

***27<sup>th</sup> ANNUAL REPORT-2017-2018***



***ITL FINLEASE & SECURITIES LIMITED***

# INDEX

S. No.	Particulars	Page No.
1.	Notice of Annual General Meeting	01
2.	Directors Report	16
	• Management Discussion And Analysis Report	23
	• Secretarial Audit Report	50
	• Extract Of Annual Return	37
3.	Declaration by the Director, affirming compliance with the Code of Conduct	32
4.	Auditors Report, Balance Sheet, Profit & Loss Account, Cash Flow Statement& Notes to Accounts	53
5.	Proxy Form	12
6.	Attendance Slip	14

## COMPANY INFORMATION

### BOARD OF DIRECTORS

NAME OF THE DIRECTOR	DESIGNATION
MR. BAJRANG LAL GUPTA	NON EXECUTIVE DIRECTOR
MR. ISHWAR PRAKASH JAIN	NON EXECUTIVE DIRECTOR
MR. KAILASH JAJODIA	NON EXECUTIVE DIRECTOR
MR. JUGAL KISHORE MAHESHWARI	INDEPENDENT DIRECTOR
MR. DULI CHAND SHARMA	INDEPENDENT DIRECTOR
MR. SANT LAL	INDEPENDENT DIRECTOR
MRS. RADHIKA JAJODIA	EXECUTIVE DIRECTOR

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Parul Srivastava

### INTERNAL AUDITORS

M/s. PARNAMI & ASSOCIATES, Chartered Accountants,

2070/39, NAIWALA KAROL BAGH , DELHI-110005

### STATUTORY AUDITORS

Samarth M. Surana & Co.  
1001KLJ TOWER,  
, NETAJI SUBHASH PLACE, PITAMPURA  
DELHI-110034

### SECRETARIAL AUDITORS

KAMAL PREET KAUR  
K-7A KRISHNA PARK EXTENSION , GALI NO-13, (OPP) VIKAS PURI, NEW DELHI-110018

### REGISTRAR AND TRANSFER AGENT

ALANKIT ASSIGNMENTS LTD ,

205-208 ANARKALI COMPLEX , JHANDEWALAN EXTENTION, NEW DELHI-110055

### REGISTERED OFFICE

B-08, GD-ITLTOWER, NETAJI SUBHASH PLACE, PITAMPURA  
DELHI-110034

CIN NO:L65910DL1991PLC045090

# ITL FINLEASE & SECURITIES LIMITED

Regd. Office: B-08, GD-ITL Tower, Netaji Subhash Place, Pitampura, Delhi 110034,  
CIN: L65910DL1991PLC045090, Web site: [www.itlfinlease.com](http://www.itlfinlease.com), E-mail: [csitlfinlease@gmail.com](mailto:csitlfinlease@gmail.com),  
Phone 011-27352981-84, Fax : 01127352985

## NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Members of M/s. ITL Finlease & Securities Limited will be held on Friday, the 28th day of September, 2018 at 10.00 A.M. at the Registered Office of the Company situated at B - 08, GD - ITL Tower, Netaji Subhash Place, Pitampura, Delhi - 110034 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2018 and the Profit and Loss Account for the year ended on that date and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. I P JAIN (DIN: 00161727), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditor and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 139, 141, 144 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made there under {including any statutory modification(s) or re-enactment(s) thereof for the time being in force}, M/S. Samarth M. Surana & Co., Chartered Accountants (Firm Registration No. 1029N), be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 30<sup>th</sup> Annual General Meeting to be held in the year 2021 at such remuneration plus service tax, out of pocket expenses and travelling expenses, etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS:

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

4. Regularisation of Appointment of Additional director Shri Duli Chand Sharma as an Independent Director of the Company:

“RESOLVED that pursuant to the provisions of section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Shri Duli Chand Sharma (DIN 08203166), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an independent Director of the Company to hold office for a term of five (5) consecutive years commencing from 28th September, 2018 up to 27th September, 2023.

5. Regularisation of Appointment of Additional director Shri Sant Lal as an Independent Director of the Company:

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Shri Sant Lal (DIN 08208689 ), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an independent Director of the Company to hold office for a term of five (5) consecutive years commencing from 28th September, 2018 up to 27th September, 2023.

NOTES:

1. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday , the 26th day of September, 2018 to, Friday , the 28th day of September, 2018 (both days inclusive);
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a Member of the Company;
3. Proxy in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.
4. Members seeking any information or having any query with regards to Accounts are requested to write to the Company at least one week before the date of the Meeting so as to enable the Management to keep the information ready.
5. Members are requested to bring the Annual Report for their reference at the meeting. Attendance Slip duly filled in shall be handed over at the entrance to the meeting hall, and duly signed in accordance with their specimen signature(s) registered with the Company/Registrar and Share Transfer Agent (RTA).
6. Members are informed that, in case of joint holders attending the AGM, the member whose name appears as the first holder in the order of names as per the Register of members of the Company will be entitled to vote.
7. Members, who hold shares in dematerialised form, are requested to quote Depository Account Number (Client ID No.) for easy identification of attendance at the meeting.
8. All the documents referred to in the notice will be available for inspection at the Company's registered office during normal business hours on all working days upto the date of AGM. The Register of Directors and Key managerial Personnel and their shareholding, maintained under section 170 of the Companies Act 2013(Act), and the Register of Contracts or Arrangements in which directors are interested, maintained under section 189 of the Act, will be available for inspection by the members at the AGM.

9. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agent of the Company.
10. SEBI has decided that securities of listed companies can be transferred only in dematerialized form with effect from December 5, 2018. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
11. Voting Rights: Shareholders holding equity shares shall have one vote per share as shown against their holding and shareholders.
12. Voting through electronic means:
  - a. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Rules made thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a member of the Company holding shares either in physical form or in dematerialized form may exercise his right to vote by electronic means in respect of the resolution(s) contained in this notice.
  - b. The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).
  - c. The Company shall also provide facility for voting through Ballot/polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
  - d. The members who have exercised their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
  - e. The Board of Directors have appointed Mr. Nakul Kumar,(ACS 35669) Company Secretaries of M/s. Nakul Kumar & Associates, as the Scrutinizer, for conducting the voting / poll and remote e-voting process in a fair and transparent manner.
  - f. The cut-off date for the purpose of voting (including remote e-voting) in the meeting is Friday, 21st September, 2018.
  - g. Members are requested to carefully read the instructions for remote e-voting before casting their vote.
  - h. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

EVSN	COMMENCEMENT OF E-VOTING	END OF E-VOTING
180901046	Tuesday, 25th September, 2018 at 10.00 A.M	Thursday, 27th September, 2018 at 5.00 P.M.

- i. Persons who have acquired shares and became members of the Company after dispatch of the Notice of AGM but before the cut-off date of 21st September, 2018, may obtained their

user ID and password for e-voting from the Company's Registrar and share transfer Agent or CDSL.

- j. The instructions for shareholders voting electronically are as under:
- (i) The voting period begins on Tuesday, the 25th September 2018 at 10.00 A.M. and ends on Thursday the 27th September, 2018 at 5.00 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) i.e. Friday, 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 OR Date of Birth (DOB)	<p>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.</p> <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 (iv).</li> </ul>

voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:
- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password

Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (xi) Click on the EVSN for the relevant IITL FINLEASE & SECURITIES LIMITED on which you choose to vote.
  - (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
  - (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be 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.

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

If any member has any grievances/ query regarding e-voting then he may contact to the below person:

Name	:	J.K.SINGLA,
Designation	:	SENIOR MANAGER
Address	:	M/s Alankit Assignments Limited, 205-208 ANARKALI COMPLEX, JHANDEWALAN EXTENTION, NEW DELHI-110055
E-mail id	:	rta@alankit.com
Phone No.	:	011-42541960, 42541234

- The e-voting module shall be disabled by CDSL for voting after 05:00 pm on Thursday, 27th September, 2018.
  - The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on Friday, 21st September, 2018.
  - The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutinizer, by use of ballot/polling for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
  - The Scrutinizer immediately after conclusion of voting by eligible members at AGM (through polling paper) shall, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting, in presence of at least two (2) witness not in the employment of the Company. Thereafter, the scrutinizer shall prepare consolidated report and forward it to the Chairman of the Company, or any other director so authorized, who shall counter sign the same and declare the result within 48 hours of conclusion of the AGM. The result of AGM shall be declared by intimating to the stock exchanges and by placing on the website of the Company and Agency. subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting. i.e. Friday , the 28th of September, 2018.
- v. A Member can opt for only one mode of voting i.e. either through remote e-voting or at the venue of AGM through polling paper. If a Member casts his/her vote by both modes, then voting done through remote e-voting shall prevail and the voting through polling paper shall be treated as invalid.
- vi The result declared alongwith the Scrutinizer’s Report shall immediately be placed on the Company’s web-site [www.itlfinlease.com](http://www.itlfinlease.com) and on the web-site of CDSL [www.evotingindia.com](http://www.evotingindia.com) and communicated to the Metropolitan Stock Exchange of India Ltd., where the shares of the company are listed

**Important Communication to Members**

To allow paperless compliances by the Companies, the Ministry of Corporate affairs has taken a "Green Initiative in the Corporate Governance". It has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far are requested to register & who have registered may kindly update their e-mail address to the Company or its Registrar.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**DATED: 01/09/2018  
NEW DELHI**

**-SD-  
(KAILASH JAJODIA)  
DIRECTOR  
(DIN: 00142836)**

**PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 INFORMATION ABOUT THE DIRECTOR PROPOSED TO BE RE- APPOINTED/ APPOINTED UNDER ITEM NO. 02, 04 & 05 IS FURNISHED AS BELOW:**

S. No	Particulars	Details
1.	Name of Director	ISHWAR PRAKASH JAIN
2.	Brief resume of the Director	He is 74 years of age and is a Commerce graduate, In 1962 .He started his career as an Executive with Steel worth Ltd. in 1974. He is also one of the promoter directors of ITL-Stock& Share Brokers Ltd. Currently he is working as a Director of 14 companies.
3.	Nature of his expertise in specific functional areas	Financial Management, Share Market Research, Research and Development and Corporate Management. He brings with him a vast knowledge of Financial & Corporate Management and handles day to day affairs of the Company.
4.	Disclosure of relationships between directors inter- se	He is not in anyway related to any director or promoter of the company.
5.	Names of listed entities apart from ITL Finlease & Securities Limited in which the person also holds the directorship and the membership of Committees of the board	Not Applicable
6.	Shareholding of non-executive directors	18710

S. No	Particulars	Details
1.	Name of Director	DULI CHAND SHARMA
2.	Brief resume of the Director	He is 51 years of age and is a Commerce graduate.He started his career as aFinancial Manager in reputed companies.
3.	Nature of his expertise in specific functional areas	He has vast knowledge and experience of 10 years in the field of Financial Management, Accounting and Project Financing.
4.	Disclosure of relationships between directors inter- se	He is not in anyway related to any

		director or promoter of the company.
5.	Names of listed entities apart from ITL Finlease & Securities Limited in which the person also holds the directorship and the membership of Committees of the board	Not Applicable
6.	Shareholding of non-executive directors	NIL

S. No	Particulars	Details
1.	Name of Director	SANT LAL
2.	Brief resume of the Director	He is 62 years of age. He started his career as a Marketing & Supervisor in many companies.
3.	Nature of his expertise in specific functional areas	He has 7 years of long, rich experience, exposures and knowledge in the field of Project Marketing, Leadership, Research and Development.
4.	Disclosure of relationships between directors inter- se	He is not in anyway related to any director or promoter of the company.
5.	Names of listed entities apart from ITL Finlease & Securities Limited in which the person also holds the directorship and the membership of Committees of the board	Not Applicable
6.	Shareholding of non-executive directors	NIL

## EXPLANATORY STATEMENT

### AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

#### Resolution at Item No. 4:

The Board of Directors has received the resignation letter dated 01/09/2018 from Mr. Rakesh Trivedi (DIN: 03018319) from the post of Non-Executive Independent Director of the Company due to his personal reason. Mr. Rakesh Trivedi has resigned from the above designation w.e.f. 01/09/2018 .

The Board of Directors has appointed Shri. Duli Chand Sharma (DIN: 08203166) additional director as non-Executive Independent Director of the Company dated 01/09/2018 in the Board Meeting till the conclusion of next Annual General Meeting of the Company to fill the casual vacancy arised from the resignation of Mr. Rakesh Trivedi (DIN: 03018319).

Shri Duli Chand Sharma has vast knowledge and experience of 10 years in the field of Financial Management, Accounting and Project Financing. The Board thinks his association with the Company would be of immense benefit to the Company.

The Board of Directors has received the declarations fulfilling the criteria of independence under Section 149(6) of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015. Therefore, the Board has recommended his appointment for the period of 5 (Five) consecutive years. Accordingly, the Board recommends regularized him as Director (Non-Executive Director) and passing of resolution mentioned in item No. 4 of the Notice as a Special Resolution

No Director and Key Managerial Personnel of the Company or their relatives, except the Directors seeking appointment as Independent Directors as above, is deemed to be concerned or interested in the resolutions mentioned in Item No.4.

#### **Resolution at Item No. 5:**

The Board of Directors has received the resignation letter dated 01/09/2018 from Mr. Ramesh Kumar Jajodia from the post of Non-Executive Independent Director of the Company due to his personal reason. Mr. Ramesh Kumar Jajodia has resigned from the above designation w.e.f. 01/09/2018 .

The Board of Directors has appointed Shri. Sant Lal (DIN:08208689) additional director as non-Executive Independent Director of the Company dated 01/09/2018 in the Board Meeting till the conclusion of next Annual General Meeting of the Company to fill the casual vacancy arised from the resignation of Mr. Ramesh Kumar Jajodia (DIN: 03018313).

Shri Sant Lal has 7 years of long, rich experience, exposures and knowledge in the field of Project Marketing, Research and Development. The Board thinks his association with the Company would be of immense benefit to the Company.

The Board of Directors has received the declarations fulfilling the criteria of independence under Section 149(6) of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015. Therefore, the Board has recommended his appointment for the period of 5 (Five) consecutive years. Accordingly, the Board recommends passing of resolution mentioned in item No. 5 of the Notice as a Special Resolution.

No Director and Key Managerial Personnel of the Company or their relatives, except the Directors seeking appointment as Independent Directors as above, is deemed to be concerned or interested in the resolutions mentioned in Item No.4

#### **NOTES/INSTRUCTIONS**

For Members opting for e-voting

The Company is pleased to announce that it is offering remote e-voting facility as an alternate, for Members to enable them to cast their vote electronically instead of voting at the venue of AGM through physical ballots. For the procedure to be followed for remote e-voting by Members, kindly refer to Note No. 12 of the Notice.

Last date for remote e-voting is the close of working hours (05:00 P.M.) on Thursday, 27th September, 2018.

For Members opting to vote by Physical Ballot

A shareholder desiring to exercise his/her vote by physical ballot are required to be physically present at the venue of the AGM and can give his/her assent or dissent in the ballot paper attached herewith the Notice of AGM. At the time of physical voting at the venue of the AGM, the ballot paper shall be duly filled and completed and be dropped in the ballot box kept at the AGM venue. Company has appointed M/s. Nakul Kumar & Associates, Company Secretaries as scrutinizer for confirming that the voting through physical ballot paper is being done in a fair and transparent manner. Shareholder can send proxy as well instead of attending the AGM personally and the proxy can vote on poll on his/her behalf. Proxy can vote only after submitting duly filled and signed Proxy Forms. Shareholder/Proxy are requested to bring Proxy forms/Ballot paper attached with the notice along with them, the attendance slip, Proxy Form(only in case Proxy attends meeting) and his/her copy of Annual Report and Notice.

Voting rights shall be reckoned on the number of shares registered in the name of members as on 21st September, 2018.

Kindly note that the members can opt only one mode for voting i.e. either by Physical Ballot at the venue of AGM or Remote E- Voting. If you are opting for remote e-voting, then do not vote by Physical Ballot also and vice versa. However, in case member(s) cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail.

The results declared along with Scrutinizer's Report, shall be placed on the Company's Web-site [www.itlfinlease.com](http://www.itlfinlease.com), notice board of the company and on the web-site of the CDSL within two days of the passing of the Resolutions at AGM of the Company to be held on Friday, 28th September, 2018 and communicated to the Metropolitan Stock Exchange of India Limited where the shares of the company are listed.

# ITL FINLEASE & SECURITIES LIMITED

Regd. Office: B-08, GD-ITL Tower, Netaji Subhash Place, Pitampura, Delhi 110034,  
 CIN: L65910DL1991PLC045090, Web site: [www.itlfinlease.com](http://www.itlfinlease.com), E-mail: [csitlfinlease@gmail.com](mailto:csitlfinlease@gmail.com),  
 Phone 011-27352981-84, Fax : 01127352985

## 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)

Name of the Member(s):
Registered Address:
E-mail Id:
Folio No./Client Id:
DP ID:

I/We, being the member(s) of and holding.....shares of the above named company, hereby appoint

1. Name:..... of (Address).....having Email Id:.....

Signature:....., or failing him

2. Name:.....of (Address).....having Email Id:.....

Signature:....., or failing him

3. Name:.....of (Address).....having Email Id:.....

Signature:....., or failing him

as my/our proxy to attend and vote(on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the Company, to be held on the Friday the 28th of September, 2018 at 10.00 A.M. at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above Proxy to vote in the manner as indicated in the box below:

Sl. No.	Resolution(s)	For	Against
	Ordinary Business		
1.	Adoption of Audited Financial Statements for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.		
2.	To Re-appoint Shri I.P.Jain (DIN:00161727) as Director liable to retire by rotation.		
3.	To appoint Samarth M.Surana & Co Chartered Accountants, New Delhi as the Statutory Auditors of the Company to hold office from the conclusion of ensuing 27th Annual General Meeting until the conclusion of the 30th Annual General Meeting and to fix their remuneration.		
	SPECIAL BUSINESS		
4.	Regularisation of Appointment of Additional director Shri Duli Chand Sharma (DIN		

	08203166)as an Independent Director of the Company		
5.	Regularisation of Appointment of Additional director Shri Sant Lal(DIN 08208689 ) as an Independent Director of the Company		

Signed this .....day of .....2018

Signature of shareholder

Signature of first proxy holder  
proxy holder

signature of second proxy holder

Affix Revenue Stamp
---------------------------

signature of third

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. It is optional to indicate your preference. If you leave the "For" or "Against" column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



# ITL FINLEASE & SECURITIES LIMITED

Regd. Office: B-08, GD-ITL Tower, Netaji Subhash Place, Pitampura, Delhi 110034,  
CIN: L65910DL1991PLC045090, Web site: [www.itlfinlease.com](http://www.itlfinlease.com), E-mail: [csitlfinlease@gmail.com](mailto:csitlfinlease@gmail.com),  
Phone 011-27352981-84, Fax : 01127352985

## ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the company.

Regd. Folio no. \_\_\_\_\_

\_\_\_\_\_  
NAME OF ATTENDING PERSON (IN BLOCK LETTERS) \*

\_\_\_\_\_  
NAME OF PROXY (IN BLOCK LETTER)  
(To be filled in if the Proxy attends instead of Member)

No. of shares held-----

I, HEREBY RECORD MY PRESENCE AT THE 27th ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON FRIDAY THE 28th OF SEPTEMBER, 2018 AT 10.00 AM AT THE REGISTERED OFFICE SITUATED AT B-08, GD-ITL TOWER, NETAJI SUBHASH PLACE, PITAMPURA, DELHI 110034.

\_\_\_\_\_  
Member's / Proxy's Signature \*

\*(To be signed at the time of handing over this slip)

-----  
ITL FINLEASE & SECURITIES LIMITED  
Regd. Office : B-08, GD-ITL Tower, Netaji Subhash Place, Pitampura, Delhi 110034

## PROXY FORM

No. of shares held \_\_\_\_\_

Regd. Folio No. \_\_\_\_\_

I/We \_\_\_\_\_, S/o \_\_\_\_\_

in the district of \_\_\_\_\_ being a member/members of ITL  
FINLEASE & SECURITIES LTD. hereby appoint Mr./Mrs./Ms. \_\_\_\_\_  
of \_\_\_\_\_ as my/our proxy to vote for me/us and on my/our behalf at the 27th  
Annual General Meeting of the Company to be held at 10.00 a.m. on Friday , the 28th September , 2018, and at  
any adjournment thereof.

Signed this \_\_\_\_ day of \_\_\_\_\_ 2018

(Signature) \_\_\_\_\_

(Affix Revenue Stamp of appropriate value)

NOTE: The Proxy form duly completed and signed should be deposited at the Registered Office of the Company,  
not later than 48 hours before the commencement of the Annual General Meeting.

Form No. MGT- 12  
Polling Paper

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

Name of the Company: ITL Finlease & Securities Limited Registered Office: B-08, GD-ITL Tower, Netaji Subhash Place, Pitampura, Delhi 110034. CIN: L65910DL1991PLC045090				
<b>BALLOT PAPER</b>				
S. No.	Particulars	Details		
1	Name of the first named Shareholder (In Block Letters)			
2	Postal address			
3	Registered Folio No./ *Client ID No. (*applicable to investors holding shares in dematerialized form)			
4	Class of Share	Equity Shares of Rs. 10/- each		
I hereby exercise my vote in respect of Ordinary Resolution enumerated below by recording my assent or dissent to the said resolutions in the following manner:				
S No	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
	<b>ORDINARY BUSINESS</b>			
1	Adoption of Audited Financial Statements for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.			
2	To Re-appoint Shri I.P.JAIN (DIN:00161727) as Director liable to retire by rotation			
3	To appoint Samarth M.Surana & Co Chartered Accountants, New Delhi as the Statutory Auditors of the Company to hold office from the conclusion of ensuing 27 <sup>th</sup> Annual General Meeting until the conclusion of the 30 <sup>th</sup> Annual General Meeting and to fix their remuneration.			
	<b>SPECIAL BUSINESS</b>			
4	Regularisation of Appointment of Additional director Shri Duli Chand Sharma (DIN 08203166) as an Independent Director of the Company			
5	Regularisation of Appointment of Additional director Shri Sant Lal (DIN 08208689 ) as an Independent Director of the Company			
Place: _____ Date: _____				
(Signature of the shareholder)				

## DIRECTORS' REPORT

DEAR SHAREHOLDERS,

Your Directors ' have pleasure in submitting the 27<sup>th</sup> Annual Report together with Audited Balance Sheet of the company for the year ended on 31<sup>st</sup> March,2018: -

### FINANCIAL RESULTS

The Financial Results for the year under review are summarized as under:

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
<b><u>Income</u></b>	7728529	
- Revenue from operation		82,71,494
- Other Income		30,995
<b>Total Revenue</b>	<b>7728529</b>	<b>83,02,489</b>
<b>Profit Before Exceptional And Extraordinary Items And Tax</b>	<b>2595681</b>	<b>23,50,727</b>
Less: Exceptional items	NIL	NIL
<b>Profit before extraordinary items and tax</b>	<b>2595681</b>	<b>23,50,727</b>
Less Provision for outstanding Assets	95739	175988
<b>Profit before Tax</b>	<b>2499942</b>	<b>21,74,739</b>
Tax Expense		
Current Tax Exp for the current year	805050	12,67,790
Current Tax Exp relating to prior years	(42266)	237
Deferred Tax (Reversal)	(69582)	(3,36,847)
Net Current Tax Exp	<b>693202</b>	<b>931180</b>
Profit from continuing operations	<b>1806740</b>	<b>12,43,559</b>
<b>Profit for the year</b>	<b>1806740</b>	<b>12,43,559</b>
Earning per equity share		
Basic	0.38	0.26
Diluted	0.38	0.26

### DIVIDEND

To conserve the resources for augmenting the capital base of the Company, your Board of Directors has decided not to recommend any dividend.

### RESERVES

The Board proposes to carry Rs. 32,862,308 to reserves.

## **BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR**

During the year under review, your Company has earned a Profit before Income Tax of Rs. 2499942/- from its operation, after providing provisions of Income Tax the company's net profit amounts Rs. 1806740/-

Your Company continues to take effective steps in broad-basing its range of activities. The performance of the Company during the period under review has been satisfactory.

## **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

No Change in the nature of the business of the Company done during the year.

## **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

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

The provisions of Section 134(m) of the Companies Act, 2013 regarding Conservation of Energy Technology Absorption, Foreign exchange earnings are not applicable since the Company is in financial service sector.

There is no Foreign exchange received during the year under review.

## **STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

There are no risks which in the opinion of the Board are of the nature that can threaten the existence of the Company. However, the company follows the risk management policy wherein the management keeps an eagle eye view on the markets.

## **DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions of section 135 of the Companies act, 2013 are not applicable.

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

The particulars of Loans, guarantees or investments made under Section 186 are furnished in Annexure-1. and is attached to this report.

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

The particulars of Contracts or Arrangements with related parties pursuant to Section 188 is furnished in Annexure-2. and is attached to this report.

## EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There are no qualifications, reservations or adverse remarks made by the Statutory & Secretarial Auditors in their report.

## COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

In accordance with Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee has formulated Remuneration Policy ("the policy"). The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes and independence of a director.

The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees. The remuneration by way of commission paid to the Independent directors is determined periodically & reviewed based on the industry benchmarks.

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

### Criteria for Board Membership

The Company shall take into account following points:

- Director must have relevant experience in Finance/ Law/ Management/ Sales/Marketing/ Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to company's business.
- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.

## REMUNERATION COMMITTEE

The Remuneration Committee has been delegated with the powers to consider and approve all elements of remuneration package of all the directors i.e. salary, benefits, bonuses, stock options, pensions etc, to review at any point of time the service contracts or other terms of appointment of any or all of the directors and to consider and approve the applications to be made to the Central Government at any point of time for increase or otherwise, in the remuneration of the directors of the company.

Presently, the Remuneration Committee consists of three Independent Directors namely Sh. Jugal Kishore (Chairman), Sh. Duli Chand Sharma (Member) and Sh. Sant Lal (Member).

## **EXTRACT OF THE ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure-3** and is attached to this Report

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

The Board of Directors of Company met 12 times during the financial year under review.

- 25/04/2017
- 11/5/2017
- 29/05/2017
- 31/05/2017
- 01/09/2017
- 11/09/2017
- 10/11/2017
- 01/12/2017
- 29/12/2017
- 10/02/2018
- 28/03/2018
- 31/03/2018

## **DIRECTORS' RESPONSIBILITY STATEMENT**

- (a) The annual accounts for the financial year ended March 31, 2018 were prepared as per the, the applicable accounting standards along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively

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

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

## **DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

## **DIRECTORS:**

### **A) Changes in Directors and Key Managerial Personnel**

Sh.I.P.JAIN (DIN: 00161727), Director retire by rotation at the ensuing Annual General Meeting and being eligible,has offered himself for re-appointment as Director and we hereby affirm that Sh.I.P.JAIN is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

During the year under review, Board of Directors approved the appointment of Shri Duli Chand Sharma (DIN 08203166) & ,Shri. Sant Lal (DIN 08208689 ) as Non-executive Additional Director who are not liable to retire by rotation and to be appointed as independent director in ensuing AGM subject to shareholders approval.

Mr. Rakesh Trivedi and Mr. Ramesh Kumar Jajodia have tendered their resignation from the post of Director on 01/09/2018

### **B). INDEPENDENT DIRECTORS:**

The performance of each independent director was evaluated by the entire Board of Directors (in the absence of the director getting evaluated) on various parameters like engagement, leadership, analysis, decision making, communication, governance, interest of stakeholders, etc. The Board was of the unanimous view that every Independent Director was a reputed professional and brought his rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all Independent Directors in guiding the management to achieving higher growth and continuance of each independent director on the Board will be in the interest of the Company.

### **C). NON-INDEPENDENT DIRECTORS:**

The performance of all the non-independent directors were evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge, governance, stakeholders etc. The Board was of the unanimous view that all the non-independent directors were providing good business and people leadership.

### **D). DECLARATION BY AN INDEPENDENT DIRECTOR**

Pursuant to provisions of Section 134(3)(d) of the Companies Act, 2013, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6).

## **SECRETARIAL AUDITOR**

The Board has appointed Mrs. Kamal Preet Kaur ,Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed here as **Annexure-4** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## RECONSTITUTION OF THE COMMITTEE

Audit Committee, Stakeholders Relationship Committee and Remuneration Committee have been reconstituted by the Board of Directors as Mr. Rakesh Trivedi and Mr. Ramesh Kumar Jajodia have tendered their resignation on 01/09/2018 from the post of Director, Simultaneously they also resigned from the post of Members of the Committee. In their Place Mr. Duli Chand Sharma and Mr. Sant have joined the Committee as a Member.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration with the percentile increase in the managerial remuneration and justification thereof.

S.NO	NAME OF DIRECTOR/KMP	REMUNERATION OF DIRECTOR/KMP FOR F.A 2017-2018 IN (RS.)	% INCREASE IN THE REMUNERATION	RATIO OF REMUNERATION OF DIRECTOR /TO MEDIAN REMUNERATION OF EMPLOYEE
1	RADHIKA JAJODIA EXECUTIVE DIRECTOR & CEO	1268400	66.66%	348%
2	ARUN MEHTA	271385	5%	N.A
3	PARUL SRIVASTAVA COMPANY SECRETARY CUM COMPLIANCE OFFICER	598400	13 %	N.A

There are 7 permanent employees on the rolls of Company as on March 31, 2018;

The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - **Not Applicable**;

Further it is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees



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

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

### AUDITORS

M/s. Samarth M. Surana & Co, Chartered Accountants, New Delhi, retires as Statutory Auditors of the Company and have given their consent for re-appointment. The Shareholders approval will be required to elect Statutory Auditors for the current Financial year i.e. 2018-19.

The Company has obtain a written confirmation from the above Auditors proposed to be appointed to the effect that their appointment, if made, would be in conformity with the provisions of section 141(3) of the act.

## DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are applicable to the Company.

### (i) **Audit Committee**

The Audit Committee has been delegated with the powers and entrusted with the duties to oversee the Company's financial reporting process and adequacy of internal audit system, scope of the audit including observations of the Auditors, adequacy of internal audit system etc.

Presently ,the Audit Committee consists of three Independent Directors namely Sh. Jugal Kishore (Chairman), Sh. Duli Chand Sharma (Member) and Sh. Sant Lal (Member). The Company Secretary of the Company acts as Secretary of the Committee.

During the Financial Year under Review, Six (6) meetings of Audit Committee have taken place on:

- 27/05/2017
- 29/05/2017
- 01/09/2017
- 11/09/2017
- 10/11/2017
- 10/02/2018

The composition and terms of reference of Audit Committee are in conformity with the SEBI( Listing Obligations & disclosure requirements) Regulations, 2015 and the Companies Act, 2013.

The minutes of the meetings of the Audit Committee are placed before the Board for its information.

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an

e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee.

Further Vigil Mechanism policy of the Company is also available on website of the Company i.e. [www.itlfinlease.com](http://www.itlfinlease.com)

### **SHARE CAPITAL**

Additional capital was not raised during the period under review. The Authorized Share Capital is 6,00,00,000 divided into 60,00,000 Equity Shares of Rs. 10 each. The issued capital is 5,01,49,000 divided into 50,14,900 Equity Shares of Rs. 10 each. & Subscribed and paid up as on 31<sup>st</sup> March 2018 is 4,80,58,750 divided into 48,05,875 Equity Shares of Rs. 10 each.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

### **ACKNOWLEDGEMENT**

Your Directors are pleased to place on record their sincere gratitude and would like to express their grateful appreciation to the valuable assistance, cooperation and support received from the Shareholders as well as Bankers of the Company.

The Directors also acknowledge the sincere services rendered by its personnel at all levels.

ON BEHALF OF THE BOARD OF DIRECTORS

DATED: 01/09/2018  
NEW DELHI

-SD-  
(KAILASH JAJODIA)  
DIRECTOR  
(DIN:00142836)

-SD-  
(I.P.JAIN)  
DIRECTOR  
(DIN:00161727)

## MANAGEMENT DISCUSSION AND ANALYSIS



### INDUSTRY STRUCTURE AND DEVELOPMENTS

ITL Finlease and Securities Limited is an NBFC and is engaged mainly in the business of providing Loans & Advances and investing in shares, both quoted and unquoted. The industry structure relevant to the Company's operations is mainly concerned with the capital market.

The NBFCs sector is undergoing a significant transformation at present and has come to be recognized as an important element of the financial system. The recent issues in financial sector has highlighted the necessity, importance and significant role, the NBFCs play in development of nation's infrastructure.

In the financial system of India, importance of NBFCs has been much discussed. RBI has been setting right its regulatory and supervising policies from time to time to keep pace with the changes in the environment.

NBFCs have been actively fuelling the growth of the economy - especially the infrastructure part of the economy and have been supplementing the Banking system effectively and thus enhancing competition and diversification in the financial sector

The NBFCs have attracted substantial investments during the recent years both from the retail and from the wholesale side. The growth also has been significant during this year. The NBFCs have been catalysts in accelerating the growth in the semi urban and rural areas. The projections made by RBI and other financial forecasts give substantial growth opportunities for the industry in the coming years.

#### ❖ BUSINESS OVERVIEW

Your company being classified as a Loan Company is doing business of providing Loans & Advances and investing in shares, both quoted and unquoted. No further opportunity has come to diversify the business of the Company as business of financing is no more lucrative. However your board is in constant look out for the new business avenues which can be taken with the existing business.

#### ❖ OPPORTUNITIES AND THREATS

Capital markets at present are going through turbulent times due to slow-down in domestic economy, slow-down in reforms, uncertain global, economic, environment crisis faced by a few countries in Europe, fluctuations in currency rates, etc. Although the inflation has remained steady during the year but it is still under pressure due to hike in petrol prices, burden of diesel subsidies, high fiscal deficit, etc. However, we feel that the opportunities will soon arise in the markets upon the corrective policies by the government and better fiscal management which will strengthen the economy.

The NBFC industry holds immense potential and the Government of India's increased focus towards Financial Inclusion has created various opportunities for existing NBFCs to leverage on their established customer base in rural areas. The recent steps by the Government of India to create Infrastructure for NBFC and to provide banking license for NBFCs is a positive signal. The above opportunities have made the Industry highly competitive with the emergence of new category of systematically important NBFCs. Along with existing local and Multinational players leading to tough competition within the industry.

#### ❖ SEGMENT-WISE PERFORMANCE

The Company is into single reportable segment only.

#### ❖ OUTLOOK

Your Company is still in the process of consolidation and has not decided to enter into new field. It is exploring various business opportunities but nothing concrete has been derived. Barring unforeseen circumstances your directors hope to find some concrete business opportunity to expand the business of the Company.

#### ❖ RISK AND CONCERN

Your Company at present is exposed to the normal industry risk factor of volatility in interest rate, economic cycle and credit risk. It has not yet decided its future course of activities. The impact of new activity, as when decided, will be known in the future.

#### ❖ ADEQUACY OF INTERNAL CONTROL

The established Internal Control System of your Company are adequate to ensure that all the activities are monitored and controlled against any misuse or misappropriation of asset and that the transactions are authorized, recorded and reported correctly. More so, these internal control systems are regularly monitored by the audit committee of your Company and are improved upon on regular basis.

#### ❖ DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The brief on Financial Performance of the Company is already provided in the Boards' Report of the Company.

#### ❖ HUMAN RESOURCE DEVELOPMENT

The Company believes that its people are a key differentiator, especially in knowledge driven, competitive and global business environment. Adapting work culture to suit the dynamic balancing of people requirements and employee needs is an ongoing process. Our people are the company's greatest assets. Your company focuses on increasing the overall productivity per employee in the challenging market conditions. Men are the only active agent and acts as a catalyst in effective utilization of all other M's (Material, Machine and Money). The Board of Directors of your company would like to place on record their sincere appreciation for the efforts and contribution made by all the employees of the Company in the challenging environment. Your Directors take this opportunity to thank all employees for rendering impeccable services to every constituent of Company, customers and shareholders. The Company has a well-defined appraisal system to assess and reward the employees appropriately and also to gauge the potentials of the individuals.

#### ❖ CAUTIONARY STATEMENT

Investors are cautioned that this discussion contains statements that involve risks and uncertainties. Words like anticipate, believe, estimate intend, will, expect and other similar expressions are intended to identify "Forward Looking Statements". The company assumes no responsibility to amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events. Actual results could differ materially from those expressed or implied. Important factors that could make the difference to the Company's operations include cyclical demand and pricing in the Company's principal markets, changes in Government Regulations, tax regimes, economic developments within India and other incidental factors.

#### ❖ APPRECIATION

Your Directors would like to express their sincere appreciation of the co-operation and assistance received from the shareholders, bankers and other government agencies during the year under review.

### REPORT ON CORPORATE GOVERNANCE

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

M/s. ITL Finlease & Securities Limited believes in functioning in a transparent manner with the basic philosophy being to enhance the Shareholders' values, keeping in mind the needs and interest of the Shareholders. Your Company continues to follow procedures and practice in conformity with the code of Corporate Governance as enunciated in the Listing Agreement. Following disclosures set out the approach and commitment of the Company towards the Corporate Governance.

**a) Role of the Company Secretary in over all governance process**

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. She interfaces between the management and regulatory authorities for governance matters.

**b) Observance of the Secretarial Standard issued by the Institute of Company Secretaries of India**

The Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, has issued Secretarial Standards on important aspects like Board meetings ,General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. Company substantially adheres to these standards Mandatorily.

**c) Compliance**

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued there under, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

**d) Compliance Officer**

Mrs. Parul Srivastava , Company Secretary and Compliance Officer, is the Compliance Officer for complying with the various provisions ,rules, regulations as applicable to the company.

**e) DIRECTORS PROFILE** A brief resume of Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorships, Memberships/ Chairmanships of Board Committees, and shareholding in the Company are provided in this Report.

**BOARD OF DIRECTORS**

**a) Composition of Board**

S.NO	NAME OF DIRECTORS	DESIGNATION
1	MR.B.L.GUPTA	NON EXECUTIVE DIRECTOR
2	MR.KAILASH JAJODIA	NON EXECUTIVE DIRECTOR
3	MR.I.P.JAIN	NON EXECUTIVE DIRECTOR
4	MRS RADHIKA JAJODIA	EXECUTIVE DIRECTOR
5	MR.JUGAL ISHORE AGIWAL	INDEPENDENT DIRECTOR
6	MR.DULI CHAND SHARMA	INDEPENDENT DIRECTOR
7	MR.SANT LAL	INDEPENDENT DIRECTOR

## b) Board Meetings

During the year, Twelve (12) Meetings of the Board of Directors were held respectively on 25/04/2017, 11/5/2017, 29/05/2017, 31/05/2017, 01/09/2017, 11/09/2017, 10/11/2017, 01/12/2017, 29/12/2017, 10/02/2018, 28/03/2018, 31/03/2018.

NAMES OF THE DIRECTORS	CATEGORY/ POSITION	LAST ANNUAL GENERAL MEETING ATTENDED	NO. OF BOARD MEETINGS ATTENDED OUT OF 12 HELD DURING THE YEAR	NO OF THE DIRECTORSHIP HELD IN THE OTHER COMPANIES	COMMITTEE POSITIONS HELD IN THE OTHER COMPANIES
MR.B.L.GUPA	Promoter	YES	08	NIL	NIL
MR.KAILASH JAJODIA	Promoter	YES	11	NIL	NIL
MR.I.P.JAIN	Promoter	YES	11	NIL	NIL
MRS.RADHIKA JAJODIA	Executive Director	YES	08	NIL	NIL
MR.JUGAL KISHORE	Independent Director	YES	03	NIL	NIL
MR.RAKESH TRIVEDI	Independent Director	YES	03	NIL	NIL
MR.RAMESH KUMAR JAJODIA	Independent Director	YES	03	NIL	NIL

## COMMITTEE(S) OF BOARD

### (i) Audit Committee

The Audit Committee has been delegated with the powers and entrusted with the duties to oversee the Company's financial reporting process and adequacy of internal audit system, scope of the audit including observations of the Auditors, adequacy of internal audit system etc.

Presently, the Audit Committee consists of three Independent Directors namely Sh. Jugal Kishore (Chairman), Sh. Duli Chand Sharma (Member) and Sh. Sant Lal (Member). The Company Secretary of the Company acts as Secretary of the Committee.

During the Financial Year under Report, Six (6) Audit Committee meetings have taken place on:

- 27/05/2017,
- 29/05/2017,
- 1/09/2017,
- 11/09/2017,
- 10/11/2017,
- 10/02/2018

Composition of Audit Committee is as follows:

NAMES OF THE DIRECTORS	CATEGORY/ POSITION	LAST ANNUAL GENERAL MEETING ATTENDED	NO. OF AUDIT COMMITTEE MEETINGS ATTENDED OUT OF 6 HELD DURING THE YEAR	COMMITTEE POSITIONS HELD IN THE OTHER COMPANIES
MR.JUGAL KISHORE	Chairman	YES	06	NIL
MR.RAKESH TRIVEDI	Member	YES	06	NIL
MR.RAMESH KUMAR JAJODIA	Member	YES	06	NIL

The composition and terms of reference of Audit Committee are in conformity with the SEBI (LODR) Regulations, 2015 and the Companies Act, 2013

The minutes of the meetings of the Audit Committee are placed before the Board for its information.

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee.

## (ii) Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been delegated with the powers to approve and register transfer and/or transmission of shares, to issue the duplicate share certificates, to redress all types of grievances of the Shareholders/Investors relating to the transfer, transmission of shares and also relating to non-receipt of annual reports and declared dividends etc.

Presently, the Stakeholders Relationship Committee consists of three Independent Directors namely Sh. Jugal Kishore (Chairman), Sh. Duli Chand Sharma (Member) and Sh. Sant Lal (Member). The Company Secretary of the Company acts as Secretary of the Committee.

Information relating to Shareholders/Investors Complaints are regularly placed before the Committee. During the financial year under Review, Three (3) Investors'/Shareholders' Grievance Committee meetings have taken place on:

- 08/05/2017,
- 27/06/2017,
- 01/08/2017.

Composition of Stakeholders Relationship Committee is as follows:

NAMES OF THE DIRECTORS	CATEGORY/ POSITION	LAST ANNUAL GENERAL MEETING ATTENDED	NO. OF STAKEHOLDERS RELATIONSHIP COMMITTEE MEETINGS ATTENDED OUT OF 3 HELD DURING THE YEAR	COMMITTEE POSITIONS HELD IN THE OTHER COMPANIES
MR.JUGAL KISHORE	Chairman	YES	03	NIL
MR.RAKESH TRIVEDI	Member	YES	03	NIL
MR.RAMESH KUMAR JAJODIA	Member	YES	03	NIL

The minutes of the Investors' /Shareholders' Grievance Committee are placed before the Board for its information

(iii) **Remuneration Committee**

The Remuneration Committee has been delegated with the powers to consider and approve all elements of remuneration package of all the directors i.e. salary, benefits, bonuses, stock options, pensions etc, to review at any point of time the service contracts or other terms of appointment of any or all of the directors and to consider and approve the applications to be made to the Central Government at any point of time for increase or otherwise, in the remuneration of the directors of the company with the approval of the Central Government.

Presently, the Remuneration Committee consists of three Independent Directors namely Sh. Jugal Kishore (Chairman), Sh. Duli Chand Sharma (Member) and Sh. Sant Lal (Member). During the financial year under Review, one (1) Remuneration Committee meeting has taken place on:

- 01/12/2017

(iv) **Details of the shareholders' complaints:**

Sr. No.	Particulars	No. of Complaints
1.	Number of Investor Complaints pending at the beginning of the quarter (i.e., as on 01.01.2018)	NIL
2.	Number of Investor complaints received during the quarter (01.01.2018- 31.03.2018) Through Registrar & Share Transfer Agents Received directly by the company	NIL
3.	Number of Investor complaints redressed during the quarter (01.01.2018- 31.03.2018)	NIL
4.	Number of Investor complaints remaining unresolved at the end of the quarter (i.e., as on 31.03.2018)	NIL



#### 4. GENERAL BODY MEETINGS

The details regarding venue and times of last three Annual General Meeting of the Company are given below:

Date	Venue	Time
28.09.2016	B-08, GD-ITL Tower, Netaji Subhash Place, Pitam Pura , New Delhi-110034	10.00 A.M
28.09.2017	B-08, GD-ITL Tower, Netaji Subhash Place, Pitam Pura , New Delhi-110034	10.00 A.M
28.09.2018	B-08, GD-ITL Tower, Netaji Subhash Place, Pitam Pura , New Delhi-110034	10.00 A.M

No Special Resolution was passed during the financial year 2017-2018. None of the business proposed to be transacted at the ensuing Annual General Meeting require passing of Special Resolution through Postal Ballot.

#### 5. DISCLOSURES

During the year, there was no material/significant transaction with the directors, management, or relatives of directors etc. that may have any potential conflict with interest of the company at large. Also, no penalties by the Stock Exchanges or SEBI or any other Statutory Authority related to capital markets during the last three years.

#### 6. GENERAL SHAREHOLDERS' INFORMATION

g.

27 <sup>th</sup> Annual General Meeting	
Date	28 <sup>th</sup> day of September, 2018
Day	Friday
Time	10.00 a.m.
Venue	GD -ITL Tower, B - 08, Netaji Subhash Place, Pitampura, Delhi - 110034
Financial Year	2017 - 2018
Date of Book Closure	26.09.2018 to 28.09.2018 (both days inclusive)
Listing	Presently the Securities of the Company is listed with METROPOLITAN STOCK EXCHANGE OF INDIA
Registrar & Share Transfer Agent	ALANKIT ASSIGNMENTS LIMITED deal with all aspects of investor servicing relating to shares in both physical and demat form..
Address of Registrar & Transfer agent for Correspondance:	205-208,Anarkali Complex , Jhandewalan Extension, New Delhi -110055 Tel. 011 - 42541234, 011-42541960, Fax: 011 - 42541201
E-mail	rta@alankit.com

Distribution of Shareholding as on March 31, 2018 :

Category code	Category of Shareholder	Number of Shareholders	Total Number of Shares	As a Percentage of (A + B + C)
(A)	Shareholding of Promoter & Promoter Group			
(1)	Indian	44	2725590	54.35
(2)	Foreign	0		0
	<b>Total Shareholding of Promoter &amp; Promoter Group</b>	<b>44</b>	<b>2725590</b>	<b>54.35</b>
(B)	Public Shareholding			
(1)	Institutions	Nil	Nil	Nil
(2)	Non-Institutions	1024	2289310	45.65
	<b>Total Public Shareholding</b>	<b>1024</b>	<b>2289310</b>	<b>45.65</b>
(C)	Shares held by Custodians and against which Depository Receipts have been issued			
(1)	Promoter & Promoter group	Nil	Nil	Nil
(2)	Public	Nil	Nil	Nil
	<b>TOTAL (A+B +C)</b>	<b>1068</b>	<b>5014900</b>	<b>100</b>

## 7. MEANS OF COMMUNICATION

Annual Report containing, inter alia, Audited Annual Accounts, Directors Report, Auditors Report and other important information is circulated to members and other entitled entities thereto. The Annual Report of the Company is also available on the website [www.itlfinlease.com](http://www.itlfinlease.com).

## 8. DECLARATION ON CODE OF CONDUCT

In compliance with regulation 26(3) of the Listing Regulation, the Company has framed and adopted a code of conduct. The code is applicable to the members of the Board and Senior Management Personnel of the Companies All the members of the Board and Senior Management Personnel have confirmed compliance to the Code as on March 31, 2018.

**Declaration of Compliance with the Code of Conduct for Board of Directors and Senior Management Personnel**

I, Radhika Jajodia , Chief Executive Officer of the Company, hereby declare that pursuant to Regulation 26 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and Senior Management personnel have given affirmation about their compliance with their respective Code of Conduct of the Company for the financial year ended March 31, 2018

For ITL Finlease & Securities Ltd.

Radhika Jajodia  
CEO

9. CFO CERTIFICATION:

A certificate from Chief Executive Officer and Chief Financial Officer on the financial statements of the company and on the matters which were required to be certified according to the Regulation 17(8) read with Part B of Schedule II of Listing Regulations, was placed before the Board and accordingly confirmed to the Board that to the best of their knowledge and belief, the financial statements and cash flow statements present a true and fair view of the Company's affairs.

10. Payment of Listing Fees

Annual Listing Fees for the year 2017-18 had been paid by the Company to Metropolitan Stock Exchange of India.

11. DIRECTORS PROFILE

**SHRI B.L.GUPTA** is 69years of age. He has worked as Tax & Financial Consultant for 20years from 1968 to 1987 .In 1987 he became Director of M/s INDUS TUBES LIMITED ,a group company of ITL Group .He is looking finance and Administration of the Company . He is also one of the promoter directors of ITL-Stock& Share Brokers Ltd.Currently he is working as Director of 8 companies .

**SHRI I.P. JAIN:** is 74 years of age and is a Commerce graduate, In 1962 .He started his career as an Executive with Steel worth Ltd. In 1974 He joined Prakash Tubes Ltd. (Surya Roshni Ltd.) as a Executive Director and remained there upto 1987. In 1988 he promoted Indus Tubes Ltd and is looking after production and sales(Industrial & Govt'). In 1995 he ioined ITL as director. He is also one of the promoter directors of ITL-Stock& Share Brokers Ltd. Currently he is working as Director of 14 companies

**SHRI KAILASH JAJODIA** is 64 years of age ..Since 1975 he was looking after his family business of Government suppliers of cement ,hardware & paints to Government of Nagaland at Dimapur which was discontinued at 1987.1988 he became Director of Indus Tubes Limited. In 1991 he promoted ITL. He is also one of the promoter directors of ITL Stock & Share Brokers Ltd. he is working as Director 15 companies

**SHRI DULI CHAND SHARMA** is 51 years of age and is a Commerce graduate. He started his career as aFinancial Manager in reputed companies.

**SHRI SANT LAL** is 62 years of age. He started his career as a Marketing & Supervisor in many companies.

**SHRI JUGAL KISHORE AGI WAL** is 53 years of age. He has total 32 years of experience in finance and related work.

MRS. RADHIKA JAJODIA is 36 years of age. She has total 7 years of experience as Chief executive Officer of the Company. She was appointed as Director in 2014.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DATED 01/09/2018  
NEW DELHI

-SD-  
(KAILASH JAJODIA)  
DIRECTOR  
DIN:00142836

-SD-  
(I.P.JAIN)  
DIRECTOR  
DIN:00161727

Details of Loans:

ANNEXURE-1

SL. No.	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given
1.	31/03/2018	INDUS TUBES LIMITED	55296373	FOR NORMAL BUSINESS ACTIVITY	SHORT TERM
2.	31/03/2018	SIDDHARTHA EAST P.LTD	2717480	FOR NORMAL BUSINESS ACTIVITY	SHORT TERM
3	31/03/2018	VASUDEVA EDUCATIONAL FOUNDATION SOCIETY	1085611	FOR NORMAL BUSINESS ACTIVITY	SHORT TERM
4	31/03/2018	KALSON ENGG.IND.P. LTD	2550178	FOR NORMAL BUSINESS ACTIVITY	SHORT TERM

Details of Investments:- NIL

Details of Guarantee / Security Provided: NIL

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DATED 01/09/2018  
NEW DELHI

-SD-  
(KAILASH JAJODIA)  
DIRECTOR  
DIN:00142836

-SD-  
(I.P.JAIN)  
DIRECTOR  
DIN:00161727

(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 arm's length transactions under third proviso thereto.

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

S.No.	Name of Related Party	Relationship
1	INDUS TUBES LIMITED	ASSOCIATES
2	Green Triveni Developers	SIGNIFICANT INFLUENCE
3	Vasudeva Educational Foundation Society	SIGNIFICANT INFLUENCE
4	Kalsan Engineering Industries Private Limited	SIGNIFICANT INFLUENCE
5	MR B.L GUPTA	KMP
6	MR. KAILASH JAODIA	KMP
7	MR. I. P JAIN	KMP
8	MRS. RADHIKA JAJODIA	RELATIVE OF DIRECTOR /KMP
9	MRS. SHIKHA JAIN	RELATIVE OF DIRECTOR
10	MRS. PARUL SRIVASTAVA	KMP
11	MR. ARUN MEHTA	KMP

Details of related party transactions during the year :			
NAME OF PARTY	Nature of transactions	As at 31 <sup>st</sup> March 2018	As at 31st March 2017
Radhika Jajodia	Salary paid	12,60,000	1,148,400
Arun Mehta	Salary paid	2,62,985	2,55,760
Parul Srivastava	Salary paid	5,90,000	4,88,400
Sikha Jain	Salary paid	7,20,000	-
Green Treveni Developers	Interest debited	-	90,313
	TDS	-	9,031
	Loan received back	-	2,198,458
Indus Tubes Ltd.	Interest debited	4218192	4,216,542
	TDS	421819	421,654
	Further Loan Given	1,60,00,000	-
	Amount received back	4500000	11,628,911

Vasudeva Educational Foundation Society	Interest debited	95,123	18,027
	TDS	9,512	1,803
	Amount received back	5,00,000	4,43,755
	Loan Given	15,00,000	-
Kalsan Engineering Industries Private Limited.	Loan given	25,00,000	-
	Loan received back	-	-
	Interest debited	55,753	-
	TDS	5,575	-
<b>Outstanding balance of related parties</b>			
<b>Name of Party</b>		<b>As at 31st March 2018</b>	<b>As at 31st March 2017</b>
Arun Mehta	Advance Salary	1,54,000	1,96,000
	Salary payable	19,480	
Parul Srivastva	Salary payable	50,000	-
Indus Tubes Ltd.	Loan given	5,52,96,373	40,000,000.00
Vasudeva Educational Foundation Society	Loan given	10,85,611	-
Kalsan Engineering Industries Private Limited.	Loan given	25,50,178	-

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DATED 01/09/2018  
NEW DELHI

-SD-  
(KAILASH JAJODIA)  
DIRECTOR  
DIN:00142836

-SD-  
(I.P.JAIN)  
DIRECTOR  
DIN:00161727

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

## I. REGISTRATION &amp; OTHER DETAILS:

CIN	L65910DL1991PLC045090
Registration Date	25/07/1991
Name of the Company	ITL FINLEASE & SECURITIES LIMITED
Category/Sub-category of the Company	Public Company / Limited by shares
Address of the Registered office & contact details	B-08,GD-ITL TOWER,NETAJI SUBHASH PLACE,PITAMPURA,DELHI-110034 011-27352981,E-mail-csitlfinlease@gmail.com
Whether listed company	YES
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Limited, 205-208,Anarkali Complex , Jhandewalan Extension, New Delhi 110055,Ph No-42541234, 42541960,E-mail: rta@alankit.com

## 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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	The Company is Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI) with registration no. 14.00033.The Company is engaged in trading in securities and provides loans and leasing & financial services to other establishments.	0807	100



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

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:- Not Applicable

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	-	-	-

### III. VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	-	1376490	1376490	27.44	1532190	17100	1549290	30.89	3.45
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.		1176300	1176300	23.46	1176300	-	1176300	23.46	0%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Partnership firm)	-								
<b>Total shareholding of Promoter (A)</b>	-	2552790	2552790	50.90	2708490	17100	2725590	54.35	3.45

<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>									
<b>2. Non-Institutions</b>									
a) Bodies Corp.		546300	546300	10.89	-	374500	374500	7.46	3.43
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh		1233580	1233580	24.60	17500	1215080	1232580	24.58	0.02
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh		639230	639230	12.75	60200	579030	639230	12.75	0.00 %
c) Others (HUF & FIRMS)	-	43000	43000	0.86	-	43000	43000	0.86	0.00 %
Non Resident Indians	-	-	-	-	-	-	-	-	-

Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	<b>246210</b>	<b>2462110</b>	<b>49.10</b>	<b>77700</b>	<b>2211610</b>	<b>2289310</b>	<b>45.65</b>	<b>3.44</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	2462110	2462110	49.10	77700	2211610	2289310	45.65	3.44
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>5014900</b>	<b>5014900</b>	<b>100</b>	<b>2786190</b>	<b>2228710</b>	<b>5014900</b>	<b>100</b>	<b>0.00</b>

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Ashish Gupta	10	0.0002	0.00	10	0.0002	0.00	0%
2	Akash Gupta	7,000	0.14	0.00	7,000	0.14	0.00	0%
3	B.L Gupta	41010	0.82	0.00	42010	0.83	0.00	0.01%
4	G.K Jaju	6,010	0.11	0.00	6,010	0.11	0.00	0%
5	I.P. Jain	18710	0.12	0.00	18710	0.37	0.00	0%
6	Kailash Jajodia	112710	2.24	0.00	112710	2.24	0.00	0%
7	Kaushal Jajodia	1,05,300	3.92	0.00	1,05,300	3.92	0.00	0%
8	Kusum Gupta	25,200	0.50	0.00	25,200	0.50	0.00	0%

9	Meghna Jajodia	60500	1.21	0.00	60500	1.21	0.00	0%
10	Shankar Lal Gupta	9,010	0.17	0.00	9,010	0.17	0.00	0%
11	Ashish Jain	36,900	0.73	0.00	36,900	0.73	0.00	0%
12	Daya Jain	10,300	0.20	0.00	10,300	0.20	0.00	0%
13	I.P. Jain(HUF)	17,300	0.34	0.00	17,300	0.34	0.00	0%
14	K.P. Jain	5,000	0.09	0.00	5,000	0.09	0.00	0%
15	Kavita Ladha	3,000	0.06	0.00	3,000	0.06	0.00	0%
16	Rukma Devi Jaju	160400	3.19	0.00	160400	3.19	0.00	1.99%
17	Gopi Kishan jaju (HUF)	7000	0.14	0.00	7000	0.14	0.00	0%
18	Rajesh Jaju	9,200	0.18	0.00	9,200	0.18	0.00	0%
19	Northwest Enterprises PVT. LTD	11,000	0.22	0.00	11,000	0.22	0.00	0%
20	Meenu Garg	85,000	1.69	0.00	85,000	1.69	0.00	0%
21	Sushil Kumar Jaju (HUF)	132300	2.63	0.00	132300	2.63	0.00	0%
22	Rajesh Jaju & Sons	88800	1.77	0.00	94100	1.88	0.00	0.11%
23	Sushil Jaju	9,500	0.18	0.00	26000	0.52	0.00	0.34%
24	I.P. Polymers PVT. LTD.	137800	2.74	0.00	137800	2.74	0.00	0%
25	Kailash Jajodia (HUF)	81800	1.63	0.00	81800	1.63	0.00	0%
26	S.P. Jaju (HUF)	5,100	0.10	0.00	5,100	0.10	0.00	0%

27	Santosh Bagri	51,930	1.04	0.00	51,930	1.04	0.00	0%
28	Santosh Jain	17,500	0.34	0.00	17,500	0.34	0.00	0%
					0			
29	Guwahati Mercantile P LTD	86500	1.72	0.00	86500	1.72	0.00	0%
30	Nezone Agencies P LTD	1,19,000	2.37	0.00	1,19,000	2.37	0.00	0%
31	Nezone trading Co PVT LTD	91700	1.82	0.00	91700	1.82	0.00	0%
32	Prakesh Chand Jain	12,000	0.24	0.00	12,000	0.24	0.00	0%
33	Kaushal Commercial PVT. LTD.	3,72,100	7.42	0.00	3,72,100	7.42	0.00	0%
34	Eastern Tube Co. PVT. LTD.	102700	1.20	0.00	102700	1.20	0.00	0%
35	Kaushal Jajodia (HUF)	61900	1.23	0.00	61900	1.23	0.00	0%
36	SUREKHA GUPTA	31600	0.63	0.00	31600	0.63	0.00	0%
37	EKTA GUPTA	49100	0.97	0.00	49100	0.97	0.00	0%
38	JAYSHREE JAJU	13000	0.26	0.00	11300	2.25	0.00	1.99%
39	SARIKA JAJU	37300	0.74	0.00	87300	1.74	0.00	1.00%
40	SHIKHA JAIN	2000	0.39	0.00	2000	0.39	0.00	0%
41	VISHAKHA BUILDERS PVT LTD	162800	3.25	0.00	162800	3.25	0.00	0%
42	JAJODIA REAL	5800	0.11	0.00	5800	0.11	0.00	0%

	ESTATES PVT LTD							
43	RAHIKA JAJODIA	63100	1.26	0.00	63100	1.26	0.00	0%
44	AKASH BROTHERS TRADING PVT LTD	86900	1.73	0.00	86900	1.73	0.00	0%
	TOTAL	2552790	50.40	0.00	2725590	54.35	0.00	3.95

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

SN	Particulars	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	2552790	50.40	2725590	54.35
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year	2725590	54.35		

S.N O	NAME	No of shares at the beginning of the year/ end of the year	DATE	INCREASE /DECREASE	REASON	CUMULATIVE SHAREHOLDING	%
1	BAJRANG LAL GUPTA	41010 42010	01/04/2017 31/03/2018	+1000	TRANSFER	42010	0.83
2	RAJESH JAJU & SONS	88800	01/04/2017	+5300	TRANSFER	94100	1.88

	(HUF)	94100	31/03/2018				
3	SUSHIL KUMAR JAJU	9500 26000	01/04/2017 31/03/2018	+16500	TRANSFER	26000	0.52
4	SARIKA JAJU	37300 87300	01/04/2017 31/03/2018	+50000	TRANSFER	87300	1.74
5	JAYSHREE JAJU	13000 113000	01/04/2017 31/03/2018	+100000	TRANSFER	113000	2.25

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S N	Names	Shareholding at the beginning of the year		Increase /Decrease in share holding	Reason	Cumulative Shareholding during the Year(01/04/2017-31/03/2018)		Shareholding at the end of the year	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the company	No of share	% of total shares of the Company
1	ITL UDYOG LTD	91800	1.83	-	-	91800	1.83	50000	1.83
2	RAJESH CHOPRA	33930	0.67	-	-	33930	0.67	33930	0.67
3	KUSUM	63800	1.27	-	-	63800	1.27	63800	1.27

	BANSAL								
4	ITL STOCK & SHAREBROKERS LTD	69000	1.37	-	-	69000	1.37	69000	1.37
5	GLORY ADVERTISEMENTS & MARKETING PVT LTD	50000	0.99	-	-	50000	0.99	50000	0.99
6	INDUS TUBES LTD	38300	0.76	-	-	38300	0.76	38300	0.76
7	RAM NIWAS AGARWAL	40000	0.79	-	-	40000	0.79	40000	0.79
8	ASENLA A.O.	14000 0	2.79	-	-	14000 0	2.79	14000 0	2.79
9	BAL GOPAL ADCON PVT LTD	30000	0.59	-	-	30000	0.59	30000	0.59
10	AMONGLA JAMIR	15500 0	3.09	-	-	15500 0	3.09	15500 0	3.09



E) Shareholding of Directors and Key Managerial Personnel:

S.N O	NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR		DATE WISE CHANGE IN SHAREHOLDING			CUMULATIVE SHAREHOLDING		SHAREHOLDING AT THE END OF THE YEAR	
		NO OF SHARES	% OF TOTAL SHAES OF TGE COMPANY	DATE	INCR EASE /DCE REAS E	REAS ON	NO OF SHAR ES	% OF TOTAL SHAES OF TGE COMP ANY	NO OF SHAR ES	% OF TOTA L SHAES OF TGE COMP ANY
01	MR.B.L.GUPTA	41010	0.82	08/05/2017	+1000	-	42010	0.83	42010	0.83
02	MR.I.P.JAIN	18710	0.37	-	-	-	18710	0.37	18710	0.37
03	MR.KAILASH JAJODIA	112710	2.25	-	-	-	112710	2.25	112710	2.25
04	MRS.RADHIKA JAJODIA	63100	1.26	-	-	-	63100	1.26	63100	1.26
05	MR.JUGAL KISHORE AGIWAL	60200	1.20	-	-	-	60200	1.20	60200	1.20
06	MR.RAMESH KR.JAJODIA	NIL	-	-	-	-	NIL	-	NIL	-
07	MR.RAKESH TRIVEDI	NIL	-	-	-	-	NIL	-	NIL	-
08	MR.RARUN MEHTA	7000	0.14	-	-	-	7000	0.14	7000	0.14
09	MRS.PARUL SRIVASTAVA	NIL	-	-	-	-	NIL	-	NIL	-

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	-	-	-	-

ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	--	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		-----	----	----	---	
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	--	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	--	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	----
	<b>Total (A)</b>	-	-	-	-	-
	<b>Ceiling as per the Act</b>	-	--	-	-	-

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	--
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	--	-
2	Other Non-Executive Directors	-	-	--	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO/Executive Director	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs1260000	Rs 590000	Rs 254760	Rs 2104760
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	--	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-

	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify ( BONUS& leave encashment)	Rs 8400	Rs 8400	Rs 16625	Rs 33425
	Total	1268400	598400	271385	2138185

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

DATED 01/09/2018  
NEW DELHI

-SD-  
(KAILASH JAJODIA)  
DIRECTOR  
DIN:00142836

-SD-  
(I.P.JAIN)  
DIRECTOR  
DIN:00161727

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**  
*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies*  
*(Appointment and Remuneration Personnel) Rules, 2014]*

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH, 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,**  
**ITL Finlease & Securities Limited**  
**B-08, GD-ITL Tower, Top Floor,**  
**Netaji Subhash Place,**  
**Pitampura,**  
**New Delhi-110034.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. ITL Finlease & Securities Limited (hereinafter called "the Company")(CIN: L65910DL1991PLC045090). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/confirmation, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 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 there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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 and SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - (c) 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;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (vi) Other Laws applicable specifically to the Company namely:
  - (a) The Payment of Bonus Act, 1965;
  - (b) The Reserve Bank of India Act, 1934 and the Rules/ Regulations /directions made under that Act as applicable.

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

- (i) Secretarial Standards (SS-1) with regard to Board Meetings and Secretarial Standards (SS-2) with regard to General Meeting issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Metropolitan Stock Exchange and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I, report that, during the period under review, the Company has complied with the provisions of the Act, rules, guidelines and regulations mentioned above.

I further report that there are no events/actions in pursuance of

- (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; requiring compliance thereof by the Company during the year .

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 as on 31<sup>st</sup> March, 2018. The changes in the composition of the Board of Directors that took place during the period under review are carried out in compliance with the provisions of the Act.
- Adequate notice with Agenda is given to all directors to schedule the Board Meetings at least seven days in advance.
- On the basis of signed Minutes of Board Meeting, it is apparent that all the decisions are carried through unanimous consensus and there are no dissenting members' views and hence, no recording was done in this regard as part of the minutes.

As informed and explained by the Management, 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.

The provisions relating to audit of accounts and financial statement of the Company will be dealt in the Statutory Audit and that relating to taxation is dealt in Tax Audit therefore, I cannot express my opinion on the Secretarial Compliance of these laws.

We further report that during the audit period under review there were following specific events /actions having a major bearing on company's affair in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

**Place: New Delhi**  
**Date :01/09/2018**  
**C P no.:11896**

**-SD-**  
**Kamal Preet Kaur**  
**Practicing Company Secretary**  
**ACS No.: 20781**

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

**“ANNEXURE A”**

**To,  
The Members,  
ITL Finlease & Securities Limited  
B-08, GD-ITL Tower, Top Floor,  
NetajiSubhash Place, Pitampura,  
New Delhi-110034.**

My 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. I 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. I have not verified the correctness and appropriateness of financial records, taxation compliance and Books of Accounts of the company.
4. Where ever required, I 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.

**Place: New Delhi  
Date :01/09/2018  
C P No.: 11896**

**-SD-  
Kamal Preet Kaur  
Practicing Company Secretary  
ACS No.: 20781**

## INDEPENDENT AUDITORS' REPORT

To the Members of

### **ITL FINLEASE & SECURITIES LIMITED**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of M/s ITL FINLEASE & SECURITIES LIMITED ('the Company') which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow for the year ended and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the company in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under section 133 of the Act, read with Rule 7 of 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.

#### **Auditors' 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 thereunder.

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 evidences about the amounts and 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 auditors consider internal financial controls relevant to the company's preparation of the financial statements that give a true and fair view in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its profit and its 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") 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 Order, to extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Cash Flow 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) Rule, 2014;
  - (e) on the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of sub section (2) of section 164 of the Companies Act 2013;
  - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
  - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) the Company does not have any pending litigations which would impact its financial position;
    - ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. The provision of section 73 of the Companies Act, 2013 is not applicable to the Company as it is a Non-Banking Financial Company as defined in the Reserve Bank of India act, 1934 (2 of 1934), further as required by non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 1998 we report that: -
  - i) The company is a registered NBFC with RBI as provided in section 45IA having certificate no. 14.00033.
  - ii) Company is entitled to continue to hold certificate of registration under section 45IA of RBI Act in terms of its assets / income pattern as on 31/03/2018. (Disclosure in Note No. 32)
  - iii) based on the criteria for classification of N B F C the company is a Loan company.
  - iv) The board of directors has passed a resolution for the non-acceptance of any public deposits without prior approval of RBI.

- v) The company has not accepted any Public Deposits during the relevant year.
- vi) The company has complied with the prudential Norms relating to income recognition, accounting standards, assets classification, and provisioning for bad and doubtful debts to the extent these were applicable to it.
- vii) The company is not a Systematically Important Non Deposit Taking Non-Banking Finance Company as referred in para 2 (1)(XIX) of Non Banking Financial NON DEPOSIT ACCEPTING OR HOLDING COMPANIES PRUDENTIAL NORMS (Reserve Bank) DIRECTION 2007

For Samarth M Surana & Co.  
*Chartered Accountants*  
(FRN:-010295N)

Place: New Delhi  
Date: 30-05-2018

CA Bharat Rattan  
*Partner*  
M. No.099703

#### Annexure 'A' to the Independent Auditors' Report

The annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2018, we report that:

- 1)
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b) As explained to us all the assets have been physically verified by the management at regular interval, no material discrepancies were noticed on such verification.
- 2) Inventory of the company comprised equity shares valued at Rs. 9500 which is held for trading. Stock of these shares held by the company is in dematerialized form and the company has received statement of stock lying with the depository participant. Therefore, there was no case of physical verification of inventory.
- 3) During the year the company has not granted any loan secured or unsecured to parties and companies covered in the register maintained under section 189 of the Companies Act, 2013.
  - i) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted in earlier year to the parties listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the Company;
  - ii) In the case of the loans granted in earlier year to the parties and companies listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
  - iii) There are no overdue amounts in respect of the loan granted in earlier to parties listed in the register maintained under Section 189 of the Act.
- 4) Provisions of section 185 and 186 of the Act 2013 are not applicable on the company because the company is a registered Non Banking Financial Company. However we report that the requirement and compliance mentioned in section 185 & 186 have been complied with respect to the loans and investment, guarantee and security made, to the extent these position so apply.

- 5) Since the company has not accepted any deposits from the public, the directives issued by the Reserve Bank of India and the provision of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under with regard to the deposits accepted from the public are not applicable.
- 6) According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 for any of the activities of the company.
- 7)
  - a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including income-tax, service tax, cess and any other statutory dues with the appropriate authorities. There is no arrears of outstanding statutory dues as at 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 explanation given to us, there are no dues on account of income tax or service tax or cess, which have not been deposited on account of any dispute.
- 8) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly paragraph 3(viii) of the Order is not applicable.
- 9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly paragraph 3(ix) of the Order is not applicable.
- 10) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not paid/provided for managerial remuneration hence provisions of section 197.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

- 16) The Company has complied with the provisions of clause3 (xvi) of the order as the company is registered as NBFC under section 45-IA of the reserve Bank of India Act, 1934.

For Samarth M Surana & Co.  
*Chartered Accountants*  
(FRN:-010295N)

Place: New Delhi  
Date: 30-05-2018

CA Bharat Rattan  
*Partner*  
M. No-099703

## **Annexure 'B' to the Independent Auditors' Report**

---

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

We have audited the internal financial controls over financial reporting of M/s ITL FINLEASE & SECURITIES LIMITED ('the Company') as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

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

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

## Meaning of Internal Financial Controls over Financial Reporting

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

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

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

For Samarth M Surana & Co.  
*Chartered Accountants*  
(FRN:-010295N)

Place: New Delhi  
Date: 30-05-2018

CA Bharat Rattan  
*Partner*  
M. No.099703

**ITL FINLEASE & SECURITIES LIMITED**

CIN NO. :- L65910DL1991PLC045090

Balance Sheet as at 31<sup>st</sup> March, 2018

Particulars	Note No.	As at 31 March, 2018	As at 31 March, 2017
		Amount ( Rs.)	Amount ( Rs.)
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	48,058,750	48,058,750
(b) Reserves and surplus	4	32,862,308	31,055,568
(c) Money received against share warrants		-	-
		<u>80,921,058</u>	<u>79,114,318</u>
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred Tax Liability (Net)	11	-	58,748
(c) Other long-term liabilities	5	710,180	426,830
(d) Long-term provisions	6	1,589,650	1,181,023
		<u>2,299,830</u>	<u>1,666,601</u>
<b>4 Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Other current liabilities	7	404,597	161,541
(c) Short-term provisions	8	-	34,363
		<u>404,597</u>	<u>195,904</u>
<b>TOTAL</b>		<u><u>83,625,485</u></u>	<u><u>80,976,823</u></u>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Property, plant and equipment	9	13,046,868	12,542,340
(ii) Capital work-in-progress		-	-
(iii) Intangible assets		-	-
		<u>13,046,868</u>	<u>12,542,340</u>
(b) Non-current investments	10	6,282,180	6,282,180
(c) Deferred Tax Assets (Net)	11	10,834	-
(d) Long-term loans and advances	12	103,157	103,157
(e) Other non-current assets		-	-
		<u>19,443,039</u>	<u>18,927,677</u>
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	13	9,500	9,500
(c) Trade receivables	14	437,566	622,526
(d) Cash and cash equivalents	15	1,284,334	16,934,843
(e) Short-term loans and advances	16	57,671,000	44,196,000
(f) Other current assets	17	4,780,046	286,277
		<u>64,182,446</u>	<u>62,049,146</u>
<b>TOTAL</b>		<u><u>83,625,485</u></u>	<u><u>80,976,823</u></u>

The accompanying notes forming part of the standalone financial statements

As per our report attached.

**For Samarth M. Surana & Co.**

Chartered Accountants

Firm Registration No. 10295N

for and on behalf of Board of Directors

B.L. GUPTA  
**DIRECTOR**  
DIN: 00143031

KAILASH JAJODIA  
**DIRECTOR**  
DIN: 00142836

CA SUMIT BHARUNT

Partner

M. No. 538472

ARUN MEHTA  
**CHIEF FINANCIAL  
OFFICER**

RADHIKA JAJODIA  
**CHIEF EXECUTIVE  
OFFICER & DIRECTOR**  
DIN: 06957544

PLACE : NEW DELHI  
DATE : 30th May 2018

PARUL SRIVASTAVA  
**COMPANY SECRETARY**  
M.No. A25854

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090  
Statement of Profit and Loss for the Year ended 31<sup>st</sup> March, 2018

Particulars	Note No.	For the year ended	For the year ended
		31 March, 2018	31 March, 2017
		Amount ( Rs.)	Amount ( Rs.)
1 Revenue from operations (gross)	18	7,728,529	8,271,494
2 Other income	19	-	30,995
<b>3 Total revenue (1+2)</b>		<b>7,728,529</b>	<b>8,302,489</b>
<b>4 Expenses</b>			
Purchases of stock-in-trade		-	-
Changes in inventories of stock-in-trade	20	-	88,581
Employee benefits expense	21	4,239,703	3,920,598
Depreciation and amortisation expense	10	232,817	234,646
Other expenses	22	660,328	1,707,937
<b>Total expenses</b>		<b>5,132,848</b>	<b>5,951,762</b>
<b>5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)</b>		<b>2,595,681</b>	<b>2,350,727</b>
6 Exceptional items & extraordinary items		-	-
<b>7 Profit / (Loss) after exceptional and extraordinary items (5 ± 6)</b>		<b>2,595,681</b>	<b>2,350,727</b>
8 Less : Provisions for outstanding standard assets		95,739	175,988
<b>9 Profit/(Loss) before tax (7-8)</b>		<b>2,499,942</b>	<b>2,174,739</b>
<b>10 Tax expense:</b>			
(a) Current tax expense for current year		805,050	1,267,790
(b) Tax expense relating to prior years		(42,266)	237
(c) Deferred tax		(69,582)	(336,847)
		<b>693,202</b>	<b>931,180</b>
<b>11 Profit / (Loss) for the year/period (9 ± 10)</b>		<b>1,806,740</b>	<b>1,243,559</b>
<b>12 Earning per equity share:</b>			
(i) Basic		0.38	0.26
(ii) Diluted		0.38	0.26

The accompanying notes forming part of the standalone financial statements

As per our report attached.

**For Samarth M. Surana & Co.**

Chartered Accountants

Firm Registration No. 10295N

for and on behalf of Board of Directors

B.L. GUPTA

**DIRECTOR**

DIN: 00143031

KAILASH JAJODIA

**DIRECTOR**

DIN: 00142836

CA SUMIT BHARUNT

Partner

M. No. 538472

ARUN MEHTA

**CHIEF FINANCIAL OFFICER**

RADHIKA JAJODIA

**CHIEF EXECUTIVE OFFICER & DIRECTOR**  
DIN: 06957544

PARUL SRIVASTAVA

**COMPANY SECRETARY**

M.No. A25854

PLACE : NEW DELHI

DATE : 30th May 2018



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

<b>Particulars</b>	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
<b>a. <u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net Profit (Loss ) before tax but after provision for standard assets	2,499,942	2,174,739
<i>Adjustments to reconcile net profit to net cash provided by operating activities</i>		
Depreciation	232,817	234,646
Dividend Income	-	(9,298)
Provision for Gratuity	312,888	1,005,035
Provision for Standard Assets	95,739	175,988
Operating profit before working capital Changes	3,141,386	3,581,110
<i>Changes in working capital</i>		
Increase/(Decrease) in Trade Receivables	(184,960)	(498,022)
(Increase)/Decrease in Stock-in-Trade	-	88,581
Increase/(Decrease) in Other Current Assets	4,493,769	(4,785)
Increase/(Decrease) in Other Current Liabilities	243,056	63,054
Cash generated from operations	(924,367)	3,229,938
Taxes Paid	(797,147)	(1,533,908)
TDS & Advance Tax Paid	-	0
<b>Net Cash Generated By Operating Activities</b>	<b>(1,721,514)</b>	<b>1,696,030</b>
<b>b. <u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Purchase of Fixed Assets	(737,345)	(89,180)
<b>Net Cash Used In Investing Activities</b>	<b>(737,345)</b>	<b>(89,180)</b>
<b>c. <u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Repayments of security deposits	283,350	(6,000)
(Increase)/decrease in Loan & Advances	(13,475,000)	14,812,936
Dividend Received	-	9,298
Call money received	-	15,000
<b>Net Cash Used In Financing Activities</b>	<b>(13,191,650)</b>	<b>14,831,234</b>
<b>d. Net Increase in Cash Equivalents (a+b+c)</b>	<b>(15,650,509)</b>	<b>16,438,084</b>
e. Cash & Cash Equivalents at the beginning of the year	16,934,843	496,759
<b>f. Cash &amp; Cash Equivalents at the end of the year (d+e)</b>	<b>1,284,334</b>	<b>16,934,843</b>

The accompanying notes forming part of the standalone financial statements

As per our report attached.

**For Samarth M. Surana & Co.**

Chartered Accountants

Firm Registration No. 10295N

for and on behalf of Board of Directors

B.L. GUPTA  
**DIRECTOR**  
DIN: 00143031

KAILASH JAJODIA  
**DIRECTOR**  
DIN: 00142836

CA SUMIT BHARUNT

Partner

M. No. 538472

ARUN MEHTA  
**CHIEF FINANCIAL OFFICER**

RADHIKA JAJODIA  
**CHIEF EXECUTIVE OFFICER  
& DIRECTOR**  
DIN: 06957544

PLACE : NEW DELHI  
DATE : 30th May 2018

PARUL SRIVASTAVA  
**COMPANY SECRETARY**  
M.No. A25854

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090  
**Notes forming part of the financial statements**

Note	Particulars
<b>1 Corporate Information</b>	<p>ITL Finlease &amp; Securities Limited (the Company) is a Public Company domiciled in India and is incorporated under the provisions of the Companies Act,1956.</p> <p>The securities of the Company are presently listed on “Metropolitan Stock Exchange Limited”, being the Exchange having nationwide terminals, w.e.f. January 24, 2017 vide notice number MSEI/LIST/4857/2017. Further, the securities of the Company were earlier listed on Delhi Stock Exchange Limited (DSE) and Jaipur Stock Exchange (JSE). However, the recognition of DSE and JSE has been withdrawn by SEBI w.e.f., November 19, 2014 and March 23, 2015 respectively.</p> <p>M/s Alankit Assignments Ltd has been appointed as RTA under listing process.</p> <p>The Company is Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI) with registration no. 14.00033. The Company is engaged in trading in securities and provides loans and leasing &amp; financial services to other establishments.</p>
<b>2 Significant accounting policies</b>	
<b>2.1 Basis of accounting and preparation of financial statements</b>	<p>The financial statements of the Company have been prepared on a going concern basis under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act,2013 and the guidelines issued by Securities and Exchange Board of India (SEBI ) and Reserve Bank of India (RBI) as applicable to NBFC. The company follows accrual system of accounting and recognises significant items of income and expenditure on accrual basis except that the income on account of providing space for display units are taken to income on receipt basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>
<b>2.2 Use of estimates</b>	<p>The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.</p>
<b>2.3 Inventories</b>	<p>Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including STT paid, if any on purchase.</p>

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090  
**Notes forming part of the financial statements**

Note	Particulars
<b>2.4 Property Plant &amp; Equipment</b>	
	Company followed cost model for valuation of fixed asset. Fixed assets are stated at cost less accumulated depreciation. Cost is inclusive of freight, duties, taxes and incidental expenses related to acquisition/ instalation.
<b>Intangible Assets</b>	
	Intangible assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis
<b>Depreciation and amortisation</b>	
	Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
<b>2.5 Investments</b>	
	Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fee and duties.  Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.  On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.
<b>2.6 Revenue Recognition</b>	
	<u>Income from Loan Transaction</u> Interest income is accounted on accrual basis.
	<u>Income from Rental Services</u> Revenues from services on account of letting the space for display units are considered as accrued on receipts of payments basis, in view of the peculiarity of the nature of contract and the rent of properties is recognised on time basis.
<b>2.7 Other income</b>	
	Dividend income is accounted for when the right to receive it is established.

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090  
**Notes forming part of the financial statements**

Note	Particulars
<b>2.8 Employee benefits</b>	
<b>(i) Short Term Employee Benefits</b>	
	The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.
<b>(ii) Post-Employment Benefit</b>	
<b>Defined Benefit Plans</b>	
	Gratuity liability is a defined benefit obligation and is provided for on the basis of Actual Calculation at the end of the each year. Gains/losses are immediately taken to the statement of profit and loss and are not deferred. Accumulated gratuity which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and which is expected to be carried forward beyond 12 months, as long term employees benefit for measurement purpose.
<b>2.9 Taxes on income</b>	
	Tax liability is estimated considering the provisions of the Income Tax Act, 1961.
	Minimum Alternate Tax (MAT) due if any is paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.
	Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.
<b>2.10 Impairment of assets</b>	
	An asset is treated as impaired when carrying cost of the same exceeds its recoverable amount. An impairment is charged to Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.
<b>2.11 Provisions and contingencies</b>	
	Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090  
**Notes forming part of the financial statements**

<b>Note</b>	<b>Particulars</b>
<b>2.12 Cash Flow</b>	Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows operating, financing and investing activities of the company are segregated.
<b>2.13 Operating Cycle</b>	Based on the nature of activity of the company, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.
<b>2.14 Earnings Per share</b>	The Company reports basic and diluted earnings per share in accordance with Accounting standard-20 Earnings Per Share. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

**Notes forming part of the financial statements**

**Note 3 Share capital**

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	Amount ( Rs.)	Number of shares	Amount ( Rs.)
(a) Authorised Equity shares of Rs.10 each with voting rights	6,000,000	60,000,000	6,000,000	60,000,000
	<u>6,000,000</u>	<u>60,000,000</u>	<u>6,000,000</u>	<u>60,000,000</u>
(b) Issued Equity shares of Rs.10 each with voting rights	5,014,900	50,149,000	5,014,900	50,149,000
	<u>5,014,900</u>	<u>50,149,000</u>	<u>5,014,900</u>	<u>50,149,000</u>
(c) Subscribed and fully paid up Equity shares of Rs.10 each with voting rights	4,732,300	47,323,000	4,732,300	47,323,000
	<u>4,732,300</u>	<u>47,323,000</u>	<u>4,732,300</u>	<u>47,323,000</u>
(d) Subscribe but not fully paid up Equity shares of Rs.10 each with voting rights	282,600	735,750	282,600	735,750
	<u>282,600</u>	<u>735,750</u>	<u>282,600</u>	<u>735,750</u>
	<u>5,014,900</u>	<u>48,058,750</u>	<u>5,014,900</u>	<u>48,058,750</u>

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

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity shares with voting rights: Subscribed and fully paid up</b>				
At the beginning of the period	4,732,300	47,323,000	4,730,300	47,303,000
Add: Partly paid up shares converted into fully paid up shares	-	-	2,000	20,000
At the end of the period	<u>4,732,300</u>	<u>47,323,000</u>	<u>4,732,300</u>	<u>47,323,000</u>
<b>Equity shares with voting rights: Subscribed but not fully paid up</b>				
At the beginning of the period	282,600	735,750	284,600	740,750
Add: Calls received	-	-	-	15,000
Less: Partly paid up shares converted into fully paid up shares	-	-	2,000	20,000
At the end of the period	<u>282,600</u>	<u>735,750</u>	<u>282,600</u>	<u>735,750</u>

(ii) Equity Shares carry voting rights at the General Meetings of the Company and are entitled to dividend and to participate in surplus, if any, in the event of winding up.

282,600

282,600

(iii) Details of Shares held by the Holding, the ultimate holding company, their subsidiaries and associates:

-

-

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

Class of shares / Name of shareholder	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Kaushal Commercial Pvt Ltd	372,100	7.42	372,100	7.42

(vi) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

NIL

NIL

#### Details of calls unpaid

Particulars	As at 31 March, 2018		As at 31 March, 2017	
	Number of shares	Amount ( Rs.)	Number of shares	Amount ( Rs.)
<u>Equity shares with voting rights</u>				
Aggregate of calls unpaid				
- by Others	282,600	2,090,250	282,600	2,090,250
<b>Particulars</b>	<b>As at 31 March, 2018</b>		<b>As at 31 March, 2017</b>	
	<b>Amount ( Rs.)</b>		<b>Amount ( Rs.)</b>	

#### Note 4 Reserves and surplus

##### 4.1 Statutory Reserve

Reserve fund in terms of Section 45I C(1) of the Reserve Bank of India Act, 1934

Opening balance	6,211,114	-
Add: Transferred from Surplus (20% for previous period)	-	5,962,402
Add: Transferred from Surplus (20% for current period)	361,348	248,712
Closing balance	<u>6,572,462</u>	<u>6,211,114</u>

##### 4.2 Surplus as per Statement of Profit & Loss

Opening balance	24,844,454	29,812,009
Add: Surplus/Deficit as per Statement of Profit & Loss for the year	1,806,740	1,243,559
Less: Amount transferred to statutory reserve @ 20% out of past year profits	-	5,962,402
Less: Amount transferred to statutory reserve @ 20% out of current year profits	361,348	248,712
Closing balance	<u>26,289,847</u>	<u>24,844,454</u>

**Closing balance (1+2)**

**32,862,308**

**31,055,568**

Notes forming part of the financial statements

Particulars	As at 31 March, 2018 Amount ( Rs.)	As at 31 March, 2017 Amount ( Rs.)
<b>Note 5 Other Long-term liabilities</b>		
Security deposits received	710,180	426,830
<b>Total</b>	<u>710,180</u>	<u>426,830</u>
<b>Note 6 Long Term Provision</b>		
<b>Provision against standard assets</b>		
Opening Balance	175,988	
Add:- During the year	95,739	175,988
Closing Balance	<u>271,727</u>	<u>175,988</u>
<b>Provision for gratuity</b>		
Opening Balance	1,005,035	-
Add:- During the year	312,888	1,005,035
Closing Balance	<u>1,317,923</u>	<u>1,005,035</u>
<b>Total</b>	<u>1,589,650</u>	<u>1,181,023</u>
<b>Note 7 Other current liabilities</b>		
Bonus Payable	61,600	58,800
Legal & Professional charges Payable	43,200	-
Audit fee payable	51,000	56,950
Telephone expenses	2,207	2,991
Duties and Taxes	11,900	42,800
Salary Payable	158,040	-
Security Deposit	76,650	-
<b>Total</b>	<u>404,597</u>	<u>161,541</u>
<b>Note 8 Short term provisions</b>		
Provision for tax (net of advance tax) [TDS/Advance Tax Rs. Nil (P.Y. Rs. 12,33,427)]	-	34,363
<b>Total</b>	<u>-</u>	<u>34,363</u>



Notes forming part of the financial statements

Particulars	As at 31 March, 2018 Amount ( Rs.)	As at 31 March, 2017 Amount ( Rs.)
<b>Note 11 Deferred Tax Assets/Liabilities</b>		
<b>i) On account of Depreciation</b>		
Opening Balance	369,304	395,595
Less: Deferred Tax Liability reversed	-40,773	26,291
Deferred Tax Liability	<u>328,531</u>	<u>369,304</u>
<b>ii) On account of Provision for Gratuity</b>		
Opening Balance	310,556	-
Add: Deferred Tax Asset made	28,809	310,556
Deferred Tax Assets	<u>339,365</u>	<u>310,556</u>
<b>Deferred Tax (Liability)/asset (net)</b>	<u>10,834</u>	<u>-58,748</u>
<b>Note 12 Long-term loans &amp; advances</b>		
Security deposit (DLF Plot)	<u>103,157</u>	<u>103,157</u>
<b>Total</b>	<u>103,157</u>	<u>103,157</u>
* In the opinion of the management, Loans & Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet		
<b>Note 13 Inventories</b> (valued at lower of cost or net realisable value)		
Stock In Trade of Shares	<u>9,500</u>	<u>9,500</u>
<b>Total</b>	<u>9,500</u>	<u>9,500</u>
<b>Note 14 Trade receivables</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	-	269,330
Other Trade receivables:		
Unsecured, considered good	<u>437,566</u>	<u>353,196</u>
	437,566	622,526
Less: Provision for doubtful debts	-	-
<b>Total</b>	<u>437,566</u>	<u>622,526</u>
<b>Note 15 Cash and cash equivalents</b>		
(a) Cash in hand	219,931	223,342
(b) Balances with banks	1,064,403	16,711,501
In current accounts		
<b>Total</b>	<u>1,284,334</u>	<u>16,934,843</u>
<b>Note 16 Short-term loans and advances</b>		
<b>16(a) Loans and advances to related Parties</b> (Unsecured, considered good)		
(i) To Associates	51,500,000	40,000,000
(ii) To Entities in which KMP/Relatives of KMP can exercise significant influence	2,500,000	-
(iii) To Other Entities	1,000,000	-
(iv) To employees	154,000	-
<b>16(b) Loans and advances to other Parties</b>		
(i) To Body corporate	2,500,000	4,000,000
(ii) To employees	17,000	196,000
<b>Total</b>	<u>57,671,000</u>	<u>44,196,000</u>
<b>Note 17 Other Current Assets</b>		
(Vi) Balance with Revenue Authority	628,390	276,578
(vii) Prepaid Expenses	2,014	2,014
(viii) Service Tax & Education Cess Recoverable	-	7,685
(ix) Interest Accrued and due		
-With Related Parties		
Associates	3,796,373	-
Entities	50,178	-
Other Entities	85,611	-
-With Other Parties		
Body corporate	217,480	-
<b>Total</b>	<u>4,780,046</u>	<u>286,277</u>

Notes forming part of the financial statements

Particulars	As at 31 March, 2018 Amount ( Rs.)	As at 31 March, 2017 Amount ( Rs.)
<b>Note 18 Revenue from Operations</b>		
Rent Received	3,117,529	3,134,418
Interest on loans and advances	4,611,000	5,137,076
<b>Total</b>	<u>7,728,529</u>	<u>8,271,494</u>
<b>Note 19 Other Income</b>		
(a) Dividend Income	-	9,298
(b) Miscellaneous Receipts	-	21,697
<b>Total</b>	<u>-</u>	<u>30,995</u>
<b>Note 20 Changes in inventories of stock-in-trade</b>		
Opening Stock	9,500	98,081
Add: Purchases	-	-
Less: Sales	-	-
Closing Stock	9,500	98,081
Closing Stock at Market Value	9,500	9,500
Net (increase) / decrease	<u>-</u>	<u>88,581</u>
Shares costing Rs. 52,000 have been valued at lower of Cost or Market Value to comply with Generally Accounting Accounting Principles.		
<b>Note 21 Employee Benefits Expenses</b>		
Salaries and wages	3,865,215	2,856,763
Bonus	61,600	58,800
Gratuity	312,888	1,005,035
<b>Total</b>	<u>4,239,703</u>	<u>3,920,598</u>
<b>Note 22 Other expenses</b>		
Legal and professional Expenses	288,246	764,253
Payments to Auditors :-		
Statutory Audit Fees	40,000	40,200
Internal Audit Fees	15,000	13,065
Bank Charges	448	529
Book & Periodicals	3,560	-
Bad Debts	62,330	-
Commission Paid	60,000	-
Miscellaneous expenses	-	8,664
Advertisement	51,627	26,217
Filing Fee	6,358	6,908
Listing Fees	53,525	638,250
Demat Charges	-	797
Postage Expenses	16,590	18,895
Printing & Stationery	2,570	-
Repair & Maintenance	14,500	22,500
Telephone Expenses	31,309	26,173
Interest on Income Tax & TDS	627	33,494
Interest on Service Tax	310	-
Website Maintenance	6,500	-
Short & Excess	4	-
Coveyance Expenses	6,824	107,992
<b>Total</b>	<u>660,328</u>	<u>1,707,937</u>

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090

**Notes forming part of the financial statements**

**Note 9 Fixed Assets**

A.	Property, Plant & Equipment	Gross Block				Accumulated Depreciation and Impairment			Net Block	
		Balance as at 1 April, 2017	Additions	Disposals	Balance as at 31 March, 2018	Balance as at 1 April, 2017	Depreciation / Amortisation expense for the year	Balance as at 31 March, 2018	Balance as at 31 March, 2018	Balance as at 31 March, 2017
		Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
(i)	Land	8,733,681	-	-	8,733,681	-	-	-	8,733,681	8,733,681
(ii)	Furniture & Fixtures	236,738	116,000	-	352,738	179,164	20,222	199,386	153,352	57,574
(iii)	Office Equipment	214,687	46,488	-	261,175	208,616	4,248	212,864	48,311	6,071
(iv)	Computer	281,039	-	-	281,039	279,691	653	280,344	695	1,348
(v)	Building Office II	1,934,827	-	-	1,934,827	500,442	77,131	577,573	1,357,254	1,434,385
(vi)	Building Office III	3,110,111	574,857	-	3,684,968	800,830	130,563	931,393	2,753,575	2,309,281
	<b>Total</b>	14,511,083	737,345	-	15,248,428	1,968,743	232,817	2,201,560	13,046,868	12,542,340
	<b>Previous year</b>	14,421,903	89,180	-	14,511,083	1,734,097	234,646	1,968,743	12,542,340	12,687,806

**Depreciation and amortisation relating to continuing operations:**

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	Amount (Rs.)	Amount (Rs.)
Depreciation and ammortisation	232,817	234,646
	<u>232,817</u>	<u>234,646</u>

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090

**Notes forming part of the financial statements**

**Note 10 Non-current investments**

Particulars	As at 31 March, 2018			As at 31 March, 2017		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
	Amount	Amount	Amount	Amount	Amount	Amount
Investments (At cost):						
A. <u>Trade</u>	-	-	-	-	-	-
<b>Total (A)</b>	-	-	-	-	-	-
B. <u>Other Investments</u>						
(a) <u>Equity investments of other entities</u>						
<u>in which KMP/Relatives of KMP can</u>						
<u>Exercise significant influence.</u>						
(i) Kalsan Engineering Ind. Pvt Ltd	-	1,832,180	1,832,180	-	1,832,180	1,832,180
(ii) Yamuna Planners & Developers Pvt Ltd	-	700,000	700,000	-	700,000	700,000
(ii) Green Triveni Developers Pvt Ltd	-	600,000	600,000	-	600,000	600,000
(b) <u>Equity investments of Associates</u>						
(i) ITL Stock & Sharebrokers Ltd	-	1,700,000	1,700,000	-	1,700,000	1,700,000
(ii) ITL Infotech Limited	-	400,000	400,000	-	400,000	400,000
(iii) ITL Education Solutions Ltd	-	200,000	200,000	-	200,000	200,000
(iv) Indus Buildwell Ltd	-	750,000	750,000	-	750,000	750,000
(v) G.D Traexim Intl Ltd	-	100,000	100,000	-	100,000	100,000
<b>Total (B)</b>	-	6,282,180	6,282,180	-	6,282,180	6,282,180
<b>Total (A+B)</b>	-	6,282,180	6,282,180	-	6,282,180	6,282,180
Less: Provision for dimunition in value of investment	-	-	-	-	-	-
<b>Total</b>	-	6,282,180	6,282,180	-	6,282,180	6,282,180

	For the year ended 31 March, 2018	For the year ended 31 March, 2017
	Amount (Rs.)	Amount (Rs.)

Aggregate amount of quoted investments	-	-
Aggregate market value of listed and quoted investments	-	-
Aggregate amount of unquoted investments	6,282,180	6,282,180

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090  
**Notes forming part of the financial statements**

**Note 23 Contingent liabilities ( Not provided for )**

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
23.1 Claims against the company not acknowledged as debt		
i) Income tax department has raised a demand of Rs. 497,383/- (Prv. Year Rs. 505,483/-) on account of Late filing of tds return/ income tax and interest thereon. Year-wise break-up of which is as follows :		
F. Y. 2005-06	338,409	346,309
F. Y. 2007-08	60,774	60,774
F. Y. 2010-11	67,720	67,720
F. Y. 2012-13	30,280	30,280
F. Y. 2013-14	-	200
ii) TDS Demand (Prior Years)	200	200
(The aforesaid demand excluding TDS demand is technical in nature and in the opinion of management the ultimate outgo of funds will be Rs. Nil in this respect)		
23.2 Bank Guarantees	Nil	Nil
23.3 Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil
23.4 Other Commitments ( Please Specify Nature )	Nil	Nil

**Note 24 Disclosures under Accounting Standard - 20**

**Earnings per share**

Net profit after Tax	1,806,740	1,243,559
Weighted average amount of equity shares outstanding	48,051,188	48,051,188
Earning per Rupee	0.04	0.03
EPS from continuing operations - Basic & Diluted		
on fully paid up share	0.38	0.26
on partly paid up share	0.10	0.07

**Note 25 Disclosures under Accounting Standards - 18**  
**Related party transactions**

25.1 **Details of related parties:**

**Description of relationship**

Key Management Personnel

Relative of Key Management Personnel with whom transaction have taken place

Associates

Entities in which KMP / Relatives of KMP can exercise significant influence

**Names of related parties**

(i) Sh.Kailash Jajodia- (Director), (ii) Sh. B.L. Gupta (Director), (iii) Smt. Radhika Jajodia (CEO/Director)  
(iv) Sh. Arun Mehta-(CFO)  
(v) Smt. Parul Srivastava (Company Secretary )

(i) Smt. Shikha Jain

(i) Indus Tubes Ltd.

(i) Green Triveni Developers (ii) Vasudeva Educational Foundation Society (iii) Kalsan Engineering Industries Private Limited

Note: Related parties have been identified by the Management.

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090  
**Notes forming part of the financial statements**

**25.2 Details of related party transactions during the year :**

NAME OF PARTY	Nature of transactions	Year ended 31st March 2018	Year ended 31st March 2017
Radhika Jajodia	Salary paid	1,260,000	1,148,400
Arun Mehta	Salary paid	262,985	255,760
Parul Srivastava	Salary paid	590,000	488,400
Sikha Jain	Salary paid	720,000	-
Green Treveni Developers	Interest debited	-	90,313
	TDS	-	9,031
	Loan received back	-	2,198,458
Indus Tubes Ltd.	Interest Credited	4,218,192	4,216,542
	TDS	421,819	421,654
	Further Loan Given	16,000,000	-
	Amount received back	4,500,000	11,628,911
Vasudeva Educational Foundation Society	Interest Credited	95,123	18,027
	TDS	9,512	1,803
	Amount received back	500,000	443,755
	Loan Given	1,500,000	-
Kalsan Engineering Industries Private Limited	Loan given	2,500,000	-
	Loan received back	-	-
	Interest Credited	55,753	-
	TDS	5,575	-

**25.3 Outstanding balance of related parties**

Name of Party		As at 31st March 2018	As at 31st March 2017
Arun Mehta	Staff Advances	154,000	196,000
	Salary Payable	19,480	-
Parul Srivastva	Salary Payable	50,000	-
Indus Tubes Ltd.	Loan given	55,296,373	40,000,000
Vasudeva Educational Foundation Society	Loan given	1,085,611	-
Kalsan Engineering Industries Private Limited	Loan given	2,550,178	-

**Note 26** The company had no discontinuing operations during the year ended March 31, 2018 and during the year ended March 31, 2017

**Note 27** In the opinion of the board of directors the current assets, loan & advances are realisable in ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

**Note 28** Additional Information

Particulars	For the year ended 2017- 18	For the year ended 2016- 17
Value of Imports on C.I.F basis	Nil	Nil
Expenditure in Foreign Exchange	Nil	20,728
Earnings in Foreign Currency	Nil	Nil
Dividend Remitted in Foreign Currency	Nil	Nil

**Notes forming part of the financial statements**

- Note 29** No employee is in receipt of remuneration exceeding in aggregate of Rs. 1,02,00,000/- if employed throughout the year or Rs. 8,50,000/- per month if employed for a part of the year.
- Note 30** The Directors have waived off their right to claim the sitting fees for the Board Meeting attended by them.
- Note 31** There are no indications of impairment on any individual cash generating assets or on cash generating units in the opinion of management and therefore no test of impairment is carried out.
- Note 32** Disclosure pursuant to Reserve Bank of India of notification DNBS, 167/CGM (OPM)-2003 Dated March, 29, 2003

Particulars	As at 31.03.2018		As at 31.03.2017	
<b>Liabilities Side</b>	(Amount in Rs. )		(Amount in Rs. )	
<b>1) Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not Paid</b>	Amount Outstanding	Amount overdue	Amount Outstanding	Amount overdue
(a) Debentures : Secured	Nil	Nil	Nil	Nil
: Unsecured	Nil	Nil	Nil	Nil
(Other than falling within the meaning of public Deposits *)				
(b) Deferred Credits	Nil	Nil	Nil	Nil
(c) Term Loans	Nil	Nil	Nil	Nil
(d) Inter-Corporate loans and borrowing	Nil	Nil	Nil	Nil
(e) Commercial Paper	Nil	Nil	Nil	Nil
(f) Public Deposit*	Nil	Nil	Nil	Nil
(g) Other Loans (loan from director)	Nil	Nil	Nil	Nil
<b>(2) Break-up of (1) (f) above ( Outstanding Public deposits inclusive of interest accrued thereon but not paid</b>				
(a) in the form of unsecured Debenture	Nil	Nil	Nil	Nil
(b) In the form of Partly Secured debentures i.e., Debentures where there is a shortfall in the Value of Security	Nil	Nil	Nil	Nil
(c) Other Public deposits	Nil	Nil	Nil	Nil
<b>Assets Side</b>	(Amount in Rs. )		(Amount in Rs. )	
<b>(3) Break-up of Loans and Advances including bills receivables other than those including in (4) Below):</b>				
(a) Secured	Nil		Nil	
(b) Unsecured	61820642		44196000	

## Notes forming part of the financial statements

Particulars	Amount Outstanding as on 31.03.2018	Amount Outstanding as on 31.03.2017
<b>(4) Break -Up of Leased Assets and Stock on hire and 'hypothecation loans counting towards EL/HP activities</b>		
(i) Lease assets including lease rentals under Sundry debtors:		
(a) Financial Lease	Nil	Nil
(b) Operating Lease	Nil	Nil
(ii) Stock on Hire including lease rentals under sundary debtors:		
(a) Assets on Hire	Nil	Nil
(b) Repossessed Assets	Nil	Nil
(iii) Hypothecation loans counting towards EL/HP activities		
(a) Loans where assets have been repossessed	Nil	Nil
(b) Loans other than (a) above	Nil	Nil
<b>(5) Break-up of investments</b>		
<u>Current Investments</u>		
1. Quoted		
(i) Shares: (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debenture and Bonds	Nil	Nil
(iii) Units of Mutual Funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others (Please specify)	Nil	Nil
2. Unquoted		
(i) Shares: (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debenture and Bonds	Nil	Nil
(iii) Units of Mutual Funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others (Please specify)	Nil	Nil



Notes forming part of the financial statements

Particulars	Amount Outstanding as on 31.03.2018			Amount Outstanding as on 31.03.2017		
<u>Long Term Investments</u>						
1. Quoted						
(i) Shares: (a) Equity	Nil			Nil		
(b) Preference	Nil			Nil		
(ii) Debenture and Bonds	Nil			Nil		
(iii) Units of Mutual Funds	Nil			Nil		
(iv) Government Securities	Nil			Nil		
(v) Others (Please specify)	Nil			Nil		
2. Unquoted						
(i) Shares: (a) Equity	6282180			6282180		
(b) Preference	Nil			Nil		
(ii) Debenture and Bonds	Nil			Nil		
(iii) Units of Mutual Funds	Nil			Nil		
(iv) Government Securities	Nil			Nil		
(v) Others (Investment in Property )	Nil			Nil		
<b>(6) Borrower group-wise classification of all leased assets, stock-on hire and loans and advances</b>						
	Amount net of Provisions			Amount net of Provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
(b) Companies in the same Group	Nil	57,615,165	57,615,165	Nil	39,860,000	39,860,000
(c) Other related parties	Nil	1,081,269	1,081,269	Nil	Nil	Nil
2. Other than related parties						
	Nil	2,877,610	2,877,610	Nil	4,182,000	4,182,000

ITL FINLEASE & SECURITIES LIMITED

CIN NO. :- L65910DL1991PLC045090

Notes forming part of the financial statements

Detail of Unsecured Loan and Provision made during the Year

	2017-18			2016-17		
	Loan Amount	Provision	Net amount	Loan Amount	Provision	Net amount
1. Related Parties						
(a) Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
(b) Companies in the same Group	57,846,551	231,386	57,615,165	40,000,000	140,000	39,860,000
(c) Other related parties	1,085,611	4,342	1,081,269	Nil	Nil	Nil
2. Other than related parties	2,888,480	10,870	2,877,610	4,196,000	14,000	4,182,000
<b>7. Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted)</b>						
			Market value/break up value or fair value or NAV as on 31.3.2017	Book value (Net of provision) as on 31.3.2018	Market value/break up value or fair value or NAV as on 31.3.2016	Book value (Net of provision) as on 31.3.2017
1. Related Parties **						
(a) Subsidiaries			Nil	Nil	Nil	Nil
(b) Companies in the same group			8746440	3150000	7902359	3150000
(c) Other related parties			7048676	3132180	6317752	3132180
2. Other than related parties			Nil	Nil	Nil	Nil
Total						
** As per Accounting Standard of ICAI						
<b>(8) Other information</b>						
Paritculars			Amount	Amount	Amount	Amount
(i) Gross Non- Performing Assets						
(a) related Parties			Nil	Nil	Nil	Nil
(b) Other than related Parties			Nil	Nil	Nil	Nil
(ii) Net Non- Performing Assets						
(a) related Parties			Nil	Nil	Nil	Nil
(b) Other than related Parties			Nil	Nil	Nil	Nil
(iii) Assets acquired in satisfaction of debt			Nil	Nil	Nil	Nil

**ITL FINLEASE & SECURITIES LIMITED**  
CIN NO. :- L65910DL1991PLC045090  
**Notes forming part of the financial statements**

**Note 33** The previous period's figures have been regrouped/reclassified to confirm to the current year's figures.

**Note 34** Incompliance of SEBI Circular :- The company has passed a resolution on 25st April 2017, to adopt Indian Accounting Standard (Ind AS) for its accounting. It was assessed that transition to Ind As would not cost any impact on the financial results as the measurement norms under Ind AS for the company would remain same as under IGAAP. The company in its quarterly filling during Financial Year 2017-18 with Metropolitan Stock Exchange of india Limited had reported about the decision of the board of directors to adopt Indian Accounting Standard (Ind AS). However, it has been found subsequently that Ind AS is applicable to NBFC with effect from F.Y. 2019-20 therefore the implementation of the above board resolution is accordingly deferred and the accounts for the Financial year 2017-18 have been drawn under IGAAP

As per our report attached.  
**For Samarth M. Surana & Co.**  
Chartered Accountants  
Firm Registration No. 10295N

for and on behalf of Board of Directors

**B.L. GUPTA**  
**DIRECTOR**  
DIN: 00143031

**KAILASH JAJODIA**  
**DIRECTOR**  
DIN: 00142836

CA SUMIT BHARUNT  
Partner  
M. No. 538472

**ARUN MEHTA**  
**CHIEF**  
**FINANCIAL**  
**OFFICER**

**RADHIKA JAJODIA**  
**EXECUTIVE**  
**OFFICER &**  
**DIRECTOR**  
DIN: 06957544

PLACE : NEW DELHI  
Date: 30th May 2018

**PARUL SRIVASTAVA**  
**COMPANY**  
**SECRETARY**  
M.No. A25854

Route Map to the venue of the AGM

