

# **Purshottam Investofin Limited**

**Annual Report 2016-17**

## **Registered Office :**

L-7, GREENPARK  
EXTENSION, NEW DELHI-  
110016

## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Suraj Chokhani(DIN: 03547280 )	Chairman (Independent Director)
Mr. Pravin Santlal Jain(DIN: 01318161)	Managing Director
Mr. Bharat Bhushan Bansal (DIN:00851335)	Director
Mr. Sushil Kumar(DIN: 02171252 )	Director
Ms. Swati Sharma(DIN: 06757066)	Director
Mr. Ravi Jaipuria (DIN: 00598138)	Director (Independent Director)

### **CHIEF FINANCIAL OFFICER**

Mr. Deependra Singh Negi

### **COMPANY SECRETARY**

Ms. Sarita Aggarwal

### **STATUTORY AUDITORS**

M/s STRG & Associates  
348, 1<sup>st</sup> Floor, Tarun Enclave, Pitampura  
New Delhi- 110088

### **INTERNAL AUDITORS**

M/s MAKS & CO.  
Shop No. 301, 3<sup>rd</sup> Floor,  
Vikas Surya Tower, Sector-12, Dwarka  
New Delhi-110075

### **SECRETARIAL AUDITORS**

M/s Kundan Agrawal & Associates  
H-23A, 204 Kamal Tower, Near Sai Mandir,  
Vikas Marg, Laxmi Nagar,  
Delhi-110092

### **REGISTERED OFFICE**

L-7, First Floor,  
Greenpark Extension  
New Delhi – 110016

### **REGISTRAR AND SHARE TRANSFER AGENT**

MAS Services Limited  
T-34, 2nd Floor, Okhla Industrial Area, Phase-II  
New Delhi-110020

## MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC OVERVIEW GLOBAL

The global economy expanded by 3.1% in 2016. Economic activity gained momentum in the second half of 2016, especially in advanced economies. The US economy strengthened following a sluggish start in 2016, primarily driven by strong labour markets and improved household balance sheets. The IMF in its latest World Economic Outlook has revised its projected growth upwards for the United States, reflecting the assumed fiscal policy easing and an uptick in business and consumer confidence, especially after the November elections. If this positivity persists, it will reinforce the cyclical momentum. In Europe, industrial activity has recovered and economic expectations have risen across several large developed economies. However, it must be admitted that the geopolitical environment continues to be volatile and a matter of concern. The rising tide of protectionism across major economies may also impact global trade and commerce. Besides, there are major structural impediments (low productivity growth and high-income inequality), which continue to hinder a stronger recovery, especially over the medium term in advanced economies. Among emerging markets and developing economies (EMDEs), the Chinese economy grew by 6.7% in 2016, marginally lower than the 6.9% growth recorded in 2015. This growth was supported by fiscal stimulus policies, encouraged by the Chinese Government, as well as by the continuation of an accommodative monetary policy. In addition, there was weaker than expected activity in some Latin American countries (Argentina, Brazil and Turkey) which faced a sharp contraction in tourism revenues. The Russian economy performed better than expected, in part reflecting firmer oil prices.

Particulars	Projections			
	2015	2016	2017	2018
World Output	3.4	3.1	3.5	3.6
Advanced Economies	2.1	1.7	2.0	2.0
United States	2.6	1.6	2.3	2.5
Euro Area	2.0	1.7	1.7	1.6
Japan	1.2	1.0	1.2	0.6
United Kingdom	2.2	1.8	2.0	1.5
Other Advanced Economies*	2.0	2.2	2.3	2.4
Emerging and Developing Economies	4.2	4.1	4.5	4.8
China	6.9	6.7	6.6	6.2

\*Excludes the G7 (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries. Source: International Monetary Fund (IMF)

## Outlook

Global growth is projected to touch 3.6% in 2018, from 3.5% in 2017. Global economic growth will fasttrack in 2017 as investment, manufacturing and trade rebound. The improvement in the emerging markets and developing economies with proper investment in human and physical capital will help to facilitate the growth. Growth projections for Germany, Japan, Spain and the United Kingdom have also been estimated to be upwards, on account of a stronger than expected performance during the preceding year.

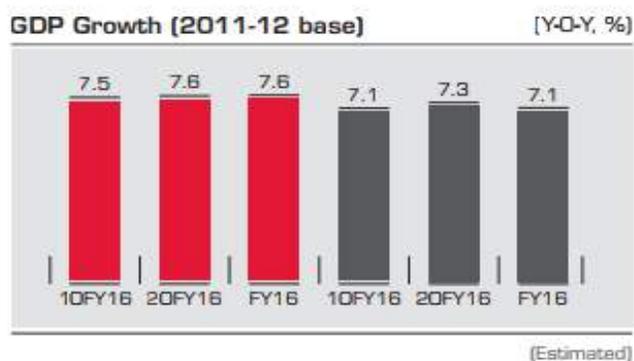
## INDIA

India continues to be one of the world's fastest growing economies, despite operating in a volatile global environment. The GDP for F.Y. 2016-17 touched 7.1%, demonstrating the fact that the country's economic fundamentals continue to be strong.

India also became the sixth largest manufacturing country in the world, rising from the previous ninth position, and thus retaining its bright spot in the global economic landscape. The decline in consumption in the wake of demonetisation, along with slowdown in the industrial sector has resulted in moderated growth rate towards the end of 2017. However, the agricultural sector demonstrated enhanced performance, owing to a favourable monsoon after two consecutive years of drought. The Index of Industrial Production (IIP) was largely subdued during the fiscal due to weakness in the capital goods segment. The Government of India is expected to meet its fiscal deficit target of 3.5% of GDP in 2017, as tax revenues are predicted to increase, in view of income disclosure scheme announced by the Government in 2017.

2016-17 witnessed two major developments:

- Demonetisation of two highest denomination notes. This was done with a purpose to restrain corruption, counterfeiting and to stop the use of high denomination notes for terrorist activities. Although this policy development had short-term hardships, it is expected to generate long-term benefits.
- A constitutional amendment is paving the way for the implementation of Good and Services Tax (GST). It would replace all the indirect taxes currently in motion at all levels. Levied on manufacture, sale and consumption of goods and services at the national level, it will be a path breaking initiative on jurisdiction free assessment. It would further improve efficiency and bring down corruption while removing the geographic boundaries and enhancing the convenience of e-environment. It would considerably scale down the overall tax burden on goods, augment free movement of goods from one state to another and would also reduce paperwork to a large extent. All these would ultimately result in benefitting end-consumers and will bolster investment and growth.



## Outlook

GDP growth is expected to surpass the 7% mark in 2018, after being temporarily impacted by the government's demonetisation initiative in the initial months of 2017. Demonetisation is likely to leave a positive impact on the economy through greater tax compliance, increased digitalisation and investments in capital formation. The projected fiscal deficit for 2017- 18 is 3.2% of the GDP. The fiscal deficit target is achievable, given the expected drive in tax collection after the implementation of GST; and also greater tax compliance after demonetisation. Going ahead, the government's policy measures to boost the economy, corporate earnings and global liquidity are likely to remain the key market drivers.

## INDIAN FINANCIAL SERVICES INDUSTRY

India's financial services sector plays a critical role in driving the country's economic growth by providing a wide spectrum of financial and allied services to a large consumer cross-section. In India, the market for financial services sector is still largely untapped. Digital technology, which has transformed the way business is conducted across the world, is projected to be one of the major drivers for the growth of this sector in India as well. An extensive range of financial products are increasingly being sold and delivered using the electronic platform to millions of customers in India. Greater use of digital technology is helping the sector to lower transaction cost, generate higher productivity and reach unexplored markets in the financial ecosystem.

In the current situation where the Government seeks to reduce the economy's dependence on cash, the increased focus on technology acceptance promises to take the sector on a path of rapid growth. The Government's monetary policy initiatives to rationalise interest rates, licence to foreign reinsurance, monetisation alternatives in infra and realty sectors through Real Estate Investment Trusts / Infrastructure Investment Trusts (REITs/INViTs), and focus on micro and SME finance in rural markets are likely to have a positive impact for the sector.

## NBFC SECTOR

The Non-Banking Financial Companies (NBFCs) sector is integral to the Indian financial landscape. It aids in boosting financial inclusion initiative by lending services to the unbanked population in

rural/ semiurban and urban areas. It also provides services to the micro, small and medium enterprises (MSMEs) segment. Some of the reasons for the success of the sector, include cost efficiency, refined product lines and better customer services. Niche segmentation, simplified procedures and a focused credit approach are believed to be the key factors bolstering the profitability of NBFCs, making them one of the highest value creating business models within the Indian economy.

## PERFORMANCE

As per the Financial Stability Report, December, 2016, the overall balance sheet size of all the NBFCs grew by 15.5% during 2015-16 and 8.5% during the first half of 2016-17. The NBFC sector reported 10.5% growth in loans and advances at the end of September 2016 vis-à-vis 16.6% at the end of March 2016. During the first half of 2016-17, the NBFCs reported Gross NonPerforming Assets (GNPA) of 4.9%, which was 4.6% at the end of 2015-16. In terms of capital adequacy, the sector has not been able to perform well, during the preceding one and a half years. The overall capital adequacy stood at 23.1% at the end of first half of 2016-17 and 24.3% at the end of 2015-16.

**Asset Quality of NBFCs**



## SWOT ANALYSIS

### Strengths

- Distinguished financial services provider, with local talent catering to local customers
- Vast distribution network especially in rural areas and small towns, diversified product range and robust collection systems
- Simplified and prompt appraisal and disbursements
- Product innovation and superior delivery
- Ability to meet the expectations of a diverse group of investors and excellent credit ratings
- Innovative resource mobilisation techniques and prudent fund management practices

## **Weakness**

- Regulatory restrictions - continuously evolving Government regulations may impact operations
- Uncertain economic and political environment

## **Opportunities**

- Demographic changes and under penetration
- Large untapped rural and urban markets
- Growth in Commercial Vehicles, Passenger Vehicles and Tractors market
- Use of digital solutions for business/collections

## **Threats**

- High cost of funds
- Rising NPAs
- Restrictions on deposit taking NBFCs
- Competition from other NBFCs and banks
  
- **GOVERNMENT INITIATIVES**
- Recapitalisation of banks under Indradhanush (comprehensive plan for recapitalisation of public sector lenders, with a view to make sure they remain solvent and fully comply with the global capital adequacy norms, Basel-III) with a Rs. 10,000 crores capital outlay
- Enhanced lending under the Pradhan Mantri Mudra Yojana
- Thrust on affordable housing to boost housing finance
- National Housing Bank to refinance home loans up to Rs. 20,000

## **Outlook**

NBFCs have emerged as substantial contributors to the country's economic growth by having access to certain deposit segments and catering to the specialised credit requirements of certain classes of borrowers. Going forward, the government's initiatives like 'Make in India', 'Start up India' and 'Digital India' are expected to bolster development in India.

For a large and diverse country like India, ensuring financial access to fuel development and entrepreneurship is critical. With the launch of government-backed schemes (such as the Pradhan Mantri Jan-Dhan Yojana [PMJDY]), there has been a substantial increase in the number of bank accounts. As traditional banks are already under stress; NBFCs would be of vital importance and can fill the necessary credit demand gap.

Therefore, the NBFCs need to be well integrated into the financial system to cater to the growing requirements of the economy. Additionally, the Indian consumer is aggressively adopting digital technology in his/her daily life. Thus, NBFCs need to rethink on their strategies to enhance their product portfolio, processes and customer experience. Besides, they also need to leverage on digital data for better credit decisions (based on analytics) and social media to serve customers better.

## **CAUTIONARY STATEMENT**

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

## DIRECTORS' REPORT

**Dear Members,**

Your Directors have pleasure in presenting the 29th Annual Report on the business and operations of the Company together with audited statements of accounts for the financial year ended 31<sup>st</sup> March, 2017.

### FINANCIAL HIGHLIGHTS

The summarized financial results of the Company for the financial year 2016-17 are given hereunder:

(Rs.in lacs)

	<u>2016-17</u>	<u>2015-16</u>
Revenue from operations & other income	1308.83	323.11
Operating Profit (EBIDTA)	39.90	(66.21)
Finance Cost	0.27	15.16
Gross Profit (PBD)	39.64	(81.37)
Depreciation & amortization	0.29	-
Profit before tax	39.34	(81.37)
Provision for		
- Current Tax (net)	12.26	3.21
- Deferred Tax	0.23	-
- MAT Credit entitlement	-	-
- Adjustment for prior period tax/tax on dividend	-	-
Net Profit	26.84	(84.58)

### DIVIDEND

In order to meet the future requirements of the Company, yours Directors have decided not to recommend dividend for the Financial Year 2016-17.

### OPERATIONS

- During the year under review, the revenue from operations increased to Rs. **1308.83 lac** as against Rs. **323.11** in the previous year.
- The net profit after tax for the year was Rs. **26.84 lac** as against loss of Rs. **84.57 lac** in the previous year;

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 entered into with the Stock Exchanges and Circular/Notifications/ Directions issued by Reserve Bank of India from time to time, the Management Discussion and Analysis of the financial condition and result of operations of the Company for the year under review is presented in a separate section forming part of the Annual Report.

## **CORPORATE GOVERNANCE**

A Report on Corporate Governance as required under SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 entered into with the Stock Exchanges, forms part of the Annual Report.

A Certificate from, M/s Kundan Agarwal & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid , SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015,also forms part of the Annual Report.

## **FINANCE**

### **(i) Share Capital**

The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2017 was Rs. 628.35 lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

### **(ii) Public Deposits**

The Company being a Non-Deposit Accepting Non-Banking Finance Company has not accepted any deposits from the public during the year under review and shall not accept any deposits from the public without obtaining prior approval of the Reserve Bank of India (RBI).

### **(iii) Particulars of loans, guarantees or investments**

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

## **RBI GUIDELINES**

As a Non Deposit taking Non-Banking Finance Company, your Company always aims to operate in compliance with applicable RBI laws and regulations and employs its best efforts towards achieving the same.

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

The Board met 6 times in financial year 2016-17 viz., on; May 30, 2016; August 12, 2016, August 29, 2016; November 12, 2017, January 25 2017 and February 22<sup>nd</sup>, 2017. The maximum interval between any two meetings did not exceed 120 days.

## **COMMITTEES OF THE BOARD**

During the year, in accordance with the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Board has following Committees as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

Details of the said Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

## **DIRECTORS & KEY MANAGERIAL PERSONNEL**

### **a. Appointment**

During the year under review, Mr. Paresh Rajde, DIN: 00016263 was appointed as an Additional Director of the Company w.e.f. February 22<sup>nd</sup>, 2017

### **b. Cessation**

During the year under review, None of the Director resigned from the Board of the Company

### **c. Retire by Rotation**

In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Mr. Pravin Santlal Jain (DIN: 01318161), being Executive Director, retires by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting. The Board recommends his appointment.

### **d. Key Managerial Personnel**

During the year under review, Mr. Pravin Santlal Jain- Managing Director (DIN 01318161); Mr. Deependra Singh Negi - Chief Financial Officer; and Ms. Sarita Aggarwal, Compliance officer & Company Secretary were designated as the Key Managerial Personnel of the Company pursuant to the requirements of the applicable provisions of Companies Act, 2013 read with its Rules, by the Board of Directors and their terms and conditions of the appointment and remuneration was considered by the Board.

## **BOARD'S INDEPENDENCE**

Our definition of 'Independence' of Directors is derived from SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non- Executive Directors are Independent in terms of SEBI ( Listing Obligation and Disclosure Requirements) Regulation, 2015 and Section 149(6) of the Companies Act, 2013 :-

1. Mr. Suraj Chokhani (DIN 03547280)
2. Mr. Ravi Jaipuria (DIN 00598138)

## **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of the section 134(3)(c) of the Companies Act, 2013:

- (i) that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) that such accounting policies, as mentioned in the Notes to the Financial Statements, have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual financial statements have been prepared on a going concern basis;
- (v) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vi) that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION & EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, Policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees has been formulated including criteria for determining qualifications, positive attributes, Independence of a Director and other

matters as required under the said Act and SEBI (Listing Obligation and Disclosure Requirements) Regulation ,2015

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

- Expertise;
- Objectivity and Independence;
- Guidance and support in context of life stage of the Company;
- Understanding of the Company's business;
- Understanding and commitment to duties and responsibilities;
- Willingness to devote the time needed for effective contribution to Company;
- Participation in discussions in effective and constructive manner;
- Responsiveness in approach;
- Ability to encourage and motivate the Management for continued performance and success;

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

Accordingly a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors and also the necessary evaluation was carried out by Nomination and Remuneration Committee and Independent Director at their respective meetings held for the purpose.

## **RELATED PARTY TRANSACTIONS**

Few Related Party Transactions were entered into during the financial year 2016-17. All Related Party Transactions entered into in the past were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with promoters, directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large.

On the recommendation of the Audit Committee, the Board of Directors has adopted a policy on Related Party Transactions. The Policy envisages the procedure governing related party transactions required to be followed to ensure compliance with the applicable laws and regulations as well as to ensure that the Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements.

A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms & conditions of the transactions. The statement is supported by a certificate from the CFO.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

## **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure 1 to this Director's Report.

## **STATUTORY AUDITORS & THEIR REPORT**

M/s. STRG & Associates, Chartered Accountants, having ICAI Firm Registration No. 014826N auditor of the company, audited the annual accounts of the company.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

## **SECRETARIAL AUDITORS & THEIR REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed M/s. Kundan Agarwal & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit Report for financial year 2016-17, has been appended as Annexure 2 to this Report.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

## **INTERNAL AUDITORS & THEIR REPORT**

Pursuant to provisions of Section 138 of Companies Act 2013 and rules made thereunder, the company had appointed MAKS & Co. as an Internal Auditor for the year 2016-2017.

## **PARTICULARS OF EMPLOYEES**

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees in receipt of remuneration in excess of Rs.60 lacs per year to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs.60 lacs during the financial year 2016-17.

## **PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT, FOREIGN EXCHANGE INFLOW/OUTFLOW, ETC.**

The requirements of disclosure with regard to Conservation of Energy in terms of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are not applicable to the Company since it doesn't own any manufacturing facility.

However, the Company makes all efforts towards conservation of energy, protection of environment and ensuring safety.

There are no earnings and outgoing Foreign Exchange during the year under review.

## **VIGIL MECHANISM**

The Company has established a 'Whistle Blower Policy and Vigil Mechanism' for directors and employees to report to the appropriate authorities concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

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

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

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

## **RISK MANAGEMENT POLICY AND INTERNAL CONTROL**

The Company has adopted a Risk Management Policy duly approved by the Board and also has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Company's internal control systems are commensurate with the nature of its business and the size and complexity.

## **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES**

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

## **ACKNOWLEDGEMENT**

We are grateful to the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India, the Stock Exchanges, and other regulatory authorities for their valuable guidance

and support and wish to express our sincere appreciation for their continued co-operation and assistance. We look forward to their continued support in future.

We wish to thank our bankers, investors, rating agencies, customers and all other business associates for their support and trust reposed in us.

Your Directors express their deep sense of appreciation for all the employees whose commitment, co-operation, active participation, dedication and professionalism has made the organization's growth possible.

Finally, the Directors thank you for your continued trust and support.

**For and on behalf of  
Purshottam Investofin Limited**

**Date :** 18/04/2017  
**Place :** New Delhi

**Pravin Santlal jain  
Managing Director  
DIN- 01318161**

**Swati Sharma  
Director  
DIN - 06757066**

## ANNEXURE "1" TO DIRECTORS REPORT

Form No. MGT-9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2017

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

#### I. REGISTRATION AND OTHER DETAILS

- i) CIN : L65910DL1988PLC033799
- ii) Registration Date : 04/11/1988
- iii) Name of the Company : PURSHOTTAM INVESTOFIN LIMITED
- iv) Category / Sub-Category of the Company : Public Company
- v) Address of the Registered office and contact details : L-7, Menz Floor, Green Park Extension, New Delhi – 110016
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : **Mas Services Limited**  
T-34, 2nd Floor, Okhla Industrial Area, Phase - II  
New Delhi - 110 020  
Tel. No.: 011-26387281/82/83  
Fax No.: 011-26387384

#### 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.	Other Credit Granting	64920	100%

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

S. No.	Name and Address of the company	CIN	% of shares held	Applicable Section
1.	Not Applicable	Not Applicable		

**IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individual/HUF	1608529	--	1608529	25.60	724479	--		11.53	(14.07)
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub-total (A) 1</b>	<b>1608529</b>	<b>--</b>	<b>1608529</b>	<b>25.60</b>	<b>724479</b>	<b>--</b>		<b>11.53</b>	<b>(14.07)</b>



es									
g. FIIs	--	--	--	--	--	--	--	--	--
h. Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i. Others (specify)	--	--	--	--	--	--	--	--	--
<b>Sub-total (B) 1</b>	-	--	--	--	--	--	--	--	--
<b>2. Non- Institutions</b>									
a. Bodies Corp.	3212957	--	3212957	51.13	3966465	825	3967290	63.14	12.01
b. Individu als									
i. Individu al sharehol ders holding nominal share capital upto Rs.2 lakh	114109	--	114109	1.82	149878	2789 0	177768	2.83	1.01
ii. Individu al sharehol ders holding nominal share capital in excess of Rs 2lakh	796570	--	796570	12.67	1118536	--	1118536	17.80	5.13



				to total shares		any	total shares	during the year
1.	Pravin Santlal Jain	347696	5.53	--	160146	2.55	--	2.98
2.	Ritika Garg	6497	0.10	--	6497	0.10	--	0
3.	Bharat Bhushan Bansal	413397	6.58	--	209897	3.34	--	3.24
4.	Vandana Jain	328396	5.23	--	141896	2.26	--	2.97
5.	Neeraj Kumar Jain	89647	1.43	--	15647	0.25	--	1.18
6.	Poonam Pravinchandra Jain	372896	5.93	--	140396	2.23	--	3.7
7.	Mamta Aggarwal	50000	0.80	--	50000	0.80	--	0
	<b>Total</b>	<b>1608529</b>	<b>25.6</b>		<b>724479</b>	<b>11.53</b>		<b>14.07</b>

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

SI. No.	Name of the Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	Pravin Santlal Jain	347696	5.53	160146	2.55
		<b>347696</b>	<b>5.53</b>	<b>160146</b>	<b>2.55</b>

SI. No.	Name of the Promoter	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
2	Ritika Garg	6497	0.10	6497	0.10
		6497	0.10	6497	0.10

SI. No.	Name of the Promoter	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
3	Bharat Bhushan Bansal	413397	6.58	209897	3.34
		413397	6.58	209897	3.34

SI. No.	Name of the Promoter	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
4.	Vandana Jain	328396	5.23	141896	2.26
		328396	5.23	141896	2.26

SI. No.	Name of the Promoter	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
5.	Neeraj Kumar Jain	89647	1.43	15647	0.25
		89647	1.43	15647	0.25

SI. No.	Name of the Promoter	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
6.	Poonam Pravinchandra Jain	372896	5.93	140396	2.23
		372896	5.93	140396	2.23

SI. No.	Name of the Promoter	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
7.	Mamta Aggarwal	50000	0.80	50000	0.80
		50000	0.80	50000	0.80

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	For each of Top 10 Shareholders	Shareholding at the beginning of the year		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
1.	SSJ Finance & Securities Pvt. Ltd.	475210	7.56	220000	3.50
2.	Eirene Business Solution Private Limited .	191873	3.05	20000	0.32
3.	Swapan Kumar Ghosh	175000	2.785	175000	2.785
4.	Vivek Chokhani	5080	0.081	-	-
5.	Varaprada Distributors (P) Ltd	79400	1.26	110225	1.75
6.	Dadhwal Chemical Agencies Pvt Ltd	77450	1.23		
7.	Pranteek Distributors Private Limited	161400	2.57		
8.	Ester Industries Ltd	300000	4.77		
9.	Springtime Engineering Private Limited	207941	3.309	200165	3.19
10.	Chandika Infrastructure	317578	5.054		
11.	Plus Corporate Ventures Pvt Ltd			1550276	24.67
12.	Geeta Agarwal			650000	10.34
13.	Shreyans Logistics Private Limited			352100	5.60

14.	Venera Property Private Limited			238480	3.80
15.	Megma Logistics Private Limited			189238	3.01

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
1.	<b>Suraj Chokhani</b> Chairman (Independent Director)				
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)	NIL			
	At the End of the year				

Sl. No.		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
2.	<b>Pravin Santlal Jain</b> Managing Director				
	At the beginning of the year	347696	5.53	160146	2.55
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)				
	At the End of the year	<b>347696</b>	<b>5.53</b>	<b>160146</b>	<b>2.55</b>

Sl. No.		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
3.	<b>Ravi Jaipuria</b> (Independent Director)				
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)				
	At the End of the year				

Sl. No.		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
4.	<b>Sushil Kumar</b> Director				
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)				
	At the End of the year				

Sl. No.		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
6.	<b>Bharat Bhushan Bansal</b> Director				

	At the beginning of the year	413397	6.58	209897	3.34
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)	--	--	--	--
	At the End of the year	<b>413397</b>	<b>6.58</b>	<b>209897</b>	<b>3.34</b>

Sl. No.		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
7.	<b>Swati Sharma</b> Executive Director				
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)				
	At the End of the year				

Sl. No.		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
8.	<b>Sarita Aggarwal</b> Company Secretary				
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)				

	At the End of the year				
SI. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
9.	<b>Deependra Singh Negi</b> Chief Financial Officer	No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
	At the beginning of the year	NIL			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity, etc.)				
	At the End of the year				

#### V. INDEBTEDNESS

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

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil

<b>Change in Indebtedness during the financial year</b> <ul style="list-style-type: none"> <li>• Addition</li> <li>• Reduction</li> </ul>	Nil	Nil	Nil	Nil
<b>Net Change</b>	Nil	Nil	Nil	Nil
<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	Nil	Nil	Nil	Nil
<b>Total (i+ii+iii)</b>	Nil	Nil	Nil	Nil

#### REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

<b>S. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/WTD/Manger</b>	<b>Total Amount (in Rs.)</b>
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	Mr. Pravin Santlal Jain, Managing Director of the Company is not drawing any remuneration from the Company. Further, there is no Whole-Time Director/Manager in the Company.	
2.	Stock Option		
3.	Sweat Equity		
4.	Commission <ul style="list-style-type: none"> <li>• As a % of profit</li> <li>• Others, specify</li> </ul>		

5.	Others	
	<b>TOTAL (A)</b>	
	<b>Ceiling as per the Act</b>	

**B. Remuneration to other Directors**

**Independent Directors**

S. No.	Particulars of Remuneration	Name of Directors	Total Amount (in Rs.)
1.	<ul style="list-style-type: none"> <li>• Fee for attending Board/Committee Meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	No Director is drawing any remuneration from the Company	
	<b>TOTAL 1</b>		

**Other Non-Executive Directors**

S. No.	Particulars of Remuneration	Name of Directors	Total Amount (in Rs.)
2.	<ul style="list-style-type: none"> <li>• Fee for attending Board/Committee Meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	No Director is drawing any remuneration from the Company	
	<b>TOTAL 2</b>		
	<b>TOTAL (B) = 1+2</b>		
	<b>Total Managerial Remuneration</b>		
	<b>Overall Ceiling as per the Act</b>		

**C. Remuneration To Key Managerial Personnel other Than MD/Manager/WTD**

S. No.	Particulars of Remuneration	Company Secretary	Chief Financial Officer
		Ms. Sarita Aggarwal	Mr. Deependra Singh Negi
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	5,40,000 -- --	3,12,000 -- --
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission <ul style="list-style-type: none"> <li>• As a % of profit</li> <li>• Others, specify</li> </ul>	-- --	-- --
5.	Others, please specify	--	--
	<b>TOTAL</b>	<b>5,40,000</b>	<b>3,12,000</b>

#### VI. 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
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					

Penalty	None
Punishment	
Compounding	

**For and on behalf of  
Purshottam Investofin Limited**

**Date :** 18/04/2017

**Place :** New Delhi

**Pravin Santlal jain**

**Managing Director**

**DIN- 01318161**

**Swati Sharma**

**Director**

**DIN - 06757066**

(ANNEXURE- 2 TO DIRECTOR'S REPORT)

Form No. MR-3

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 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To  
The Members  
**M/s Purshottam Investofin Limited**  
L-7, Menz. Floor, Green Park Extension  
Delhi -110016

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Purshottam Investofin Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that:

- a) 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.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of the financial records and Books of the Company.
- c) Where ever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31 March, 2017 ('Audit Period') complied with the statutory provisions listed hereunder

and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We 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 March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Indian Stamp Act, 1899;
- (vii) Indian Contract Act, 1872;
- (viii) Income Tax Act, 1961 and indirect tax laws;
- (ix) Central Excise and Service Tax Act;
- (x) Central and State Sale Tax/Value Added Tax Laws;

(xi) Applicable Labour Laws; and

(xii) Other applicable Laws;

Having regard to the compliance system prevailing in the Company and on the basis of presentation and Reports made by Compliance Auditors and Internal Auditors of the Company, we further report that the Company has adequate system to ensure the compliance of the other applicable laws specifically to the Company.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Listing Agreements with Stock Exchanges in India.

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

**We further report that**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that based on the information received and records maintained 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.

**For Kundan Agrawal & Associates  
Company Secretaries**

**Place: Delhi**

**Date: 11/08/2017**

**Kundan Agrawal  
Company Secretary  
Membership No. 7631  
C.P. No. 8325**

## (ANNEXURE- 3 TO DIRECTOS'S REPORT)

### REPORT ON CORPORATE GOVERNANCE

#### **Introduction**

As per Listing Agreement executed with the Stock Exchange(s), inter alia, lists down various corporate governance related practices and requirements, which listed companies are required to adopt and follow. This Report outlines the governance practices followed by the Company in compliance with the said requirements of the Listing Agreement.

#### **Company's philosophy on Code of Corporate Governance**

The principles of Corporate Governance and the Code of Business Conduct & Ethics are the cornerstones of your Company. Your Company has consistently striven to implement best corporate governance practices reflecting its strong value system and ethical business conduct. The Company's philosophy on Corporate Governance envisages attainment of highest levels of transparency, accountability and integrity in the functioning of the Company with a view to create value that can be sustained continuously for the benefit of its stakeholders. All employees are bound by a Code of Conduct that sets forth Company's policies on important issues including our relationship with consumers, shareholders and Government.

#### **Board of Directors**

The Board of Directors includes the Executive, Non-Executive and Independent Directors so as to ensure proper governance and management.

The Corporate Governance principles of the Company have been formulated to ensure that the Board remains informed, independent and participates actively in the affairs of the Company. The Company also strives to enhance stakeholders' value by taking measures to continuously improve Corporate Governance standards.

The Directors at Purshottam Investofin Limited possess the highest personal and professional ethics, integrity and values and are committed to represent the long-term interest of the stakeholders. The Company's business is led by Mr. Pravin Santlal Jain, Managing Director under the overall supervision of the Board.

The Company's Corporate Governance framework is based on having a composition wherein a majority of Directors are Independent Board Members. Further, the constitution of Board Committee meet all statutory requirements of various regulatory authorities including the Reserve Bank of India, SEBI and MCA, and committees are chaired by Independent Directors, wherever required by law. Committees have been suitably constituted for significant and material matters and also have a blend of Executive Management Members to assist the Committees.

The Board plays an effective supervisory role through the above governance framework.

### **Composition of the Board**

During the year under review, the Board of Directors of the Company had an optimum combination of Professional and Independent Directors with excellent knowledge and experience in various fields relating to the business activities of the Company.

As at March 31<sup>st</sup>, 2017, the Board of Directors of the Company consisted of, two Independent Directors, four Non-Executive Director and one Executive Director.

None of the Directors hold directorship in more than ten public limited companies or act as an Independent Director in more than seven Listed Companies, none of the Directors acts as a member of more than ten or Chairman of more than five Committees as on March 31, 2017 across all public limited companies in which they are Directors.

During the financial year 2016-17, Six Meetings of the Board of Directors were held on following days: May 30, 2016; August 12, 2016; August 29, 2016; November 12, 2016, January 25, 2017 and February 22, 2017 with the time gap between any two consecutive Meetings being not more than four months at any point in time.

The details of the number of Board and General Meeting(s) attended by each Director during the year ended March 31, 2017 and Directorship and/or Membership/Chairmanship of the Committees of Board (except private companies, Non Profit companies and foreign companies) held by each of them as on March 31, 2017, are given below:

#### **(a) Composition of the Board:**

Name of Director (S/Shri)	Category	No. of Board Meetings during 2016-17		Whether attended the last AGM	No. of outside Directorships	**No. of committee positions held (including in company)	
		Held	Attended			Chairman	Member
Pravin Santlal Jain	Promoter/	6	6	No	4	-	-

(Chairman & MD)	Executive						
Sushil Kumar	Promoter/ Non-Executive	6	5	No	3	-	-
Bharat Bhushan Bansal	Promoter/ Non-Executive	6	5	No	4	-	-
Suraj Chokhani	Independent Director	6	6	No	1	1	3
Ravi Jaipuria	Independent Director	6	6	No	4	1	3
Swati Sharma	Non-Independent, Non-Executive	6	6	Yes	-	1	3
Paresh Rajde*	Non-Independent, Non-Executive	-	-	No	1	1	1

\*Mr. Paresh Rajde has been appointed as an additional Director of the Company w.e.f. 22<sup>nd</sup> Feb, 2017.

**(b) Number of Board Meetings:**

During the financial year 2016-17, Six Meetings of the Board of Directors were held on following days: May 30, 2017; August 12, 2017; August 29, 2017; November 12, 2017, January 25, 2017 and February 22, 2017. The maximum interval between any two meetings was not more than 4 months.

**(c) Information supplied to the Board:**

The Board of Directors has complete access to any information within the Company. At the Board Meetings, directors are provided with all relevant information on important matters, working of the Company as well as all related details that require deliberations by the members of the Board.

Information regularly provided to the Board inter-alia include:

- Annual operating plans, budgets & updates;
- Expansion/capital expenditure plans & updates;
- Production, sales & financial performance data;
- Business-wise operational review;
- Quarterly and annual financial results with segment-wise information;

- Minutes of the meetings of the Audit and other committees as well as circular resolutions passed;
- Significant initiatives and developments relating to labour/human resource relation and/or problems and their proposed solutions;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary;
- Materially important show cause/demand/prosecution/penalty notices and legal proceedings by or against the Company;
- Fatal or serious accidents or dangerous occurrences;
- Material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Non-compliances of any regulatory or statutory provision or listing requirement on non-payment of dividend or delay in share transfers;
- Compliance reports of all laws applicable to the Company;
- Details of any joint-venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property;
- Proposals for investments, divestments, loans, guarantees, mergers and acquisitions;
- Sale of material nature of investments, subsidiaries and assets which is not in the normal course of business;
- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement;
- Any other information which is relevant for decision-making by the Board.

**(d) Induction & Familiarization Programs for Independent Directors:**

On appointment, the concerned Directors were issued a letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a familiarization programme. The programs aim to familiarize the Directors with the Company, their role and responsibilities, business model of the Company etc.

**(e) Performance Evaluation:**

In compliance with the provisions of the Companies Act, 2013 and SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015, the Board during the year adopted a formal mechanism for evaluation of its performances as well as that of its committees and individual Directors, including the Chairman of the Board. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**(f) Independent Directors' Meeting:**

In compliance with Section 149(8) of the Companies Act, 2013, read along with Schedule IV of the Companies Act, 2013 and SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015 with the stock exchange, the Independent Directors met on February 22, 2017, inter alia, to discuss:

- (a) Evaluation of the performance of non- Independent Directors and the Board as a whole;
- (b) Evaluation of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Evaluation of the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting.

**(g) Code of Conduct:**

The Board of Directors of the Company has adopted Code of Business Conduct & Ethics. This Code is based on three fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary conduct and is applicable to all the Directors and senior management personnel.

In terms of the requirements of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, the Code of Business Conduct & Ethics, as approved by the Board of Directors, has been displayed at the website of the company, [www.purshottaminvestofin.in](http://www.purshottaminvestofin.in). All the members of the Board and senior management personnel have affirmed compliance with the Code for the year ended 31<sup>st</sup> March, 2017 and a declaration to that effect signed by the Chairman & Managing Director is attached and forms part of this report.

**(h) Declaration regarding compliance of Code of Conduct:**

All the Board Members and senior management personnel of the Company have affirmed compliance of the Code of Conduct for the year ended 31<sup>st</sup> March, 2017. A declaration to that effect

signed by the Chairman & Managing Director is attached and forms part of the Annual Report of the Company.

### **Committees of the Board**

Under the aegis of the Board of Directors, several committees have been constituted/reconstituted which have been delegated powers for different functional areas. The Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee have been constituted pursuant to and in accordance with the provisions of SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015, rules & regulations prescribed by Reserve Bank of India read with requirements of the Companies Act, 2013 and other applicable laws.

#### **(a) Audit Committee**

##### **Terms of Reference**

The terms of reference of the Audit Committee has been revised in compliance with Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015. In addition to the matters provided in SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and requirements of Section 177 of the Companies Act, 2013 and Reserve Bank of India, the Committee reviews the reports of the Internal Auditors, periodically meets the Statutory Auditors of the Company and discusses their findings observations, suggestions, scope of audit etc. and also reviews internal control systems and accounting policies followed by the Company. The Committee also reviews the financial statements with the management, before their submission to the Board.

The terms of reference of the Audit Committee of the Board of Directors of the Company, inter alia includes;

1. Overseeing the Company's financial reporting process and reviewing with the management, the financial statement before submission to the Board for approval;
2. Recommending to the Board the appointment, re-appointment and replacement of the Statutory Auditor and fixing their fees;
3. Reviewing the internal audit function of the Company; and
4. Such other matters as specified under Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and requirements of Section 177 of the Companies Act, 2013 and Reserve Bank of India or as may be delegated by the Board of Directors of the Company.

##### **Composition and Attendance of Meeting:**

The Audit Committee comprises of following three Members and two of them are Independent Directors:

- Mr. Suraj Chokhani- Chairman (Independent Director)
- Mr. Ravi Jaipuria- Member (Independent Director)
- Ms. Swati Sharma - Member

All the Members of the Committee have vast experience and knowledge of finance, accounts and corporate laws.

The quorum for the Meeting of the Audit Committee is as per applicable laws.

During the financial year 2016-17, Audit Committee met four (4) times May 30, 2016; August 12, 2016; November 12, 2017 and January 25<sup>th</sup>, 2016 and the attendance of the Directors on the above meetings was as follows:-

<b>Director</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Suraj Chokhani	4	4
Ravi Jaipuria	4	4
Swati Sharma	4	4

The Managing Director, Executive Director and other senior executives (when required) are invited to the meetings. Representatives of the statutory auditors and internal auditors are also invited to the meetings, when required. All the meetings are attended by the statutory auditors.

The Company Secretary acts as the Secretary of the Committee.

All the recommendations of the Audit Committee during the year were accepted by the Board of Directors. Ms. Swati Sharma member of the audit committee was present at the AGM of the company.

### **Whistle Blower Policy**

The Company has been formulated Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company.

This Policy covers malpractices and events which have taken place, suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the company is affected and formally reported by whistle blowers. This Policy is intended to encourage and enable employees to raise serious concerns within the Company prior to seeking resolution outside the company.

The purpose and objective of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects the employees wishing to raise a concern about serious irregularities within the Company. The Company encourages its directors and employees who have genuine concern about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors to avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases.

This policy, however, neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and/ or colleagues in general. It is affirmed that no personnel has been denied access to the Audit Committee.

The Whistle Blower Policy of the Company has been uploaded and can be viewed on the Company's website [www.purshottaminvestofin.in](http://www.purshottaminvestofin.in).

**(b) Nomination and Remuneration Committee:**

In compliance with Section 178 of the Companies Act, 2013, read along with the applicable Rules thereto and Regulation 19 of SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015, the Board had reconstituted "Nomination and Remuneration Committee" consisting of three members, including Chairman, as Independent Director.

The objective of this Policy is to lay down a framework and set standards in relation to nomination, remuneration and evaluation of Directors, Key Managerial Personnel (KMP) and such other senior management personnel as may be prescribed so as to achieve a balance of merit, experience and skills in the organization.

The terms of reference of the committee inter alia, include the following:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and senior management personnel;
- b) To evaluate the performance of the members of the Board as well as Key Managerial Personnel and senior management personnel and to provide rewards linked directly to their efforts, performance, dedication and achievement relating to Company's operations;
- c) To recommend to the Board on remuneration payable to the Directors, Key Managerial Personnel and senior management personnel;
- d) Assessing the independence of Independent Directors;
- e) To make recommendation to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or

- termination of service of the Managing/Whole-Time Directors, subject to the provision of law and their service contract;
- f) To retain, motivate and promote talent and to ensure long term sustainability of talented management personnel and create competitive advantage;
  - g) To devise a policy on Board diversity;
  - h) To develop a succession plan for the Board and to regularly review the plan.

The Nomination & Remuneration Committee comprised of the following directors of the Company:

Shri Suraj Chokhani	Member	Independent Director
Smt Swati Sharma	Member	Non-Independent Non-Executive Director
Shri Ravi Jaipuria	Chairman	Independent Director

During the financial year 2016-17, the Nomination & Remuneration Committee met two (2) times, on 29<sup>th</sup> August, 2017 and 22<sup>nd</sup> February, 2017. The attendance of the members of the Committee was as follows:-

Director	No. of meetings held	No. of meetings attended
Ms. Swati Sharma	2	2
Mr. Suraj Chokhani	2	2
Mr. Ravi Jaipuria	2	2

#### **Appointment & Remuneration Policy:**

##### **A. Policy for appointment and removal of directors, KMP and senior management personnel**

##### **(i) Appointment Criteria and Qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as director, KMP or senior management personnel and recommend to the Board his/her appointment.
- b) A person should possess adequate qualifications, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualifications, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Managing/Whole-time Director who has attained the age of seventy years, provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the shareholders by passing a special resolution based on the

explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**(ii) Term/Tenure**

**a) Managing Director/Whole-time Director**

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

**b) Independent Director**

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

No Independent Director shall hold office for more than two consecutive terms of upto a maximum of five years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director, provided that the Independent Director shall not, during the said period of three years be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

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

**c) Evaluation**

The Committee shall carry out evaluation of performance of every Director, Key Managerial Personnel and senior management personnel at regular intervals.

**d) Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules & Regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or senior management personnel subject to the provisions and compliance of the said Act, Rules & Regulations.

**e) Retirement**

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

## **B. Policy for remuneration to directors, KMP and senior management personnel**

### **(i) Remuneration to Managing/Whole-time Directors, KMP and senior management personnel**

The remuneration/ compensation/ commission etc. to be paid to Managing/Whole-time Directors shall be governed as per provisions of the Companies Act, 2013 and Rules made there under or any other enactment for the time-being in force.

### **(ii) Remuneration to Non-Executive/ Independent Director**

The non-executive Independent /Non-Independent Director may receive remuneration/ compensation/ commission as per the provisions of the Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/limits as provided under the Companies Act, 2013 and Rules made thereunder or any other enactment for the time being in force.

## **C. Details of remunerations paid to the Directors during the financial year 2016-17:**

None of the Directors is getting remuneration from the Company.

### **(c) Stakeholders Relationship Committee**

Stakeholders Relationship Committee consists of the following Directors:

- Ms. Swati Sharma- Chairman
- Mr. Suraj Chokhani- Member

The remit of the Committee is to consider and resolve the grievances of the security holders of the Company, including complaints relating to transfer and transmission of securities, non-receipt of dividends, and such other grievances as may be raised by the security holders from time to time.

One meeting of the Committee was held during the year on 22<sup>nd</sup> February, 2017.

Details of Meeting has been given below.

<b>Director</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Ms. Swati Sharma	1	1
Mr. Suraj Chokhani	1	1

## General Body Meetings

The last three Annual General Meetings of the Company were as under:

Financial Year	Date	Time	Place
2013-14	30.09.2014	10.00 a.m.	103, NDM-1, Netaji Subhash Place, Pitampura, New Delhi-110034
2014-2015	01.09.2015	10.00 a.m.	Bipin Paul Chandra Memorial Auditorium, A-81, Chittranjan Park, New Delhi-110019
2015-2016	30.09.2016	10.00 a.m.	Vihara Innovation Campus, D-57, 100 Feet Rd, Pocket D, Dr Ambedkar Colony, Chhattarpur, New Delhi, Delhi 110074

## **Disclosures**

- (i) There were no transactions of material nature with the directors or the management or their subsidiaries or relatives etc. during the year that had potential conflict with the interests of the Company at large. The details of related party transactions have been reported in the Notes to Accounts.
- (ii) The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and in conformity, in all material respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statement are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.
- (iii) The Company has been formulated Whistle Blower Policy to establish a Vigil Mechanism for directors and employees of the Company and the details are provided in point no. 2 (a) of this report.
- (iv) The Company has well-defined Risk Management Policies for each of the businesses, duly approved by the Board, which are periodically reviewed to ensure that the executive management controls risk by means of a properly defined framework.
- (v) The Company has not raised any funds from the capital market (public/rights/preferential issues etc.) during the financial year under review.
- (vi) There was no instance of non-compliance of any matter relating to the capital markets by the Company. No penalties or strictures have been imposed on the Company by the

stock exchanges, SEBI or any other statutory authorities on any matter relating to the capital market during the last three years.

- (vii) The details of the equity shares of the Company held by the Directors as on 31<sup>st</sup> March, 2017 are as under:

S.No.	Name of the Director	No. of shares held
1	Mr. Pravin Santlal Jain	160146
2	Mr. Bharat Bhushan Bansal	209897
3	Mr. Sushil Kumar	Nil
4	Ms. Swati Sharma	Nil
5	Mr. Suraj Chokhani	Nil
6	Mr. Ravi Jaipuria	Nil

- (viii) The Company is complying with all mandatory requirements of SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015

### **Means of communication**

The Quarterly, Half Yearly and Annual Results are communicated to the BSE Limited, where the Company's shares are listed as soon as they are approved and taken on record by the Board of Directors of the Company. Further, the quarterly and half-yearly results are published in leading newspapers such as 'Deccan Herald' (English) and 'Hari bhoomi' (Hindi). The results are not sent individually to the shareholders. The financial results are also displayed on the web-site of the Company at [www.purshottaminvestofin.in](http://www.purshottaminvestofin.in).

Pursuant to circular no. CIR/CFD/DIL/10/2010 dated 16<sup>th</sup> December, 2010 issued by Securities & Exchange Board of India (SEBI), the Company has maintained website namely [www.purshottaminvestofin.in](http://www.purshottaminvestofin.in) providing the basic information about the Company such as details of our business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The information provided on the website is being updated regularly.

The Company has an Investor Grievance Cell in the Share Department to redress the grievances/queries of the shareholders. In order to redress shareholders' queries and grievances, the Company has a separate e-mail ID [companysecretary@purshottaminvestofin.in](mailto:companysecretary@purshottaminvestofin.in)

The Management Discussion and Analysis Report forms part of the Directors' Report.

## **Auditors' Certificate on Corporate Governance**

A certificate has been obtained from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance laid-down in SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015 with the stock exchanges. The same is annexed to this report.

## **CEO/CFO Certification**

The CMD and the CFO have issued certificate pursuant to the provisions of SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015 certifying that the financial statements do not contain any untrue statements and these statements represent a true and fair view of the Company's affair. The said certificate is annexed and forms part of the Annual Report.

## **GENERAL SHAREHOLDERS INFORMATION**

- **Annual General Meeting:**

Date	28 <sup>th</sup> September,2017
Time	10.00 A.M.
Venue	Vihara Innovation Campus, D-57, 100 Feet Rd, Pocket D, Dr Ambedkar Colony, Chhattarpur, New Delhi, Delhi 110074

- **Financial Calendar 2017-18 (Tentative):**

### **Board Meetings to take on record**

Financial results for Quarter ended 30.06.2017	Second week of August, 2017
Financial results for Quarter ended 30.09.2017	Second week of November, 2017
Financial results for Quarter ended 31.12.2017	Second week of February, 2018
Financial results for Quarter/year ended 31.03.2018	Last week of May, 2018

Book Closure Date	22 <sup>nd</sup> September 2017 to 28 <sup>th</sup> September, 2017 (both days inclusive)
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- **Listing:**

Sl. No.	Name & address of stock exchanges
1	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001

The Company has already paid annual listing fee for the year 2017-18 to the stock exchange.

- **Stock Code:**

- BSE Limited, Mumbai : 538647
- Demat ISIN in NSDL and CDSL for equity shares : INE729C01020

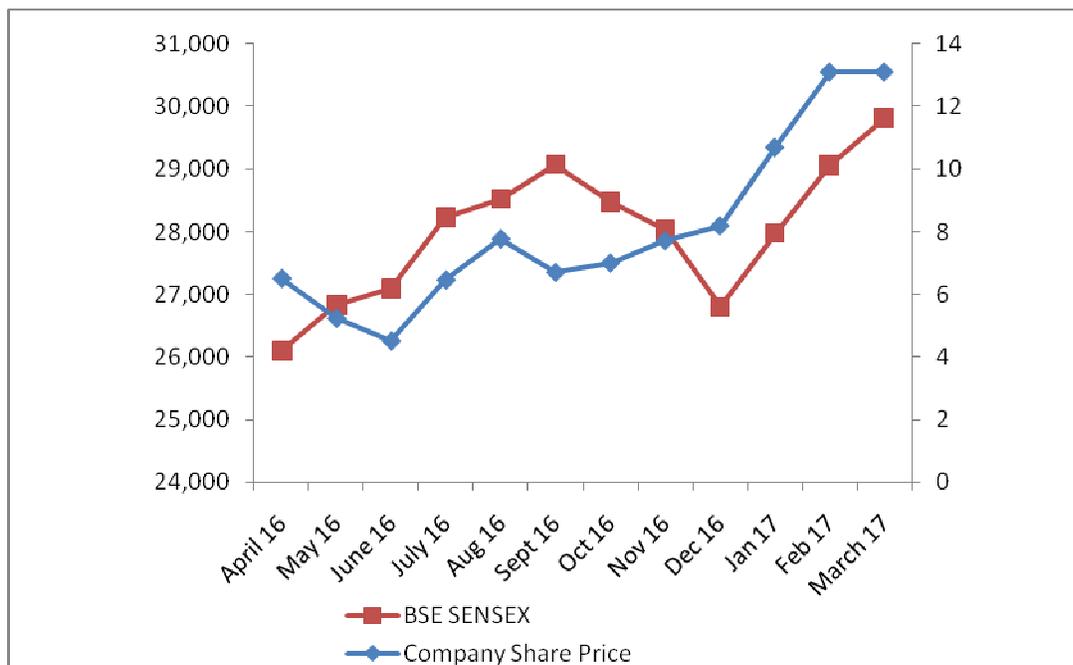
- **Market Price Data:**

The monthly high/low quotations of the equity shares traded at Stock Exchange, Mumbai and BSE Sensex during the financial year 2017-18 are given below:

Month	Share Price of the Company (Rs.)		BSE Sensex	
	High Price	Low Price	High	Low
Apr-16	6.51	4.58	26,100.54	24,523.20
May-16	5.23	3.33	26,837.20	25,057.93
June-16	4.51	3.49	27,105.41	25,911.33
July-16	6.46	4.95	28,240.20	27,034.14
Aug-16	7.77	5.8	28,532.25	27,627.97
Sep-16	6.7	6.13	29,077.28	27,716.78
Oct-16	7	6.7	28,477.65	27,488.30
Nov-16	7.71	7	28,029.80	25,717.93
Dec-16	8.19	7.1	26,803.76	25,753.74
Jan-17	10.69	8	27,980.39	26,447.06
Feb-17	13.1	11.22	29,065.31	27,590.10
Mar-17	13.1	13.1	29,824.62	28,716.21

Source: BSE website: [www.bseindia.com](http://www.bseindia.com)

- **Comparison of Company's Share Price with BSE Sensex (Based on monthly average):**



- **Share Transfer Agents and Demat Registrar:**

The Company has appointed M/s MAS Services Ltd., New Delhi as the Registrar & Share Transfer Agents for handling both physical share registry work and demat share registry work having their office at:

**Mas Services Limited**

T-34, 2nd Floor, Okhla Industrial Area,

Phase - II,

New Delhi - 110 020

Ph:- 26387281/82/83

Fax:- 26387384

email:- [info@masserv.com](mailto:info@masserv.com)

website : [www.masserv.com](http://www.masserv.com)

- **Distribution of Equity Shareholding:**

**(a) Shareholding Pattern as on 31<sup>st</sup> March, 2017**

Category	No. of shareholders	No. of shares	% of shareholding
Promoter holding			

Individuals/HUF	8	724479	11.53
Bodies Corporate	-	-	-
<b>Total Promoter holding</b>	<b>8</b>	<b>724479</b>	<b>11.53</b>
Non-promoter holding			
Institutions/banks	-	-	-
Bodies Corporate	42	3967290	63.14
Individuals	658	177768	2.83
NRIs/OBCs	1	7500	0.12
Clearing members	5	288002	4.58
Others (Pakistani Shareholder)	-	-	-
<b>Total Non-promoter holding</b>	<b>714</b>	<b>5559096</b>	<b>88.47</b>
<b>Total</b>	<b>722</b>	<b>6283575</b>	<b>100</b>

(b) **Distribution of shareholding as on 31<sup>st</sup> March, 2017**

No. of Share held	Shareholders		Shares held	
	Number	Percentage	Number	Percentage
1 TO 5000	639	88.504	35682	0.568
5001 TO 10000	9	1.247	7975	0.127
10001 TO 20000	3	0.416	3746	0.06
20001 TO 30000	4	0.554	9136	0.145
30001 TO 40000	0	0		0
40001 TO 50000	9	1.247	43761	0.696
50001 TO 100000	13	1.801	105307	1.676
100001 AND ABOVE	45	6.233	6077968	96.728
<b>Total</b>	<b>722</b>	<b>100</b>	<b>6283575</b>	<b>100</b>

- **Dematerialization of Shares:**

The Company has entered into an agreement with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited to offer depository services to the shareholders. As on March 31, 2017, 62,54,835 equity shares equivalent to 99.54 % of the shares of the Company have been dematerialized. All the shares held by the promoters of the Company are in dematerialized form.

- **Reconciliation of Share Capital Audit:**

A qualified practicing Company Secretary carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Secretarial Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

- **Outstanding GDR's/ADR's/Warrants etc.:**

Not Applicable

- **Address for correspondence:**

(a) *Regd. Office:*

**Purshottam Investofin Limited,**

L-7, Menz Floor,

Greenpark Extension, New Delhi-110016

Email : [companysecretary@purshottaminvestofin.in](mailto:companysecretary@purshottaminvestofin.in)

Website: [www.purshottaminvestofin.in](http://www.purshottaminvestofin.in)

(b) *Registrar & Share Transfer Agent:*

**Mas Services Limited**

T-34, 2nd Floor, Okhla Industrial Area,

Phase - II, New Delhi - 110 020

Ph:- 26387281/82/83

Fax:- 26387384

email:- [info@masserv.com](mailto:info@masserv.com)

Website: [www.masserv.com](http://www.masserv.com)

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

**For and on behalf of  
Purshottam Investofin Limited**

Date : 18/04/2017

Place : New Delhi

**Pravin Santlal jain**

**Managing Director**

**DIN- 01318161**

**Swati Sharma**

**Director**

**DIN - 06757066**

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI ( LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATION 2015**

**To the Members of Purshottam Investofin Limited**

We have examined the compliance of the conditions of Corporate Governance by Purshottam Investofin Limited for the year ended 31<sup>st</sup> March, 2017 as stipulated in Listing Agreement of the said Company with the stock exchanges.

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

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2017, no investor grievances are pending against the Company for a period exceeding one month as per records maintained by the Company.

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

**For M/s. STRG & Associates,  
Chartered Accountants,  
(FRN.: 014826N)**

**Rakesh Gupta**

Partner

M.No. 094040

Place : New Delhi

Date : 18<sup>th</sup> April, 2017

## **Declaration Regarding Code of Conduct**

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

**(Pravin Santlal Jain)**

Managing Director

**(DIN-01318161)**

Place : New Delhi

Date : 18<sup>th</sup> April, 2017

## **M. D. / CFO Certification**

The Board of Directors

### **Purshottam Investofin Limited**

We have reviewed the financial statements and the cash flow statement of Purshottam Investofin Limited for the year ended 31st March, 2017 and that to the best of our knowledge and belief, we state that;

(a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;

(ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

(b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

(d) we have indicated to the Auditors and the Audit Committee:

(i) significant changes, if any, in the internal control over financial reporting during the year.

(ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours sincerely

**(Deependra S. Negi)**  
Chief Financial Officer

**(Pravin Santlal Jain)**  
Managing Director  
**(DIN-01318161)**

**Place** : New Delhi

**Date** : 18<sup>th</sup> April, 2017

## INDEPENDENT AUDITOR'S REPORT

To the Members of **M/S PURSHOTTAM INVESTOFIN LIMITED**

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

We have audited the accompanying financial statements of **M/s Purshottam Investofin Limited** ('the Company'), which comprises the Balance Sheet as at **31<sup>st</sup> March, 2017**, the statement of Profit and Loss and Cash Flow Statement of the company for the year then 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 preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, aforesaid standalone 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:

### **Emphasis of Matters**

We draw attention to following matters in the notes to the financial statements:

- a) As certified by the management and relied upon by us in the matter that no lawsuit filed against the company.
- b) Note "BS-B" in the financial statements which indicate that the company has accumulated losses but net worth of the company is not substantially eroded. The company had incurred the losses during the current financial year. But the company has sufficient balance of reserves. The management is of the view that the company is going concern and our opinion is not modified in respect of this matter. Hence, the financial statements of the company have been prepared on a going concern basis.

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

1. As required by the Companies (Auditor's Report) Order, 2016 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.
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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on March 31<sup>st</sup>, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31<sup>st</sup> 2017, from being appointed as a director section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g) 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. As certified by the management and relied upon by us in the matter that no lawsuit filed against the company.
  - ii. The Company did not have any long-term contracts including derivate 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.

**For STRG & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**FRN: 014826N**

**CA Rakesh Gupta**  
**Partner**  
**M. No.: 094040**

**Place: New Delhi**  
**Date: April 18<sup>th</sup>, 2017**

### **"Annexure A" to the Auditors' Report**

The Annexure referred to in our report to the members of Purshottam Investofin Limited (the Company') for the year Ended on 31<sup>ST</sup> March, 2017. We report that:

1. The Company does not own any fixed assets; so this paragraph is not applicable to the company.
2. (a) The physical verification of the inventory is not possible as the company is a Non Banking Financial Company and holds inventory in the form of investment in shares in their D-mat accounts and hence, clause (b) is not applicable.  
  
(c) The Company is maintaining proper records of inventory (shares) and no discrepancies between inventory and book records were noticed on verification.
3. Yes, the Company has granted unsecured loan to companies, firms or other parties covered in the register maintained under Section 189 of the Act.  
(a) Receipt of the principal amount and the interest is regular.  
(b) No amount of loan & advances is overdue.  
(c) The terms and conditions of the grant of such loans are not prejudicial to the Company's interest;
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).
6. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
7. (a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities (except in few cases where the amount of TDS is deposited late with interest). Further, no undisputed amounts payable in respect thereof

were outstanding at the year-end for a period of more than six months from the date they become payable.

- (b) According to the information & explanations given to us there are outstanding demand of Rs. 2,23,220/- in respect of income-tax and outstanding demand of Rs. 1,54,275/- in respect to TDS which have not been deposited with the appropriate authority on account of dispute. There are no amount of sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute.
- (d) According to the informations and explanations given to us there are no amount which was required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- 8. In our opinion, the Company has not defaulted in repayment of dues to any financial institution or a bank or to debenture-holders during the year.
- 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. No fraud on or by the Company has been noticed or reported during the period covered by our audit.
- 11. The managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule V to the Act during the year.
- 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 wherever 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 give 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 them. Accordingly, paragraph 3(xv) of the Order is not applicable.
  
16. The company is registered under section 45 IA of the Reserve Bank of India Act, 1934 and. Further, as the company has incurred losses during the current year, no amount has been transferred to the Statutory Reserves created under section 45-IC of the Reserve Bank of India Act. 1934.

**For STRG & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**FRN: 014826N**

**Place: New Delhi**  
**Date: April 18<sup>th</sup>, 2017**

**CA Rakesh Gupta**  
**Partner**  
**M. No: 094040**

## **“Annexure B” to the 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 **Purshottam Investofin Limited** (“the Company”) as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The 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 (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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 31 March 2017, 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 STRG & ASSOCIATES**

**CHARTERED ACCOUNTANTS (FRN: 014826N)**

**CA Rakesh Gupta**

**Partner**

**M. No.: 094040**

**Place: New Delhi**

**Date: April 18<sup>th</sup>, 2017**

**Purshottam Investofin Limited**  
**Regd. Office: L-7, Menz Floor, Green Park Extn., New Delhi - 110016**

**Balance Sheet as at March 31, 2017**

S.No	Descriptions	Note No.	Figures at the end	Figures at the end
			of current reporting period(Rs.)	of Previous reporting period(Rs.)
			As on 31.03.2017	As on 31.03.2016
<b><u>EQUITIES &amp; LIABILITIES</u></b>				
<b>I</b>	<b>Shareholders Funds</b>			
	Capital	<u>BS-A</u>	62,835,750	62,835,750
	Reserve & Surplus	<u>BS-B</u>	233,183,301	230,498,781
<b>II</b>	<b>Share Application Money pending allotment</b>		-	-
<b>III</b>	<b>Non Current Liabilities</b>			
	Long Term Borrowings		-	-
	Long Term Provisions		-	-
	Deferred Tax Liability	<u>BS-C</u>	5,050	-
<b>IV</b>	<b>Current Liabilities</b>			
	Short Term Borrowings		-	-
	Trade Payables	<u>BS-D</u>	-	12,984,681
	Other Current Liabilities	<u>BS-E</u>	6,969,269	47,751,463
	Short Term Provisions	<u>BS-F</u>	1,557,748	331,300
<b>Total (I + II + III)</b>			<b>304,551,118</b>	<b>354,401,975</b>
<b><u>ASSETS</u></b>				
<b>V</b>	<b>Non Current Assets</b>			
	Fixed Assets	<u>BS-G</u>	202,149	-
	Non Current Investments	<u>BS-H</u>	14,525,554	41,223,054
	Deferred Tax Assets	<u>BS-I</u>	-	18,714
	Long Term Loans & Advances	<u>BS-J</u>	230,610,054	289,346,212
	Other Non Current Assets		-	-
<b>VI</b>	<b>Current Assets</b>			
	Current Investments		-	-
	Closing Stock	<u>BS-K</u>	13,587,057	20,905,948
	Trade Receivables	<u>BS-L</u>	15,862,222	7,400
	Cash & Cash Equivalents	<u>BS-M</u>	25,622,788	234,768
	Short Term Loans & Advances	<u>BS-N</u>	4,141,294	2,665,879
	Other Current Assets		-	-
<b>Total (IV + V)</b>			<b>304,551,118</b>	<b>354,401,975</b>

Significant Accounting Policies & Notes to Accounts refer to above form an Integral Part of our financial statements  
As per our report attached  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
Purshottam Investofin Limited

Rakesh Gupta  
Partner  
M No: 094040

Pravin Santlal Jain  
Managing Director  
DIN: 01318161

Swati Sharma  
Director  
DIN:06757066

Sarita Aggarwal  
Secretary  
PAN: ARZPA2612C

Deependra S. Negi  
CFO  
PAN: AGIPN6328E

Place : New Delhi  
Dated : April 18,2017

**Purshottam Investofin Limited**  
**Regd. Office: L-7, Menz Floor, Green Park Extn., New Delhi - 110016**

**Statement of Profit & Loss Account for the period ended March 31, 2017**

S.No	Particulars	Note No.	Figures for the current reporting period (Rs.)	Figures for the Previous reporting period (Rs.)
			As on 31.03.2017	As on 31.03.2016
I	<b>Revenue</b>			
	Revenue from Operations	PL-A	130,832,773	32,311,320
	Other Income		50,688	-
<b>Total (I)</b>			<b>130,883,461</b>	<b>32,311,320</b>
II	<b>Expenses</b>			
	Purchase of stock-in-trade		115,912,712	33,157,646
	Change in inventory of stock-in-trade		7,318,891	(5,137,127)
	Employee Benefit Expenses	PL-B	2,255,000	971,400
	Finance Cost	PL-C	26,880	1,515,772
	Depreciation and Amortization Expenses	PL-D	29,270	-
Other Administrative Expenses	PL-E	1,405,975	9,940,847	
<b>Total (II)</b>			<b>126,948,728</b>	<b>40,448,538</b>
III	<b>Profit before Exceptional and Extraordinary Items and Tax (I - II)</b>		<b>3,934,733</b>	<b>(8,137,217)</b>
IV	Exceptional Items		-	-
V	<b>Profit before Extraordinary Items and Tax (III - IV)</b>		<b>3,934,733</b>	<b>(8,137,217)</b>
VI	Extraordinary Items		-	-
VII	<b>Profit before Tax (V - VI)</b>		<b>3,934,733</b>	<b>(8,137,217)</b>
VIII	Tax Expenses			
	Current Tax		1,226,449	320,602
	Deferred Tax		23,764	-
<b>Profit(Loss) for the Period (VII - VIII)</b>			<b>2,684,520</b>	<b>(8,457,819)</b>
<b>Earning Per Equity Shares</b>				
	Basic		0.427	(1.346)
	Diluted		0.427	(1.346)

Significant Accounting Policies & Notes to Accounts refer to above form an Integral Part of our financial statements  
As per our report attached  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
Purshottam Investofin Limited

Rakesh Gupta  
Partner  
M No: 094040

Pravin Santlal Jain  
Managing Director  
DIN: 01318161

Swati Sharma  
Director  
DIN:06757066

Sarita Aggarwal  
Secretary  
PAN: ARZPA2612C

Deependra S. Negi  
CFO  
PAN: AGIPN6328E

Place : New Delhi  
Dated : April 18,2017

**Purshottam Investofin Limited**

**Regd. Office: L-7, Menz Floor, Green Park Extn., New Delhi - 110016**

**Notes to and forming Part of Balance Sheet as at March 31, 2017**

Note No.	Particulars	Figures at the end of current reporting period	
		As on 31.03.2017	As on 31.03.2016
<b>BS-A</b>	<b>Share Capital:</b>		
	Authorized: 1,71,00,000 equity shares of Rs. 10/- each (Last Year 1,71,00,000 Equity Shares of Rs 10/- each)	171,000,000	171,000,000
	Issued, Subscribed and Paid up: Shares at the beginning of Accounting Period 62,83,575 Equity Shares of Rs 10/- each (Last Year 62,83,575 Equity Shares)	62,835,750	62,835,750
	Addition during the Year NIL Equity Shares of Rs 10/- each (Last Year Nil Equity Shares)	-	-
	Shares at the end of Accounting Period 62,83,575 Equity Shares of Rs 10/- each (Last Year 62,83,575 Equity Shares)	<b>62,835,750</b>	<b>62,835,750</b>
	<b>Terms/Rights attached to Equity Shares</b>		
<b>BS-A-(i)</b>	The company had only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of company after distribution of all preferential amounts. The distribution will be in proportion of the number of equity shares held by the share holders.		
<b>BS-A-(ii)</b>	<b>Shareholders holding more than 5% shares in the company along with number of shares.</b>		
		<b>As on 31.03.2017</b>	
	<b>Name</b>	<b>No. of shares</b>	<b>% of shares</b>
	Pravin Santlal Jain	347,696	5.53
	Poonam Pravinchandra Jain	372,896	5.93
	Vandana Jain	328,396	5.23
	Chnadika infrastructure	317,578	5.05
	Bharat Bhushan Bansal	413,397	6.58
	SSJ Finance & Securities Pvt. Ltd.	475,210	7.56
<b>BS-B</b>	<b>Reserve &amp; Surplus</b>		
	Provision For Standard Assets		
	At the beginning of Accounting Period	3,276,469	2,553,103
	Addition during the year	576,525	723,366
	<b>At the end of Accounting Period (I)</b>	<b>3,852,994</b>	<b>3,276,469</b>
	Statutory Reserve		
	At the beginning of Accounting Period	217,371	217,371
	Addition during the year	786,947	-
	<b>At the end of Accounting Period (II)</b>	<b>1,004,318</b>	<b>217,371</b>
	Security Premium Account		
	At the beginning of Accounting Period	236,663,358	236,663,358
	Addition during the year	-	-
	<b>At the end of Accounting Period (III)</b>	<b>236,663,358</b>	<b>236,663,358</b>
FCD Forfeiture Reserve			
At the beginning of Accounting Period	2,343,800	2,343,800	
Addition during the year	-	-	
<b>At the end of Accounting Period (IV)</b>	<b>2,343,800</b>	<b>2,343,800</b>	

	Share Forfeiture Reserve			
	At the beginning of Accounting Period		1,206,500	1,206,500
	Addition during the year		-	-
	<b>At the end of Accounting Period (V)</b>		<b>1,206,500</b>	<b>1,206,500</b>
	Profit & Loss Account			
	At the beginning of Accounting Period		(13,208,717)	(4,027,532)
	Addition during the year		2,684,520	(8,457,819)
	Transfer to Provision for Standard Assets		(576,525)	(723,366)
	Transfer to Statutory Reserve		(786,947)	-
	<b>At the end of Accounting Period (VI)</b>		<b>(11,887,668)</b>	<b>(13,208,717)</b>
	<b>Total</b>		<b>233,183,301</b>	<b>230,498,781</b>
<b>BS-C</b>	<b>Deferred Tax Liability</b>			
	Deferred Tax Liability		5,050	-
	<b>Total</b>		<b>5,050</b>	<b>-</b>
<b>BS-D</b>	<b>Trade Payables</b>			
	Shri Bahubali International Ltd.		-	12,984,102
	Divya Portfolio Pvt. Ltd.		-	579
	<b>Total</b>		<b>-</b>	<b>12,984,681</b>
<b>BS-E</b>	<b>Other Current Liabilities</b>			
	Creditors for Expenses		324,388	370,226
	Advances against Projects/Services		6,633,623	47,357,495
	TDS Payable		11,257	23,742
	<b>Total</b>		<b>6,969,269</b>	<b>47,751,463</b>
<b>BS-F</b>	<b>Short Term Provisions</b>			
	Provisions for gratuity		10,698	10,698
	Provision for income tax		1,547,050	320,602
	<b>Total</b>		<b>1,557,748</b>	<b>331,300</b>
<b>BS-H</b>	<b>Non Current Investments</b>			
	<u>Quoted</u>			
	Investment in Equity Shares, Fully paid up		7,025,554	7,025,554
	<u>Unquoted</u>			
	Investment in Preference Shares, Fully paid up		-	-
	- in Subsidiaries		-	-
	- in others		7,500,000	31,297,500
	Share Application Pending allotment		-	2,900,000
	<b>Total</b>		<b>14,525,554</b>	<b>41,223,054</b>
	<b>Market value of Quoted Investment</b>		<b>20,632,256</b>	<b>2,992,030</b>
<b>BS-I</b>	<b>Deferred Tax Assets (Net)</b>			
	Deferred Tax Assets		-	18,714
	<b>Total</b>		<b>-</b>	<b>18,714</b>
<b>BS-J</b>	<b>Long Term Loans &amp; Advances</b>			
	Others		230,610,054	289,346,212
	(Unsecured considered Good unless otherwise stated)			
	<b>Total</b>		<b>230,610,054</b>	<b>289,346,212</b>
<b>BS-K</b>	<b>Closing Stock</b>			
	Equity Shares		13,587,057	20,905,948
	<b>Total</b>		<b>13,587,057</b>	<b>20,905,948</b>

<b>BS-L</b>	<b>Trade Receivables</b>			
	Debts outstanding for a period less than six month from the date they are due (Considered Good)		15,862,222	7,400
	Over Six Months		-	-
<b>Total</b>			<b>15,862,222</b>	<b>7,400</b>
<b>BS-M</b>	<b>Cash &amp; Cash Equivalents</b>			
	Balance with Scheduled Banks		19,906,438	32,965
	Cash in Hand		500,473	201,803
	Cheques in Hand		5,215,877	-
<b>Total</b>			<b>25,622,788</b>	<b>234,768</b>
<b>BS-M(i)</b>	<b>Specified bank notes disclosure (SBN's)</b>			
	During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:			
	<b>Particulars</b>	<b>SBNs</b>	<b>ODNs</b>	<b>Total</b>
	Closing cash on hand as on 08 Nov 2016	444,000	65,473	509,473
	(+) Non Permitted Receipts -	-	-	-
	(+) Permitted Receipts -	-	100,000	100,000
	(-) Permitted Payments	-	-	-
	(-) Amounts Deposited in Banks	444,000	-	444,000
	Closing cash on hand as on 30 Dec 2016	-	165,473	165,473
<b>BS-N</b>	<b>Short Term Loans &amp; Advances</b>			
	Staff Advance		51,000	-
	TDS & Income Tax Refund Due		4,090,294	2,665,879
<b>Total</b>			<b>4,141,294</b>	<b>2,665,879</b>

Significant Accounting Policies & Notes to Accounts refer to above form an Integral Part of our financial statements  
As per our report attached  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
Purshottam Investofin Limited

Rakesh Gupta  
Partner  
M No: 094040

Pravin Santlal Jain  
Managing Director  
DIN: 01318161

Swati Sharma  
Director  
DIN:06757066

Sarita Aggarwal  
Secretary  
PAN: ARZPA2612C

Deependra S. Negi  
CFO  
PAN: AGIPN6328E

Place : New Delhi  
Dated : April 18,2017

**Purshottam Investofin Limited**  
**Regd. Office: L-7, Menz Floor, Green Park Extn., New Delhi - 110016**

**Notes to and forming Part of Statement of Profit & Loss for the year ended March 31, 2017**

Note No.	Particulars	Figures for the	Figures for the
		current reporting period (Rs.) As on 31.03.2017	current reporting period (Rs.) As on 31.03.2016
<b>PL-A</b>	<b>Revenue from Operations</b>		
	- Interest Income	20,570,173	19,214,925
	- Receipt from Sale of Shares	110,262,600	13,096,395
<b>Total</b>		<b>130,832,773</b>	<b>32,311,320</b>
<b>PL-B</b>	<b>Employee Benefit Expenses</b>		
	- Employee Salary	2,255,000	971,400
<b>Total</b>		<b>2,255,000</b>	<b>971,400</b>
<b>PL-C</b>	<b>Financial Cost</b>		
	- Bank Charges	707	458
	- Interest on Delayed Payment of TDS	679	42,017
	- Interest Expenses	7,420	1,444,277
	- Financial Charges	18,074	29,020
<b>Total</b>		<b>26,880</b>	<b>1,515,772</b>
<b>PL-D</b>	<b>Depreciation &amp; Amortization Expenses</b>		
	- Depreciation	29,270	-
<b>Total</b>		<b>29,270</b>	<b>-</b>
<b>PL-E</b>	<b>Other Administrative Expenses</b>		
	- Accounting Charges	15,000	-
	- Annual Listing Fees	-	224,720
	- Bad Debts	80,627	-
	- Business Promotion Expenses	154,912	79,138
	- Car Running & Maint. Exp	54,823	-
	- CDSL Fees	25,763	-
	- Conveyance Expenses	8,780	-
	- DMAT Charges	4,604	3,227
	- Income Tax	185,470	-
	- Income tax demand	-	1,020,455
	- Late Fee on TDS	-	22,600
	- Membership Fee	17,250	-
	- NSDL Fees	42,938	-
	- Payment to Auditors	115,500	116,140
	- Postage & Courier	20,294	500
	- Printing & Stationery	75,125	44,000
	- Professional Expenses	81,319	81,820
	- Rent expense	196,300	184,000
	- Repair & Maintenance	24,050	5,000
	- ROC Filing Fees	16,100	11,020
	- Server Maintenance Exp	49,000	-
	- Short & Excess	1,340	(4)
	- Short Term Loss on Investment	-	8,089,692
	- Stock exchange Fees	230,000	52,650
- TDS Demand	1,980	-	
- Telephone Expenses	4,800	-	
- Voting Expense	-	5,889	
<b>Total</b>		<b>1,405,975</b>	<b>9,940,847</b>

Notes to accounts & Other Disclosures		Year Ended March	Year Ended March
		31, 2017	31, 2016
1 (a)	<u>Contingent Liabilities</u>	NIL	223,220
1 (b)	<u>Capital Commitments</u>	NIL	NIL
1 (c)	<u>Other Commitments</u>	NIL	NIL
2	<u>Detail of Remuneration to Auditor</u>		
	For Taxation Matters	NIL	NIL
	For Company Law Matters	NIL	NIL
	For Management Fees	NIL	NIL
	For Audit Fees		
	- Statutory Audit Fees	80,500	
	- Tax Audit Fees	34,500	
	For Reimbursement of Expenses	NIL	NIL
3	<u>Current Tax (Income Tax) Provision</u>		
	Income Tax Provision	1,226,449	320,602
	Less: MAT Credit Entitled	NIL	NIL
	Net Current Tax Liability	1,226,449	320,602
4	<u>Value of Import on CIF Basis</u>	NIL	NIL
5	<u>Earning/Expenditure in Foreign Currency</u>	NIL	NIL
6	<u>Earning Per Share</u>	0.427	(1.346)
	<b>Particulars</b>	<b>As on 31st March , 2017</b>	<b>As on 31st March , 2016</b>
	Net Profit/(Loss) after tax (in Rs)	2,684,520	(8,457,819)
	Weighted Average No. of Equity Shares	6,283,575	6,283,575
	Earning Per Share (in Rs)	0.427	(1.346)
	Nominal Value per equity share (in Rs)	10	10
7	<u>Amount due to Micro, Small and medium Enterprises</u> There are no Micro and Small Scale Business Enterprises to whom the company overdues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Therefore, the prescribed disclosures for liability of interest on overdue payment have not been given.		
8	In the opinion of the management of the company, the current assets and loans & advances have realization value in the ordinary course at least equal to the figures stated in the balance sheet and provisions for all known liabilities have been made.		
9	The company has not recognized any permanent diminution in the Long Term investments and hence all the Long Term investments are		
10	<u>Previous Year Figures</u> Figures of the previous year have been regrouped /reclassified wherever considered necessary to confirm to current year classification.		

Significant Accounting Policies & Notes to Accounts refer to above form an Integral Part of our financial statements  
As per our report attached  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
Purshottam Investofin Limited

Rakesh Gupta  
Partner  
M No: 094040

Pravin Santlal Jain  
Managing Director  
DIN: 01318161

Swati Sharma  
Director  
DIN:06757066

Sarita Aggarwal  
Secretary  
PAN: ARZPA2612C

Deependra S. Negi  
CFO  
PAN: AGIPN6328E

Place : New Delhi  
Dated : April 18,2017

**Purshottam Investofin Limited**  
**Regd. Office: L-7, Menz Floor, Green Park Extn., New Delhi - 110016**

**CASH FLOW STATEMENT**  
**FOR THE PERIOD APRIL 01, 2016 TO MARCH 31, 2017**

S.No.	Particulars	Amount (Rs.)		Amount (Rs.)	
I.	CASH FLOW FROM OPERATING ACTIVITIES	For the year ended 31.03.2017		For the year ended 31.03.2016	
	<b>Net Profit before Tax</b>		<b>3,934,733</b>		<b>(8,137,217)</b>
	Depreciation	29,270		971,400	
	Short term Loss on Investment	-		8,089,692	
			29,270		9,061,092
	Adjustments(if any)		-		-
	<b>Operating Profit before Working Capital Changes</b>		<b>3,964,003</b>		<b>923,875</b>
	<b>Adjustments for:</b>				
	Increase/(Decrease) in Other Current Liabilities & Provisions	(39,555,747)		(55,510,378)	
	(Increase)/Decrease in Trade Payable	(12,984,681)		12,984,681	
	(Increase)/Decrease in Short Term Loans & Advances	(1,475,415)		73,031,185	
	(Increase)/Decrease in Receivables	(15,854,822)		84,374	
	(Increase)/Decrease in stock in hand	7,318,891	(62,551,773)	(5,137,127)	25,452,735
	<b>Cash Generated from Operations</b>		<b>(58,587,770)</b>		<b>26,376,610</b>
	Income Tax		1,226,449		320,602
	<b>Net Cash flow Generated from Operating Activities (A)</b>		<b>(59,814,219)</b>		<b>26,056,008</b>
II.	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	Sale of Investment in Shares	26,697,500		11,358,998	
	Long Term Loans & Advances Given	58,736,158		(29,132,924)	
	purchase of fixed assets	(231,419)	85,202,239	-	(17,773,926)
	<b>Net Cash Flow Generated from Investing Activities (B)</b>		<b>85,202,239</b>		<b>(17,773,926)</b>
III.	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	<b>Net Cash Generated from Financing Activities (C)</b>				-
	Repayment of Short Term Borrowings	-		(3,605,065)	
	Repayment of Long Term Borrowings	-	-	(3,710,026)	(7,315,091)
	<b>Net Cash Flow Generated from Financing Activities (B)</b>		-		<b>(7,315,091)</b>
IV.	<b>Net increase in Cash &amp; Cash Equivalents ( A - B - C )</b>		<b>25,388,020</b>		<b>966,991</b>
	Cash and Cash equivalents as on 1st April, 2016		234,768		239,177
	<b>Cash and Cash equivalents as on 31st March, 2017</b>		<b>25,622,788</b>		<b>1,206,168</b>
V.	<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>				
	Cash in Hand		500,473		201,803
	Cash at Bank and Cheques In Hand		25,122,315		32,965
	<b>Cash &amp; Cash equivalents as stated in Balance Sheet</b>		<b>25,622,788</b>		<b>234,768</b>

Significant Accounting Policies & Notes to Accounts refer to above form an Integral Part of our financial statements  
As per our report attached  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
Purshottam Investofin Limited

Rakesh Gupta  
Partner  
Membership No: 094040

Pravin Santlal Jain  
Managing Director  
DIN: 01318161

Swati Sharma  
Director  
DIN:06757066

Sarita Aggarwal  
Secretary  
PAN: ARZPA2612C

Deependra S. Negi  
CFO  
PAN: AGIPN6328E

Place : New Delhi  
Dated : April 18,2017

**Purshottam Investofin Limited**  
 Regd. Office: L-7, Menz Floor, Green Park Extn., New Delhi - 110016

**BS-H.1 Non-current investments**

(Amount in Rs.)

Particulars	As at 31 March 2017	As at 31 March 2016
<b>Long Term Investment</b>		
<u>Quoted</u>		
Investment in Equity Shares, Fully paid up	7,025,554	7,025,554
<u>Unquoted</u>		
Investment in Equity/Prefrence Share Shares, Fully paid up		
- in Subsidiaries	-	-
- in others	7,500,000	31,297,500
<b>Total</b>	<b>14,525,554</b>	<b>38,323,054</b>

Particulars	As at 31 March 2017	As at 31 March 2016
Aggregate amount of quoted investments	7,025,554	7,025,554
Aggregate amount of unquoted investments	7,500,000	31,297,500
<b>Total</b>	<b>14,525,554</b>	<b>38,323,054</b>
Market value of quoted investments	20,632,256	2,992,030

## BS-H.2 Details of Non-Current Investments:

Sr. No.	Particulars	Face value per share	No. of Share / Unit		(Amount in Rs.)	
			As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
(a)	<b><u>Investment in Equity Shares - Quoted, fully paid up</u></b>					
	Aadhaar Venture India Ltd.	10	19,600,251	19,600,251	6,037,217	6,037,217
	Pine Animation Ltd	10	25,000	25,000	988,338	988,338
	Total (a)				<b>7,025,554</b>	<b>7,025,554</b>
(b)	<b><u>Investment in Equity/ Preference Shares - UnQuoted, fully paid up</u></b>					
(i)	<u>In subsidiaries</u>		-	-	-	-
(ii)	<u>In others</u>					
	Castle Rock Advisor Pvt. Ltd	10	-	14,500	-	10,875,000
	Cyan Consultants Pvt. Ltd	10	-	20,250	-	15,187,500
	Shri Pitraye Impex Private Limited	10	-	6,980	-	5,235,000
	Progressive Finlease Ltd (Preference Shares)	10	750,000	-	7,500,000	-
	Total (b)				<b>7,500,000</b>	<b>31,297,500</b>
	<b>Total (a + b)</b>				<b>14,525,554</b>	<b>38,323,054</b>

Significant Accounting Policies & Notes to Accounts refer to above form an Integral Part of our financial statements  
As per our report attached  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
Purshottam Investofin Limited

Rakesh Gupta  
Partner  
Membership No: 094040

Pravin Santlal Jain Managing Director DIN: 01318161	Swati Sharma Director DIN: 06757066	Sarita Aggarwal Secretary PAN: ARZPA2612C	Deependra S. Negi CFO PAN: AGIPN6328E
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Place : New Delhi  
Dated : April 18, 2017

**Purshottam Investofin Limited**  
**Regd. Office: L-7, Menz Floor, Green Park Extn., New Delhi - 110016**

BS-G	<u>Fixed Assets</u>		<u>Opening Balance</u>	<u>Addition</u>	<u>Deletion</u>	<u>Closing Balance</u>
	<b>Tangible &amp; Intangible Assets</b>					
	Gross Block		-	150,000	-	150,000
	- Car (Dzire)		-	81,419	-	81,419
	- Laptop					
	<b>Total</b>		-	<b>231,419</b>	-	<b>231,419</b>
	<b>Total of the Previous Year</b>		-	-	-	-
	Depreciation Block		-	10,524	-	10,524
	- Car (Dzire)		-	18,746	-	18,746
	- Laptop					
	<b>Total</b>		-	<b>29,270</b>	-	<b>29,270</b>
	<b>Total of the Previous Year</b>		-	-	-	-
	<b>Net Block</b>		<u>Current Year</u>		<u>Last Year</u>	
	- Car (Dzire)		139,476		-	
	- Laptop		62,673		-	
	<b>Total</b>		<b>202,149</b>		-	

Significant Accounting Policies & Notes to Accounts refer to above form an Integral Part of our financial statements  
As per our report attached  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
Purshottam Investofin Limited

Rakesh Gupta  
Partner  
M No: 094040

Pravin Santlal Jain  
Managing Director  
DIN: 01318161

Swati Sharma  
Director  
DIN:06757066

Sarita Aggarwal  
Secretary  
PAN: ARZPA2612C

Deependra S. Negi  
CFO  
PAN: AGIPN6328E

Place : New Delhi  
Dated : April 18,2017

## **M/S Purshottam Investofin Limited**

### **Significant Accounting Policies and Notes to Accounts**

#### **1. BACKGROUND**

**M/s Purshottam Investofin Limited** (“The Company”) was incorporated in India on **04<sup>th</sup> day of November 1988** under the company’s act 1956. The company is registered with Reserve Bank of India (RBI) as a Non-Banking Financial Company vide certificate No.B-14-01044 dated 14<sup>th</sup> May 2003. The company is primarily engaged in the business of NBFC (Non-Accepting Public Deposits) activities.

#### **2. SIGNIFICANT ACCOUNTING POLICIES**

##### **a. Basis of preparation of financial statements**

The financial statements have been prepared and presented under the historical cost convention method, on the accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles ("GAAP") in India, and Accounting Standards Specified under Section 133 of the companies act 2013 (the ‘act’), read with rule 7 of the companies (Accounts) Rules ,2014 (as amended). The accounting policies have been consistently applied by the company.

Previous year figures have been regrouped/ rearranged, wherever necessary to make them comparable with figures of current year.

##### **b. Use of estimates**

The preparation of financial statements in conformity with the Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any change in the accounting estimates is recognized prospectively in the current and future periods.

##### **c. Revenue Recognition**

Revenue is recognized on accrual basis

##### **d. Expenses Recognition**

Expenses are recognized on accrual basis.

e. **Fixed assets**

**Tangible Assets**

Fixed assets (if any) are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

**Intangible Assets**

Company is not having any intangible assets during the year 2016-17.

f. **Depreciation**

Depreciation is provided on a written down value on the basis useful life specified in Schedule II to the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased/ sold during the year. Depreciation is charged from the date the asset is ready to use or put to use, whichever is earlier. In respect of assets sold, depreciation is provided up to the date of disposal.

In the opinion of the management, the aforesaid useful life reflect the economic useful life of the fixed assets.

The useful life used are as follows:

<b>Asset Category</b>	<b>Life (in years)</b>
Computers & Software	3 Year
Vehicle	10Year

g. **Investments**

Investments held for maturity (Long term) are stated at cost without considering permanent diminution, if any. The carrying amount for Investment held for trade is the lower of cost and fair market value.

h. **Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, and other costs incurred in acquiring the inventories. Further the inventories are valued on FIFO basis.

i. **Income Tax Expense**

Provision for Income tax expense is determined as the amount of tax payable in respect of estimated taxable income for the year and in accordance with the Income-tax Act, 1961.

**j. Deferred Tax**

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax liability has been recognized during the current year.

**k. Employee Benefits:**

Company has not made any Provision for liability of future payment of gratuity in the current year.

Further, no provision has been made for leave encashment benefits, as the company does not have a policy of encashing leaves of employees.

**l. Leases**

Lease rentals in respect of operating lease arrangements are recognized as an expense in the profit & loss account on accrual basis.

**m. Earnings per share**

The earnings considered in ascertaining the Company's earnings per equity share comprises the net profit after tax. The number of shares used in computing basic & diluted EPS is the weighted average number of equity shares outstanding during the year.

**n. Provisions & Contingencies**

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

**o. Foreign exchange transactions**

There are no foreign exchange transactions during the year.

**3. RELATED PARTY TRANSACTIONS**

Related party disclosures as required under Accounting Standard (AS) – 18 “Related party Disclosures”, notified by the Government in the Companies (Accounting Standard) Rules 2006, are given in a separate annexure attached herewith:

**Related parties with nature of relationship are given below:**

<b>Description of Relationship</b>	<b>Name of Related Party</b>
Key Managerial Personnel	Bharat Bhushan Bansal (appointed on 24.06.2013)
	Pravin Santlal Jain (appointed on 24.06.2013)
	Sushil Kumar (appointed on 24.06.2013)
	Swati Sharma (appointed on 15.10.2014)
	Robin Garg (appointed on 30.05.2014 & resigned w.e.f. 23.04.2015)
	Suraj Chokhani (appointed on 23.04.2015)

	Ravi Jaipuria (appointed on 23.04.2015) Sarita Aggarwal (appointed on 01.11.2014) Deependra Singh Negi (appointed on 30.05.2015)
Group Company	Lubok Carbon LLP
Companies in which Director(s) of the Company is/are interested	Catalyst International Limited

**Related parties with whom transaction have taken place during the current year and previous year**

<b>Description of Relationship</b>	<b>Name of Related Party</b>
Group Company	Lubok Carbon LLP
Key Managerial Personnel	Sarita Aggarwal Deependra Singh Negi
Companies in which Director(s) of the Company is/are interested	Catalyst International Limited

**Transaction with Related parties**

	For the year ended 31 <sup>st</sup> March 2017	For the year ended 31 <sup>st</sup> March 2016
<b>I. Transaction with the Group Company</b>		
<u>Lubok Carbon LLP</u>		
- Loan & Advances repayment received	79,92,770/-	35,50,000/-
- Interest Income accrued	6,22,166/-	12,15,826/-
<b>II. Transaction with Key Management Personnel</b>		
<u>Sarita Aggarwal</u>		
- Salary Paid	1,75,000/-	4,80,000/-
<u>Deependra Singh Negi</u>		
- Salary Paid	1,04,000/-	2,28,000/-
-		
<b>III. Transaction with the Companies in which Director(s) of the company is/are interested</b>		
<u>Catalyst International Limited</u>		
- Repayment of Advances	52,35,000/-	121,05,678/-
- Interest Expense	NIL	NIL

**Balances outstanding with the Related parties**

<b>Particulars</b>	<b>As on 31<sup>st</sup> March 2017</b>	<b>As on 31<sup>st</sup> March 2016</b>
<b>I. Group Company</b>		
<u>Lubok Carbon LLP</u>	3,88,75,59/-	1,12,58,163/-
<b>II. Key Management Personnel</b>		
<u>Sarita Aggarwal</u>		
- Salary Outstanding	45,000/-	40,000/-
<u>Deependra Singh Negi</u>		
- Salary Outstanding	20,000/-	26,000/-
<b>III. Companies in which Director(s) of the company is/are interested</b>		
<u>Catalyst International Limited</u>		
- Advances received	NIL	52,35,000/-

4. Extraordinary items include Prior Period Expenses.

For **STRG & ASSOCIATES**  
Chartered Accountants  
FRN: 014826N

For and on behalf of Board of Directors of  
**Purshottam Investofin Limited**

**CA Rakesh Gupta**  
**Partner**

**M. No.:** 094040

**Place:** New Delhi

**Date:** 18<sup>th</sup> April 2017

**Pravin Santlal Jain**  
Director

DIN :0131816

**Suraj Chokhani**  
Director

DIN:03547280

**Sarita Aggarwal**  
Secretary

PAN: ARZPA2612C

**Deependra S Negi**  
CFO

PAN: AGIPN6328E

**PURSHOTTAM INVESTOFIN LIMITED**

**Regd. off: L-7, Menz Floor, Green Park Extension, New Delhi - 110016**

**Ph. & Fax No. 011-46067802**

**CIN: L65910DL1988PLC033799**

**Email ID: companysecretary@purshottaminvestofin.in Website: www.purshottaminvestofin.in**

**NOTICE**

NOTICE is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of **Purshottam Investofin Limited** will be held at Vihara Innovation Campus, D-57, 100 Feet Rd, Pocket D, Dr Ambedkar Colony, Chhattarpur, New Delhi, Delhi 110074 on **Thursday the 28th September, 2017 at 10. a.m. to** transact the following businesses:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2017 and the Statement of Profit & Loss for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pravin Santlal Jain (DIN: 01318161), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of STRG & Associates, Chartered Accountants (FRN.: 014826N), as approved by members at the Twenty Sixth Annual General Meeting as Statutory Auditors of the Company to hold office until the conclusion of Thirty First Annual General Meeting and to authorise the Board to fix their remuneration.

**SPECIAL BUSINESS**

4. **To authorise the Board of Directors to raise funds through issue of Equity Shares through Qualified Institutional Placement(QIP), Convertible Bonds, Equity Shares through depository receipts of an amount not exceeding Rs. 100 Crore.**

**To consider and, if thought fit, to pass with or without modification(s), as a SPECIAL RESOLUTION the following:**

**“RESOLVED THAT** in accordance with the provisions of Section 41, 42, 62 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) as amended from time to time, Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (‘SEBI Regulations’), Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, enabling provisions in the Memorandum and Articles of Association of the Company as also provisions of any other applicable laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of

India (SEBI), Government of India (GOI), Reserve Bank of India (RBI) and all other appropriate and/or concerned authorities, or bodies and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company ('Board') (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), the Board be and is hereby authorized to offer, issue and allot in one or more tranches, to Investors whether Indian or Foreign, including Foreign Institutions, Non-Resident Indians, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pensions Funds, Individuals or otherwise, whether shareholders of the Company or not, through an issue of convertible bonds and/or equity shares through depository receipts and including by way of Qualified Institutional Placement ('QIP'), to Qualified Institutional Buyers ('QIB') in terms of Chapter VIII of the SEBI Regulations, through one or more placements of Equity Shares (hereinafter collectively referred to as "Securities"), whether by way of private placement or otherwise so that the total amount raised through issue of the Securities shall not exceed INR 100 Crore as the Board may determine, where necessary in consultation with the Lead Managers, Underwriters, Merchant Bankers, Guarantors, Financial and/ or Legal Advisors, Rating Agencies/Advisors, Depositories, Custodians, Principal Paying/Transfer/Conversion agents, Listing agents, Registrars, Trustees, Printers, Auditors, Stabilizing agents and all other Agencies/Advisors.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby also authorised to determine the form, terms and timing of the issue(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount in issue/conversion/exercise/redemption, rate of interest, redemption period, listings on one or more stock exchanges in India or abroad as the Board may in its absolute discretion deems fit and to make and accept any modifications in the proposals as may be required by the authorities involved in such issue(s) in India and/ or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s).

**RESOLVED FURTHER THAT** in case of QIP issue it shall be completed within 12 months from the date of passing of this resolution.

**RESOLVED FURTHER THAT** in case of QIP issue the relevant date for determination of the floor price of the Equity Shares to be issued shall be –

- i) in case of allotment of equity shares, the date of meeting in which the Board decides to open the proposed issue.
- ii) in case of allotment of eligible convertible securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, as may be determined by the Board.

**RESOLVED FURTHER THAT** the Equity Shares so issued shall rank pari passu with the existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** the Equity Shares to be offered and allotted shall be in dematerialized form.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Securities the Board, be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, for entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint Lead Manager(s) in offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with Lead Manager(s) and to seek the listing of such securities.

**RESOLVED FURTHER THAT** the Company do apply for listing of the new Equity Shares as may be issued with the Bombay Stock Exchange Limited or National Stock Exchange of India Limited or any other Stock Exchange(s).

**RESOLVED FURTHER THAT** the Company do apply to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the Securities.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to create necessary charge on such of the assets and properties (whether present or future) of the Company in respect of Securities and to approve, accept, finalize and execute facilities, sanctions, undertakings, agreements, promissory notes, credit limits and any of the documents and papers in connection with the issue of Securities.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers in such manner as they may deem fit.”

## **5. To Increase the Authorised Share Capital of the Company**

**To consider and, if thought fit, to pass with or without modification(s), as an ORDINARY RESOLUTION**

“**RESOLVED THAT** pursuant to provision of Section 61(1)(a) of the Companies Act, 2013, and any other applicable provisions and the relevant rules framed there under and in accordance with the provisions of the Articles of Association of the Company, the authorised share capital of the Company be and is hereby increased from INR 17,10,00,000/- (Rupees Seventeen Crores and ten Lac only) divided into 1,71,00,000 (One Crore Seventy One Lacs only) equity shares of INR 10/- each to INR 50,00,00,000/- (Rupees Fifty Crores only) divided in to 5,00,00,000 (Five Crores only) equity shares of

INR 10/- each by creating additional 3,29,00,000 (Three Crore and Twenty Nine Lac only) equity shares of INR 10/- each.

**RESOLVED FURTHER THAT** the new equity shares shall rank pari passu with the existing equity shares.”

## **6. TO AMEND THE MEMORANDUM OF ASSOCIATION**

**To consider and if thought fit, to pass with or without modification(s) the following resolution as a SPECIAL RESOLUTION**

“**RESOLVED THAT** the consent of the Company be and is hereby accorded under provisions of section 13 of the Companies Act, 2013 to amend the existing Clause V of Memorandum of Association of the Company by substituting first four lines by following lines as mentioned here under:

V. The Authorised Share Capital of the Company is INR 50,00,00,000/- (Rupees Fifty Crores only) divided in to 5,00,00,000 (Five Crores only) equity shares of INR 10/-”

**RESOLVED FURTHER THAT** amendment be made in Memorandum of Association of the Company by replacing the words ‘The Companies Act, 1956’ wherever it appears by the words ‘The Companies Act, 2013’.”

## **7. SERVICE OF DOCUMENTS UNDER SECTION 20 OF COMPANIES ACT, 2013**

**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 20 of the Companies Act 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member(s) by the company by sending it to him/her by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member(s) the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the member(s) for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the member(s).”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Board of Director of the company be and is hereby authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary , proper or desirable or expedient to give effect to above resolution.”

**Regd. Office:**  
L-7, First Floor,  
Greenpark Extension  
New Delhi - 110016  
Dated: 18/04/2017

By Order of the Board  
**For PURSHOTTAM INVESTOFIN LTD.**

**Sd/-**  
**(SARITA AGGARWAL)**  
*Company Secretary &  
Compliance Officer*

**NOTES:**

1. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. **A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself. The proxy need not be a member of the company. A blank form of proxy is enclosed and if intended to be used, it should be deposited duly completed at the registered office of the company not less than forty eight hours before the scheduled time of the meeting.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. In case of joint shareholder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Information required under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 (relating to Corporate Governance) with respect to the Directors retiring by rotation and, being eligible, seeking re-appointment is given in the Corporate Governance Report annexed to this Annual Report.
6. The Registers of Members and Share Transfer Books of the Company will remain closed from 22th September,2017 to 28th September,2017 (both days inclusive).
7. Members holding shares in physical form are requested to intimate immediately to the Registrars & Share Transfer Agents of the Company, M/s MAS Services Ltd., T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110 020 quoting registered Folio No. (a) details of their bank account/change in bank account, if any, to enable the Company to print these details on the dividend warrants; and (b) change in their address, if any, with pin code number. The following information to be incorporated on the dividend warrants may be furnished:
  - i) Name of Sole/First joint holder and the folio number.
  - ii) Particulars of Bank Account, viz.

- iii) Name of the Bank
  - iv) Name of the Branch
  - v) Complete address of the Bank with Pin Code number
  - vi) Bank Account Number allotted by the Bank and nature of the Account (Savings/Current etc.)
8. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
9. In terms of Section 72 of the Companies Act, 2013, the shareholders of the Company may nominate a person on whom the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit nomination in SH-13.
10. The Company has entered into agreements with CDSL and NSDL to offer depository services to the Shareholders. Shareholders can open account with any of the depository participant registered with CDSL and NSDL.
11. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to the Company Secretary by 22.09.2017 .
12. Members are requested to bring their copies of Annual Report at the meeting, as extra copies will not be supplied.
13. Pursuant to the requirement of the SEBI ( Listing Obligation and Disclosure Requirements) Regulation 2015 , the Company declares that its equity shares are listed on the stock exchange at Mumbai. The Company has paid the annual listing fee for the year 2017 to the above stock exchange(s).
14. In respect of the matters pertaining to Bank details, ECS mandates, nomination, power of attorney, change in name/address etc., the members are requested to approach the Company's Registrars and Shares Transfer Agents, in respect of shares held in physical form and the respective Depository Participants, in case of shares held in electronic form. In all correspondence with the Company/Registrars and Share Transfer Agents, members are requested to quote their account/folio numbers or DP ID and Client ID for physical or electronic holdings respectively.
15. Only registered members carrying the attendance slips and the holders of valid proxies registered with the Company will be permitted to attend the meeting.
16. As a part of "Green initiative in the Corporate Governance", The Ministry of Corporate Affairs vide its circular nos. 17/2011 and 1/2011 dated 21.04.2011 and 29.04.2011, respectively, has permitted the companies to serve the documents, namely, Notice of General Meeting, Balance Sheet, Statement of Profit & Loss, Auditors' Report, Directors' report, etc., to the members through e-mail. The shareholders holding shares in physical form are requested to register their e-mail address with the Registrar & Share Transfer Agents by sending duly signed request letter quoting their folio no., name and address. In case of shares held in demat form, the shareholders may register their e-mail addresses with their DPs (Depository Participants).

17. Members may also note that the Notice of the 27<sup>th</sup> Annual General Meeting and the Annual Report for 2017 will also be available on the Company's website [www.purshottaminvestofin.in](http://www.purshottaminvestofin.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [companysecretary@purshottaminvestofin.in](mailto:companysecretary@purshottaminvestofin.in)

#### **18. Voting through electronic means**

**A.** In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI ( Listing Obligations And Disclosure Requirements), Regulation 2015, the Company is pleased to provide members facility to exercise their right to vote at the 29<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

**B.** The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

**C.** The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

**D.** The remote e-voting period commences on Monday, 25.09.2017(09:00 am) and ends on Wednesday, 27.09.2017 (05:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21.09.2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

**The procedure and instructions** for members for remote e-voting are as under:

**I. In case of Members receiving e-mail from NSDL (For those members whose e-mail addresses are registered with Company/Depositories):**

- a. Open e-mail and open PDF file viz."Purshottam e-Voting.pdf" with your client ID or Folio No. as password containing your user ID and password for remote e-voting. Please note that the password is an initial password.
- b. Launch internet browser by typing the following URL: <https://www.evoting.nSDL.com/>.
- c. Click on Shareholder-Login.
- d. Put user ID and password as initial password noted in step (i) above. Click Login.
- e. Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

- g. Select “EVEN” of “**Purshottam Investofin Limited**”.
- h. Now you are ready for remote e-voting as Cast Vote page opens.
- i. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- j. Upon confirmation, the message “Vote cast successfully” will be displayed.
- k. Once you have voted on the resolution, you will not be allowed to modify your vote.
- l. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [agrawal.kundan@gmail.com](mailto:agrawal.kundan@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**II. In case of Members receiving Physical copy of Notice of 29<sup>th</sup> Annual General Meeting (for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy)**

- a. Initial password is provided at the bottom of the Attendance Slip for the 29<sup>th</sup> AGM
- b. Please follow all steps from Sl. No. (b) to Sl. No. (l) above, to cast vote.

**E.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

**F.** If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

**G.** You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

**H.** The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **21.09.2017**

**I.** Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **21.09.2017**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA, MAS Services Limited. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

**J.** For as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

**K.** The Chairman shall, at the AGM, 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 Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

**L.** The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

**M.** The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.purshottaminvestofin.com](http://www.purshottaminvestofin.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the BSE Limited.

**Regd. Office:**  
L-7, First Floor,  
Greenpark Extension  
New Delhi - 110016  
Dated: 18/04/2017

By Order of the Board  
**For PURSHOTTAM INVESTOFIN LTD.**  
**Sd/-**  
**(SARITA AGGARWAL)**  
*Company Secretary &*  
*Compliance Officer*

**ANNEXURE TO ITEM 2**

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Regulation 27(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”),

<b>As on 31<sup>st</sup> March, 2017</b>	
<b>Name of Director</b>	<b>Mr. Pravin Santlal Jain</b>
<b>Date of Birth</b>	05.03.1958
<b>Nationality</b>	Indian
<b>Qualification</b>	B.COM
<b>Date of Appointment</b>	14.08.2013
<b>No. of shares held in the Company</b>	160146
<b>List of Directorship held in other Companies</b>	Amod Spuntex Private Limited Dhaaturuttama Power & Ispat Private Limited Loire Impex Private Limited Catalyst International Limited Lubok Industries Private Limited Lubok Carbon LLP
<b>Chairman/Member of Committees of Board of Directors in public companies</b>	NIL
Directorship includes Directorship of other Indian Public Companies and Committee membership includes only Audit Committee and Stakeholders Relationship Committee of public Limited Companies (whether Listed or not).	

## EXPLANATORY STATEMENT

(Pursuant to the provisions of section 102 of the Companies Act, 2013)

### Item No. 4

The Company requires adequate capital to meet the needs of growing business. While it is expected that the internal generation of funds would partially finance the need for capital and debt raising would be another source of funds, it is thought prudent for the Company to have enabling approvals to raise a part of the funding requirements for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws through the issue of appropriate securities as defined in the resolution, in Indian or international markets.

The fund raising may be through a mix of equity/equity-linked instruments, as may be appropriate. Members' approval is sought for the issue of securities linked to or convertible into Equity Shares or depository receipts of the Company. The Listing Agreement executed by the Company with the Stock Exchanges also provides that the Company shall, in the first instance, offer all Securities for subscription pro-rata to the Shareholders unless the Shareholders in a general meeting decide otherwise. Members' approval is sought for issuing any such instrument as the Company may deem appropriate to parties other than the existing shareholders. Whilst no specific instrument has been identified at this stage, in the event the Company issues any equity linked instrument, the issue will be structured in a manner such that the additional share capital that may be issued would not be more than 5% of the paid-up capital of the Company (as at the date when the Board recommended passing of the Special Resolution). The equity shares, if any, allotted on issue, conversion of Securities shall rank in all respects pari passu with the existing Equity Shares of the Company.

The Company may also opt for issue of securities through Qualified Institutional Placement. A Qualified Institutional Placement (QIP) of the shares of the Company would be less time consuming and more economical than other modes of raising capital.

Accordingly, the Company may issue securities by way of a QIP in terms of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('SEBI Regulations'). These securities will be allotted only to Qualified Institutional Buyers (QIBs) as per the SEBI Regulations and there will be no issue to retail individual investors and existing retail shareholders. The resolution proposed is an enabling resolution and the exact price, proportion and timing of the issue of the securities will be decided by the Board based on an analysis of the specific requirements after consulting all concerned. Therefore the proposal seeks to confer upon the Board the absolute discretion to determine the terms of issue in consultation with the Lead Managers to the Issue.

As per Chapter VIII of the SEBI Regulations, an issue of securities on QIP basis shall be made at a price not less than the average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the two weeks preceding the "relevant date." The Board may, at its absolute discretion, issue equity shares at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the 'floor price' as determined in terms of the SEBI (ICDR) Regulations, 2009, subject to Section 53 of the Companies Act, 2013.

As the pricing of the offer cannot be decided except at a later stage, it is not possible to state the price of shares to be issued. However, the same would be in accordance with the provisions of the SEBI (ICDR) Regulations, 2009, the Companies Act, 2013, or any other guidelines/regulations/consents as may be applicable or required.

In case of issue of convertible bonds and/or equity shares through depository receipts the price will be determined on the basis of the current market price and other relevant guidelines.

The “relevant date” for the above purpose, shall be –

- i) in case of allotment of equity shares, the date of meeting in which the Board decides to open the proposed issue
- ii) in case of allotment of eligible convertible securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, as may be determined by the Board.

The Stock Exchange for the same purpose is the Bombay Stock Exchange Limited. Shareholders’ resolution for QIP issuance will be valid for a period of 12 months from the date of passing of the resolution. Accordingly, the Shareholders’ approval is sought for the same.

In case of QIP Issuance the special resolution has a validity period of 12 months before which allotments under the authority of said resolution should be completed.

The Directors recommend this Resolution at Item No.4 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

**Item 5 and 6: Increase in the Authorised Share Capital and alteration of the Capital Clause in the Memorandum of Association of the Company.**

In light of the above item no. 5 and 6 it is proposed to increase the authorised share capital from the existing INR 17,10,00,000/- (Rupees Seventeen Crores and ten Lac only) divided into 1,71,00,000 (One Crore Seventy One Lacs only) equity shares of INR 10/- each to INR 50,00,00,000/- (Rupees Fifty Crores only) divided in to 5,00,00,000 (Five Crores only) equity shares of INR 10/- each by creating additional 3,29,00,000 (Three Crore and Twenty Nine Lac only) equity shares of INR 10/-.

The Resolution seeks approval of Members to increase the Share Capital and to amend the said Clause.

The Board of Directors recommends the passing of this Resolution by ordinary resolution.

None of the Directors / key managerial persons of the Company or their relatives is interested, financially or otherwise, in the aforesaid resolution.

## **8. Service Of Documents Under Section 20 Of Companies Act, 2013**

As per the provisions of Section 20 of the Companies Act, 2013, a member may request for any document through a particular mode, for which the member shall pay such fees as may be determined by the Company in its annual general meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense borne by the Company for such dispatch will be paid in advance by the member to the company.

The Board recommends the resolution at item no. 6 for the approval of the Shareholders.

No Director of the Company, Key Managerial Personnel or their relatives are in any way concerned or interested in the proposed resolution.

**Regd. Office:**  
L-7, First Floor,  
Greenpark Extension  
New Delhi - 110016  
Dated: 18/04/2017

By Order of the Board  
**For PURSHOTTAM INVESTOFIN LTD.**  
**Sd/-**  
**(SARITA AGGARWAL)**  
*Company Secretary &*  
*Compliance Officer*

# PURSHOTTAM INVESTOFIN LIMITED

Regd. off: L-7, Menz Floor, Green Park Extension, New Delhi – 110016

Ph. & Fax No. 011-46067802

CIN: L65910DL1988PLC033799

Email ID: [companysecretary@purshottaminvestofin.in](mailto:companysecretary@purshottaminvestofin.in) Website: [www.purshottaminvestofin.in](http://www.purshottaminvestofin.in)

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## ELECTRONIC VOTING PARTICULARS

EVEN(Electronic Voting Event Number)	PASSWORD	USER ID	NO. OF SHARES

The e-voting facility will be available during the following voting period :

Commencement of e-voting	From 09.00 a.m. (IST) on September 25 <sup>th</sup> , 2017
End of e-voting	Upto 06.00 p.m. (IST) on September 27 <sup>st</sup> , 2017

. The cut-off date (i.e. the record date) for the purpose of e-voting is 21<sup>st</sup> September, 2017

----- TEAR HERE -----

# PURSHOTTAM INVESTOFIN LIMITED

Regd. off: L-7, Menz Floor, Green Park Extension, New Delhi – 110016

Ph. & Fax No. 011-46067802

CIN: L65910DL1988PLC033799

Email ID: [companysecretary@purshottaminvestofin.in](mailto:companysecretary@purshottaminvestofin.in) Website: [www.purshottaminvestofin.in](http://www.purshottaminvestofin.in)

## ATTENDANCE SLIP

I/We hereby record my presence at the Annual General Meeting held on Thursday, 28<sup>th</sup> Day of September, 2017 at 10.00 A.M. at Vihara Innovation Campus, D-57, 100 Feet Rd, Pocket D, Dr Ambedkar Colony, Chhattarpur, New Delhi, Delhi 110074

Name of the Shareholders or Proxy (In Block Letters) \_\_\_\_\_

No. of Shares Held \_\_\_\_\_

Regd. Folio No./DPID-CLID \_\_\_\_\_

\_\_\_\_\_  
Signature of the Shareholder/Proxy

### **Note:**

PLEASE COMPLETE THIS ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.

**PROXY FORM**

[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:			
Email Id: _____	Folio No./Client Id: _____	DP ID: _____	

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

1.	Name
	Address:
	E-mail Id:
	Signature:
2.	Name
	Address:
	E-mail Id:
	Signature:
3.	Name
	Address:
	E-mail Id:
	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company to be held on 28<sup>th</sup> September, 2017 at 10 a.m. at Vihara Innovation Campus, D-57, 100 Feet Rd, Pocket D, Dr Ambedkar Colony, Chhattarpur, New Delhi, Delhi 110074.

Resolution number	Resolutions	Vote (Optional see Notes) (Please mention no. of shares)		
<b>Ordinary Business</b>				
1.	To receive, consider and adopt the audited Balance Sheet of the Company as at 31 <sup>st</sup> March, 2017 and the Statement of Profit & Loss for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.			
2.	To appoint a Director in place of Mr. Pravin Santlal Jain (DIN: 01318161), who retires by rotation and being eligible, offers himself for re-appointment.			
3.	To ratify the appointment of STRG & Associates, Chartered Accountants (FRN.: 014826N), as approved by members at the Twenty Sixth Annual General Meeting as Statutory Auditors of the			

	Company to hold office until the conclusion of Thirty First Annual General Meeting and to authorise the Board to fix their remuneration.			
<b>Special Business</b>				
4.	To authorise the Board of Directors to raise funds through issue of Equity Shares through Qualified Institutional Placement(QIP), Convertible Bonds, Equity Shares through depository receipts of an amount not exceeding Rs. 100 Crore.			
5.	To Increase the Authorised Share Capital of the Company			
6.	To Amend The Memorandum Of Association			
7.	Service Of Documents Under Section 20 Of Companies Act, 2013			

Signed this..... day of..... 2017

## ROUTE MAP

Venue of the 29<sup>th</sup> Annual General Meeting of Purshottam Investofin Limited  
to be held on 28<sup>th</sup> September, 2017 at 10.00 A.M.

Venue Address : Vihara Innovation Campus, D-57, 100 Feet Rd, Pocket D, Dr Ambedkar  
Colony, Chhattarpur, New Delhi, Delhi 110074

Landmark: Chattarpur Metro Station

