(4)(ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy on Materiality of Related Party Transactions as per Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Risk Management Policy
- Policy for determining 'material' subsidiaries as per Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Such Policies are available on the website of the Company i.e. <http://www.indiafinsec.com/corporate-governance/>

### 16. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED

During the financial year 2017-18, no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### 17. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to provision of Section 135 of the Companies Act, 2013, every company having a Net Worth of Rupees Five Hundred Crore (Rs.500 Crore) or more or Turnover of Rupees Thousand Crore (Rs.1000 Crore) or more or Net Profit is Rupees Five Crore (Rs.5 Crore) or more during any financial year, is required to constitute a Corporate Social Responsibility Committee ("CSR Committee") of the Board. But this provision is not applicable on our company; because in any previous financial year (including 2017-2018) our company has not reached this limit.

### 18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company was duly constituted in accordance with the provisions of the Companies Act, 2013. As on the date of report, the Board of Director's consists of the following members:

S. No.	Name of Director	Designation	DIN	Date of Appointment
1	Mr. Gopal Bansal	Managing Director	01246420	16.01.2016
2	Mr. Mukesh Sharma	Director	00274217	16.01.2016
3	Mr. Basant Mittal	Independent Director	06462662	28.12.2012
4	Ms. Charu Goyal	Independent Director	06464406	28.12.2012

#### A. DIRECTORS

There is a change in the designation of Mr. Mukesh Sharma from Whole-Time director to Non-Executive director of the Company with effect from 14<sup>th</sup> August, 2017. Mr. Mukesh Sharma retires by rotation and being eligible has offered himself for re-appointment.

#### B. CHIEF FINANCIAL OFFICER

There is no appointment, resignation or any other changes in the position of the Chief Financial Officer of the Company.

#### C. COMPANY SECRETARY & COMPLIANCE OFFICER

There is no appointment, resignation or any other changes in the position of the Company Secretary and Compliance Officer of the Company.

### 19. REMUNERATION OF KEY MANAGERIAL PERSONNEL

Mr. Gopal Bansal (Managing Director) the Key Managerial Personnel of the Company be paid Gross monthly remuneration of Rs.1,00,000/- (Rupees One Lakh Only) subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of his performance and policy of the Company.



Mr. Manoj Kumar Gupta (Chief Financial Officer), the Key Managerial Personnel of the Company be paid Gross monthly remuneration of Rs. 80,000/- (Rupees Eighty Thousand Only) subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of his performance and policy of the Company.

Ms. Varsha Bharti (Company Secretary), the Key Managerial Personnel of the company be paid Gross monthly remuneration of Rs. 35,000/- (Rupees Thirty Five Thousand Only) subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of her performance and policy of the Company.

## 20. DECLARATION BY THE INDEPENDENT DIRECTOR

The Company has received declarations from all the Independent Directors (Mr. Basant Mittal and Ms. Charu Goyal) of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Listing Regulations.

## 21. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholder Relationship committee. The Directors expressed their satisfaction with the evaluation process. The Board of Directors reviewed all the laws applicable on the company, prepared by the company and taking steps to rectify instances of non-compliances.

## 22. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors duly met 16 (**Sixteen**) times during the year, in respect of which notices were given and the proceedings were recorded and signed. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013. The details of Board meetings and the attendance of Directors in such meetings are given in the Corporate Governance Report forming part of this Annual Report.

## 23. COMMITTEES AND THEIR MEETINGS

### AUDIT COMMITTEE

The Company has an Audit Committee comprising Mr. Basant Mittal (Independent Director), Ms. Charu Goyal (Independent Director), Mr. Gopal Bansal (Managing Director) and Ms. Varsha Bharti (Secretary of the Audit Committee). The terms of reference of the Audit Committee inter-alia include overseeing financial reporting process, reviewing the financial statements and recommending appointment of Auditors. All the recommendations made by Audit Committee were accepted. The details of the Audit Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 4 (Four) Audit Committee Meetings were held.

### NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination & Remuneration Committee of Directors in compliance with provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee's scope of work includes nominate the directors as per their qualifications, experience and positive attributes, deciding on remuneration and policy matters related to remunerations of Directors and laying guidelines for remuneration package or compensation.

The Committee comprises of Mr. Basant Mittal (Independent Director), Ms. Charu Goyal (Independent Director) and Mr. Mukesh Sharma (Non-Executive Director). The details of the Nomination and Remuneration Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 4 (Four) Nomination and Remuneration Meetings were held.

### *Nomination and Remuneration Policy*

The details of Nomination and Remuneration Policy are covered in the Corporate Governance Report. It is hereby affirmed that the remuneration paid is as per Remuneration Policy of the Company. The Nomination & Remuneration Policy is attached with this report as an **Annexure III**.





## STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has a Stakeholder Relationship Committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc.

The Committee comprises of Mr. Basant Mittal (Independent Director), Ms. Charu Goyal (Independent Director) and Mr. Gopal Bansal (Managing Director). The details of the Stakeholders Relationship Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 4 (Four) Stakeholders Relationship Committee Meetings were held.

### *Details of establishment of Vigil Mechanism/Whistle Blower Policy for Directors and Employees*

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. The company believes on the honesty, integrity, ethics, transparency and good conduct for its professional environment and provides such kind of environment to its employees and directors and always encourages its team to follow such standards in their activities. The directors, employees and other team members are free to report on the issues which require genuine concern. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically.

This policy is explained in corporate governance report and also posted on the website on <http://www.indiafinsec.com/corporate-governance/> under Corporate Governance section.

## RISK MANAGEMENT COMMITTEE

The Board of Directors has constituted a Risk Management Committee to minimize or mitigate the risk involved in the business activities of the Company.

The Committee comprises of Mr. Basant Mittal (Independent Director), Ms. Charu Goyal (Independent Director) and Mr. Gopal Bansal (Managing Director). The details of the Risk Management Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 3 (Three) Risk Management Committee Meetings were held.

## RISK MANAGEMENT POLICY

In accordance with Regulation 17(9) of the SEBI(LODR) Regulations, 2015 and Section 134(3) of the Companies Act, 2013, the board members were informed that the Company has a robust Risk Management framework to identify, measure and mitigate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objective and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operations risks and quantifies exposure and potential impact at a Company level.

## 24. DETAILS OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES

During the year under review, we have one subsidiary company i.e. "IFL Housing Finance Limited" and one associate company i.e. "IFL Enterprises Limited". In accordance with Section 129(3) we have prepared the consolidated financial statements of the Company which forms part of this Annual Report.

During the year, investment of Rs. 6,70,00,000/- was made in a subsidiary i.e. IFL Housing Finance Limited. Further, IFL Enterprises Limited reported revenue of Rs. 12,10,67,030/- and profit after tax of Rs. 6,84,542 as compared to revenue of Rs. 3,54,56,028/- and incurred a loss of Rs. 9,27,786 in the last year.

## 25. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The performance and financial position of "IFL Housing Finance Limited" (Subsidiary) and "IFL Enterprises Limited" (Associate) for the financial year 2017-2018 are mentioned below:

The Particulars of Subsidiaries, Associates and Joint Ventures read with Companies (Accounts) Rules, 2014 are attached herewith in Form AOC – 1 as **Annexure-IV**.

## 26. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

Loans, Guarantees and Investments covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statement provided in this Annual Report.

**27. PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTIES**

The Company has entered into any contract and arrangements with related party and complied with the provisions of section 188 of the Companies Act, 2013. Details of Such Contracts and Arrangements are enclosed as **Annexure-V** in Form AOC-2.

**28. CORPORATE GOVERNANCE CERTIFICATE**

The Company believes that the essence of Corporate Governance lies in the phrase “Your Company”. It is “Your” Company because it belongs to you “the Shareholders”. The Chairperson and Directors are “Your” fiduciaries and trustees. Their objective is to take the business forward in such a way that it maximizes “Your” long term value. Besides adhering to the prescribed Corporate Governance practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company also endeavors to share information with its stakeholders openly and transparently on matters which have a bearing on its economic and reputational interest. The Corporate Governance Report is a part of this Annual report.

A certificate from Secretarial Auditors of the company regarding the compliance of the conditions of Corporate Governance by the Company as stipulated under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also attached to this Annual Report.

**29. BRIEF RESUME**

As required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company provides a brief resume of Mr. Mukesh Sharma, Whole Time Director (DIN:00274217) of the company who is re-appointed in the Annual General Meeting. The nature of his expertise in specific functional areas, names of the companies in which he has held directorships, his shareholding etc. are furnished in the annexure to notice of the ensuing AGM.

**30. HUMAN RESOURCES**

The Company strongly believes that in a service industry like banking and finance, it is only through people and their contributions that most of the objectives like offering products to various customer groups and servicing the poor can be achieved. Your Company believes in spreading the risk, and financing of Loans, Inter Corporate Deposits, and Funding of IPO etc. The Management has a healthy relationship with the officers and the Employee.

**31. PARTICULARS OF EMPLOYEES**

None of the employees of the Company were in receipt of remuneration in excess of limits as prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are mentioned below:

**(A) Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016**

1. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, Ratio of remuneration of Directors to the Median Remuneration of employees.

Name of the Director/ and KMP	Designation	Remuneration (Rs. in Lac) 2017-2018	Increase (%)	Ratio of Director's Remuneration to Median remuneration including Managing Director	Ratio of Director's Remuneration to Median remuneration excluding Managing Director
Mr. Gopal Bansal	Managing Director	12.00	0.00	3.82:1	3.91:1
Mr. Mukesh Sharma*	Director	0.90	0.00	0.29:1	0.29:1
Mr. Manoj Kumar	CFO	9.60	0.00	3.06:1	3.13:1



Gupta					
Ms. Varsha Bharti	Company Secretary	3.14	16.67	1:1	1.02:1

- Median remuneration of employees of the Company including Managing Director are Rs.3,13,935/- and Rs. 2,15,733 and median remuneration employees excluding Managing Director are Rs. 3,06,968 and Rs. 1,91,465 for the financial year 2017-18 and 2016-2017 respectively.
- The Percentage increase in median remuneration of employees (including Managing Director) is 45.52% and median remuneration of employees (excluding Managing Director) is 60.33 % in the Financial Year.
- Number of permanent employees on the rolls of the Company: 7 (As at 31st March, 2018).
- Affirmation Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel is as per the remuneration policy of the Company.

\* There is a change in designation of Mr. Mukesh Sharma from Whole-Time Director to Non-Executive Director with effect from August 14, 2017.

### 32. SEXUAL HARRASEMENT

During the Financial Year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### 33. DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with Clause (c) of Sub-Section (3) of Section 134 of the Companies Act, 2013, the Board of Directors of the company informed the members that:

- in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 and loss of the company for that period;
- 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;
- the directors had prepared the annual accounts on a going concern basis; and
- 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.

### 34. FUND UTILIZATION

The Company came up with an Initial Public Offering ('IPO' or 'ISSUE') in June 2013. The equity shares were listed on the Bombay Stock Exchange Limited (BSE) SME platform on June 10, 2013. The IPO was floated for 60,00,000 Equity shares of Rs. 10/-each at par aggregating to Rs. 600 Lac. Pursuant to the special resolution passed by the members of the Company on dated September 27, 2014, IPO Proceeds will be utilized for the objects other than those mentioned in the prospectus filed with BSE. IPO funds will be utilized for meeting working capital requirements.

### 35. PREVENTION OF INSIDER TRADING

The Company has a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and certain designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

### 36. PRUDENTIAL NORMS & DIRECTIONS OF RBI FOR NBFCS

Your company has complied with all the requirements prescribed by the Reserve Bank of India and has filed the required returns.

### 37. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTOR INTER –SE

None of the Directors are related to each other.



### 38. CODE OF CONDUCT

The Board of Directors have laid down the Code of Conduct which is applicable to members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website [www.indiafinsec.com](http://www.indiafinsec.com). The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

### 39. BUSINESS RESPONSIBILITY REPORT

Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015 requires top 500 listed companies based on market capitalization to include business responsibility report. The same is not applicable on our Company. Therefore, no initiative with respect to environmental, social has been taken.

### 40. CAUTIONARY NOTE

The statements forming part of the Board's Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

### 41. SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards.

### 42. ACKNOWLEDGEMENT

The Board expresses its sincere gratitude to the shareholders, bankers and clients for their continued support. The Board also wholeheartedly acknowledges with thanks the dedicated efforts of all the staff and employees of the Company.

**By the Order of the Board  
For India Finsec Limited**

**Date: 30.05.2018  
Place: Delhi**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN-01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN-00274217

*(Annexure-I)***SECRETARIAL AUDIT REPORT****(Form No. MR-3)****For the financial year ended 31.03.2018**

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

To,  
**The Members,  
India Finsec Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **India Finsec Limited** (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 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 31/03/2018 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 **India Finsec Limited** ("the Company") for the financial year ended on 31/03/2018 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:- NOT APPLICABLE
- (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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;-NOT APPLICABLE
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - NOT APPLICABLE
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -NOT APPLICABLE
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;- NOT APPLICABLE
- (vi) Income Tax, Act 1961.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreements ["Listing Regulations" as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] entered into by the Company with Bombay Stock Exchange.

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



**I further report that**

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

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

Majority decision is carried through and no dissenting members' views are captured and recorded as part of the minutes.

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

**Date: 30.05.2018**  
**Place: New Delhi**

**Sd/-**  
**Rachna Bhasin**  
**Company Secretary in Practice**  
**ACS No.- 23539**  
**C P No.- 12952**



**ANNEXURE A' TO THE SECRETARIAL AUDIT REPORT**

To,  
The Members,  
**India Finsec Limited**  
D-16, First Floor, Above ICICI Bank,  
Prashant Vihar, Sector-14, Rohini,  
New Delhi-110085

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

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

**Date: 30.05.2018**  
**Place: New Delhi**

**Sd/-**  
**Rachna Bhasin**  
**Company Secretary in Practice**  
**ACS No.- 23539**  
**C P No.- 12952**



## Form No. MGT-9

## Extract of Annual Return as on the financial year ended on 31.03.2018

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

## I. REGISTRATION &amp; OTHER DETAILS:

i.	CIN	L65923DL1994PLC060827
ii.	Registration Date	10.08.1994
iii.	Name of the Company	India Finsec Limited
iv.	Category/Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government Company
v.	Address of the Registered office and contact details	D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 Telephone No.- 9350655363/ 011-45805612 Email:- <a href="mailto:indiafinsec@gmail.com">indiafinsec@gmail.com</a> Website:- <a href="http://www.indiafinsec.com">www.indiafinsec.com</a>
vi.	Whether listed company	Yes (Listed at BSE Limited)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Skyline Financial Services Private Limited D-153A, First Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 Telephone No. 011- 011-26812682, 83, 011-64732681 to 88 Website- <a href="http://www.skylinerta.com">www.skylinerta.com</a>

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Providing Finance (Long & Short Term)	64920	75.44
2	Dealing in Shares & Securities	64920	24.56

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/Subsidiary /Associate	%of shares held	Applicable Section
1.	IFL Housing Finance Limited D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	U67100DL2009PLC186958	Subsidiary	95.29%	2(87)
2.	IFL Enterprises Limited D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	L67100DL2009PLC186958	Associate	29.64	2(6)

## IV. SHARE HOLDING PATTERN (Equity Share capital Breakup as percentage of Total Equity)

## (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	3640015	0	3640015	14.59	4850015	0	3640015	19.45	4.86
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	4537050	0	4537050	18.19	4537050	0	4537050	18.19	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0





Subtotal(A)(1):-	8177065	0	8177065	32.78	9387065	0	9387065	37.64	4.86
<b>2) Foreign</b>									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>8177065</b>	<b>0</b>	<b>8177065</b>	<b>32.78</b>	<b>9387065</b>	<b>0</b>	<b>9387065</b>	<b>37.64</b>	<b>4.86</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	0	0	0	0	0	0	0	0	0
<b>2. Non Institutions</b>									
a) Bodies Corp.									
(i) Indian	5178964	0	5178964	20.76	2353794	1719250	4073044	16.33	(4.43)
(ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 Lakh on 31.03.2018	1750130	1566450	3316580	13.3	1173497	1102451	2275948	9.12	(4.18)
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh on 31.03.2018	2855371	5021700	7877071	31.58	4686994	3766450	8453444	33.89	2.31
c) Others (HUF)	392035	0	392035	1.57	752214	0	752214	3.01	01.44
<b>Sub-total(B)(2)</b>	<b>10176500</b>	<b>6588150</b>	<b>16764650</b>	<b>67.22</b>	<b>8966499</b>	<b>6588151</b>	<b>15554650</b>	<b>62.36</b>	<b>(4.86)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>10176500</b>	<b>6588150</b>	<b>16764650</b>	<b>67.22</b>	<b>8966499</b>	<b>6588151</b>	<b>15554650</b>	<b>62.36</b>	<b>(4.86)</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total(A+B+C)</b>	<b>18353565</b>	<b>6588180</b>	<b>24941715</b>	<b>100</b>	<b>18353564</b>	<b>6588181</b>	<b>24941715</b>	<b>100</b>	<b>0</b>

(i) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Fidelo Foods Pvt Ltd	4537050	18.19	0	4537050	18.19	0	0
2.	Mukesh Sharma	1292540	5.18	0	1292540	5.18	0	0
3.	Gopal Bansal	1574500	6.31	0	2784500	11.16	0	4.85%
4.	Damodar Sharma	82250	0.33	0	82250	0.33	0	0
5.	Manoj Sharma	678475	2.72	0	678475	2.72	0	0
6.	Arvind Kumar Bansal (Karta of Arvind Kumar Bansal HUF)	12250	0.05	0	12250	0.05	0	0
	<b>Total</b>	<b>8177065</b>	<b>32.78</b>	<b>0</b>	<b>9387065</b>	<b>37.63</b>	<b>0</b>	<b>4.85</b>

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

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	Fidelo Foods Private Limited	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company



	At the beginning of the year	4537050	18.19	4537050	18.19
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	4537050	18.19	4537050	18.19
Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
2.	Mukesh Sharma	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1292540	5.18	1292540	5.18
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	1292540	5.18	1292540	5.18
Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
3.	Gopal Bansal	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1574500	6.31	1574500	6.31
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	1210000(Purchase of shares)	4.85	1210000(Purchase of shares)	4.85
	At the End of the year	2784500	11.16	2784500	11.16
Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
4.	Damodar Sharma	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	82250	0.33	82250	0.33
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	82250	0.33	82250	0.33
Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
5.	Manoj Sharma	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	678475	2.72	678475	2.72
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	678475	2.72	678475	2.72
Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
6.	Arvind Kumar Bansal(Karta of Arvind Kumar Bansal HUF)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	12250	0.05	12250	0.05
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	12250	0.05	12250	0.05

(iii) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs)

Sr. no	Name of Shareholder	Shareholding at the beginning of the year (as on 01.04.2017)	Date	Increase/ Decrease in share-	Reason	Cumulative Shareholding during the year (01.04.2017-31.03.2018)
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		No. of shares at the beginning (01-04-2017/ end of the year (31-03-2018))	% of total shares of the company		holding		No. of shares	% of total shares of the company
1	Tia Enterprises Private Limited	569523	0	01.04.2017				
				05.05.2017	-2500	Sale	567023	2.27
				12.05.2017	11150	Purchase	578173	2.32
				19.05.2017	-100000	Sale	478173	1.92
				10.11.2017	1051827	Purchase	1530000	6.13
		1530000	6.13	31.03.2018				
2	Veer Hanuman Private Limited	0	0	01.04.2017				
		-	-	23.03.2018	980000	Purchase	980000	3.93
		980000	3.93	31.03.2018				
3	Venus BuildestatesPrivate Limited	0	0	01.04.2017				
				31.03.2018	739250	Purchase	739250	2.96
		739250	2.96	31.03.2018				
4	Rajkumar Singhal	0	0	01.04.2017				
				02.06.2017	615000	Purchase	615000	2.47
		615000	2.47	31.03.2018				
5	Naveen Kumar Gupta	445500	1.79	01.04.2017				
				09.06.2017	700	Purchase	446200	1.79
				16.06.2017	48993	Purchase	495193	1.99
				23.06.2017	200	Purchase	495393	1.99
				30.06.2017	40000	Purchase	535393	2.15
				07.07.2017	-20000	Sale	515393	2.07
				14.07.2017	450	Purchase	515843	2.07
				21.07.2017	500	Purchase	516343	2.07
				22.09.2017	40000	Purchase	556343	2.23
				06.10.2017	-40000	Sale	516343	2.07
				30.12.2017	40000	Purchase	556343	2.23
				31.12.2017	-516343	Sale	40000	0.16
				05.01.2018	476343	Purchase	516343	2.07
		23.03.2018	-476343	Sale	40000	0.16		
		31.03.2018	516343	Purchase	556343	2.23		
		556343	2.23	31.03.2018				
6	RadheyKishan Gupta	528000	2.12	01.04.2017				
				07.04.2017	-40000	Sale	488000	1.96
				05.05.2017	2500	Purchase	490500	1.97
				30.06.2017	40000	Purchase	530500	2.13
				07.07.2017	-40000	Sale	490500	1.97
				22.09.2017	40000	Purchase	530500	2.13
				06.10.2017	-40000	Sale	490500	1.97
				27.10.2017	50	Purchase	490550	1.97
				30.12.2017	40000	Purchase	530550	2.13
				31.12.2017	-490550	Sale	40000	0.16
				05.01.2018	450550	Purchase	490550	1.97
				23.03.2018	-450550	Sale	40000	0.16
				31.03.2018	490550	Purchase	530550	2.13
		530550	2.13	31.03.2018				
7	Sushil Kumar Gupta	432086	1.73	01.04.2017				
				23.06.2017	1169	Purchase	433255	1.74
				11.08.2017	400	Purchase	433655	1.74
				18.08.2017	190	Purchase	433845	1.74



				08.09.2017	10760	Purchase	444605	1.78
		444605	1.78	31.03.2018				
8	Kailash Chand	20000	0.08	01.04.2017				
				08.09.2017	390841	Purchase	410841	1.65
				21.09.2017	-750	Sale	410091	1.64
				22.09.2017	20000	Purchase	430091	1.72
				29.09.2017	-1000	Sale	429091	1.72
				06.10.2017	-20000	Sale	409091	1.64
				27.10.2017	10000	Purchase	419091	1.68
				30.12.2017	20000	Purchase	439091	1.76
				31.12.2017	-419091	Sale	20000	0.08
				05.01.2018	399091	Purchase	419091	1.68
				02.02.2018	-50	Sale	419041	1.68
				09.02.2018	-50	Sale	418991	1.68
				23.03.2018	-398991	Sale	20000	0.08
				31.03.2018	418991	Purchase	438991	1.76
		438991	1.76	31.03.2018				
9	Vikas Singhal HUF	0	0	01.04.2017				
				09.06.2017	407750	Purchase	407750	1.63
		407750	1.63	31.03.2018				
10	GeetInfracon Private Limited	0	0	01.04.2017				
				09.06.2017	350000	Purchase	350000	1.40
		350000	1.40	31.03.2018				

(iv) Shareholding of Directors and Key Managerial Personnel

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Gopal Bansal Managing Director				
	At the beginning of the year	1574500	6.31	1574500	6.31
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	1210000(Purchase of shares)	4.85	1210000(Purchase of shares)	4.85
	At the End of the year	2784500	11.16	2784500	11.16
2	Mr. Mukesh Sharma Director				
	Shareholding at the beginning of the year				
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1292540	5.18	1292540	5.18
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	1292540	5.18	1292540	5.18
3	Mr. Basant Mittal Independent Director				
	Shareholding at the beginning of the year				
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
4	Ms. Charu Goyal Independent Director				
	Shareholding at the beginning of the year				
		No. of shares	% of total shares of	No. of shares	% of total shares of the



			the company		company
	At the beginning of the year	17300	0.07		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0		
	At the End of the year	17,300	0.07	17,300	0.07
5	Ms. Varsha Bharti Company Secretary	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
6	Mr. Manoj Kumar Gupta CFO	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	85062	0	0	85062
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total(i+ii+iii)</b>	<b>85062</b>	<b>0</b>	<b>0</b>	<b>85062</b>
Change in Indebtedness during the financial year				
- Addition	0	0	0	0
- Reduction	(80720)	0	0	(80720)
<b>Net Change</b>	<b>(80720)</b>	<b>0</b>	<b>0</b>	<b>(80720)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	4342	0	0	4342
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>4342</b>	<b>0</b>	<b>0</b>	<b>4342</b>

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		<b>Mr. Gopal Bansal</b>	
1.	Gross Salary (a)Salary as per provisions contained in section 17(1) of the	1200000	1200000



	Income-tax Act,1961 (b)Value of perquisites u/s17(2) of the Income-taxAct,1961 (c)Profits in lieu of salary undersection17(3) of the Income-taxAct,1961	0 0	0 0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - as % of profit - others, specify...	0 0	0 0
5.	Others, please specify	0	0
6.	Total(A)	1200000	1200000
	Ceiling as per the Act	Remuneration paid is within the ceiling limits calculated as per Section 198 of the Companies Act, 2013	

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Basant Mittal	Ms. Charu Goyal	Mukesh Sharma	
	<b>Independent Directors</b>				
	• Fee for attending board/committee meetings	40000	40000	0	80000
	• Commission	0	0	0	0
	• Others, please specify	0	0	0	0
	<b>Total(1)</b>	<b>40000</b>	<b>40000</b>	<b>0</b>	<b>80000</b>
	<b>Other Non-Executive Directors</b>				
	• Fee for attending board committee meetings	0	0	22500	22500
	• Commission	0	0	0	0
	• Others, please specify	0	0	90000*	90000
	<b>Total(2)</b>	<b>0</b>	<b>0</b>	<b>112500</b>	<b>112500</b>
	<b>Total(B)=(1+2)</b>	<b>0</b>	<b>0</b>	<b>112500</b>	<b>192500</b>

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Ms. Varsha Bharti, Company Secretary	Mr. ManojKumar Gupta, CFO	
1.	Gross Salary (a)Salary as per provisions containedinsection17(1) of the Income-tax Act, 1961	313935	960000	1273935
	(b)Value of perquisites u/s17(2) of Income-tax Act,1961	0	0	0
	(c)Profits in lieu of salary undersection17(3)Income- taxAct,1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.				
5.	Commission - as % of profit - others, specify...	0 0	0 0	0 0
6.	Others, please specify	0	0	0
	<b>Total</b>	<b>313935</b>	<b>960000</b>	<b>1273935</b>

\* Mr. Mukesh Sharma has been paid Rs. 90,000 as a remuneration when he was appointed as a Whole-Time Director and his designation has been changed to Non-Executive Director w.e.f. August 14, 2017.

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

VII. PENALTIES/PUNISHMENT/COMPOUNDINGOFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
<b>A. Company</b>					
Penalty					
Punishment			NIL		
Compounding					



C. Directors					
Penalty					
Punishment			NIL		
Compounding					
C.Other Officers In Default					
Penalty					
Punishment			NIL		
Compounding					

By the Order of the Board  
For India Finsec Limited

Date: 30.05.2018  
Place: Delhi

Sd/-  
Gopal Bansal  
Managing Director  
DIN-01246420

Sd/-  
Mukesh Sharma  
Director  
DIN-00274217

*(Annexure-III)*

## **Nomination and Remuneration Policy**

Our Policy is on the appointment and remuneration of directors, Key Managerial Personnel and other senior management team for providing equitable remuneration to the directors and to recommend the qualified directors to the Board. The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act, 2013. The Policy is also available on the website of the company.

### **Objectives**

This policy is framed with the following objectives:

- The remuneration of the Whole Time Directors/Executive Directors is fixed by the Remuneration Committee as constituted. The remuneration of Employees other than Whole-time Directors is approved by the Remuneration Committee based on recommendations made to it.
- To specifies remuneration packages for Whole-time Directors including pension rights and compensation payments.
- The Non-Executive Directors are not paid any remuneration. They are only entitled to sitting fees for attending Board and Committee Meetings.
  - To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
  - The policy also addresses the following items:
    - Committee member qualifications;
    - Committee member appointment and removal;
    - Committee structure and operations; and
    - Committee reporting to the Board.
  - To formulate the criteria for evaluation of performance of all the Directors on the Board;

### **Constitution of Nomination and Remuneration Committee**

The Board has constituted the “Nomination Committee” of the Board on October 18, 2013 and renamed as “Nomination and Remuneration Committee” on May 30, 2014. This is in line with the requirements under the Companies Act, 2013.

The Committee currently comprises of:-

<b>Name</b>	<b>Designation in Committee</b>	<b>Nature of Directorship</b>
<b>Mr. Basant Mittal</b>	Chairman	Non-Executive Independent Director
<b>Ms. Charu Goyal</b>	Member	Non-Executive Independent Director
<b>Mr. Mukesh Sharma</b>	Member	Non-Executive Director

The Board reconstituted the Committee on 14.08.2017 and has the authority to reconstitute the Committee from time to time.

### **Role and Powers of the Committee**

The Nomination & Remuneration committee has been constituted to recommend/review remuneration of Directors and key managerial personnel based on their performance and defined assessment criteria.

The remuneration policy of our Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice.

The role and power of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;
- Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;





- Make recommendations to the Board on appropriate criteria for the Directors. Formulate the criteria and framework for evaluation of performance of every director on the Board of the Company.
- Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.
- To recommend to the Board, the remuneration packages of the Company's Managing / Joint Managing / Deputy Managing / Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
- To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/Deputy Managing/Whole-time/ Executive Directors, including pension rights and any compensation payment;
- To implement, supervise and administer any share or stock option scheme of the Company;
- To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

#### **Policy for appointment, term, removal and retirement of Managerial Personnel, Director, KMP and Senior management**

##### *Appointment criteria and qualifications*

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his /her appointment.
- A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director/ Independent Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.
- In case of Independent director shall ensure that he/she possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance , technical operations or other disciplines related to the company's business.

##### *Term/ Tenure*

- **Managing Director / Whole-time Director**

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re appointment shall be made earlier than one year before the expiry of term.

- **Independent Director**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for five years or more in the Company as on April 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for



appointment for one more term of five years only.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed company.

#### *Removal*

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

#### *Retirement*

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and senior management personnel in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

### **Policy relating to Remuneration of Directors, Managerial personnel, KMP and Senior Management**

- The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
- The remuneration and commission, if any, to be paid to the Directors, Managing Director and senior management shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
- Increments to the existing remuneration / compensation, structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director.
- Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### *Remuneration to Directors, KMPs and other employees*

The policy on remuneration for KMPs and other employees is as below:-

- The Remuneration/Compensation/Profit linked Incentive etc. to Directors, Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration / Compensation / Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

- If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
- If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. f. Increments if declared to the existing remuneration / compensation structure shall be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Personnel.
- Increments if declared will be effective from 1st April of each financial year in respect of Managerial Personnel, KMP, Senior Management subject to other necessary approvals from statutory authorities as may be required.



- Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

#### **Remuneration to Non –Executive/Independent Directors**

- No monthly remuneration to be paid to Non-Executive/ Independent Director.
- The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### **Monitoring, Evaluation and Removal**

- *Evaluation*

The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP and Senior Management on yearly basis.

- *Removal*

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

- *Minutes of Committee Meeting*

Proceedings of all meetings must be minuted and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting. Minutes of the Committee meeting will be circulated at the subsequent Board meeting for noting.

#### **Policy Review**

This policy is framed based on the provisions of the Companies Act, 2013 and rules made thereunder.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy and the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the committee. Any change or modification on the policy as recommended by the committee would be given for approval of the Board of Directors.

#### **Disclosure**

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.

**By the Order of the Board  
For India Finsec Limited**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN-01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN-00274217



(Annexure – IV)

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

**Part “A”: Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the Subsidiary	IFL Housing Finance Limited
2.	The date since when subsidiary was acquired	27.12.2016
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
5.	Share Capital	18,05,00,000
6.	Reserves & Surplus	(7,56,015)
7.	Total Assets	20,67,67,073
8.	Total Liabilities	20,67,67,073
9.	Investments	-
10.	Turnover	35,71,301
11.	Profit before taxation	(5,86,032)
12.	Provision for taxation	3,87,540
13.	Profit after taxation	(7,59,754)
14.	Proposed Dividend	0.00
15.	Extent of shareholding (in percentage)	95.29

**Part “B”: Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	IFL Enterprises Limited
1. Latest audited Balance Sheet Date	31.03.2018
2. Date on which the Associate or Joint Venture was associated or acquired	10.03.2016
3. Shares of Associate/Joint Ventures held by the company on the year end	
No.	8,89,891
Amount of Investment in Associates/Joint Venture	2,02,75,920
Extend of Holding (in percentage)	29.64
4. Description of how there is significant influence	Holding of more than 20% shares of IFL Enterprises Limited
5. Reason why the associate/joint venture is not consolidated	Consolidated
6. Net worth attributable to shareholding as per latest audited Balance Sheet	1,84,60,815
7. Profit/Loss for the year	
i. Considered in Consolidation	6,84,542
ii. Not Considered in Consolidation	Nil

By the Order of the Board  
For India Finsec Limited

Sd/-  
Gopal Bansal  
Managing Director  
DIN-01246420

Sd/-  
Mukesh Sharma  
Director  
DIN-00274217

Date: 30.05.2018  
Place: New Delhi

Sd/-  
Manoj Kumar Gupta  
CFO

Sd/-  
Varsha Bharti  
Company Secretary



(Annexure-V)

**Form No. AOC-2**

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis**

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

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

Name of related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of contract	Salient Terms	Date of Approval by the Board	Amount (in INR)
<b>IFL Housing Finance Limited</b>	Acquisition of 4,00,000 Equity Shares	-	-	14.08.2017	40,00,000
	Acquisition of 39,00,000 Equity Shares			22.02.2018	3,90,00,000
	Acquisition of 24,00,000 Equity Shares			22.03.2018	22.03.2018
<b>Gopal Bansal, Managing Directors</b>	Remuneration given	-	-	26.08.2016	12,00,000.00
	Sitting Fees			05.05.2017	36,250.00
<b>Mukesh Sharma, Whole Time Director</b>	Remuneration given	-	-	16.04.2015	90,000.00
	Sitting Fees			05.05.2017	0.00
<b>Mr. Manoj Kumar Gupta</b>	Remuneration Given	-	-	16.04.2015	9,60,000
<b>Ms. Varsha Bharti (Company Secretary)</b>	Salary Paid	-	-	13.02.2017	3,13,935
<b>Sunita Bansal, Relative of KMP</b>	Rent Paid	01.04.2017 to 31.03.2018	Rent Agreement	31.03.2017	7,20,000.00
	Interest Received				0.00
	Advance Refunded				0.00
<b>Gopal Bansal (HUF), (Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives)</b>	Rent Paid	01.04.2017 to 31.03.2018	Rent Agreement	31.03.2017	72,00,000.00
	Interest Received				0.00
	Advance Refunded				0.00

By the Order of the Board  
For India Finsec LimitedDate: 30.05.2018  
Place: New DelhiSd/-  
Gopal Bansal  
Managing Director  
DIN-01246420Sd/-  
Mukesh Sharma  
Director  
DIN-00274217



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **1. FINANCIAL PERFORMANCE AND OPERATIONAL PERFORMANCE**

The Company is engaged primarily in the business of advancing loans and investing/trading in securities. We provide tailor-made services to our clients. During the Financial Year 2017-2018, under consideration the performance of the Company was remarkable. Net Profit for the year 2017-2018 recorded at Rs. 1,22,66,830/- and the Total Revenue for the year ended March 31, 2018 is Rs. 5,88,74,302/-. The Company is planning to increase its investment strategy for the growth of the business.

### **2. ECONOMIC OUTLOOK**

Despite sluggish economic growth, slowdown in demand and sharper bank focus on retail loans, NBFCs have been gaining market share across major asset classes.

2017-18 was a defining year for Indian economy. India completely reset its indirect tax system to a comprehensive GST while still experiencing the impact of the demonetisation shock of November 2016. While the impact of demonetisation has faded, some of the GST effects are still lingering. Non-Banking Financial Companies (NBFCs) stepped up financing of MSMEs after demonetization. NBFCs can be very powerful vehicle for delivering loans under MUDRA. The share of non-banking financiers in the overall loan market will go up to 19 percent by fiscal 2020 primarily because of a strong play in the wholesale segment. Present in the competing fields of vehicle financing, housing loans, hire purchase, lease and personal loans, NBFCs, have emerged as key financial intermediaries for small-scale and retail sectors thereby forming an essential part of shadow banking in India. NBFCs are the third largest segment in the Indian financial system after commercial banks and insurance companies and account for 9% of the total financial assets.

As per the RBI's report published in the year 2017, the financial performance of NBFCs has been better in comparison to the banks in the medium term. The share of NBFCs in the total credit granted by NBFCs as well as banks rose from 9.5% in 2008 to 15.5% as of March 2017.

During the year, your Company delivered yet another year of resilient performance aided by trade investments, exciting innovations and stepped up market development. Your Company was also succeeded in attracting new customers through its diversified products.

We believe that the interest in NBFCs will continue to grow and competition within the NBFC space as well as competition with the banks will ease access to capital at even better competitive rates in the near future.

### **3. OPPORTUNITIES & THREATS**

There are several exciting opportunities for the company.

- ∇ India's growth rate
- ∇ Focus on Digital and Affluent customer
- ∇ Financial inclusion
- ∇ Utilize technology to provide solutions to customers
- ∇ Increase distribution strength

In the same way, there are threats for the company.

- ∇ Volatile environment
- ∇ Fiscal deficit and Current account deficit
- ∇ Attracting and retaining talent and training them for the right culture
- ∇ Inflation and economic slowdown
- ∇ Competition

### **4. RISK & CONCERNS**

Being a NBFC, India Finsec Limited is exposed to various types of risks like interest rate volatility, economic cycle, credit risk, market risk and operational risk. Such risks are matter of concern for every NBFC. Many of the large corporate houses and banks have also diversified into lending and lending related businesses focusing into niche segments. However, with a rise in number of players, the competition in sector has intensified and impact of stiff competition in the



long needs to be observed NBFCs faces high competition from public sector, private sector and foreign banks competing in similar markets.

## 5. PROSPECT & OUTLOOK

The Company is confident in managing its risks by observing a conservative financial profile in investments. The Company hopes to improve its performance on the strength of its long experience and its strong emphasis to diversify risk and to maintain its quality of services for the customers. The Company has the strategy to enhance its customer base by providing qualitative services to the customers and diversify its products by new technology and enhancing its products. The management has got an exposure of the capital markets, which provides us an opportunity to make the investments profitable associated with minimum risks.

## 6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are well-established procedures for Internal Controls for operations of the company. The finance & audit functions are well equipped with professionally experienced qualified personnel & play important roles in implementing the statutory obligations. The company has constituted Audit Committee for guidance and proper control of affairs of the company.

## 7. HUMAN RESOURCES

Human Resources are highly valued assets at **India Finsec Limited**. The company seeks to attract, retain and nurture technical & managerial talent across its operations and continues to create, sustain the environment that brings out the best in our people with emphasis on training, learning & development. It aims at career progression and fulfilling satisfactory needs. Performance is recognized and rewarded through up gradation & job enrichment, performance incentives.

## 8. SEGMENT-WISE PERFORMANCE

The details with regard to segment performance of the Company are mentioned in the notes forming part of the Financial Statements at Note No. 26.

## RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have noted its contents. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

**By the Order of the Board  
For India Finsec Limited**

**Date: 30.05.2018  
Place: Delhi**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN-01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN-00274217



## **CORPORATE GOVERNANCE REPORT**

In compliance with Regulation 34(3) and Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) the Company submits the following report:

### **1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Board of Directors believes that it is imperative to manage affairs of the company with the prime objective of maximization of shareholders wealth and other stakeholders of the company. The Listing Agreement as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into by the Company with the Stock Exchange contemplates compliance with the Code of Corporate Governance. The Company conducts its affairs with a blend of the following aspects in their required proportions:

- Prudence
- Transparency
- Accountability
- Impartial treatment for all Stakeholders.
- Operating under the purview of the statute.
- Ethical Practices
- Shareholder’s Wealth Maximization

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the management with strategic direction catering to exigency of long term shareholders value. The Company has fully complied with all the existing regulations prescribed by the Securities Exchange Board of India in Securities Exchange Board of India (Listing Obligations and Disclosure Requirements). Regulations, 2015. The Company is committed to good corporate governance which strengthens Board and management accountability and helps build public trust in the Company.

As a part of the compliances of the “**Listing Regulations**” as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company presents hereunder the required disclosures in the form of a Report for information of all the stakeholders.

### **2. BOARD OF DIRECTORS**

The Board of **India Finsec Limited** comprises of four directors consisting of two Independent Directors (Non Executive) and one is Managing Director and another one is Non-Executive Director.

Details of composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships as on March 31, 2018 are given below:

#### ➤ **Composition and Category of Directors:**

Name	Designation	Category	No. of other Director-ships	Attendance at Board Meetings	Attendance at previous AGM
<b>Mr. Gopal Bansal</b>	Managing Director	Executive Director	Two	Yes	Yes
<b>Mr. Mukesh Sharma</b>	Director	Non-Executive Director	One	Yes	Yes
<b>Mr. Basant Mittal</b>	Independent Director	Non-Executive Director	One	Yes	Yes
<b>Ms. Charu Goyal</b>	Independent Director	Non-Executive Director	-	Yes	Yes

#### ➤ **Meetings of the Board of Directors**

The Board of Directors met Thirteen (16) times i.e. 05.05.2017, 30.05.2017, 02.06.2017, 12.06.2017, 02.08.2017, 14.08.2017, 05.09.2017, 20.09.2017, 02.11.2017, 13.11.2017, 26.12.2017, 01.02.2018, 12.02.2018, 22.02.2018, 22.03.2018 and 31.03.2018 during the financial year 2017-2018 respectively.





Name	Designation	Category	Board Meetings during the period & Attendance at Board Meetings	
			Held	Attended
Mr. Gopal Bansal	Managing Director	Executive Director	16	16
Mr. Mukesh Sharma	Director	Non-Executive Director	16	16
Mr. Basant Mittal	Independent Director	Non-Executive Director	16	16
Ms. Charu Goyal	Independent Director	Non-Executive Director	16	16

- **Disclosure of relationship between director inter-se:** None of the Directors are related to each other.
- **Detail of number of shares and convertible instruments, if any, held by Non-Executive Directors:**

Name of Non-Executive Director	Number of Shares
Mr. Basant Mittal (Non-Executive Independent Director)	0
Ms. Charu Goyal (Non-Executive Independent Director)	17,200
Mr. Mukesh Sharma ( Non-Executive Director)	12,92,540
Total	13,09,740

- **Web Link where details of Familiarization Programmes imparted to Independent Directors is disclosed:**

The Company has conducted a familiarization programme for its Independent Directors during the year. The detail of such familiarization programme is available on the web link i.e. [www.indiafinsec.com/corporate-governance/](http://www.indiafinsec.com/corporate-governance/).

- **Internal Control**

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/ regulatory compliances.

- **Information supplied to the Board**

The Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committees. In addition to the regular business items, the following are regularly placed before the Board to the extent applicable.

- Quarterly results of the Company
- Minutes of the Audit Committee and other Committee of the Board of Director
- Details of Agreements entered into by the Company
- Particulars of Non-Compliance of any statutory or Listing requirement
- Information on recruitment or remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.

- **Minutes of the Board Meeting**

The minutes of the proceedings of every Board and all committee meetings are prepared and approved/initialed by the Chairman within 30 days from the conclusion of the respective meeting.

- **Code of Ethics**

The Company has prescribed a code of ethics for its Directors and senior management personnel. A declaration by the Executive Director to the effect that all the Directors and the senior management personnel have complied with the Code of Ethics laid down for this purpose for the year 2017-2018 is given below:



➤ **Declaration – Code of Conduct**

This is to confirm that the Board of Directors has laid down a code of conduct for all Directors and Senior Management Personnel of the Company. It is further confirmed that all the Directors and senior management personnel of the Company have duly complied with the Company's Code of Conduct during the financial year 2017-2018 as required under “**Listing Regulations**” of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

**3. BOARD COMMITTEES**

The Board of Directors has set up committees of Directors to deal with various matters of specific nature which require concentrated and more focused attention and to arrive at quick and timely decisions in these matters.

The Board of Directors has delegated its certain powers to the committees of Directors and these committees shall exercise such power and give the report of the output to the Board for approval at subsequent meetings. The Board has constituted four committees viz. **Audit Committee, Nomination & Remuneration Committee, Risk Management Committee and Stakeholders Relationship Committee.**

➤ **AUDIT COMMITTEE**

**Terms of Reference:**

The terms of reference of the Audit committee include the following:

1. Review of the quarterly, half yearly and annual financial results of the Company before submission to the Board.
2. Overseeing the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
3. Holding periodic discussions with statutory auditors and internal auditors of the Company concerning the accounts of the company, internal control systems, scope of audit and observations of auditors.
4. Making recommendations to the Board on any matter relating to the financial management of the Company, including the audit report.
5. Recommendations with respect to appointment and removal of external auditors, fixation of audit fees and also approval of fee for any other services by the auditors.
6. Investigating into any matter in relation to items specified in section 177 of the Companies Act, 2013 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice if necessary.
7. Making recommendations to the Board on any matter relating to the financial management of the Company.

**Composition of Audit Committee**

Details of composition of the Audit Committee and attendance of the members at the meetings are given below:

**Meetings of the Audit Committee and Attendance of the Members during 2017-2018**

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Basant Mittal	Chairman	4	4
Ms. Charu Goyal	Member	4	4
Mr. Gopal Bansal	Member	4	4
Ms. Varsha Bharti	Secretary of the Committee	4	4

During the year, Four (4) Audit Committee meetings were held as on 30.05.2017, 14.08.2017, 13.11.2017 and 12.02.2018 respectively.

The Company Secretary is the Secretary of the Committee. The Chief Financial Officer, Statutory Auditors and Internal Auditors are invited to attend the meetings.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. During the year all the directors, senior management personnel and other employees complied the vigil mechanism and none of



the complaints are received against any directors and employees for any fraudulent dealings. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically. The Company has established a Vigil (Whistle Blower) mechanism that provides a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements and reports, etc. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

### ➤ **NOMINATION & REMUNERATION COMMITTEE**

#### **Terms of Reference**

The Nomination & Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company. The Non-Executive Directors of the Company are not entitled for any remuneration other than fee payable for attending Board & Committee Meetings. The Committee frames the policy on specific remuneration packages for Whole-time Directors including pension rights and compensation payments. The Committee also approves the Nomination & Remuneration Policy for employees other than Whole-time Directors as may be recommended to it. The Company has a regular appraisal Policy for all employees.

#### **Composition**

The Nomination & Remuneration Committee of the Company has constituted with three (3) directors.

#### **Meetings of the Nomination & Remuneration Committee and Attendance of the Members during 2017-2018**

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Basant Mittal	Chairman	4	4
Ms. Charu Goyal	Member	4	4
Mr. Gopal Bansal	Member	4	2
Mr. Mukesh Sharma*	Member	4	2

During the year, Four (4) Nomination & Remuneration Committee meetings were held as on 25.04.2017, 14.08.2017, 04.12.2017 and 22.02.2018 respectively.

#### **Nomination & Remuneration Policy**

The remuneration of the Executive Director is fixed by the Nomination & Remuneration Committee as constituted above. The Non-Executive Directors are not paid any remuneration. The remuneration of Employees other than Whole-time Directors is approved by the Remuneration Committee based on recommendations made to it.

It also includes:

- (a) attract, recruit, and retain good and exceptional talent;
- (b) list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;

\* Nomination and Remuneration Committee reconstituted with effect from 14.08.2017 and Mr. Mukesh Sharma became the new member of the Committee in place of Mr. Gopal Bansal.

- (c) ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- (d) motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;



- (e) fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

Non-Executive Directors are only entitled to sitting fees for attending Board and Committee Meetings.

The Company has a Nomination & Remuneration Policy for its directors and senior management personnel under whom Nomination & Remuneration Committee functions and takes decision about the remuneration & perquisites of Directors.

**(a) Details of Remuneration of all the Directors (2017-2018)**

S. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount (Rs.)
		Gopal Bansal	Mukesh Sharma*	Basant Mittal	Charu Goyal	
1.	<b>Gross Salary</b>					
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1200000	90000	0	0	1290000
	(b)Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0	0	0	0	0
	(c)Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0
2.	<b>Stock Option</b>	0	0	0	0	0
3.	<b>Sweat Equity</b>	0	0	0	0	0
4.	<b>Commission</b> - as % of profit - others, specify...	0	0	0	0	0
5.	<b>Others, please specify</b>	0	0	0	0	0
6.	<b>Total(A)</b>	<b>1200000</b>	<b>90000</b>	<b>0</b>	<b>0</b>	<b>1290000</b>

\* Designation of Mr. Mukesh Sharma has been changed from Whole-Time Director to Non-Executive Director w.e.f. August 14, 2017.

**(b) Details of Sitting Fees paid to Non-Executive Directors during the financial year 2017-2018**

Name of the Director	Board Meeting (Rs)	Audit Committee Meeting (Rs)	Nomination & Remuneration Committee Meeting (Rs)	Stakeholders' Relationship Committee Meeting (Rs)	Risk Management Committee (Rs.)	Total (Rs.)
Mr. Basant Mittal						40,000
Ms. Charu Goyal						40,000
Mr. Mukesh Sharma						22,500
Mr. Gopal Bansal						36,250

There were no pecuniary relationships or transactions of the non-executive director's vis-à-vis the company during the Financial Year ended March 31, 2018.

**Criteria for Performance Evaluation by Nomination Committee**

The Nomination & Remuneration Committee formulated a **Performance Evaluation Policy** for evaluation of performance of the Directors, Key Managerial Personnel and other employees of the Company. This policy aims at establishing a procedure for conducting periodical evaluation of directors' performance and formulating the criteria for determining qualification, positive attribute and independence of each and every director of the Company in order to effectively determine issues relating to remuneration of every director, key managerial personnel and other employees of the Company.



### ➤ STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has Stakeholders Relationship Committee that met regularly to approve share transfers, transmissions, issue of duplicate share certificates, Rematerialisation of shares and all other issues pertaining to shares and also to redress investor grievances like non receipt of dividend warrants, non receipt of share certificates, etc. The committee regularly reviews the movement in shareholding and ownership structure. The committee also reviews the performance of the Registrar and Share Transfer Agents.

#### Composition as on date

The Stakeholders Relationship Committee of the Company has been constituted with Three Director.

During the year, Four (4) Stakeholders Relationship Committee meetings were held as on 20.04.2017, 20.07.2017, 12.10.2017 and 12.01.2018 respectively.

#### Meetings of the Stakeholders Relationship Committee and Attendance of the Members during 2017-2018

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Basant Mittal	Chairman	4	4
Ms. Charu Goyal	Member	4	4
Mr. Gopal Bansal	Member	4	4

#### Compliance Officer

Name	Designation
Ms. Varsha Bharti	Company Secretary & Compliance Officer

#### Pending Investors' Complaints

No investor complaints are pending as on the date of Board's Report. The Company does not have any pending share transfers as on the date of Board's Report. The details of number of complaints during the financial year 2017-2018 are mentioned below:

S. No.	Nature of Queries/ Complaints	Pending as on 01.04.2017	Received during the year	Redressed during the year	Pending as on 31.03.2018
1	Transfer/ Transmission of Duplicate Share Certificate	Nil	Nil	Nil	Nil
2	Non-receipt of Dividend	Nil	Nil	Nil	Nil
3	Dematerialization/Dematerialization of Shares	Nil	Nil	Nil	Nil

### ➤ RISK MANAGEMENT COMMITTEE

The Risk Management Committee constituted by the company is responsible for assessment of all types of risks like credit risk, market risk and operational risk etc and the find the measures to mitigate/ diversified such risks. The Company has a well framed policy for assessment of risks and their precautionary measures. The Risk Management Committee is responsible for submitting its report to the Board of Directors of the Company.

The Risk Management Committee has been constituted with the following three directors:-

#### Meetings of the Risk Management Committee and Attendance of the Members during 2017-2018

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Gopal Bansal	Chairman & Member	3	3
Ms. Charu Goyal	Member	3	3
Mr. Basant Mittal	Member	3	3

During the year, Three (3) Risk Management Committee meetings were held as on 25.05.2017, 01.09.2017 and 30.03.2018 respectively.



#### 4. MEETING OF INDEPENDENT DIRECTOR

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of Listing Regulations, a meeting of the Independent Directors of the Company was held. The Independent Directors of the Company had met during the year on March 30, 2018 to review the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

#### 5. GENERAL BODY MEETINGS

##### ➤ ANNUAL GENERAL MEETINGS

Details of location, date and time of the Annual General Meetings held during the last three years are given below:

Day	Date	Time	Venue	Whether any Special Resolution passed in the Annual General Meeting (Yes/ No)
Tuesday	29.09.2015	03:00 P.M.	D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	Yes
Wednesday	28.09.2016	01:00 P.M.	D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	Yes
Saturday	30.09.2017	11:00 A.M.	D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	No

##### ➤ EXTRAORDINARY GENERAL MEETINGS

No Extraordinary General Meetings held during the financial year 2017-18.

#### 6. COMPLIANCE UNDER NON-COMPLIANCE REQUIREMENTS

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company complied with all mandatory requirements and has adopted non-mandatory requirements as per details given below:

- The Board:** The Company does not have Non-Executive Chairman.
- Shareholder's Right:** The quarterly and half yearly results are published in the newspaper, displayed on the website of the Company and are sent to the Stock Exchange where the shares of the Company are listed.
- Modified opinion in Audit Report:** The auditors have provided unmodified report on financial statements. The Company continues to adopt best practices in order to ensure financial statements with unmodified audit opinion.
- Reporting of Internal Auditor:** The Internal Auditors of the Company report to the Audit Committee.

#### 7. DISCLOSURES

- No transaction of material nature has been entered into by the company with directors or management and their relatives etc that may have a potential conflict with the interests of the company. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
- There has been no instance of non-compliance by the Company on regulatory/statutory authorities related to capital markets. Hence the question of penalties or strictures being imposed by SEBI or Stock Exchanges does not arise.
- The Company is in compliance with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has fulfilled the non-mandatory requirements;
- The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of Financial Statements.
- The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of a properly defined framework.
- The Company has well framed Vigil Mechanism/ Whistle Blower Policy and we affirmed that no personnel has been denied access to the Audit Committee.
- The Company has adopted with the Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this Report.



- The CEO and CFO have given a certificate as contemplated in Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement. This certificate is annexed with this Report.
- The requirements of the Audit and other Committees as contemplated in Listing Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with as per the report set above in respect of the same.
- The Policy for determining 'material' subsidiaries is available on the website of the Company and its web link is [www.indiafinsec.com/corporate-governance](http://www.indiafinsec.com/corporate-governance)
- The Policy on dealing with related party transactions is available on the website of the Company and its web link is [www.indiafinsec.com/corporate-governance](http://www.indiafinsec.com/corporate-governance)
- Disclosure of commodity price risks and commodity hedging activities.

## 8. MEANS OF COMMUNICATION

The Company has published financial results within time specified i.e. 48 hours as required by the Regulation 47(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been uploaded on the website of the Company i.e. [www.indiafinsec.com](http://www.indiafinsec.com). No targeted presentations were made during the year under review. The Management Discussion & Analysis Report forms part of the Annual Report of the Company as required under the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 9. MATERIALLY RELATED PARTY DISCLOSURES

Company entered the transactions with related party and the detailed information on materially significant related party transactions are enclosed in AOC-2 to the Board's Report.

## 10. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Schedule	
Date	September 29, 2018 (Saturday)
Time	09:00 a.m.
Venue	D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085
Date of Book Closure	
Saturday, September 22, 2018 to Saturday, September 29, 2018	
Financial Year	
April 1, 2017 to March 31, 2018	
Dividend Payment Date	
Not Applicable	
Name and Address of the Stock Exchange at which the Company's securities are listed	
<b>Bombay Stock Exchange Limited (BSE)</b> Address: PJ Towers, Dalal Street Fort, Mumbai-400001	
Company has paid the Annual Listing Fee to Bombay Stock Exchange for the Financial Year 2018-19	
Company has paid the Annual Custodial Fee for the Financial Year 2018-19	
Stock Code	
BSE Limited- 535667	
Registrar to an issue and share transfer agents	
<b>M/s Skyline Financial Services Private Limited</b> D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Contact No.-011-64732681 to 88 Email Id- <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a>	
Address for Correspondence	
D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 Contact No. 011-47096097 Email- <a href="mailto:indiafinsec@gmail.com">indiafinsec@gmail.com</a>	



**ISIN:-INE474O01010**

**Share Transfer System**

**The Company has delegated the authority to approve shares received for transfer in physical form to M/s Skyline Financial Services Private Limited.**

**Dematerialization of shares and liquidity**

**Company has an agreement with M/s Skyline Financial Services Private Limited for dematerialization of shares**

**Outstanding GDR or ADR or warrants or any convertible instruments, conversion date and likely impact on equity**

**Nil**

**Plant Locations**

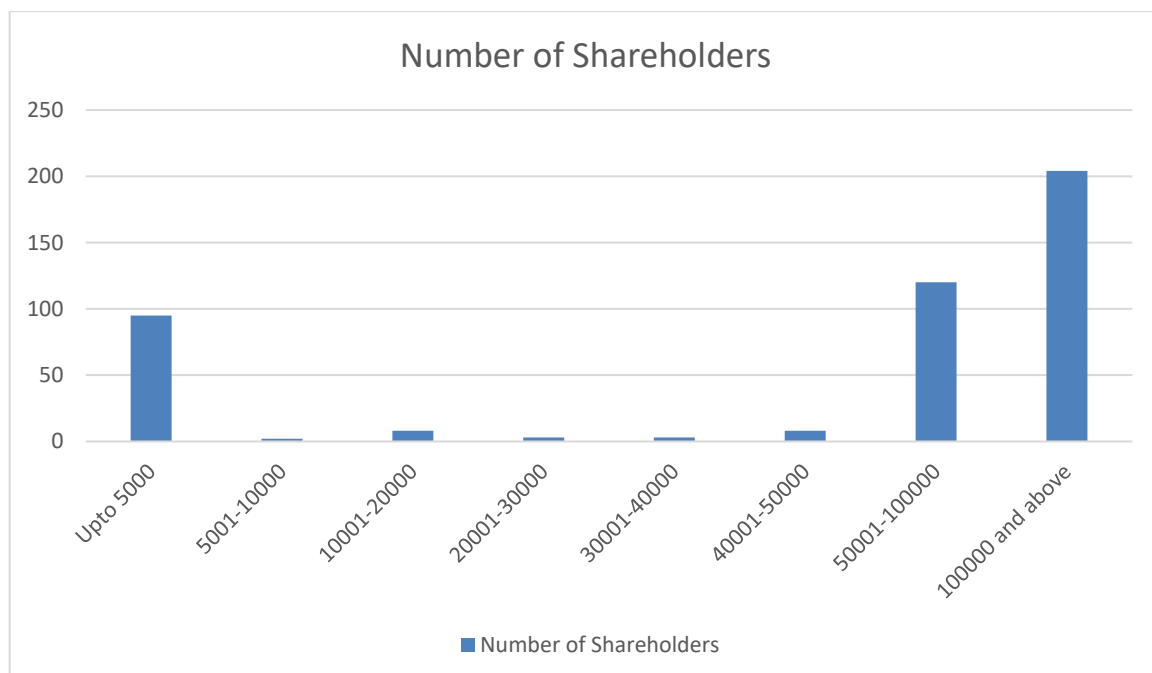
**We have only Registered Office in New Delhi**

**Corporate Secretarial/Investors' Assistance Department**

**Secretarial Department headed by Ms. Varsha Bharti, Company Secretary of the Company**

**Distribution of Shareholding as on March 31, 2018**

No. of Equity Shares Held (Rs.)	Number of Shareholders	% to Total Numbers	Share holding Amount (Rs.)	% to Total Amount
1	2	3	4	5
Up To 5,000	95	21.44	54510	0.02
5001 To 10,000	2	0.45	20000	0.01
10001 To 20,000	8	1.81	137970	0.06
20001 To 30,000	3	0.68	90000	0.04
30001 To 40,000	3	0.68	106430	0.04
40001 To 50,000	8	1.81	380040	0.15
50001 To 1,00,000	120	27.09	11818040	4.74
1,00,000 and Above	204	46.05	236810160	94.95
<b>Total</b>	<b>443</b>	<b>100</b>	<b>249417150</b>	<b>100</b>







## Market Price Data

Month	Open	High	Low	Close	No Of Shares	No Of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread H-L	* Spread C-O
Apr 17	12.80	18.20	11.80	14.99	18,565	48	2,57,879	18,460	99.43	6.40	2.19
May 17	14.30	14.80	8.82	9.88	17,85,450	141	1,68,97,427	17,84,501	99.95	5.98	-4.42
Jun 17	10.07	12.43	10.07	12.43	17,82,526	134	1,84,00,296	16,32,518	91.58	2.36	2.36
Jul 17	12.67	14.89	11.75	14.89	41,960	44	5,40,559	41,910	99.88	3.14	2.22
Aug 17	15.15	17.30	14.92	17.22	1,30,203	105	20,79,433	1,30,191	99.99	2.38	2.07
Sep 17	17.25	21.85	17.15	21.25	1,58,475	72	30,21,990	1,58,470	100.00	4.70	4.00
Oct 17	21.25	21.25	19.00	19.00	1,81,288	64	35,91,196	1,80,488	99.56	2.25	-2.25
Nov 17	19.00	21.25	19.00	21.25	6,325	8	1,32,576	6,325	100.00	2.25	2.25
Dec 17	21.00	29.45	21.00	29.45	14,381	10	3,34,733	14,381	100.00	8.45	8.45
Jan 18	30.90	39.80	30.00	39.25	47,914	52	14,95,715	47,911	99.99	9.80	8.35
Feb 18	37.30	38.00	34.50	34.50	32,200	11	11,11,472	32,200	100.00	3.50	-2.80
Mar 18	33.00	33.00	31.50	31.50	67,600	16	21,93,900	67,600	100.00	1.50	-1.50

For India Finsec Limited

Date: 30.05.2018  
Place: New Delhi

Sd/-  
Gopal Bansal  
Managing Director  
DIN-01246420

Sd/-  
Mukesh Sharma  
Director  
DIN-00274217



**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

The Members of  
**India Finsec Limited**  
New Delhi

I have examined the compliance of conditions of Corporate Governance by **India Finsec Limited** for the year ended on March 31, 2018, as per the relevant provisions of Regulation 15(2), Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the period from 1st April, 2017 to 31st March, 2018 of the said Company.

The compliance of conditions of Corporate Governance is the responsibility of Management. My examination was limited to procedures and implementation thereof, adopted by the company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Agreement.

I state that no investor grievances are made against the company as per the records maintained by the Investors Grievance Committee.

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

Date: 30.05.2018  
Place: New Delhi

Sd/-  
Rachna Bhasin  
Company Secretary in Practice  
ACS No.- 23539  
C P No.- 12952



**CHAIRMAN'S DECLARATION ON CODE OF CONDUCT**

**To,  
The Members of  
India Finsec Limited  
New Delhi**

I Gopal Bansal, Chairman of the Company declare that all Board Members and Senior Management of the company have affirmed compliance of code of conduct.

**By the Order of the Board  
For India Finsec Limited**

**Date: 30.05.2018  
Place: New Delhi**

Sd/-  
**Gopal Bansal  
Chairman & Managing Director  
DIN-01246420**



**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

To,  
The Board of Directors  
India Finsec Limited  
New Delhi

Dear Members of the Board

We, Manoj Kumar Gupta, Chief Financial Officer and Gopal Bansal, Managing Director of **India Finsec Limited**, to the best of my knowledge and belief hereby certify that:

- (a) We have reviewed financial statements and the cash flow statements for the year ended March 31, 2018 and that to the best of my knowledge and belief;
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct;
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) Significant changes in the internal control over financial reporting during the year under reference;
  - (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**By the Order of the Board  
For India Finsec Limited**

**Date: 30.05.2018  
Place: New Delhi**

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN-01246420

Sd/-  
**Manoj Kumar Gupta**  
Chief Financial Officer  
PAN- AEUPG8308R



**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR  
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and for its Non- Executive Directors and Independent Directors. These codes are available on the Company's website <http://www.indiafinsec.com/corporate-governance/>

I confirm that the Company has in respect of the Financial Year ended March 31, 2018, received from the Senior Management Team of the Company and the members of the Board, a declaration of Compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, Managing Director, Whole Time Director and the Company Secretary as on March 31, 2018.

**By the Order of the Board  
For India Finsec Limited**

**Date: 30.05.2018  
Place: New Delhi**

Sd/-  
**Gopal Bansal  
Chairman & Managing Director  
DIN-01246420**



## **AUDITOR'S REPORT**

### **INDEPENDENT AUDITOR'S REPORT (STANDALONE)**

#### **To the Shareholders of INDIA FINSEC LIMITED**

#### **Report on Standalone financial statements**

We have audited the accompanying standalone financial statements of INDIA FINSEC LIMITED, which comprises the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the standalone 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place the adequate internal financial control system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Opinion**

In our opinion and to the best of our information and the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:

- i. In case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2018;



ii. In case of Statement of Profit and Loss, of the profit for the year ended on that date; and

iii. In case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order 2016 (the Order), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure- A, a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. The Company is a Non- Banking Financial Company not accepting public deposit and holding certificate of registration no. B-14-00127 Dt.09.03.2012 from Reserve Bank of India has been issued to the Company.
  - a. The Board of Directors of the company has passed a resolution for the non-acceptance of any public deposits.
  - b. The company has not accepted any public deposits during the relevant year.
  - c. The company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it.
3. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to adequacy of 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) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact, if any of the pending litigations in its financial statements;
    - ii) The Company did not have any long term contracts including derivative contracts which there were any material foreseeable losses;
    - iii) The Company is not required to transfer any amount to the Investor Education and Protection Fund.

Signed for the purpose of identification

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

**Chartered Accountants**

Firm Regn. No. 304040E

**Gaurav Joshi**

Partner

Membership No. 516027



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

The Annexure referred to in Paragraph 1 under the heading of “Report on other Legal and Regulatory Requirements” of our report of even date to the members of India Finsec Limited (the Company) for the year ended on 31st March 2018.

- (i) (a) As per information and explanation given to us, the company is maintaining proper records showing full disclosures of the fixed assets.  
  
(b) As per information and explanation given to us, physical verification of fixed assets has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification.  
  
(c) According to information and explanation given to us, the company does not hold any immovable property during the period dealt with by this report.
- (ii) As per information and explanation given to us, verification of inventory has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification.
- (iii) According to information and explanations given to us, the Company has granted unsecured loans to parties covered in register maintained under section 189 of the Companies Act, 2013 :-
  - a) According to information and explanation given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest; and
  - b) According to information and explanation given to us, the schedule of repayment of principal and payment of interest has been stipulated and the receipts are regular as per stipulations; the receipt of principal and interest on above are regular as per stipulations between the parties; and
  - c) According to information and explanation given to us, there were no overdue amount exceeding ninety days considering stipulations with parties, hence the question for recovery of same does not arise;
- (iv) According to information and explanations given to us, the Company has complied with the provisions of Section 185 and section 186 of the Companies Act, 2013.
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;  
  
(b) According to information and explanations given to us, there are no outstanding statutory dues on the part of Company which is not deposited on account of dispute;
- (viii) According to information and explanations given to us, the company has not made any default in respect of loans and borrowings obtained from financial institution and banks;
- (ix) According to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer. The Company has not taken any term loans and hence question of its utilization does not arise;
- (x) According to information and explanations given to us, there is no noticed or unreported fraud on or by the Company during the year under audit;
- (xi) According to information and explanation given to us, the company has paid managerial remuneration in accordance with the applicable provisions of the Companies Act, 2013.





(xii) As per information, the Company is not a Nidhi Company, hence provisions of sub- clause (xii) of the Paragraph 3 of the Order are not applicable;

- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) According to information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with him;
- (xvi) According to information and explanations given to us, the Company is a Non- Banking Financial Company duly registered under Section 45-IA of the Reserve Bank of India Act, 1934;

Signed for the purpose of identification

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

**Chartered Accountants**

Firm Regn. No. 304040E

**Gaurav Joshi**

Partner

Membership No. 516027

New Delhi, the 30<sup>th</sup> day of May 2018



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

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

We have audited the internal financial controls over financial reporting of INDIA FINSEC LIMITED (“the Company”) as on 31st March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditor’s Responsibility**

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

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

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

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

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

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

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



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

### **Opinion**

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on “the internal financial controls over financial reporting criteria considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”.

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

**Chartered Accountants**

Firm Regn. No. 304040E

**Gaurav Joshi**

Partner

Membership No. 516027

New Delhi, the 30<sup>th</sup> day of May 2018



## INDIA FINSEC LIMITED

CIN- L65923DL1994PLC060827

## BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	[Amount in Rupees]	
		As at 31st March 2018	As at 31st March 2017
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	3	249,417,150	249,417,150
Reserves and Surplus	4	197,278,982	184,907,218
<b>Non-Current Liabilities</b>			
Long-term Borrowings	5	4,342	4,342
Long-term Provisions	6	5,93,864	698,799
<b>Current liabilities</b>			
Short-term Borrowings		-	-
Other Current Liabilities	7	875,637	812,731
Short-Term Provisions	8	-	17,347
<b>Total</b>		<b>448,169,975</b>	<b>435,857,587</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	9	1,395,986	637,375
Non-Current Investments	10	186,162,685	119,162,685
Deferred Tax Assets(net)	11	226,836	234,974
Long Term Loans and Advances	12	173,556,443	269,657,149
Current Assets			
Inventories	13	7,359,029	24,879,742
Cash and Cash Equivalents	14	10,111,411	795,194
Short-term loan and advances	15	67,199,780	19,862,364
Other current assets	16	2,157,803	628,102
<b>Total</b>		<b>448,169,975</b>	<b>435,857,587</b>
<b>Summary of significant accounting polices</b>	2		

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

**IN TERMS OF OUR REPORT ATTACHED**

FOR V.N. PUROHIT &amp; CO.

For and on behalf of the Board of Directors of

Firm Regn. No. 304040E

**INDIA FINSEC LIMITED**

Chartered Accountants

	Sd/-	Sd/-
Sd/-	<b>Gopal Bansal</b>	<b>Mukesh Sharma</b>
Gaurav Joshi	<b>Managing Director</b>	<b>Director</b>
Partner	<b>DIN -01246420</b>	<b>DIN -00274217</b>
Membership No. 516027		
	Sd/-	Sd/-
<b>New Delhi, the 30th day of May 2018</b>	<b>Manoj Kumar Gupta</b>	<b>VarshaBharti</b>
	<b>CFO</b>	<b>Company Secretary</b>
	<b>PAN :- AEUPG8308R</b>	<b>MN-37545</b>



## INDIA FINSEC LIMITED

CIN- L65923DL1994PLC060827

**PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Note No.	[Amount in Rupees]	
		From 1st April 2017 to 31st March 2018	From 1st April 2016 to 31st March 2017
<b>INCOME:</b>			
Revenue from Operations	17	53,286,147	88,010,740
Other Income	18	1,665,885	1,040,364
Profit on sale of investments		3,922,270	2,140,976
<b>Total Revenue</b>		<b>58,874,302</b>	<b>91,192,080</b>
<b>EXPENSES</b>			
Purchases of Stock in trade	19	1,098,660	57,094,828
Changes in inventories of Stock in trade	20	17,520,713	(13,258,546)
Employee Benefit expenses	21	7,459,605	5,495,264
Finance Cost	22	3,142	97,351
Depreciation & Amortization expenses	9	507,794	387,527
Other Administrative expenses	23	15,819,420	17,316,956
<b>Total Expenses</b>		<b>42,409,334</b>	<b>67,133,379</b>
Profit before tax		16,464,968	24,058,701
<b>Tax expenses</b>			
Current Tax		4,190,000	7,140,000
Deferred Tax		8,138	(46,184)
<b>Total Tax Expenses</b>		<b>4,198,138</b>	<b>7,093,816</b>
Profit after tax (PAT)		12,266,830	16,964,885
<b>Net profit for the year</b>		<b>12,266,830</b>	<b>16,964,885</b>
<b>Earning per share (EPS)</b>			
[nominal value of share Rs. 10/-]			
Basic		0.49	0.68
Diluted		0.49	0.68
<b>Summary of significant accounting polices</b>	<b>2</b>		
<b>See accompanying notes are an integral part of the financial statements.</b>			



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IN TERMS OF OUR REPORT ATTACHED

FOR V.N. PUROHIT & CO.

Firm Regn. No. 304040E

Chartered Accountants

For and on behalf of the Board of Directors of

**INDIA FINSEC LIMITED**

Sd/-	Sd/-	Sd/-
Gaurav Joshi	Gopal Bansal	Mukesh Sharma
Partner	Managing Director	Director
Membership No. 516027	DIN -01246420	DIN -00274217

New Delhi, the 30th day of May 2018	Sd/-	Sd/-
	Manoj Kumar Gupta	Varsha Bharti
	CFO	Company Secretary
	PAN :- AEUPG8308R	MN-37545

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## INDIA FINSEC LIMITED

CIN- L65923DL1994PLC060827

## CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2018

	<i>[Amount in Rupees]</i>	
	For the year ended 31st March 2018	For the year ended 31st March 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax and after extra-ordinary items as per profit & loss account	16,464,968	24,042,619
<b>Adjustments for items not included:</b>		
Depreciation	507,794	387,527
Dividend Received	-	(16,889)
Operating Profit before working capital changes	16,972,761	24,413,256
<b>Adjustment for Working capital:</b>		
(Increase)/ decrease in Long term loans and advances	96,100,706	(269,657,149)
(Increase)/ decrease in Short term loans and advances	(47,337,416)	370,780,823
(Increase)/ decrease in Trade receivables	-	-
(Increase)/ decrease in inventories	17,520,713	(13,258,546)
(Increase)/ decrease in other current assets	(1,529,701)	628,102
(Increase)/ decrease in Short term borrowings	-	(3,000,000)
Increase/ (decrease) in trade payables	62,906	102,330
<b>Cash generated from operations</b>	81,789,970	110,008,816
Direct Taxes Paid	(4,207,347)	(5,981,806)
<b>Net cash flow from operating activities (A)</b>	<b>77,582,623</b>	<b>104,027,010</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Sale/(Purchase) of fixed assets	(1,266,405)	(54,300)
Dividend received from investments	-	16,889
Sale/(Purchase) of investments	(67,000,000)	(105,000,000)
<b>Net cash flow from investing activities (B)</b>	<b>(68,266,405)</b>	<b>(105,037,411)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds/(repayment)of long term borrowings	-	(80,720)
<b>Net cash flow from financing activities (C)</b>	<b>-</b>	<b>(80,720)</b>
<b>Net cash flow during the year (A + B + C)</b>	<b>9,316,217</b>	<b>(1,091,120)</b>
Add: Opening cash and cash equivalents	795,194	1,886,314
<b>Closing cash and cash equivalents</b>	<b>10,111,411</b>	<b>795,194</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	640,175	503,610
Deposit with banks	9,471,236	291,584
<b>Total cash and cash equivalents (Note 14)</b>	<b>10,111,411</b>	<b>795,194</b>

IN TERMS OF OUR REPORT ATTACHED

FOR V.N. PUROHIT &amp; CO.

Firm Regn. No. 304040E

Chartered Accountants

For and on behalf of the Board of Directors of

INDIA FINSEC LIMITED

Sd/-  
Gaurav Joshi

Partner

Membership No. 516027  
New Delhi, the 30th day of May 2018

Sd/-

Gopal Bansal  
Managing Director

DIN -01246420

Sd/-  
Manoj Kumar  
Gupta  
CFO

PAN:AEUPG8308R

Sd/-

Mukesh Sharma  
Director

DIN -00274217

Sd/-  
Varsha Bharti  
Company  
Secretary

M No 37545





Schedule to the Balance Sheet of a

Non-Banking Financial Company

[As required in terms of Paragraph 9BB of Non-Banking Financial Companies

Prudential Norms (Reserve Bank) Directions, 1998]

INDIA FINSEC LIMITED

CIN- L65923DL1994PLC060827

D-16, 1st Floor, Above ICICI Bank, Prashant Vihar,

Sector-14, Rohini, New Delhi-110085

RBI No. B-14-00127 Dt.09.03.2012

(Rs.in lakhs)

Particulars		31.03.2018	
<b>Liabilities side :</b>			
<b>1</b>	<b>Loans and advances availed by the NBFCs</b>	Amount	Amount
	<b>inclusive of Interest accrued thereon but not paid :</b>	Outstanding	overdue
	(a) Debentures : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans (Car Loans)	0.04	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Public Deposits*	NIL	NIL
	(g) Other Loans (specify nature)	NIL	NIL
	*Please see Note I below		
<b>2</b>	<b>Break-up of (1)(f) above (Outstanding public deposits</b>		
	<b>Inclusive of Interest accrued thereon but not paid) :</b>		
	(a) In the form of Unsecured debentures	NIL	NIL
	(b) In the form of partly secured debentures i.e debentures	NIL	NIL
	where there is a shortfall in the value of security		
	(c) Other public deposits	NIL	NIL
<b>Assets side :</b>		<b>Amount Outstanding</b>	
<b>3</b>	<b>Break-up of Loans and Advances including bills</b>		
	<b>receivables[other than those Included in (4) below] :</b>		
	(a) Secured	1649.55	
	(b) Unsecured	75.80	
<b>4</b>	<b>Break-up of Leased Assets and stock on hire and</b>		
	<b>hypothecation loans counting towards EL/HP Activities</b>	NIL	
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial Lease	NIL	
	(b) Operating Lease	NIL	
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire	NIL	
	(b) Repossessed Assets	NIL	
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been repossessed	NIL	
	(b) Loans other than (a) above	NIL	
<b>5</b>	<b>Break-up of Investments :</b>		
	Current Investments :		



1. Quoted :	
(i) Shares : (a) Equity	73.59
(b) Preference	NIL
(ii) Debenture and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Governments Securities	NIL
(v) Others (please specify)	NIL
2. Unquoted :	
(i) Shares : (a) Equity	NIL
(b) Preference	NIL
(ii) Debenture and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Governments Securities	NIL
(iii) Others (Please specify)	NIL
Long Term Investments :	
Current Investments :	
1. Quoted :	
(i) Shares : (a) Equity	141.63
(b) Preference	NIL
(ii) Debenture and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Governments Securities	NIL
(v) Others (please specify)	NIL
2. Unquoted :	
(i) Shares : (a) Equity	1720.00
(b) Preference	NIL
(ii) Debenture and Bonds	NIL
(iii) Units of Mutual Funds	NIL
(iv) Governments Securities	NIL
(iii) Others (Please specify)	NIL

**6 Borrower group-wise classification of all leased stock-on-hire and loans and advances :**

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties "	NIL	NIL	NIL
(a) Subsidiaries	NIL	NIL	NIL
(b) Companies in the same group	NIL	NIL	NIL
(c) Other related parties	NIL	NIL	NIL
2. Other than related parties	1649.55	75.80	1725.35
<b>Total</b>	<b>1649.55</b>	<b>75.80</b>	<b>1725.35</b>

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

Category	Market Value /	Book Value
	Break-up or Fair value or NAV	(Net of Provisions)
1. Related Parties "		
(a) Subsidiaries	NIL	1713.12
(b) Companies in the same group	92.55	NIL
(c) Other related parties	NIL	NIL



	2. Other than related parties	NIL	NIL
	Total	92.55	1713.12

**8 Other Information**

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

## Notes :

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

FOR V.N. PUROHIT &amp; CO.

For and on behalf of the Board of Directors of

Firm Regn. No. 304040E

INDIA FINSEC LIMITED

Chartered Accountants

	Sd/-	Sd/-
Sd/-	<b>Gopal Bansal</b>	<b>Mukesh Sharma</b>
Gaurav Joshi	<b>Managing Director</b>	<b>Director</b>
Partner	<b>DIN -01246420</b>	<b>DIN -00274217</b>

Membership No. 516027

New Delhi, the 30th day of May 2018

	Sd/-	Sd/-
	<b>Manoj Kumar</b>	<b>Varsha Bharti</b>
	<b>Gupta</b>	<b>Company Secretary</b>
	<b>CFO</b>	<b>MN-37545</b>



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2018

### 1. Basis of preparation of Financial Statement

The Financial Statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these Financial Statements to comply in all material respect with the accounting standards notified under the Companies (Accounting standards) Rule, 2006, (as amended) and the relevant provision of the companies Act, 2013. The Financial Statements have been prepared on the accrual basis and under the historical cost convention.

### 2. Summary of significant accounting policies :

#### a. Use of estimates

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current event and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.

#### b. Fixed assets

Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

#### c. Depreciation on Fixed assets

Depreciation on fixed asset is provided on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the asset as prescribed in Schedule II to the Companies Act 2013.

#### d. Revenue recognition

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

#### e. Investments

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

#### f. Inventories

Inventories including shares and securities held for the purpose of sale in the ordinary course of business have been valued at cost or market value, whichever is lower.

#### g. Taxes on Income

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

Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

#### h. Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resource embodying economic benefits will be require to settle the obligation and a reliable estimate can



be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are review at the end of each reporting date and adjusted to reflect the current best estimates.

**i. Earnings Per Share**

Basic Earnings per Share has been calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted Earnings per Share has been computed by dividing the net profit after tax by the weighted average no. of equity shares considered for deriving basic Earnings per Share and also the weighted average no. of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3. Share capital	As at 31st March 2018 (Rupees)	As at 31st March 2017 (Rupees)
<b>Authorised shares</b>		
3,00,00,000 (31 March 2017: 2,50,00,000) Equity Shares of Rs.10 each.	300,000,000	250,000,000
<b>Issued, subscribed and fully paid- up shares</b>		
2,49,41,715 (31 March 2017: 2,49,41,715) Equity Shares of Rs.10 each fully paid up.	249,417,150	249,417,150
<b>Total issued, subscribed and fully paid- up share capital</b>	<b>249,417,150</b>	<b>249,417,150</b>

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

	As at 31st March 2018		As at 31st March 2017	
	No.	(Rupees)	No.	(Rupees)
Share Capital at the beginning of the period	24,941,715	249,417,150	24,941,715	249,417,150
Issue during the period: -	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>24,941,715</b>	<b>249,417,150</b>	<b>24,941,715</b>	<b>249,417,150</b>

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

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

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

**f. Details of shareholders holding more than 5% shares in the company**

	As at 31st March 2018		As at 31st March 2017	
	Nos.	% holding	Nos.	% holding
Fidelo Foods (P) Ltd	4,537,050	18.19%	4,537,050	18.19%
Mukesh Sharma	1,292,540	5.18%	1,292,540	5.18%



Jagtarni Traders Private Limited	-	-	1,500,000	6.01%
Gopal Bansal	2,784,500	11.16%	1,574,500	6.31%
Tia Enterprises Private Limited	1,530,000	6.13%	-	-
E Tricks Enterprises Private Limited	-	-	1,530,000	6.13%

4. Reserves and surplus	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
<u>Securities premium account</u>		
Opening balance	161,081,050	161,081,050
Add: Premium on issue of equity shares	-	-
Closing balance	161,081,050	161,081,050
<u>Special reserves u/s 45-IC of the RBI Act,1934</u>		
Opening balance	5,672,363	2,279,386
Add: transfer from surplus	2,453,366	3,392,977
Closing balance	8,125,729	5,672,363
<u>Surplus/ (deficit) in statement of profit &amp; loss</u>		
Balance as per last financial statements	18,153,804	3,574,645
Profit/ (loss) for the year	12,266,830	16,964,885
Contingent provision against standard assets	104,935	325,958
Contingent provision against sub-standard assets	-	697,375
Transfer to Special reserve u/s 45-IC	(2,453,366)	(3,392,977)
Income tax adjustment for earlier years	-	(16,082)
Net (deficit) in statement of profit and loss	28,072,203	18,153,804
	<b>197,278,982</b>	<b>184,907,218</b>
5. Long-term Borrowings	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
<b>Finance Lease obligation (secured)</b>		
ICICI Bank Car Loan*	4,342	85,062
Less: Current portion t/f to other current liabilities(Note 8)	-	(80,720)
	<b>4,342</b>	<b>4,342</b>
* Car Loan has been secured against hypothecation of respective vehicles.		
6. Long-term provisions	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
<b>Contingent provision against standard assets*</b>		
Opening Balance	698,799	1,024,757
Add: Addition/ (written off) during the year	(104,935)	(325,958)
<b>TOTAL (A)</b>	<b>593,864</b>	<b>698,799</b>
<b>Contingent provision against Sub-standard assets*</b>		
Opening Balance	-	697,375
Add: Addition/ (written off) during the year	-	(697,375)
<b>TOTAL (B)</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A+B)</b>	<b>593,864</b>	<b>698,799</b>



*\*A contingent provision of 0.25% (0.25% till 31st March, 2017) against standard assets has been created on their respective outstanding amount considering RBI circular Ref. No. DNBR (PD) CC.No. 002/03.10.001/2014-15 dated November 10, 2014.*

<b>7. Other Current Liabilities</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
Current portion of long term borrowings	-	80,720
TDS Payable	197,778	211,797
Service Tax Payable	-	21,107
Salary payable	487,935	351,353
Other expenses payable	189,924	147,754
	<b>875,637</b>	<b>812,731</b>
<b>8 Short-term provisions</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
For income tax(net of TDS & advance tax)	-	17,347.00
	-	<b>17,347</b>
<b>10 Non Current Investments</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
<u>Investment in Associates - At cost</u>		
8,89,891 (31 March 2017: 8,89,891) equity shares of Rs. 10 each fully paid in IFL Enterprises Ltd.	14,162,685	14,162,685
<u>Investment in Subsidiary- At Cost</u>		
1,72,00,000(31 <sup>st</sup> March 2017: 1,05,00,000) equity shares of Rs. 10 each fully paid up in IFL Housing Finance Limited	172,000,000	105,000,000
	<b>186,162,685</b>	<b>119,162,685</b>
<b>11 Deferred Tax Assets</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
<b>Deferred tax Asset (Net)</b>		
Timing difference on account of written down value of Fixed Assets under Companies Act and Income tax Act	226,836	234,974
	<b>226,836</b>	<b>234,974</b>
<b>12 Long-term loan and advances</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
<u>Loan portfolio*</u>	164,955,247	116,988,156
(recoverable in cash or kind, secured, considered good)		
Loan portfolio*	8,601,196	152,668,993
(recoverable in cash or kind, unsecured, considered good)		
	<b>173,556,443</b>	<b>269,657,149</b>
*Standard assets - as per the classification of loans under the RBI guidelines.		
<b>13 Inventories</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>



	(Rupees)	(Rupees)
<u>Equity Shares, Quoted (At lower of Cost or Market Value):-</u>		
6,000 (31.03.2017: 6,000) Equity Shares of Rs 10 each fully paid up in AGI Infra Limited	336,840	336,840
3,40,000 (31.03.2017: 5,30,000) Equity Shares of Rs. 10 each fully paid up in Aryaman Capital Markets Limited	4441284.57	6,923,179
1,74,000 (31.03.2017: 1,74,000) Equity Shares of Rs. 10 each fully paid up in Aryaman Financial Services Limited	2,165,424	2,165,424
24,674 (31.03.2017: 24,674) Equity Shares of Rs. 2 each fully paid up in Country Club Hospitality & Holiday Limited	301,516	301,516
NIL (31.03.2017: 27) Equity Shares of Rs. 10 each fully paid up in IST Limited	-	4,791
NIL (31.03.2017: 33,778) Equity Shares of Rs. 10 each fully paid up in Sumedha Fiscal services Limited	-	518,492
NIL(31.03.2017: 17,70,000) Equity Shares of Rs. 10 each in Stellar Capital Services Limited	-	14,531,700
41,500 (31.03.2017: 41,500) Equity Shares of Rs. 10 each in Yamini Investments Co. Limited	97,800	97,800
163 (31.03.2017: Nil) Equity Shares of Rs. 10 each in DEN Networks Limited	16164.86	
	<b>73,59,029</b>	<b>24,879,742</b>
<b>14 Cash and cash equivalents</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
Cash in Hand (as Certified)	640175	503,610
Balances with Banks in Current Accounts	9471236	291584
	<b>101,11,411</b>	<b>795,194</b>
<b>15 Short-term loan and advances</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
Loan portfolio* (recoverable in cash or kind, unsecured, considered good)	63,989,256	9,862,364
	<b>(A)</b> 63,989,256	9,862,364
Advances against purchases & others (recoverable in cash or kind, unsecured, considered good)	3210524	10,000,000
	<b>(B)</b> 3,21,0524	10,000,000
<b>Total (A + B)</b>	<b>67,199,780</b>	<b>19,862,364</b>
*Standard assets - as per the classification of loans under the RBI guidelines.		
<b>16 Other current assets</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>





Balance Recoverable	298,899	-
GST Receivable	403264	-
Advance Income tax (net of provisions)	14,55,640	-
Prepaid expenses	-	628,102
	<b>21,57,803</b>	<b>628,102</b>
<b>17 Revenue from operations</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2018</b>	<b>31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
<u>Sale of Shares &amp; Securities</u>	13,085,486	38,708,553
<u>Income from Investments &amp; Loans</u>		
Interest on loans	38091803	4,60,15,104
Legal & Technical Fees	48,650	-
Income from Mutual Funds	997,708	1,905,833
Prepayment Charges	-	428,288
Loan Processing Fees	1,062,500	952,962
	<b>53,286,147</b>	<b>88,010,740</b>
<b>18 Other Income</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2018</b>	<b>31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
Dividend from equity shares	-	16,889
Gain on Future & Options	1292632	1,008,302
Miscellaneous Income	373253	15,173
	<b>1,665,885</b>	<b>1,040,364</b>
<b>19 Purchase of stock in trade goods</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2018</b>	<b>31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
Shares & Securities	10,98,660	57,094,828
	<b>10,98,660</b>	<b>57,094,828</b>
<b>20 Changes in inventories</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2018</b>	<b>31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
<u>Stock in trade:-</u>		
Inventories at the beginning of the year - Stock in trade	24,879,742	11,621,196
Less : Inventories at the end of the year - Stock in trade	7,359,029	24,879,742
	<b>17,520,713</b>	<b>(13,258,546)</b>
<b>21 Employee benefit expenses</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2018</b>	<b>31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
Directors' remuneration (Note 29)	1,431,750	1,274,915
Salaries and wages	5,826,453	3,680,905
Staff welfare expenses	201,402	539,444



	7,459,605	5,495,264
<b>22 Finance costs</b>	<b>For the period ended 31st March 2018 (Rupees)</b>	<b>For the year ended 31st March 2017 (Rupees)</b>
Bank Charges	3,142	2,426
Interest to banks	-	14,591
Interest to others	-	80,334
	<b>3,142</b>	<b>97,351</b>
<b>23 Other administrative expenses</b>	<b>For the year ended 31st March 2018 (Rupees)</b>	<b>For the year ended 31st March 2017 (Rupees)</b>
Advertisement & Publication charges	2083,907	74,180
Auditors remuneration (Note 31)	35,000	50,590
Business Promotion	3,239,533	4,867,580
Commission	611,250	341,481
Computer Repair & Maintenance	36,653	44,095
Conveyance expenses	76,359	521,793
Demat A/c charges	3,106	2,129
Donation	3,40,000	-
Electricity & Water Expenses	196,374	145,609
Fee & Subscriptions	195,453	404,248
Festival Expenses	13,250	37,176
Filing Fees	463,500	25,400
Interest and delay payment charges	268,076	53,483
Interest not recovered	32,003	1,521,261
Listing fees	251,250	201,000
Legal Fees	100,500	-
Miscellaneous expenses	29,883	-
News Paper, Books & Periodicals	24,113	47,337
Other expenses	15,381	13,335
Postage, Stamps & Couriers	199,701	402,453
Printing and Stationery	183,481	423,116
Professional charges	1,464,992	630,430
Rent, Rates and taxes	4,919,742	5,487,000
Repair & Maintenance	465,233	85,241
Software Expenses	16,573	5,085
STT & Transaction Charges	10,229	9,107
Telephone & Mobile expenses	78,546	43,920
Tours & Travelling	1,85,671	1,535,925
Validation Report Charges	78,051	-
Vehicle Running & Maintenance	201,610	343,981
	<b>15,819,420</b>	<b>17,316,956</b>

24. There is no Micro, Small and Medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 to which Company owes dues which are outstanding for a period more than 45 days as on Balance Sheet Date.

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information availed with the Company and has been duly relied by the auditors of the Company

**25. Related party disclosures/ transactions**

- (a) Related Parties Covered: -



(i)	<b>Subsidiary /Associate Companies</b>	<b>IFL Housing Finance Limited (Subsidiary) IFL Enterprises Limited (Associate)</b>
(ii)	<b>Key Management Personnel</b>	<b>Mr. Gopal Bansal (Managing Director); Mr. Mukesh Sharma (Whole-time Director); Mr. Manoj Kumar Gupta (CFO) Ms. Richa Sharma (Past Company Secretary) Ms. Varsha Bharti (Company Secretary)</b>
(iii)	<b>Relatives of Key Management Personnel</b>	<b>Mrs. Ganga Devi Bansal Mrs. Sunita Bansal</b>
(iv)	<b>Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives</b>	<b>M/s Gopal Bansal (HUF)</b>

(b) Transaction with related parties:-

<b>Transactions With</b>	<b>Nature of Transaction</b>	<b>31/03/2018 (Rs.)</b>	<b>31/03/2017 (Rs.)</b>
<b>Subsidiary Company</b>			
<b>IFL Housing Finance Limited</b>	Investment in Equity Shares	6,70,00,000	10,50,00,000
	Loan Given	4,80,00,000	Nil
	Loan Recovered	2,50,00,000	Nil
	Interest Given	4,58,151	Nil
<b>Key Management Personnel</b>			
<b>Mr. Gopal Bansal</b>	Remuneration	12,00,000	10,20,000
	Sitting Fee	37,000	Nil
<b>Mr. Mukesh Sharma</b>	Remuneration	90,000	2,40,000
	Sitting Fee	23,250	Nil
<b>Mr. Manoj Kumar Gupta</b>	Remuneration	9,60,000	9,60,000
<b>Ms. Richa Sharma</b>	Remuneration	Nil	1,54,750
<b>Ms. Varsha Bharti</b>	Remuneration	3,13,935	40,980
<b>Relatives of Key Management Personnel</b>			
<b>Mrs. Sunita Bansal</b>	Rent Paid	7,20,000	7,20,000
<b>Enterprises owned or significantly influenced by KMP or their Relative</b>			
<b>Gopal Bansal (HUF)</b>	Rent Paid	7,20,000	7,20,000

**26. Segment Information:**

(a) The Company has identified two reportable segments viz., trading in shares and securities and advancing of loans after taking into account the nature of product and services and the differing risk and returns on such products and services. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting: -

- (i) Revenue and expenses have been identified to a segment on the basis of relation to operating activities of the segment. Revenue and Expenses relates to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Un-allocable”.
- (ii) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Un-allocable”.

**Primary Segment information: -**



	31st March 2018 (Rs.)	31st March 2017 (Rs.)
<b>Segment Revenue</b>		
<b>Loan Financing</b>	3,92,02,953	4,73,96,354
<b>Trading in Shares &amp; Securities</b>	1,53,75,826	4,06,14,386
<b>Unallocable</b>	42,95,523	31,81,340
<b>Total Revenue</b>	5,88,74,302	9,11,92,080
<b>Segment Results</b>		
<b>(Profit/ loss before interest and taxes)</b>		
<b>Loan Financing</b>	3,53,20,167	4,06,66,032
<b>Trading in Shares &amp; Securities</b>	(32,46,653)	(32,24,025)
<b>Unallocable</b>	-	-
<b>Less: Finance cost</b>	(3,142)	(97,351)
<b>Less: Other unallocable expenditure (net)</b>	(1,56,05,404)	(13,285,955)
<b>Add: Other unallocable income</b>	-	-
<b>Total Profit Before Taxes</b>	1,64,64,968	2,40,58,701
<b>Capital Employed</b>		
<b>(Segment Assets - Segment Liabilities)</b>		
<b>Loan Financing</b>	23,69,51,835	27,88,20,714
<b>Trading in Shares &amp; Securities</b>	73,59,029	2,48,79,742
<b>Unallocable</b>	20,21,58,432	13,06,23,912
<b>Total</b>	<b>44,64,69,296</b>	<b>43,43,24,368</b>

(b) The Reportable segment of "Trading in Share and Securities" includes trading in Quoted Equity Shares, Mutual Funds, Bonds, Futures and Options Contracts.

(c) Secondary Segment information: -

The Company does not have secondary segment division in respect of reportable segments.

27. In the opinion of the management, the current assets, loans and advances have a realizable value in the ordinary course of business is not less than the amount at which they are stated in the Balance Sheet.

28. Balance shown under head Sundry Debtors, Creditors, Loans and Advances are subject to confirmation.

29. Break-up of Payments made to Directors is disclosed as under:-

Transactions With	Nature of Transaction	31/03/2018 (Rs.)	31/03/2017 (Rs.)
<b>Mr. Gopal Bansal</b>	Remuneration	12,00,000	10,20,000
<b>Mr. Mukesh Sharma</b>	Remuneration	90,000	2,40,000
<b>Mr. Basant Mittal</b>	Sitting Fee	40,750	7,475
<b>Mr. Charu Goyal</b>	Sitting Fee	40,750	7,475
<b>Mr. Gopal Bansal</b>	Sitting Fee	37,000	Nil
<b>Mr. Mukesh Sharma</b>	Sitting Fee	23,250	Nil
<b>TOTAL</b>		14,31,750	12,74,950

30. Break-up of Payments made to Statutory Auditors (including Service Tax) is disclosed as under:-



Particulars	31/03/2018 (Rs.)	31/03/2017 (Rs.)
<b>In respect of Statutory Audit (including Tax Audit)</b>	35,000	35,000
<b>In respect of Certification</b>	16,208	14,173
<b>TOTAL</b>	<b>51,208</b>	<b>49,173</b>

## 31. Contingent Liability:-

Particulars	31/03/2018 (Rs.)	31/03/2017 (Rs.)
<b>Pending Litigation on company</b>	NIL	NIL

32. Previous year's Figures have been re- arranged or re- grouped wherever considered necessary.

33. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

34. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

35. The financial statements were approved for issue by the Board of Directors on 30<sup>th</sup> May, 2018.

36. Figures have been rounded off to the nearest rupees.

37. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

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

For and on behalf of Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-

Sd/-

Sd/-

**Gaurav Joshi**  
Partner  
Membership No. 516027

**Gopal Bansal**  
Managing Director  
DIN:01246420

**Mukesh Sharma**  
Director  
DIN :00274217

Sd/-

**Manoj Kumar Gupta**  
CFO  
PAN – AEUPG8308R

Sd/-

**Varsha Bharti**  
Company Secretary  
MN-37545

New Delhi, the 30<sup>th</sup> day of May 2018

STANDALONE NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup>MARCH 2018

Note 9 (Fixed Assets)

(Amount in Rs.)

Tangible Assets	Useful Life (years)	Gross block				Depreciation				Net Block	
		Balance as at 1 April, 2017	Additions	Adjusted in Sales	Balance as at 31 March, 2018	Balance as at 1 April, 2017	Depreciated on during the year	Sales / Adjustments	Balance as at 31 March, 2018	W.D.V. as on 31.03.2018	W.D.V. as on 31.03.2017
(i) Tangible Assets											
(a) Airconditioner	5	54,500	207,812	-	262,312	36,799	66,941	-	103,740	158,572	17,701
(b) Computers	3	641,636	35,000	-	676,636	621,370	27,839	-	649,208	27,428	20,267
(c) Furniture & Fixtures	10	45,000	626,868	-	671,868	39,957	100,956	-	140,913	530,955	5,043
(d) Fire Resistant Cabinet	10	105,706	-	-	105,706	31,521	19,238	-	50,759	54,947	74,185
(e) I.P. Camera	5	22,000	-	-	22,000	20,900	-	-	20,900	1,100	1,100
(f) LCD TV	3	62,450	-	-	62,450	58,655	1,813	-	60,468	1,982	3,795
(g) Mobile Phone	5	329,839	86,875	-	416,714	242,611	46,712	-	289,323	127,391	87,228
(h) Motor Car-Civic	8	1,554,495	-	-	1,554,495	1,319,286	82,761	-	1,402,047	152,448	235,209
(i) Motor Car-Wagon R	8	404,059	-	-	404,059	299,730	34,285	-	334,015	70,044	104,329
(j) Invertor	5	14,500	-	-	14,500	7,394	3,226	-	10,620	3,880	7,106
(k) Oil Heater 9 pin	5	6,500	-	-	6,500	5,928	247	-	6,175	325	572
(l) RO Systems	5	10,000	-	-	10,000	8,929	539	-	9,468	532	1,071
(m) CCTV Camera	5	72,000	70,000	-	142,000	50,498	33,386	-	83,884	58,116	21,502
(n) Scooter	8	50,721	-	-	50,721	23,599	8,510	-	32,109	18,612	27,122
(o) Scooty Activa	8	58,782	-	-	58,782	35,348	7,436	-	42,784	15,998	23,434
(p) Refrigerator	5	13,700	-	-	13,700	5,989	3,475	-	9,464	4,236	7,711
(q) Heater	5	-	7,188	-	7,188	-	577	-	577	6,611	-
(r) Cookware items	5	-	73,724	-	73,724	-	14,705	-	14,705	59,019	-
(s) Water Purifier	5	-	158,938	-	158,938	-	55,148	-	55,148	103,790	-
<b>TOTAL</b>		<b>3,445,888</b>	<b>1,266,4</b>	<b>-</b>	<b>4,712,293</b>	<b>2,808,514</b>	<b>507,793</b>	<b>-</b>	<b>3,316,308</b>	<b>1,395,986</b>	<b>637,375</b>



			05								
Previous Year		3,391,588	54,300	-	3,445,888	2,420,987	387,527	-	2,808,514	637,375	970,601

**IN TERMS OF OUR REPORT ATTACHED  
FOR V.N. PUROHIT & CO.**  
Chartered Accountants  
Firm Regn No. 304040E

For and on behalf of the Board of Directors of  
India Finsec Limited

Sd/-  
Gaurav Joshi  
Partner  
Membership No. 516027  
New Delhi, the 30<sup>th</sup> day of May 2018

Sd/-  
Manoj Kumar Gupta  
CFO  
PAN: AEUPG8308R

Sd/-  
Varsha Bharti  
Company Secretary  
MN-37545

Sd/  
Gopal Bansal  
Managing Director  
DIN-01246420

Sd/-  
Mukesh Sharma  
Director  
DIN-00274217



## **INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

**To the Shareholders of  
INDIA FINSEC LIMITED**

### **Report on Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of INDIA FINSEC LIMITED (hereinafter referred to as "the Holding Company") along with its subsidiaries and associates (the Holding Company and subsidiary together referred to as "the Group"), comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India of

- i. The consolidated state of affairs of the Group as at 31st March 2018,
- ii. The consolidated profit and
- iii. The consolidated cash flows for the year ended on that date.





## Other Matters

We did not audit the financial statement of 1 subsidiary, whose financial statements reflect total assets (net) of Rs.20,67,67,073 as at March 31, 2018, total revenue of Rs. 1,16,35,911 and net cash outflows amounting to Rs.80,82,329 for the year then ended. This financial statement has been audited by other auditor whose report has been furnished to us by the management, and our opinion is based solely on the report of the other auditor. Our opinion is not qualified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and audit report of its subsidiary, none of the directors of these entities is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our Report in Annexure- A which is based on the auditor's report of the Holding Company and its Subsidiary.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of the pending litigations in its consolidated financial;
    - ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses. However, the Holding Company and its Subsidiary has not entered into any long-term contracts including derivative during the specified period;
    - iii) The Holding Company and its Subsidiary is not required to transfer any amount to the Investor Education and Protection Fund.

Signed for the purpose of identification

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

Sd/-

**Gaurav Joshi**  
Partner  
Membership No. 516027  
New Delhi, the 30<sup>th</sup> day of May 2018



## **ANNEXURE- A TO THE AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of INDIA FINSEC LIMITED (hereinafter referred to as “the Holding Company”) along with its subsidiaries and associates (the Holding Company and subsidiary together referred to as “the Group”), as of that date.

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

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

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

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

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

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

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

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

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



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

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

### **Opinion**

In our opinion, to the best of information and according to explanation given to us, the Holding Company and its Subsidiary has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on “the internal financial controls over financial reporting criteria considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”.

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

**Chartered Accountants**

Firm Regn. No. 304040E

Sd/-

**Gaurav Joshi**

Partner

Membership No. 516027

New Delhi, the 30<sup>th</sup> day of May 2018



## INDIA FINSEC LIMITED

CIN- L65923DL1994PLC060827

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	[Amount in Rupees]	
		As at 31st March 2018	As at 31st March 2017
<b><u>EQUITY AND LIABILITIES</u></b>			
Shareholders' Funds			
Share Capital	5	249,417,150	249,417,150
Reserves and Surplus	6	203,740,146	185,180,769
Minority Interest		8,464,398	-
Non-Current Liabilities			
Long-term Borrowings	7	4,342	4,342
Long-term Provisions	8	1,009,550	698,799
Current liabilities			
Trade Payables	9	680,113	-
Short-Term Provisions	10	-	18,778
Other Current Liabilities	11	3,003,050	817,731
<b>Total</b>		<b>466,318,749</b>	<b>436,137,568</b>
<b><u>ASSETS</u></b>			
Non-Current Assets			
Goodwill on Consolidation		1,068,342	1,121,138
Property, Plant & Equipment	12	2,933,752	637,375
Capital work in progress		1,050,000	-
Non-Current Investments	13	20,275,920	14,435,969
Deferred Tax Assets(net)	14	440,655	234,974
Long Term Loans and Advances	15	278,080,801	269,657,149
Current Assets			
Inventories	16	7,359,029	24,879,742
Cash and Cash Equivalents	17	105,760,259	104,526,371
Short-term loan and advances	18	43,787,444	19,862,364
Other current assets	19	5,562,545	782,485
<b>Total</b>		<b>466,318,749</b>	<b>436,137,568</b>

Notes to Financial Statements

1 to 41

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



IN TERMS OF OUR REPORT  
ATTACHED

FOR V.N. PUROHIT & CO.

Firm Regn. No. 304040E

Chartered Accountants

For and on behalf of the Board of Directors of

**INDIA FINSEC LIMITED**

	Sd/-	Sd/-
Sd/-	<b>Gopal Bansal</b>	<b>Mukesh Sharma</b>
Gaurav Joshi	<b>Managing Director</b>	<b>Director</b>
Partner	<b>DIN -01246420</b>	<b>DIN -00274217</b>
Membership No. 516027		

<b>New Delhi, the 30th day of May 2018</b>	Sd/-	Sd/-
	<b>Manoj Kumar Gupta</b>	<b>VarshaBharti</b>
	<b>CFO</b>	<b>Company Secretary</b>
	<b>PAN:AEUPG8308R</b>	<b>MN-37545</b>



## INDIA FINSEC LIMITED

CIN- L65923DL1994PLC060827

**CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

Particulars	Note No.	[Amount in Rupees]	
		From 1st April 2017 to 31st March 2018	From 1st April 2016 to 31st March 2017
<b>INCOME:</b>			
Revenue from Operations	20	56,399,297	88,010,740
Other Income	21	9,730,495	1,194,747
Profit from sale of investments		3,922,270	2,140,976
<b>Total Revenue</b>		<b>70,052,062</b>	<b>91,346,463</b>
<b>EXPENSES</b>			
Purchases of Stock in trade	22	1,098,660	57,094,828
Changes in inventories of Stock in trade	23	17,520,713	(13,258,546)
Employee Benefit expenses	24	11,570,412	5,495,264
Finance Cost	25	19,515	101,164
Depreciation & Amortization expenses	12	702,622	387,527
Other Administrative expenses	26	23,261,205	17,462,893
<b>Total Expenses</b>		<b>54,173,127</b>	<b>67,283,130</b>
Profit before tax		15,878,935	24,063,333
<b>Tax expenses</b>			
Current Tax		4,577,540	7,141,431
Deferred Tax		(205,681)	(69,152)
<b>Total Tax Expenses</b>		<b>4,371,859</b>	<b>7,072,279</b>
Profit after tax (PAT)		11,507,076	16,991,054
Add: Share of Profit in associates		6,113,235	273,284
Add: Share of Profit transferred to Minority Interest		834,132	-
<b>Net profit for the year</b>		<b>18,454,443</b>	<b>17,264,338</b>
<b>Earning per share (EPS)</b>			
[nominal value of share Rs. 10/-]			
Basic		0.74	0.69
Diluted		0.74	0.69

Notes to Financial Statements

1 to 41

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



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IN TERMS OF OUR REPORT ATTACHED

FOR V.N. PUROHIT & CO.

Firm Regn. No. 304040E

Chartered Accountants

For and on behalf of the Board of Directors of

**INDIA FINSEC LIMITED**

Sd/-	Sd/-	Sd/-
Gaurav Joshi	Gopal Bansal	Mukesh Sharma
Partner	Managing Director	Director
Membership No. 516027	DIN -01246420	DIN -00274217

New Delhi, the 30th day of May 2018	Sd/-	Sd/-
	Manoj Kumar Gupta	Varsha Bharti
	CFO	Company Secretary
	PAN:AEUPG8308R	MN-37545

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INDIA FINSEC LIMITED

CIN- L65923DL1994PLC060827

**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2018**

[Amount in Rupees]

	For the year ended 31st March 2018	For the year ended 31st March 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax and after extra-ordinary items as per profit & loss account	15,878,935	24,047,251
<b>Adjustments for items not included:</b>		
Depreciation	702,622	387,527
Dividend Received	-	(16,889)
Operating Profit before working capital changes	16,581,557	24,417,889
<b>Adjustment for Working capital:</b>		
(Increase)/ decrease in loans and advances	(32,348,733)	101,123,674
(Increase)/ decrease in inventories	17,520,713	(13,258,546)
(Increase)/ decrease in other current assets	(3,246,875)	473,719
(Increase)/ decrease in trade payables	680,113	102,330
Increase/ (decrease) in Short term borrowings	-	(3,000,000)
(Increase)/ decrease in current liabilities	2,185,319	(652,910)
Increase/ (decrease) in provisions	415,686	-
<b>Cash generated from operations</b>	1,787,781	109,206,156
Direct Taxes Paid	(5,004,894)	(5,982,046)
<b>Net cash flow from operating activities (A)</b>	<b>(3,217,113)</b>	<b>103,224,110</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
(Acquisition)/Disposal of Subsidiary/Associates	-	(2,514,218)
Dividend received from investments	-	16,889
Sale/(Purchase) of fixed assets	(2,998,999)	(54,300)
(Increase)/ Decrease in capital work in progress	(1,050,000)	-
<b>Net cash flow from investing activities (B)</b>	<b>(4,048,999)</b>	<b>(2,551,629)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Increase/(decrease) in borrowings	-	(80,720)
Net Changes in Minority Interest	8,500,000	-
<b>Net cash flow from financing activities (C)</b>	<b>8,500,000</b>	<b>(80,720)</b>
<b>Net cash flow during the year (A + B + C)</b>	1,233,888	100,591,761
Add: Opening cash and cash equivalents	104,526,371	3,934,610
<b>Closing cash and cash equivalents</b>	<b>105,760,259</b>	<b>104,526,371</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	849,016	549,010
Balances with banks	104,911,243	103,977,361
<b>Total cash and cash equivalents (Note 17)</b>	<b>105,760,259</b>	<b>104,526,371</b>

IN TERMS OF OUR REPORT ATTACHED

FOR V.N. PUROHIT & CO.

Firm Regn. No. 304040E

Chartered Accountants

For and on behalf of the Board of Directors of  
INDIA FINSEC LIMITED

Sd/-	Sd/-	Sd/-
Gaurav Joshi	Gopal Bansal	Mukesh Sharma
Partner	Managing Director	Director
Membership No. 516027	DIN -01246420	DIN -00274217

New Delhi, the 30th day of May 2018

Sd/-

Sd/-





**Manoj Kumar  
Gupta  
CFO  
PAN:AEUPG8308R**

**Varsha Bharti  
Company  
Secretary  
M No-37545**



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2018

### 1. Basis of preparation of Financial Statement

The Consolidated Financial Statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these Consolidated Financial Statements to comply in all material respect with the accounting standards notified under the Companies (Accounting standards) Rule, 2006, (as amended) and the relevant provision of the Companies Act, 2013. The Consolidated Financial Statements have been prepared on the accrual basis and under the historical cost convention.

### 2. Use of Estimates

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

### 3. Principles of Consolidation

The consolidated financial statements relate to India Finsec Limited (‘the Company’), its subsidiary company ‘IFL Housing Finance Limited’ and associate company ‘IFL Enterprises Limited’. The consolidated financial statements have been prepared on the following basis: -

- a. The financial statements of the associate/ subsidiary companies used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2018.
- b. The Financial Statements of the company and its subsidiary company are combined on line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - ‘Consolidated Financial Statements’.
- c. The consolidated financial statements include the share of profit/ loss of the associate companies which has been accounted as per the ‘Equity method’ in accordance with Accounting Standard 23- ‘Accounting for Investments in Associates in Consolidated Financial Statements’, and accordingly, the share of profit/ loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to/ deducted from the cost of investments.

An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor.

- d. The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- e. The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.
- f. Minority Interest’s share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- g. Minority Interest’s share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company’s shareholders.
- h. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company’s separate financial statements.
- i. Investments other than in subsidiary have been accounted as per Accounting Standard -13 on ‘Accounting for Investments’.

### 4. Other significant accounting policies:

These are set out under ‘Significant Accounting Policies’ as given in the Company’s standalone financial statements.



5. Share capital	As at 31st March 2018 (Rupees)	As at 31st March 2017 (Rupees)
<b>Authorised shares</b>		
2,50,00,000 (31 March 2017: 2,50,00,000) Equity Shares of Rs.10 each.	250,000,000	250,000,000
<b>Issued, subscribed and fully paid- up shares</b>		
2,49,41,715 (31 March 2017: 2,49,41,715) Equity Shares of Rs.10 each fully paid up.	249,417,150	249,417,150
<b>Total issued, subscribed and fully paid- up share capital</b>	<b>249,417,150</b>	<b>249,417,150</b>

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

	As at 31st March 2018		As at 31st March 2017	
	No.	(Rupees)	No.	(Rupees)
Share Capital at the beginning of the period	24,941,715	249,417,150	24,941,715	249,417,150
Issue during the period: -	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>24,941,715</b>	<b>249,417,150</b>	<b>24,941,715</b>	<b>249,417,150</b>

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

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

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

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

	As at 31st March 2018		As at 31st March 2017	
	Nos.	% holding	Nos.	% holding
Fidelo Foods (P) Ltd	4,537,050	18.19%	4,537,050	18.19%
Mukesh Sharma	1,292,540	5.18%	1,292,540	5.18%
Jagtarni Traders Private Limited	-	-	1,500,000	6.01%
Gopal Bansal	2,784,500	11.16%	1,574,500	6.31%
Tia Enterprises Private limited	1,530,000	6.13%	-	-
E Tricks Enterprises Private Limited	-	-	1,530,000	6.13%



6. Reserves and surplus	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
<u>Securities premium account</u>		
Opening balance	16,10,81,050	16,32,16,653
Less: On disposal of subsidiary	-	(2,135,603)
Closing balance	161,081,050	161,081,050
<u>Special reserves u/s 45-IC of the RBI Act,1934</u>		
Opening balance	5,672,363	2,279,386
Add: transfer from surplus	2,453,366	3,392,977
Closing balance	8,125,729	5,672,363
<u>Capital reserve account</u>		
Opening balance	-	2,643,192
Less: On disposal of subsidiary	-	(2,643,192)
Closing balance	-	-
<u>Surplus/ (deficit) in statement of profit &amp; loss</u>		
Balance as per last financial statements	18,427,356	4,037,727
Profit/ (loss) for the year	18,454,443	17,264,338
On account of acquisition of subsidiary	-	267
On account of disposal of subsidiary	-	(489,250)
Contingent provision against standard assets	104,935	325,958
Contingent provision against sub-standard assets	-	697,375
Transfer to Special reserve u/s 45-IC	(2,453,366)	(3,392,977)
Income tax adjustment for earlier years	-	(16,082)
Net (deficit) in statement of profit and loss	34,533,367	18,427,356
	<b>203,740,146</b>	<b>185,180,769</b>
7. Long-term Borrowings	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
<b>Finance Lease obligation (secured)</b>		
ICICI Bank Car Loan*	4,342	85,062
Less: Current portion t/f to other current liabilities(Note 11)	-	(80,720)
	<b>4,342</b>	<b>4,342</b>
* Car Loan has been secured against hypothecation of respective vehicles.		
8. Long-term provisions	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
<b>Contingent provision against standard assets*</b>		
Opening Balance	698,799	698,799
Add: Addition/ (written off) during the year	310,751	-
<b>TOTAL (A)</b>	<b>1,009,550</b>	<b>698,799</b>
<b>Contingent provision against Sub-standard assets*</b>		
Opening Balance	-	697,375
Add: Addition/ (written off) during the year	-	(697,375)
<b>TOTAL (B)</b>	<b>-</b>	<b>-</b>
<b>TOTAL (A+B)</b>	<b>1,009,550</b>	<b>698,799</b>



\*A contingent provision of 0.25% (0.25% till 31st March, 2017) against standard assets and 10% (10% till 31st March 2017) against sub-standard assets has been created on their respective outstanding amount considering RBI circular Ref. No. DNBR (PD) CC.No. 002/03.10.001/2014-15 dated November 10, 2014.

<b>9 Trade Payables</b>	<b>As at 31st March 2018 (Rupees)</b>	<b>As at 31st March 2017(Rupees)</b>
Sundry Creditors for expenses	680,113	-
	680,113	-
<b>10 Short-term Provisions</b>	<b>As at 31<sup>st</sup> March 2018 (Rupees)</b>	<b>As at 31<sup>st</sup> March 2017(Rupees)</b>
For income tax(net of TDS & advance tax)	-	18,778
	-	<b>18,778</b>
<b>12 Other Current Liabilities</b>	<b>As at 31st March 2018 (Rupees)</b>	<b>As at 31st March 2017 (Rupees)</b>
Current portion of long term borrowings (Note7)	-	80,720
TDS Payable	294,833	211,797
GST Payable	38,052	-
Service Tax Payable	-	21,107
Salary payable	1,558,535	351,353
Other expenses payable	1,111,630	152,754
	<b>3,003,050</b>	<b>817,731</b>
<b>13 Non Current Investments</b>	<b>As at 31st March 2018 (Rupees)</b>	<b>As at 31st March 2017 (Rupees)</b>
<u>Investment in Equity Shares of Associates - (quoted)</u>		
8,89,891 (31 March 2017: 8,89,891) equity shares of Rs. 10 each fully paid in IFL Enterprises Ltd.(Refer Note 13(a))	20,275,920	14,435,969
Aggregate Market Value of Quoted Investments	<b>20,275,920</b>	<b>14,435,969</b>

(a) Carrying amount of investments in associates in accordance with Accounting Standard 23-“Accounting for Associates in Consolidated Financial Statements” as on March 31, 2018 is arrived as follows:

Particulars	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017
Name of the Associate	IFL Enterprises Limited	IFL Enterprises Limited
Original Cost of Investment(Rs.)	12,347,786	12,347,786
Goodwill/(Capital Reserve)	1,814,899	1,814,899
Share in Post Acquisition Profits	6,113,235	273,284
<b>Carrying amount of Investments (Rs.)</b>	<b>20,275,920</b>	<b>14,435,969</b>



14 Deferred Tax Assets	As at 31st March 2018 (Rupees)	As at 31st March 2017 (Rupees)
<b><u>Deferred tax asset (Net)</u></b>		
On account of timing difference between written down value under Companies Act with that of under Income Tax Act	440,655	234,974
	<b>440,655</b>	<b>(234,974)</b>
<b>15 Long-term loan and advances</b>	<b>As at 31st March 2018 (Rupees)</b>	<b>As at 31st March 2017 (Rupees)</b>
<u>Loan portfolio*</u>	268,979,605	116,988,156
(recoverable in cash or kind, secured, considered good)		
Loan portfolio*	9,101,196	152,668,993
(recoverable in cash or kind, unsecured, considered good)		
	<b>278,080,801</b>	<b>269,657,149</b>
*Standard assets - as per the classification of loans under the RBI guidelines.		
<b>16 Inventories</b>	<b>As at 31st March 2018 (Rupees)</b>	<b>As at 31st March 2017 (Rupees)</b>
<u>Equity Shares, Quoted (At lower of Cost or Market Value): -</u>		
6,000 (31.03.2017: 30,000) Equity Shares of Rs 10 each fully paid up in AGI Infra Limited	336,840	336,840
5,30,000 (31.03.2017: 5,70,000) Equity Shares of Rs. 10 each fully paid up in Aryaman Capital Markets Limited	4,441,285	6,923,179
1,74,000 (31.03.2017: 1,74,000) Equity Shares of Rs. 10 each fully paid up in Aryaman Financial Service Limited	2,165,424	2,165,424
24,674 (31.03.2017: 24,674) Equity Shares of Rs. 2 each fully paid up in Country Club Hospitality & Holiday Limited	301,516	301,516
NIL (31.03.2017: 27) Equity Shares of Rs. 10 each fully paid up in IST Limited	-	4,791
NIL (31.03.2017: 33,778) Equity Shares of Rs. 10 each fully paid up in Sumedha Fiscal services Limited	-	518,492
NIL(31.03.2017: 17,70,000) Equity Shares of Rs. 10 each in Stellar Capital Services Limited	-	14,531,700
41,500 (31.03.2017: 41,500) Equity Shares of Re. 1 each fully paid up in Yamini Investment Co. Limited	97,800	97,800
163 (31.03.2017: NIL) Equity Shares of Rs. 10 each in DEN Networks Limited	16,165	-
	<b>7,359,029</b>	<b>24,879,742</b>



<b>17 Cash and cash equivalents</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
Cash in Hand (as Certified)	849,016	549,010
Balances with Banks		
in Current Accounts	71,411,243	33,977,361
in fixed deposits	33,500,000	700,00,000
	<b>105,760,259</b>	<b>104,526,371</b>
<b>18 Short-term loan and advances</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
(Unsecured, considered good)		
Loan portfolio#	40,576,920	9,862,364
Advances against purchases & others	3,210,524	10,000,000
	<b>43,787,444</b>	<b>19,862,364</b>
*Standard assets - as per the classification of loans under the RBI guidelines.		
<b>19 Other current assets</b>	<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
Balance Recoverable	540,635	628,102
Interest accrued on FDR	2,306,103	-
Input Tax Credit- GST	851,591	-
Advance Taxes (net of provisions)	1,864,216	154,383
	<b>5,562,545</b>	<b>782,485</b>
<b>20 Revenue from operations</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2018</b>	<b>31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
<u>Sale of Products</u>		
Shares & Securities	13,085,48	38,708,553
<u>Income from Investments &amp; Loans</u>	6	
Interest on unsecured loans	38,907,854	46,015,104
Login fees	601,880	-
Legal and technical fees	48,650	-
Income from Mutual Funds	997,708	1,905,833
Prepayment Charges	-	428,288
Loan Processing Fees	3,215,870	952,962
	<b>56,857,448</b>	<b>88,010,740</b>
<b>21 Other Income</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>31st March 2018</b>	<b>31st March 2017</b>
	<b>(Rupees)</b>	<b>(Rupees)</b>
Financing Charges	84,273	-



Dividend from equity shares	-	16,889
Interest on fixed deposits	7,946,720	154,383
Gain on Future & Options	1,292,632	1,008,302
Miscellaneous Income	406,870	15,173
	<b>9,730,495</b>	<b>1,194,747</b>

<b>22 Purchase of stock in trade goods</b>	<b>For the year ended 31st March 2018 (Rupees)</b>	<b>For the year ended 31st March 2017 (Rupees)</b>
Shares & Securities	1,098,660	57,094,828
	<b>1,098,660</b>	<b>57,094,828</b>
<b>23 Changes in inventories</b>	<b>For the year ended 31st March 2018 (Rupees)</b>	<b>For the year ended 31st March 2017 (Rupees)</b>
Inventories at the beginning of the year - Stock in trade	24,879,742	12,101,196
Less: on account of disposal of subsidiary	-	(480,000)
Less : Inventories at the end of the year -Stock in trade	(7,359,029)	24,879,742
	<b>17,520,713</b>	<b>(13,258,546 )</b>
<b>24 Employee benefit expenses</b>	<b>For the year ended 31st March 2018 (Rupees)</b>	<b>For the year ended 31st March 2017 (Rupees)</b>
To Directors :-		
Remuneration (Salary)	1,290,000	1,274,915
Sitting fees	141,750	-
Salaries and allowances	9,889,499	3,680,905
Staff welfare expenses	249,163	539,444
	<b>11,570,412</b>	<b>5,495,264</b>
<b>25 Finance costs</b>	<b>For the period ended 31st March 2018 (Rupees)</b>	<b>For the year ended 31st March 2017 (Rupees)</b>
Bank Charges	19,515	2,426
Interest to banks	-	14,591
Interest to others	-	84,147
	<b>19,515</b>	<b>101,164</b>
<b>26 Other administrative expenses</b>	<b>For the year ended 31st March 2018 (Rupees)</b>	<b>For the year ended 31st March 2017 (Rupees)</b>
Advertisement & Publication Charges	3,424,357	74,180
Auditors remuneration	46,500	55,590





Business Promotion	3,340,724	4,867,580
Car Insurance	-	13,335
Commission Charges	1,302,567	341,481
Computer Repair & Maintenance	73,539	44,095
Contingent Provision on Standard Asset	415,686	-
Conveyance expenses	122,035	524,785
Demat and STT charges	13,335	11,236
Donations	340,000	-
DSC Charges Paid	-	2,00,000
Electricity & Water Expenses	202,234	145,609
Festival expenses	17,560	37,176
Filing Fee & Subscriptions	750,333	238,048
Interest and delay payment charges	271,262	53,488
Interest not recovered	42,335	1,521,261
Listing fees	251,250	201,000
Miscellaneous expenses	83,585	-
News Paper, Books & Periodicals	24,113	47,337
Postage, Stamps & Couriers	206,004	402,453
Printing and Stationery	247,196	427,997
Prior Period Expenses	1,124,610	-
Processing Fees	5,000	-
Professional and legal Charges	4,261,284	752,930
Rent, Rates and taxes	5,211,242	5,487,000
Repairs & Maintenance	467,233	85,241
Software expenses	16,573	5,085
Telephone & Mobile expenses	201,234	46,080
Tours & Travelling	363,408	1,535,925
Validation Report Charges	205,051	-
Vehicle Running & Maintenance	201,610	343,980
Website expenses	29,345	-
	<b>23,261,205</b>	<b>17,462,893</b>

27. Enterprises consolidated as Subsidiary in accordance with Accounting Standard 21- Consolidated Financial Statements

S. No.	Name of Subsidiary	Country of Incorporation	% of Equity holding either directly or through Subsidiaries	
			31/03/2018	31/03/2017
	Direct Subsidiaries			
(i)	IFL Housing Finance Limited	India	95.29%	100.00%

28. The following associates are considered in the Consolidated Financial Statements:-

S.No.	Name of Associates	Country of Incorporation	% of Equity holding	
			31/03/2018	31/03/2017
(i)	IFL Enterprises Limited	India	29.64 %	29.64 %

29. Additional information pursuant to requirement of Schedule- III of the Companies Act in Consolidated Financial Statements is as under:-



Name	Net Assets		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount (in Rs.)	As % of Consolidated Profit or Loss	Amount (in Rs.)
<b>Parent</b>				
<b>India Finsec Limited</b>	96.767%	44,66,96,132	66.471%	1,22,66,830
<b>Subsidiaries</b>				
<b>IFL Housing Finance Limited</b>	0.075%	3,47,929	(4.117%)	(7,59,754)
<b>Minority Interest</b>				
<b>IFL Housing Finance Limited</b>	1.834%	84,64,398	4.52%	8,34,132
<b>Associates</b>				
<b>IFL Enterprises Limited</b>	1.324%	61,13,235	33.126%	61,13,235
<b>Total</b>	100.00%	46,16,21,694	100.00%	1,84,54,443

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

31. Related party disclosures/ transactions

a. Related Parties Covered:-

<b>(i)</b>	<b>Subsidiary /Associate Companies</b>	<b>IFL Enterprises Limited (Associate)</b>
<b>(i)</b>	Key Management Personnel	<b>Mr. Gopal Bansal (Managing Director); Mr. Mukesh Sharma (Director); Mr. Manoj Kumar Gupta (CFO); Ms. Richa Sharma (Past Company Secretary); Ms. Varsha Bharti (Company Secretary)</b>
<b>(ii)</b>	Relatives of Key Management Personnel	<b>Mrs. Ganga Devi Bansal Mrs. Sunita Bansal</b>
<b>(iii)</b>	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	<b>M/s Gopal Bansal (HUF)</b>

b) Transaction with related parties:-

Transactions With	Nature of Transaction	31/03/2018(Rs.)	31/03/2017 (Rs.)
<b>Subsidiary Company:</b>			
<b>IFL Housing Finance Limited</b>	Investment in Equity Shares	6,70,00,000	10,50,00,000
	Loan Given	4,80,00,000	Nil
	Loan Recovered	2,50,00,000	Nil



	Interest Given	4,58,151	Nil
<b>Key Management Personnel:-</b>			
<b>Mr. Gopal Bansal</b>	Remuneration	12,00,000	13,80,000
	Sitting Fees paid	36,250	Nil
<b>Mr. Mukesh Sharma</b>	Remuneration	90,000	2,40,000
	Sitting Fees paid	22,500	Nil
<b>Mr. Manoj Kumar Gupta</b>	Remuneration	9,60,000	9,60,000
<b>Ms. Richa Sharma</b>	Remuneration	Nil	1,54,750
<b>Ms. Varsha Bharti</b>	Remuneration	3,13,935	40,980
<b>Relatives of Key Management Personnel: -</b>			
<b>Mrs. Sunita Bansal</b>	Rent Paid	7,20,000	7,80,000
	Remuneration	2,27,500	-
<b>Enterprises owned or significantly influenced by KMP or their Relatives:-</b>			
<b>Gopal Bansal (HUF)</b>	Rent Paid	7,20,000	7,80,000

### 32. Segment Information:

(a) The Company has identified two reportable segments viz., trading in shares and securities and advancing of loans after taking into account the nature of product and services and the differing risk and returns on such products and services. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting: -

- (i) Revenue and expenses have been identified to a segment on the basis of relation to operating activities of the segment. Revenue and Expenses relates to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Un-allocable”.
- (ii) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Un-allocable”.

b) Primary Segment information: -

Particulars	31 <sup>st</sup> March 2018 (Rs.)	31 <sup>st</sup> March 2017 (Rs.)
<b>Segment Revenue</b>		
<b>Loan financing</b>	4,27,74,254	4,73,96,354
<b>Trading in Shares &amp; Securities</b>	1,40,83,193	4,06,14,385
<b>Unallocable</b>	1,36,52,765	33,35,722
<b>Total Revenue</b>	7,05,10,213	9,13,46,463
<b>Segment Results: -</b>		
<b>Profit/ (Loss) before interest and taxes</b>		
<b>Loan Financing</b>	3,80,98,959	4,06,66,032
<b>Trading in shares &amp; securities</b>	(1,92,67,572)	(32,33,132)



<b>Unallocable</b>		-
<b>Less: - Finance Cost</b>	(4,87,998)	(1,01,164)
<b>Less: -Other Unallocable expenditure (net)</b>	(24,64,454)	(1,32,68,403)
<b>Add: - Other Unallocable Income</b>	-	-
<b>Total Profit/(loss) Before Taxes</b>	(1,58,78,934)	2,40,63,333
<b>Capital Employed</b>		
<b>(Segment Assets- Segment Liabilities)</b>		
<b>Loan Financing</b>	31,76,48,171	28,88,20,714
<b>Trading in Shares &amp; Securities</b>	1,05,69,552	2,48,79,742
<b>Unallocable</b>	13,18,94,971	12,08,97,462
<b>Total</b>	46,01,12,695	43,45,97,919

c) The Reportable segment of “Trading in Share and Securities” includes trading in Quoted Equity Shares, Mutual Funds, Bonds, Futures and Options Contracts.

d) Secondary Segment information: -

The Company does not have secondary segment division in respect of reportable segments.

33. In the opinion of the management, the current assets, loans and advances have a realisable value in the ordinary course of business is not less than the amount at which they are stated in the Balance Sheet.

34. Balance shown under head Sundry Debtors, Creditors, Loans and Advances are subject to confirmation.

35. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

36. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

37. The financial statements were approved for issue by the Board of Directors on 30<sup>th</sup> May, 2018.

38.	Particulars	31/03/2018 (Rs.)	31/03/2017 (Rs.)
	Earnings/ Remittances / Expenditure in Foreign Currency	Nil	Nil

39.

Particulars	31/03/2018 (Rs.)	31/03/2017 (Rs.)
Contingent Liability not provided for	Nil	Nil

40. Figures have been rounded off to the nearest rupees.

41. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification



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

For and on behalf of Board of Directors of  
**INDIA FINSEC LIMITED**

Sd/-  
**Gaurav Joshi**  
Partner  
Membership No. 516027

New Delhi, the 30<sup>th</sup> day of May 2018

Sd/-  
**Gopal Bansal**  
Managing Director  
DIN:01246420

Sd/-  
**Mukesh Sharma**  
Director  
DIN :00274217

Sd/-  
**Manoj Kumar Gupta**  
CFO  
PAN: AEUPG8308R

Sd/-  
**Varsha Bharti**  
Company Secretary  
MN-37545



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2018

## Note -13 (Fixed Assets)

Tangible Assets	Useful Life (years)	Gross block				Depreciation				Amount (in Rs.)	
		Balance as at 1 April, 2017	Additions	Sales/Adjustments	Balance as at 31 March, 2018	Balance as at 1 April, 2017	Depreciation during the year	Sales/Adjustments	Balance as at 31 March, 2018	W.D.V. as on 31.03.2018	W.D.V. as on 31.03.2017
<b>(i) Tangible Assets</b>											
(a) Airconditioner	5	54500	278,125	-	332,625	36,799	78,510	-	115,309	217,316	17,701
(b) Biometric Machine	5	-	11,220	-	11,220	-	792	-	792	10,428	-
(c) Computers	3	641636	498,469	-	1,140,105	621,370	80,596	-	701,966	438,140	20,267
(d) Furniture & Fixtures	10	45,000	956,417	-	1,001,417	39,957	143,526	-	183,483	817,934	5,043
(e) Fire Resistant Cabinet	10	105,706	-	-	105,706	31,521	19,238	-	50,759	54,947	74,185
(f) I.P. Camera	5	22,000	-	-	22,000	20,900	-	-	20,900	1,100	1,100
(g) LCD TV	3	62,450	-	-	62,450	58,655	1,813	-	60,468	1,982	3,795
(h) Mobile Phone	5	329,839	86,875	-	416,714	242,611	46,712	-	289,323	127,391	87,228
(i) Motor Car-Civic	8	1,554,495	-	-	1,554,495	1,319,286	82,761	-	1,402,047	152,448	235,209
(j) Motor Car-Wagon R	8	404,059	-	-	404,059	299,730	34,285	-	334,015	70,044	104,329
(k) Motor Cycle	10	-	71,143	-	71,143	-	13,876	-	13,876	57,267	-
(l) Inverter	5	14,500	-	-	14,500	7,394	3,226	-	10,620	3,880	7,106
(m) Oil Heater 9 pin	5	6,500	-	-	6,500	5,928	247	-	6,175	325	572
(n) RO Systems	5	10,000	-	-	10,000	8,929	539	-	9,468	532	1,071
(o) CCTV Camera	5	72,000	70,000	-	142,000	50,498	33,386	-	83,884	58,116	21,502
(p) Video Conferencing System	10	-	544,400	-	544,400	-	72,201	-	72,201	472,199	-
(q) Scooter	8	50,721	-	-	50,721	23,599	8,510	-	32,109	18,612	27,122
(r) Scooty Activa	8	58,782	-	-	58,782	35,348	7,436	-	42,784	15,998	23,434
(s) Refrigerator	5	13,700	-	-	13,700	5,989	3,475	-	9,464	4,236	7,711
(t) Heater	5	-	7,188	-	7,188	-	577	-	577	6,611	-
(u) Cookware Items	5	-	73,724	-	73,724	-	14,705	-	14,705	59,019	-
(v) Water Purifier	5	-	158,938	-	158,938	-	55,148	-	55,148	103,790	-
<b>(ii) Intangible Assets</b>											
Software		-	242,500	-	242,500	-	1,063	-	1,063	241,437	-
<b>TOTAL</b>		3,445,888	2,998,999	-	6,444,887	2,808,514	702,622	-	3,511,136	2,933,752	637,375
<b>Previous Year</b>		3,391,588	54,300	-	3,445,888	2,420,987	387,527	-	2,808,514	637,375	970,601



**IN TERMS OF OUR REPORT ATTACHED  
FOR V.N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn No. 304040E**

**For and on behalf of the Board of Directors of  
India Finsec Limited**

**Sd/-  
Gaurav Joshi  
Partner  
Membership No. 516027**

**Sd/-  
Gopal Bansal  
Managing Director  
DIN-01246420**

**Sd/-  
Mukesh Sharma  
Director  
DIN-00274217**

**Sd/  
Manoj Kumar Gupta  
CFO  
PAN : AEUPG8308**

**Sd/-  
Varsha Bharti  
Company Secretary  
MN-37545**

**New Delhi, the 30th Day of May, 2018**



September 05, 2018

Dear Members/Directors/Auditors,

You are cordially invited to attend the 24<sup>th</sup> Annual General Meeting (the “AGM”) of the members of **India Finsec Limited** (“the Company”) to be held on **Saturday, September 29, 2018 at 09:00 a.m.** at **D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085.**

The Notice of the meeting containing the business to be transacted, is enclosed herewith. As per section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to cast their votes by electronic means on all resolutions set forth in the Notice. The instructions for e-voting are enclosed with the Notice.

Thanking You,

**For and on behalf of the Board  
India Finsec Limited**

Sd/-  
**Varsha Bharti**  
**Company Secretary**

*Enclosures:*

1. *Notice to the 24<sup>th</sup> Annual General Meeting*
2. *Attendance Slip*
3. *Proxy Form*
4. *Route Map to the venue of AGM.*





## **Notice to Members**

Notice is hereby given that the 24<sup>th</sup> Annual General Meeting (AGM) of the members of **India Finsec Limited** will be held on **Saturday, September 29, 2018 at 09:00 a.m.** at the registered office of the company at **D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085** to transact the following business:

### **ORDINARY BUSINESS:**

#### **Item No. 1 - Adoption of financial Statements**

To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the company for the year ended March 31, 2018 i.e. Balance Sheet as on March 31, 2018, the Statement of Profit and Loss Account, Cash Flow Statement for the year ended on March 31, 2018 along with the reports of the Board of Directors ('the Board') and the Auditors thereon.

#### **Item No. 2 – Re-appointment of Mr. Mukesh Sharma as a director liable to retire by rotation**

To re-appoint Mr. Mukesh Sharma, Non- Executive Director (DIN:00274217), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.

#### **Item No. 3 - Re-appointment of Auditors**

To re-appoint the Statutory Auditors of the company and fix their remuneration and to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT**, pursuant to the provisions of section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, and pursuant to the recommendations of the Audit Committee of the Board of Directors, consent of the Company be and is hereby accorded to re-appoint **M/s V.N. Purohit & Co., Chartered Accountants** (FRN 304040E), as the statutory auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting (AGM) till the conclusion of Twenty Eighth Annual General Meeting (AGM) to be held in the year 2022 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### **SPECIAL BUSINESS:**

#### **Item No. 4 – Revision in the terms of remuneration of Mr. Gopal Bansal, Managing Director of the Company.**

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

**“RESOLVED THAT** in partial modification of Resolution No. 1 passed at the Extra-Ordinary General Meeting of the Company held on 15 February, 2016 for the re-appointment and terms of remuneration of Mr. Gopal Bansal (DIN: 01246420) as Managing Director of the Company and pursuant to the provisions of Sections 197, 198 read with Schedule V and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof] and such other approvals, permissions and sanctions as may be required, consent of the Company be and is hereby accorded to the revision in terms of remuneration of Mr. Gopal Bansal, Managing Director, by increasing the upper limit of the scale of salary from Rs. 1,00,000 per month to Rs. 2,00,000 per month with authority to the Board of Directors (hereinafter referred to as 'the Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to fix his salary within such maximum amount, increasing thereby, proportionately, all benefits related to the quantum of salary, with effect from 1 October, 2018 upto the remainder period of the tenure of his appointment i.e. 15 January, 2021.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

**By order of the Board of Directors  
For India Finsec Limited**

Sd/-  
**Varsha Bharti**  
Company Secretary

**Date: 05.09.2018**  
**Place: New Delhi**

**Notes:**

1. The Statement is annexed with the Notice in respect of Special Business (Item No.4), as required under Section 102(1) of the Companies Act, 2013.

**2. Proxy/Authorized Representative**

(i) A member entitled to attend and vote at the Annual General Meeting (“AGM”) is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself and such proxy need not be a member of the company. The instrument appointing proxy (Proxy Form), in order to be effective must be deposited at the registered office of the company, not less than forty-eight (48) hours before the commencement of the Annual General Meeting (“AGM”). Proxy Form is enclosed with the Notice. Members are requested to note that a person can act as proxy on behalf of the members not exceeding 50 (Fifty) and holding in aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten (10) percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

A member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, during the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, provided that not less than 3 days of notice in writing is to be given to the Company.

(ii) Corporate Members intending to send their Authorized Representatives to attend the AGM are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the Meeting.

(iii) Members/ Proxies/ Authorized Representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

(iv) In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

(v) **With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.**

(vi) **As per SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/73 dated April 20, 2018, members holding shares in Physical forms are requested to submit their PAN details and Bank Details to the RTA of the Company.**

(vii) Members who have not registered their email addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically

**3. Book Closure**

Register of Members and Share Transfer Books of the Company will remain closed from **September 22, 2018 to September 29, 2018** (both days inclusive) for the purpose of AGM.

**4. Cut- off date:**

(i) This Notice is being sent to all the members whose name appears as on August 31, 2018 in the register of members or beneficial owners as received from **M/s Skyline Financial Services Private Limited, the Registrar and Transfer Agent** of the Company.

(ii) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on **September 21, 2018** (the “Cut-off Date”) only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.

**5. Communication To Members**

(i) The Notice of the AGM along with the Attendance Slip and Proxy Form, and a copy of Annual Report are being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s) unless a



member has requested for a hard copy of the same and also to the Auditors and Directors of the Company. For members who have not registered their email addresses, physical copies of the abridged annual report along with aforesaid documents are being sent by the permitted mode.

- (ii) Abridged and full version of the annual report and notice of AGM will also be available on the website of the Company i.e. the web link of the above is <http://www.indiafinsec.com/investors-info/> and at the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com). Hard copies of the full annual reports will be sent to those shareholders who will request the same.
- (iii) All the documents referred to in the accompanying notice and Register of Directors and Key Managerial Personnel and their Shareholding are open for inspection at the registered office of the Company on all working days except Saturdays and Sunday, between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
- (iv) In case you have any query relating to the enclosed annual accounts you are requested to send the same to the Company Secretary at the Registered office of the Company or on E-mail Id “[indiafinsec@gmail.com](mailto:indiafinsec@gmail.com)”, at least 10 days before the date of AGM so as to enable the management to keep the information ready.
- (v) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. For Members who have not registered their e-mails address, physical copies are being sent by permitted mode.
- (vi) In order to implement the Green Initiatives of the Government, whereby Companies have now been allowed to send/ serve notice(s)/document(s)/Annual Report(s) etc, to their members through electronic mode, your Company hereby requests all its members to register their email ID with the Registrar and Transfer Agent (in case of Physical holding) and with the Depository Participant (in case of Dematerialized holding), if not yet provided, to promote Green Initiative.

## 6. Voting By Members

The voting for the agenda items as mentioned in the Notice shall be done in the following manner:

- (i) Members may cast their votes through electronic means by using an electronic voting system from a place other than the venue of AGM (“**Remote E-voting**”) in the manner provided below during the e-voting period as mentioned below in Para 6(A)(I).
- (ii) At the venue of AGM, voting shall be done through ballot papers (“**Ballot Paper**”) and the members attending AGM who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper.
- (iii) A Member may participate in the AGM even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the AGM. If a Member casts votes through Remote E-voting and also at the AGM, then voting done through Remote E-voting shall prevail and voting done at the AGM shall be treated as invalid.

### (A) Voting Through Electronic Means

In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility of Remote E-voting to all its Members, to enable them to cast their votes on all resolutions set forth in this Notice electronically and the business mentioned in the Notice may be transacted through e-voting. Remote E-voting is optional and not mandatory.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing Remote E-voting facility to all its Members.

### (I) The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Wednesday, September 26, 2018 (10:00 a.m.)** and ends on **Friday, September 28, 2018 (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 (record date) of **September 21, 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.



- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) 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"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
Dividend Bank Details <b>OR</b> 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"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <India Finsec Limited> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) 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.



- (xix) **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.**
- (xx) **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](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.
- (xxi) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxii) **User ID and Password for the members who became Members after dispatch of AGM notice:** Persons who have acquired shares and became members of the Company after the dispatch of the notice of AGM but before the cut-off date of **September 21, 2018**, may obtain their user ID and password for e-voting from the Company's Registrar and Share Transfer Agent or CDSL.

## (II) Voting Through Ballot Paper

Members who have not exercised the option of Remote E-voting shall be entitled to participate and vote at the venue of the AGM on the date of the AGM i.e. **Saturday, September 29, 2018**. Voting at the venue of AGM shall be done through Ballot Papers and Members attending the AGM shall be able to exercise their voting rights at the meeting through Ballot Papers. After the agenda item has been discussed, the Chairman will instruct the Scrutinizer to initiate the process of voting on all the resolutions through Ballot Papers.

The Ballot Paper/s will be issued to the Shareholders/Proxy holders/Authorized Representatives present at the AGM. The Shareholders may exercise their right of vote by tick marking as (✓) against “FOR” or “AGAINST” as his/her choice may be, on the agenda item in the Ballot Paper and drop the same in the Ballot Box(es) kept at the meeting hall for this purpose.

### 7. Scrutinizer

- (I) Mrs. Rachna Bhasin, Company Secretary in Practice (Membership No. 23539) having consented to act as a scrutinizer has been appointed as scrutinizer (“**Scrutinizer**”) for scrutinizing the voting process (Ballot Paper as well as Remote E-voting) in a fair and transparent manner.
- (II) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within a period not later than forty eight hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.

### 8 Declaration of Results

Based on the Scrutinizer's Report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the Listing Regulations. The results declared along with the Scrutinizer's Report, will be posted on the website of the Company at [www.indiafinsec.com](http://www.indiafinsec.com) and on the website of CDSL immediately after the declaration of the result by the Chairman or any person authorised by him in writing and communicated to the Stock Exchanges.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are required to submit their PAN to their Depository Participants and Members holding shares in physical form shall submit their PAN to the Company/ R & T Agents.



10. The Members are requested to inform of any change in their addresses, name, bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, e-mail address, contact numbers, etc., for providing efficient and better services immediately to:
- (i) Registrar and Share Transfer Agents (R&T Agents) in case of shares held in Physical Form or
  - (ii) Depository Participants in case of shares held in Electronic Form
11. Details as per Regulation 36(3) of Listing Regulations, in respect of the Directors seeking appointment/ re- appointment at the Annual General Meeting, forms integral part of the notice.
- 11. Nomination**  
Members holding shares in physical form and desirous of making/changing a Nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 or any statutory re-enactment thereof, are requested to submit the request in prescribed form SH-13 and SH-14, as applicable for this purpose to the Company's Registrar & Transfer Agents (RTA), M/s Skyline Financial Services Private Limited. (Enclosed with this Notice)
- 12. Dematerialization**  
Pursuant to the directions of the SEBI, trading in the shares of your Company is in compulsory de-materialized form. *Members who have not yet got their shares de-materialized, are requested to opt for the same in their own interest and send their share certificates through Depository Participant(s) with whom they have opened the de-materialization account to the Company's RTA.*
- 13. Additional Information**  
Additional Information of Directors seeking re-appointment at the ensuing AGM, as required under Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the SS-2, is annexed to the Notice.
- 14. Other Information**  
As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Reports to the meeting.



**EXPLANATORY STATEMENT**  
**(Pursuant to section 102(1) of the Companies, Act, 2013)**

**Item No.4**

At the EGM held on 15th February, 2016, the members of the Company had approved of the re- appointment and terms of remuneration of Mr. Gopal Bansal, Managing Director of the Company for a period of 5 years from 16 January, 2016 upto 15 January, 2021, including, inter alia, salary scale of Rs. 1,00,000 per month, with authority to the Board to fix his salary within the above mentioned scale.

Taking into consideration the remaining tenure of appointment of Mr. Gopal Bansal, size of the Company and the responsibilities cast on Mr. Gopal Bansal, Managing Director, on the recommendation of the Nomination and Remuneration Committee of the Board, the Board at its meeting held on September 05, 2018 has, subject to the approval of the Members of the Company, revised the upper limit of the scale of salary from Rs. 1,00,000 per month to Rs. 2,00,000 per month with effect from 1 October, 2018 upto the remaining tenure of his appointment i.e. upto 15 January, 2021. All other terms and conditions of re-appointment of Mr. Gopal Bansal, Managing Director of the Company, as approved at the EGM of the Company held on 15 February, 2016, remain unchanged.

The aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Section 197 and all other applicable provisions, if any, of the Act read with Schedule V as amended and as in force from time to time.

In compliance with the provisions of Sections 197, 198 read with Schedule V and other applicable provisions of the Act, the revised terms of remuneration specified above are now being placed before the Members for their approval.

The Directors are of the view that the remuneration payable to Mr. Gopal Bansal as Managing Director is commensurate with his abilities and experience, and accordingly, commend the resolution at Item No. 4 of the accompanying Notice for approval of the Members of the Company.

The Board of Directors recommends the passing of this Resolution by Special Resolution.

Other than Mr. Gopal Bansal, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is in any way concerned or interested, financially or otherwise, in the resolution at Item No. 4 of the accompanying Notice.

Mr. Gopal Bansal is not related to any other Director or KMP of the Company.

**By order of the Board of Directors**  
**For India Finsec Limited**

Sd/-  
**Varsha Bharti**  
Company Secretary

**Date: 05.09.2018**  
**Place: New Delhi**



### Annexure to the Notice

Additional Information of Director seeking re-appointment at the 24<sup>th</sup> Annual General Meeting pursuant to Secretarial Standards and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

<b>Name of the Director</b>	Mr. Mukesh Sharma
<b>Date of Birth</b>	April 20,1978
<b>Qualifications</b>	M.Com
<b>Remuneration last drawn (In Rupees)</b>	Rs. 20,000 p.m.
<b>Nature of his expertise in specific functional areas</b>	Financial & Portfolio Management
<b>Brief Profile</b>	Mr. Mukesh Sharma having expertise in the field of financing, investment, management consultancy, taxation and Finance etc. He was appointed as a Director on December 18, 2006. Thereafter, as per his knowledge and experience, the members of the Company had re-appointed him as Whole Time Director of the Company during the financial year 2016-17. Due to his busy schedule and some other commitments elsewhere, he was designated as Non-Executive Director w.e.f. 14 <sup>th</sup> August, 2017. Presently, he is providing valuable services to the Company.
<b>Name of other Public Companies in which the person holds the Directorships</b>	Nil
<b>Name of the Public Companies in which the person holds the Memberships of committees of the Board</b>	Nil
<b>Shareholding in the Company (Equity)</b>	12,92,540 shares (5.18% ) as on March 31, 2018
<b>Relationship with other Directors/Manager/Key Managerial Personnel</b>	Nil
<b>Number of Board Meetings attended during the FY 2017-18</b>	Sixteen out of Sixteen Meeting.





**INDIA FINSEC LIMITED**

CIN- L65923DL1994PLC060827

Regd. Office- D-16, 1<sup>st</sup>Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085

E-mail [Id- indiafinsec@gmail.com](mailto:indiafinsec@gmail.com) Website- [www.indiafinsec.com](http://www.indiafinsec.com) Contact No. 01147096097

**ATTENDANCE SLIP**

Full Name and Address of the Shareholder/Proxy Holder(in block letters)	
Joint Holder 1(in block letters)	
Joint Holder 2(in block letters)	
Folio No./DP ID*/Client ID*:	
No. of Shares Held	
I hereby certify that I am a member/proxy for the member of the Company.	
Signature of Shareholder/Proxy	

I/we hereby record my presence at the **Twenty Fourth Annual General Meeting** of the Shareholders of **India Finsec Limited** held on **Saturday, September 29, 2018 at 09:00 a.m.** at **D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085.**

**Note:** Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the premise. Shareholders are also requested to bring their copy of annual report. As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting.

\*Applicable for shareholders holding shares in electronic form.

**ELECTRONIC VOTING PARTICULARS**

<b>E VOTING EVENT NUMBER (EVEN)</b>	<b>USER ID</b>	<b>PASSWORD</b>

**Note:** Please read the instructions printed under the Note to the Notice of Twenty Fourth Annual General Meeting dated September 05, 2018 for e-voting process. The E-voting period starts from September 26, 2018 at 10:00 a.m., and will end on September 28, 2018 at 5:00 p.m. The voting module shall be disabled by CDSL for voting thereafter.

**INDIA FINSEC LIMITED**

CIN- L65923DL1994PLC060827

Regd. Office- D-16, 1<sup>st</sup>Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085E-mail [Id- indiafinsec@gmail.com](mailto:indiafinsec@gmail.com) Website- [www.indiafinsec.com](http://www.indiafinsec.com) Contact No. 01147096097**PROXY FORM**

(Form No. MGT-11)

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

CIN: L65923DL1994PLC060827

Name of the Company: India Finsec Limited

Registered Office: D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085

Name of the member(s):

Registered Address :

Email ID:

Folio No./Client ID :

DP ID :

I/ We being the member(s) holding \_\_\_\_\_ shares of the **India Finsec Limited** hereby appoint:

- Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email ID : \_\_\_\_\_ Or failing him
- Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email ID : \_\_\_\_\_ Or failing him
- Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
Email ID : \_\_\_\_\_ Or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/belief at the 24<sup>th</sup> Annual General Meeting of the Company to be held on **Saturday, September 29, 2018 at 09:00 a.m. at D-16, 1<sup>st</sup> Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
<b>Ordinary Business</b>	
1.	To receive, consider and adopt the audited financial statement consisting of Balance Sheet for the year ended March 31, 2018 and the Statement of Profit and Loss, Cash Flow Statement for the year ended on March 31, 2018 along with the reports of the Board of Directors and the Auditors thereon.
2.	To re-appoint a Director in place of Mr. Mukesh Sharma, Non-Executive Director (DIN:00274217), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.
3.	To re-appoint the Statutory Auditors and to fix their remuneration
<b>Special Business</b>	
4.	Revision in the terms of remuneration of Mr. Gopal Bansal, Managing Director of the Company.

Signed this..... Day of.....2018

Signature of the member.....

Signature of the Proxy holder(s) (1) .....(2).....(3).....

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

Affix  
Re. 1/-  
Revenue  
Stamp

**INDIA FINSEC LIMITED**

CIN- L65923DL1994PLC060827

Regd. Office- D-16, 1<sup>st</sup>Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085E-mail [Id- indiafinsec@gmail.com](mailto:indiafinsec@gmail.com) Website- [www.indiafinsec.com](http://www.indiafinsec.com) Contact No. 011-47096097**Nomination Form****(Form No. SH-13)****[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]**

To

**India Finsec Limited**

CIN: L65923DL1994PLC060827

Regd. Office: D-16, First Floor, Above ICICI Bank,

Prashant Vihar, Sector-14, Rohini,

New Delhi-110085

I/We .....the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

**(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)**

Nature of securities	Folio No.	No. of securities	Certificate No	Distinctive No.

**(2) PARTICULARS OF THE NOMINEE/S: —**

- (a) Name: \_\_\_\_\_  
 (b) Date of Birth: \_\_\_\_\_  
 (c) Father's/Mother's/Spouse's \_\_\_\_\_  
 (d) Occupation: \_\_\_\_\_  
 (e) Nationality: \_\_\_\_\_  
 (f) Address: \_\_\_\_\_  
 (g) E-mail Id: \_\_\_\_\_  
 (h) Relationship with the security holder: \_\_\_\_\_

**(3) IN CASE NOMINEE IS A MINOR—**

- (a) Date of Birth: \_\_\_\_\_  
 (b) Date of attaining maturity: \_\_\_\_\_  
 (c) Name of Guardian: \_\_\_\_\_  
 (d) Address of Guardian: \_\_\_\_\_

Name:

Address:

Name of the Security Holder (s)

Signature

Witness with name and address

**INDIA FINSEC LIMITED**

CIN- L65923DL1994PLC060827

Regd. Office- D-16, 1<sup>st</sup>Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085E-mail [Id- indiafinsec@gmail.com](mailto:Id-indiafinsec@gmail.com) Website- [www.indiafinsec.com](http://www.indiafinsec.com) Contact No. 01147096097**Cancellation or Variation of Nomination**

(Form No. SH-14)

*[Pursuant to sub-section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debentures) Rules 2014]*

To

**India Finsec Limited**

CIN: L65923DL1994PLC060827

Regd. Office: D-16, First Floor, Above ICICI Bank,

Prashant Vihar, Sector-14, Rohini,

New Delhi-110085

I/ We hereby cancel the nomination(s) made by me/us in favour of .....(name and address of the nominee) in respect of the below mentioned securities.

or

I/We hereby nominate the following person in place of .....as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

**(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled/ varied)**

Nature of securities	Folio No.	No. of securities	Certificate No	Distinctive No.

**(2) PARTICULARS OF THE NEW NOMINEE: —**

- (a) Name: \_\_\_\_\_
- (b) Date of Birth: \_\_\_\_\_
- (c) Father's/Mother's/Spouse's \_\_\_\_\_
- (d) Occupation: \_\_\_\_\_
- (e) Nationality: \_\_\_\_\_
- (f) Address: \_\_\_\_\_
- (g) E-mail Id: \_\_\_\_\_
- (h) Relationship with the security holder: \_\_\_\_\_

**(3) IN CASE NOMINEE IS A MINOR—**

- (a) Date of Birth: \_\_\_\_\_
- (b) Date of attaining maturity: \_\_\_\_\_
- (c) Name of Guardian: \_\_\_\_\_
- (d) Address of Guardian: \_\_\_\_\_

Signature

Name of the Security Holder (s)

Witness with name and address



**ROUTE MAP TO THE VENUE OF 24<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY**

