



## MUDRA FINANCIAL SERVICES LTD.

3rd Floor, Vaastu Darshan, "B", Above Central Bank of India.  
Azad Road, Andheri (East), Mumbai - 400 069.  
(O) : +91-22-6191 9293 / 22 Website : mudrafinancial.in  
Email : mudrafinancial.1994@gmail.com  
L 65999MH1994PLC079222

23<sup>rd</sup> September, 2017

To,  
**BSE Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001.

Reg: Security Code No. 539819

Script Name - MUDRA

Dear Sir/Madam,

**Sub: Submission of Annual Report pursuant to Regulation 34(1) of LODR Regulations, 2015.**

With regard to the captioned subject, please find the Annual Report for the Financial Year ending 31<sup>st</sup> March, 2017.

Kindly take the same on record and facilitate.

Thanking you,

Yours faithfully,  
For Mudra Financial Services Limited

Anirudh Kumar Tanvar  
Company Secretary and Compliance Officer  
Encl: as above.



**MUDRA FINANCIAL SERVICES LIMITED  
ANNUAL REPORT  
(2016 - 2017)**

## Corporate Information

### BOARD OF DIRECTORS

**Mr. Dipen Maheshwari**  
Managing Director

**Mr. Atul Jain**  
Director

**Mr. Asha Rathi**  
Director

**Mr. Jagannath Chakravarti**  
Director

**Mr. Sanjeev Maheshwari**  
Director

### COMPANY SECRETARY

**Mr. Anirudh Kumar Tanvar**

### STATUTORY AUDITORS

**M/s Sampat & Mehta**  
Chartered Accountants

### REGISTERED OFFICE

3rd Floor, Vaastu Darshan,  
'B' Wing, Azad Road,  
Andheri (East), Mumbai - 400 069.

Tel: 022- 61919293/22

Website: <http://www.mudrafinancial.in/>

### REGISTRARS & SHARE TRANSFER AGENT

**M/s. System Support Services**  
209, Shivai Industrial Estate, 89, Andheri-  
Kurla Road, (Next to Logitech Park,  
Above McDonalds), Sakinaka,  
Andheri (E), Mumbai - 400 072.

### BANKERS

**ICICI Bank**  
**HDFC Bank**

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<b><u>ANNUAL GENERAL MEETING</u></b> Date: Thursday, 21 <sup>st</sup> September, 2017 Time: 3.00 P.M. Venue: 3 <sup>rd</sup> Floor, Vaastu Darshan, "B" Wing, Azad Road, Andheri (East), Mumbai - 400 069.	<b><u>BOOK CLOSURE :</u></b> 10 <sup>th</sup> September, 2017 to 21 <sup>st</sup> September, 2017 <b>(Both days inclusive)</b>

## NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the **Twenty Third Annual General Meeting** of the Members of **MUDRA FINANCIAL SERVICES LIMITED** will be held at the Registered Office of the Company at 3rd Floor, Vaastu Darshan, “B” Wing, Azad Road, Andheri (East), Mumbai – 400 069 on Thursday, 21st September, 2017 at 03.00 P.M. to transact, with or without modification(s) the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company which includes the Audited Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Atul Jain (**DIN No.: 00096052**), who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other relevant provisions of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. Sampat & Mehta, Chartered Accountants, Mumbai (Firm Registration Number: **109031W**), be and are hereby appointed as the Statutory Auditors of the Company in place of the retiring auditor M/s. Desai Saksena & Associates, to hold office for a period of 5 (five) years from the conclusion of 23rd AGM until the conclusion of 28th AGM of the Company (subject to ratification of the appointment by the members at every AGM held thereafter) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee/Board of Directors in consultation with the Statutory Auditors.”

### **SPECIAL BUSINESS:**

4. 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 to ratify the Donation made by the Company as per the provisions of the erstwhile Section 293 (1) (e) and other applicable provisions, if any, of the Companies Act, 1956 to School of Human Genetics And Population Health, Kolkata amounting to Rs. 10,00,000/- (Rupees Ten Lakhs Only) vide resolution in the meeting of the Board of Directors held on 14th February, 2014.”

**Registered Office**

**3rd Floor, Vaastu Darshan,  
“B” Wing, Azad Road,  
Andheri (East), Mumbai – 400 069.**

**By Order of the Board**

**For Mudra Financial Services Limited**

**Anirudh Kumar Tanvar  
Company Secretary**

**Date : 29th May, 2017  
Place : Mumbai**

**NOTES:**

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

**THE INSTRUMENT APPOINTING A PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.**

**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.**

**2. The business set out the notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 21. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and Password along with a copy of this Notice to the members separately.**

3. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Sunday, 10th day of September, 2017 to Thursday, 21st day of September, 2017 (both days inclusive).
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
8. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
9. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
10. The shares of the Company are listed on Bombay Stock Exchange (BSE) Limited.

11. In view of the Circular issued by the SEBI for appointing common agency for both the modes of transfers i.e. Physical as well as Demat, the Company has already appointed M/s. System Support Services as Registrar & Transfer Agent for both the modes of transfer i.e. Physical as well as Demat. Members are therefore requested to send their grievances to them for early disposal at the address given below.

**M/S. SYSTEM SUPPORT SERVICES**  
**[Unit: Mudra Financial Services Limited]**

209, Shivai Industrial Estate,  
89, Andheri Kurla Road, Saki Naka,  
Andheri (East), Mumbai - 400 072.

Tel: 022 2850 0835

**Email: sysss72@yahoo.com**

12. Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given above and in case their shares are held in Demat, this information should be passed on directly to their respective Depository Participants and not to the Company.
13. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours except public holidays between 11.00 A.M. and 1.00 P.M. upto the date of the AGM.
14. Members/Proxies holding their Shares in physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
15. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
16. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in Demat form, they must quote their Client ID and DP ID numbers.
17. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

18. Mr. Atul Jain, the Director who retires by rotation and being eligible, offers himself for re-appointment at the Annual General Meeting. A brief profile of the said Director is given below:

<b>Sr No.</b>	<b>Nature of Information</b>	<b>Item No. 2 of Notice</b>
1	Name	Mr. Atul Jain
2	Date of Birth	26/08/1962
3	Date of Appointment	27/06/1994
4	Nature of experience in specific Functional Area	Expertise in Merchant Banking, Project Finance, Liaisoning with Banks and other Financial Institutions
5	Directorships in other Companies	1. Mudra Share and Stock Brokers Limited 2. Rajul Mercantile Private Limited 3. Jadstone Trading Private Limited 4. Rajveer Trading Private Limited 5. DTDC Express Limited
6	Member of Committee of the Board in other companies	Member of Audit Committee in DTDC Express Limited
7	No. of shares held in the Company	2,01,600

19. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in their address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the depository participant(s) and holdings should be verified.

20. A route map showing directions to reach the venue of the Twenty Third AGM forms part of the Annual Report.

## **21. Voting through electronic means :**

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and sub clause (1) & (2) of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed to be considered at the 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).



- II. 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.
- III. 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.
- IV. The remote e-voting period commences on Monday, 18<sup>th</sup> day of September, 2017 (9:00 A.M.) and ends on Wednesday, 20<sup>th</sup> day of September, 2017 (5:00 P.M.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 14<sup>th</sup> September, 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.
- V. The process and manner for remote e-voting are as under:
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
- (I) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting then you can use your existing password for casting the vote. If you have forgot your password, you can reset your password by using "Forget 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.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login
- (iv) Put User ID and Password as initial Password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the Password/PIN 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.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

- vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select “EVEN” of “Mudra Financial Services Limited”.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) 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 [trjnsti@gmail.com](mailto:trjnsti@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:  
  
**EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN**
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. 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.
- VII. 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.

- VIII. 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).
- IX. 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 i.e. 14<sup>th</sup> September, 2017.
- X. 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. 14<sup>th</sup> September, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [sysss72@yahoo.com](mailto:syss72@yahoo.com)
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Tejas Gohil, proprietor of M/s. Gohil Tejas & Co., Chartered Accountants has been appointed 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.
- XIV. 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.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, 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.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.mudrafinancial.in/](http://www.mudrafinancial.in/) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

## **Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013**

### **Item No. 4**

As per the provisions of the erstwhile Section 293 (1) (e) and other applicable provisions, if any, of the Companies Act, 1956 every company was required to take shareholders' approval for the Donation made to bonafide charitable in any financial year exceeding Rs. 50,000/- or 5% of the average net profit as determined with accordance to Sections 349 and 350 during the 3 financial years immediately preceding, whichever is greater.

The Company had contributed Rs.10,00,000/- as donation to the School of Human Genetics & Population Health, Kolkata in the financial year ended 31.03.2014 and since the amount contributed was more than the limits specified under Section 293 (1) (e) of the Companies Act, 1956, the Company was required to obtain the consent of the Company in general meeting which was inadvertently not obtained.

Hence, the Directors recommend ratifying the resolution with member's approval as a Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way interested in this resolution.

#### **Registered Office**

**3rd Floor, Vaastu Darshan, "B" Wing,  
Azad Road, Andheri (East),  
Mumbai – 400 069.**

**Place: Mumbai**

**Date: 29th May, 2017**

#### **By Order of the Board**

**For Mudra Financial Services Limited**

**Anirudh Kumar Tanvar  
Company Secretary**

## DIRECTORS REPORT TO MEMBERS

Your Directors have great pleasure in presenting the **Twenty Third** Annual Report along with the Audited Statement of Accounts for the year ended 31st March, 2017.

### 1. FINANCIAL HIGHLIGHTS:

(Amount in Rs.)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Revenue from Operations	7,65,385	29,59,615
Other Income	57,48,900	50,14,999
<b>Total Revenue</b>	<b>65,14,285</b>	<b>79,74,614</b>
<b>Less:</b> Total Expenses	28,27,987	50,28,385
<b>Profit Before Tax</b>	<b>36,86,298</b>	<b>29,46,229</b>
<b>Less:</b> Tax Expense		
Current Tax	10,83,500	9,60,000
Earlier Years Tax	7,50,925	(40)
Deferred Tax	233	(349)
<b>Profit After Tax</b>	<b>18,51,640</b>	<b>19,86,618</b>

### 2. OPERATIONAL REVIEW:

Your Company has earned an income of **Rs. 65.14 Lakhs** during the year as compared to **Rs. 79.75 Lakhs** earned in the previous year. The company has achieved Profit After Taxes of **Rs. 18.52 Lakhs** as compared to Profit After Taxes of **Rs. 19.87 Lakhs** in immediately preceding financial year.

### 3. DIVIDEND:

In view of nominal profits after taxes and in order to plough back the profits of the Company for further growth and development, the Directors have decided not to recommend any dividend for the year ended 31st March, 2017.

### 4. TRANSFER TO GENERAL RESERVE:

There was no amount transferred to General Reserve during the year. However, the amount transferred to the Statutory Reserve pursuant to Section 45-IC of RBI Act, 1934 is **Rs. 3.70 Lakhs** as compared to the transfer of **Rs. 3.97 Lakhs** in the preceding financial year.

### 5. SHARE CAPITAL OF THE COMPANY:

The Paid up Equity Share Capital as at 31st March, 2017 was Rs. 50,100,000/- divided into 50,10,000 Equity Shares, having face value of Rs. 10/- each fully paid up. During the year under review, the Company has not issued any shares with differential voting rights nor granted any stock options neither any sweat equity.

## **6. SUSIDIARIES / JOINT VENTURES/ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Joint venture or Associate Company.

## **7. PUBLIC DEPOSITS:**

Your Company has not accepted any Deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

## **8. PARTICULARS OF LOANS, GUARANTEES/SECURITIES OR INVESTMENTS**

There were no Guarantees/Securities or Investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review. The details of the loans given by the Company have been disclosed in the Notes to Accounts of the financial statements.

## **9. CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, were not applicable to the Company for the financial year ended 31st March, 2017.

## **10. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

There was no significant or material orders passed by the Regulators or Courts that would impact the going concern status of the Company and its future operations.

## **11. EXTRACT OF ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as **Annexure 'A'** and forms an integral part of this Report.

## **12. BOARD OF DIRECTORS:**

Your Company has Five (5) Directors of which Two(2) are Independent Directors. In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Atul Jain, Director (**DIN: 00096052**) retires by rotation and being eligible offers himself for re-appointment. During the year, Mr. Mahendra Kumar Singh, Independent Director of the Company and Mr. Tarun Sharda, CFO, resigned w.e.f. 27th June, 2016. All the Independent Directors have submitted the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of Independence provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **13. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of our knowledge and belief and according to the information and explanations obtained, Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013:

- (a) in the preparation of the Annual Accounts for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **14. BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013, and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

### **15. MEETING OF BOARD OF DIRECTORS OF THE COMPANY:**

During the year under review, (Six) 6 Board Meetings were convened and held on 30th May, 2016, 14th July, 2016, 12th August, 2016, 14th November, 2016, 7th February, 2017 and 27th March, 2017. Details of these are as follows:

Name of the Director	Category of Directorship	No. of meetings during the year	
		Held	Attended
Mr. Atul Jain	Non-Executive Director	6	6
Mr. Mahendra Kumar Singh*	Non-Executive, Independent Director	6	1
Mr. Jagannath Ramanuj Chakravarti	Non-Executive, Independent Director	6	6
Mr. Sanjeev Maheshwari	Non-Executive Director	6	6
Mrs. Asha Krishan Kumar Rathi	Non-Executive, Independent Director	6	6
Mr. Dipen Maheshwari	Managing Director	6	6

\* **NOTE:** Mr. Mahendra Kumar Singh, resigned w.e.f. 27th June, 2016.

#### 16. KEY MANAGERIAL PERSONNEL:

The following are the Key Managerial Personnel of the Company:

Sr. No.	Name	Designation
1.	Mr. Dipen Maheshwari	Managing Director
2.	Mr. Anirudh Kumar Tanvar	Company Secretary
3.	Mr. Tarun Sharda	Chief Financial Officer (CFO) resigned w.e.f. 27th June, 2016

#### 17. AUDIT COMMITTEE:

In accordance with the provisions contained in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in consonance with the provisions of Section 177 of the Companies Act, 2013, the Board of Directors had constituted an Audit Committee comprising of 3 Directors. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors of the Company. The Committee focuses its attention on monitoring the financial reporting system within the Company, considering Quarterly & Annual Financial Results of the Company and submitting its observations to the Board of Directors before it is adopted by the Board, review of internal audit report, internal control system, audit methodology and



process, major accounting policies and practices and compliance with accounting standards. Committee also reviews the legal compliance reporting system.

**The particulars of the Members of the Audit Committee and their attendance at the Meetings are as under:**

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Mr. Mahendra Kumar Singh (resigned w.e.f. 27th June, 2016)	Ex-Chairman	Non-Executive, Independent Director	4	1
Mr. Jagannath Ramanuj Chakravarti	Chairman	Non-Executive, Independent Director	4	4
Mr. Atul Jain	Member	Non-Executive Director	4	4
Mrs. Asha Krishan Kumar Rathi	Member	Non-Executive, Independent Director	4	3

Mr. Mahendra Kumar Singh, Ex-Chairman of the Audit Committee resigned w.e.f. 27th June, 2016. Thereafter, Mr. Jagannath Ramanuj Chakravarti was appointed as the Chairman of the Audit Committee and Mrs. Asha Krishan Kumar Rathi was appointed as a member of the Audit Committee w.e.f. 14th July, 2016. The Audit Committee meetings were held on 30th May, 2016, 12th August, 2016, 14th November, 2016 and 7th February, 2017 and all the members of the Audit Committee were present.

**18. NOMINATION AND REMUNERATION COMMITTEE:**

The Board of Directors of the Company had constituted a 'Nomination and Remuneration Committee' in order to align it with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors has also framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy lays down the criteria determining qualifications, positive attributes, independence of a director and other matters pursuant to the provisions of sub-section (3) of Section 178 of the Companies Act, 2013.

**The particulars of the Members of the Nomination and Remuneration Committee and their attendance at the Meeting are as under:**

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Mr. Mahendra Kumar Singh (resigned w.e.f 27th June, 2016)	Ex- Chairman	Non-Executive, Independent Director	-	-
Mr. Jagannath Ramanuj Chakravarti	Chairman	Non-Executive, Independent Director	1	1
Mr. Atul Jain	Member	Non-Executive Director	1	1
Mrs. Asha Krishan Kumar Rathi	Member	Non-Executive Independent Director	1	1

Mr. Mahendra Kumar Singh, Ex-Chairman of the Nomination and Remuneration Committee resigned w.e.f. 27th June, 2016. Thereafter, Mr. Jagannath Ramanuj Chakravarti was appointed as the Chairman of the Nomination and Remuneration Committee and Mrs. Asha Krishan Kumar Rathi was appointed as a member of the Nomination and Remuneration Committee w.e.f. 14th July, 2016. The Nomination and Remuneration Committee meeting was held on 27th March, 2017 and all the members were present in the meeting.

**19. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Board of Directors of the Company had constituted Stakeholders Relationship Committee in order to align it with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee had been constituted to strengthen the investor relations and to inter-alia, look into issues relating to shareholders grievances pertaining to transfer of shares, non-receipt of declared dividends, non-receipt of Annual Report, issues concerning dematerialization, etc.

**The particulars of the Members of the Stakeholders Relationship Committee and their attendance at the Meetings are as under:**

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Mr. Mahendra Kumar Singh (resigned w.e.f 27th June, 2016)	Ex- Chairman	Non-Executive, Independent Director	4	1
Mr. Jagannath Ramanuj Chakravarti	Chairman	Non-Executive, Independent Director	4	4
Mr. Atul Jain	Member	Non-Executive Director	4	4
Mrs. Asha Krishan Kumar Rathi	Member	Non-Executive, Independent Director	4	3

Mr. Mahendra Kumar Singh, Ex-Chairman of the Stakeholders Relationship Committee resigned w.e.f. 27th June, 2016. Thereafter, Mr. Jagannath Ramanuj Chakravarti was appointed as the Chairman of the Stakeholders Relationship Committee and Mrs. Asha Krishan Kumar Rathi was appointed as a member of the Stakeholders Relationship Committee w.e.f. 14th July, 2016. The Stakeholders Relationship Committee Meetings were held (Four) 4 times during the year i.e. on 30th May, 2016, 12th August, 2016, 14th November, 2016 and 7th February, 2017.

**The details of the Complaints received during the year under review are as follows:**

Sr. No.	Nature of Complaints	Received	Pending	Disposed
1.	Non receipt of Annual Report	-	-	-
2.	Non Receipt of Share Certificates after transfer	-	-	-
3.	Non Receipt of Demat Rejected S/C's	-	-	-
4.	Others	-	-	-
	<b>Total</b>	-	-	-

There were no complaints pending for action as on 31st March, 2017.

## 20. MEETING OF INDEPENDENT DIRECTORS:

During the year under review, pursuant to Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company met on 27th March, 2017 inter-alia to discuss:

1. Evaluation of performance of Non-Independent Directors and Board of Directors of the Company as a whole.
2. Evaluation of performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors.

## 21. RISK MANAGEMENT COMMITTEE:

During the year under review, the Board of Directors at their meeting held on 30th May, 2016 decided to dissolve Risk Management Committee as the Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is applicable only to top 100 listed entities; hence the company is not required to constitute a Risk Management Committee.

## 22. REMUNERATION AND SITTING FEES:

The details of Remuneration paid and Sitting Fees paid are as follows:

Name of the Director	Category of Directorship	Remuneration paid to the Director	Sitting fees paid to the Director
Mr. Atul Jain	Non-Executive Director	-	-
Mr. Mahendra Kumar Singh (resigned w.e.f. 27th June, 2016)	Non-Executive Independent Director	NA	-
Mr. Jagannath Ramanuj Chakravarti	Non-Executive Independent Director	NA	-
Mr. Sanjeev Maheshwari	Non-Executive Director	-	-
Mrs. Asha Krishan Kumar Rathi	Non-Executive Independent Director	NA	-
Mr. Dipen Maheshwari	Managing Director	Rs. 5,96,809/-	-

## 23. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Pursuant to Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a Vigil Mechanism/Whistle Blower Policy to report genuine concerns, grievances, frauds and mismanagements, if any. The Vigil Mechanism/Whistle Blower Policy has been posted on the website of the Company.

## **24. RELATED PARTY TRANSACTIONS:**

The Company has not entered into any related party transactions which falls under the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder. Also, there are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large.

## **25. DEPOSITORY SERVICES:**

The Company's Equity Shares have been admitted to the depository mechanism of both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited. The Company has been allotted **ISIN No. INE967S01014**.

Therefore, Shareholders are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

## **26. CODE OF CONDUCT:**

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

## **27. STATUTORY AUDITORS:**

M/s. Sampat & Mehta, Chartered Accountants, Mumbai., (Firm Registration No. **109031W**) are hereby appointed as the Statutory Auditors of the Company in place of the retiring auditors, M/s. Desai Saksena & Associates, to hold office for a period of 5 years from the conclusion of 23rd AGM until the conclusion of 28th AGM (subject to ratification of appointment by the members at every AGM held thereafter). As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. Sampat & Mehta that their appointment, if made, would be in conformity with the limits specified in the said Section.

## **28. SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the company has appointed Ms. Bijal Nagda, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as Annexure 'B' and forms an integral part to this Report.

## **29. AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:**

There are no adverse remarks or observations of the Statutory Auditors and Secretarial Auditors in their Report.

### **30. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Function monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

### **31. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

The provisions of Corporate Governance are not applicable to the Company and Management Discussion and Analysis Report is attached as **Annexure 'C'** and forms an integral part to this Report.

### **32. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

Information under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014:

A. Conservation of Energy	:	Not Applicable
B. Technology Absorption	:	Not Applicable
C. Foreign Exchange Earnings and Outgo		
Foreign Exchange Earnings	:	Nil
Foreign Exchange Outgo	:	Nil

### **33. SEXUAL HARASSMENT:**

The Company had constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. During the year under review, no complaints were reported.

### **34. SAFETY, ENVIRONMENT CONTROL AND PROTECTION:**

The Company is aware of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliance, environmental regulations and preservation of natural resources.

### **35. PARTICULARS OF EMPLOYEES:**

No employee was in receipt of remuneration exceeding the limits as prescribed under the provisions of Section 197 of the Companies Act, 2013 and read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 hence no such particulars are furnished.

### **36. LISTING:**

The Company's Equity Shares are listed on Bombay Stock Exchange (BSE) Limited.

### **37. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY:**

The company has in place adequate, internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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. The company has adopted accounting policies, which are in line with the accounting standards and the Companies Act, 2013.

### **38. REPORTING OF FRAUDS:**

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Acts & Rules framed thereunder either to the Company or to the Central Government.

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

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

### **40. APPRECIATION:**

Your Directors would like to express their sincere appreciation to the company's Shareholders, Vendors and Stakeholders including Banks, other business associates, who have extended their valuable sustained support and encouragement during the year under review. Your Directors also wish to place on record their appreciation for impressive growth achieved through the competence, hard work, solidarity, co-operation and support of employees at all levels.

#### **Registered Office:**

**3rd Floor, Vaastu Darshan, "B" Wing,  
Azad Road, Andheri (East),  
Mumbai – 400 069**

**Place: Mumbai**

**Date: 29th May, 2017**

**For and on Behalf of the Board  
For Mudra Financial Services Limited**

**Sanjeev Maheshwari**

**Chairman**

**DIN: 02431173**

**Atul Jain**

**Director**

**DIN: 00096052**

**FORM NO. MGT 9**

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

**EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31/03/2017****I REGISTRATION & OTHER DETAILS:**

i	CIN	L65999MH1994PLC079222
ii	Registration Date	27/06/1994
iii	Name of the Company	MUDRA FINANCIAL SERVICES LIMITED
iv	Category of the Company	Company Limited by Shares
v	<b>Address of the Registered office &amp; contact details</b>	
	Address :	3rd Floor, Vaastu Darshan, 'B' Wing, Azad Road, Andheri (East), Mumbai - 400 069.
	Town / City :	Mumbai
	State :	Maharashtra
	Country Name :	India
	Telephone (with STD Code) :	022-6191 9293
	Fax Number :	-
	Email Address :	<a href="mailto:mudrafinancial.1994@gmail.com">mudrafinancial.1994@gmail.com</a>
	Website, if any:	<a href="http://www.mudrafinancial.in">www.mudrafinancial.in</a>
vi	Whether listed company	Yes
vii	<b>Name and Address of Registrar &amp; Transfer Agents ( RTA )</b>	
	Name of RTA:	System Support Services
	Address :	209, Shivai Industrial Estate, 89, Andheri-Kurla Road, Saki Naka, Andheri (East), Mumbai - 400 072.
	Town / City :	Mumbai
	State :	Maharashtra
	Pin Code:	400 072
	Telephone :	022-2850 0835
	Fax Number :	-
	Email Address :	<a href="mailto:syss72@yahoo.com">sysss72@yahoo.com</a>

**II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY**

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

**Rendering Financial Services,  
Granting of Loans and Making  
Investments**

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Non Banking Financial Services - lending activities	6492	87%
2	Non Banking Financial Services - other financial services	6499	11.75%

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

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
NA					



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 as on 01.04.2016				No. of Shares held at the end of the year as on 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	1279300	1279300	25.53	-	1279300	1279300	25.53	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
a) NRI - Individual/	-	-	-	-	-	-	-	-	-
b) Other - Individual/	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>0.00</b>	<b>1279300</b>	<b>1279300</b>	<b>25.53</b>	<b>0.00</b>	<b>1279300</b>	<b>1279300</b>	<b>25.53</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	-	1019900	1019900	20.36	-	1019900	1019900	20.36	0.00
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	396700	396700	7.92	-	396700	396700	7.92	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	2314100	2314100	46.19	-	2314100	2314100	46.19	0.00
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	<b>0.00</b>	<b>3730700</b>	<b>3730700</b>	<b>74.47</b>	<b>0.00</b>	<b>3730700</b>	<b>3730700</b>	<b>74.47</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>0.00</b>	<b>3730700</b>	<b>3730700</b>	<b>74.47</b>	<b>0.00</b>	<b>3730700</b>	<b>3730700</b>	<b>74.47</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>0.00</b>	<b>5010000</b>	<b>5010000</b>	<b>100.00</b>	<b>0.00</b>	<b>5010000</b>	<b>5010000</b>	<b>100.00</b>	<b>0.00</b>

ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year as on 01.04.2016			Share holding at the end of the year as on 31.03.2017			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	ANITA MAHESHWARI	140100	2.80	-	140100	2.80	-	0.00
2	ANJU MAHESHWARI	155100	3.10	-	155100	3.10	-	0.00
3	ATUL JAIN	201600	4.02	-	201600	4.02	-	0.00
4	DEEPAK MAHESHWARI	21100	0.42	-	21100	0.42	-	0.00
5	DIPEN MAHESHWARI	75000	1.50	-	75000	1.50	-	0.00
6	PRABHAT MAHESHWARI	180100	3.59	-	180100	3.59	-	0.00
7	RANJANA JAIN	121100	2.42	-	121100	2.42	-	0.00
8	RAJRATAN DAMANI	40500	0.81	-	40500	0.81	-	0.00
9	RENU DAMANI	46500	0.93	-	46500	0.93	-	0.00
10	SANJEEV MAHESHWARI	172600	3.45	-	172600	3.45	-	0.00
11	KUSHAL MAHESHWARI	65000	1.30	-	65000	1.30	-	0.00
12	AAYUSH JAIN	60000	1.20	-	60000	1.20	-	0.00
13	USHA MAHESHWARI	100	0.00	-	100	0.00	-	0.00
14	VIJAYA JAIN	500	0.01	-	500	0.01	-	0.00
	<b>TOTAL</b>	<b>1279300</b>	<b>25.53</b>	<b>-</b>	<b>1279300</b>	<b>25.53</b>	<b>-</b>	<b>0.00</b>

iii) Change in Promoters Shareholding

Sl. No.	Particular	Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year (2016-2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	1279300	25.53	1279300	25.53
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus / sweat equity etc.)	NO CHANGE			
3	At the end of the year	1279300	25.53	1279300	25.53

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

Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (2016-2017)	
		No. of shares at the beginning(01-04-2016) / end of the year (31-03-2017)	% of total shares of the company				No. of shares	% of total Shares of the company
1	CYPRESS CONSULTANTS PRIVATE LIMITED	695200	13.88	01.04.2016	-	No Change	695200	13.88
		695200	13.88	31.03.2017			695200	13.88
2	RAMA DUBE	241100	4.81	01.04.2016	-	No Change	241100	4.81
		241100	4.81	31.03.2017			241100	4.81
3	DARSHINI DUBE	240000	4.79	01.04.2016	-	No Change	240000	4.79
		240000	4.79	31.03.2017			240000	4.79
4	INDU MAHESHWARI	238000	4.75	01.04.2016	-	No Change	238000	4.75
		238000	4.75	31.03.2017			238000	4.75
5	KISAN NIVRUTI PATIL	231400	4.62	01.04.2016	-	No Change	231400	4.62
		231400	4.62	31.03.2017			231400	4.62
6	BISWANATH SARKAR	226200	4.51	01.04.2016	-	No Change	226200	4.51
		226200	4.51	31.03.2017			226200	4.51
7	VIPUL MAHESHWARI	205500	4.10	01.04.2016	-	No Change	205500	4.10
		205500	4.10	31.03.2017			205500	4.10
8	NILESH SHIGWAN	205000	4.09	01.04.2016	-	No Change	205000	4.09
		205000	4.09	31.03.2017			205000	4.09
9	FLASH SECURITIES PRIVATE LIMITED	191000	3.81	01.04.2016	-	No Change	191000	3.81
		191000	3.81	31.03.2017			191000	3.81
10	YASHWANT NATE	185500	3.70	01.04.2016	-	No Change	185500	3.70
		185500	3.70	31.03.2017			185500	3.70

v Shareholding of Directors and Key Managerial Personnel:								
Sr. No.	Name	Shareholding at the beginning of the year		Date	Increase / Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17)	
		No. of shares at the beginning(01-04-2016) / end of the year (31-03-2017)	% of total shares of the company				No. of shares	% of total Shares of the company
1	ATUL JAIN	201600	4.02	01.04.2016			201600	4.02
				31.03.2017	-	No Change	201600	4.02
2	MAHENDRA KUMAR SINGH (Resigned w.e.f 27.06.2016)	74400	1.49	01.04.2016			74400	1.49
				31.03.2017	-	No Change	74400	1.49
3	JAGANNATH RAMANUJ CHAKRAVARTI	NIL						
4	SANJEEV KRISHNA GOPAL MAHESHWARI	172600	3.45	01.04.2016			172600	3.45
				31.03.2017	-	No Change	172600	3.45
5	ASHA KRISHAN KUMAR RATHI	1000	0	01.04.2016			1000	0
				31.03.2017	-	No Change	1000	0
6	DIPEN PRABHAT MAHESHWARI	75000	1.5	01.04.2016	-		75000	1.5
				31.03.2017		No Change	75000	1.5
7	ANIRUDH KUMAR TANVAR	NIL						
8	TARUN SHARDA (Resigned w.e.f 27.06.2016)	NIL						

## V INDEBTEDNESS

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

(In Rs.)

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In Rs.)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		
		Dipen Maheshwari (Managing Director)		
			Total Amount	
1	Gross salary	5,96,809		5,96,809
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	- as % of profit	-		-
	- others, specify	-		-
5	Others, please specify	-		-
	Total (A)	5,96,809		5,96,809
	Ceiling as per the Act	-		-

B. Remuneration to other directors:

(In Rs.)

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Atul Jain	Mahendra Kumar Singh (Resigned w.e.f. 27.06.2016)	Jagannath Ramanuj Chakravarti	Sanjeev Maheshwari	Mrs. Asha Krishan Rathi	
1	<b>Independent Directors</b>						
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-	-
2	<b>Other Non-Executive Directors</b>						
	Fee for attending board committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act						

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

(In Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Anirudhkumar Tanwar (Company Secretary)	Tarun Sharda (Chief Financial Officer) (Resigned w.e.f 27.06.2016)	Total
1	Gross salary	5,15,767	1,61,250	6,77,017
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>5,15,767</b>	<b>1,61,250</b>	<b>6,77,017</b>

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

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (Give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Place: Mumbai  
Date: 29th May, 2017

For and on Behalf of the Board  
For MUDRA FINANCIAL SERVICES LIMITED

Sanjeev Maheshwari  
Chairman  
DIN: 02431173

Atul Jain  
Director  
DIN: 00096052

**Annexure 'B'**  
**BIJAL NAGDA**

(Practicing Company Secretary)

✉:743/D-4, Shiv Sahkari CHS Ltd., Sector-7, Charkop, Kandivali (West), Mumbai – 400 067

☎: +91-9969064067; ✉: csbijalgada@gmail.com

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**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 No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

**To,**  
**The Members,**  
**Mudra Financial Services Limited**  
3rd Floor, Vaastu Darshan, “B” Wing,  
Azad Road, Andheri (East),  
Mumbai – 400 069.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Mudra Financial Services Limited** (hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions of the applicable acts listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st 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. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), viz;
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;



- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I further report that the Company has a compliance system in place and I have examined the relevant documents and records on test-check basis, with respect to the other Acts as applicable which are as under:

v. Other applicable acts:

- a. The RBI Act, 1934.
- b. The Finance Act, 1994.
- c. The Income Tax Act, 1961.
- d. Chapter V of The Finance Act, 1994.
- e. The Information Technology Act, 2000.
- f. The Indian Contract Act, 1872.
- g. The Sexual Harassment of Woman at Work Place (Prevention, Prohibition and Redressal) Act, 2013.
- h. The Registration Act, 1908.
- I. The Bombay Stamp Act, 1958.
- j. The Professional Tax Act, 1975.

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

- i. Secretarial Standards with respect to Board and General Meetings (SS-1 and SS-2) issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreement entered into by the Company with BSE Limited;
- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

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

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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 were carried out unanimously at Board Meetings and Committee Meetings and recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the year under report, the company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Bijal Nagda**  
**Company Secretary**

**ACS No. : 26296**  
**COP No. : 13643**

**Place: Mumbai**  
**Date: 29th May, 2017**

Note: This report is to be read with our letter of even date that is annexed as “Annexure I” and forms an integral part of this report.

## **BIJAL NAGDA**

**(Practicing Company Secretary)**

✉:743/D-4, Shiv Sahkari CHS Ltd., Sector-7, Charkop, Kandivali (West), Mumbai – 400 067

☎: +91-9969064067; ✉: csbijalgada@gmail.com

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### **‘Annexure I’ to Secretarial Audit Report**

**To,**

**The Members,**

**Mudra Financial Services Limited**

3rd Floor, Vaastu Darshan, “B” Wing,

Azad Road, Andheri (East),

Mumbai – 400 069

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

1. Maintenance of secretarial records is the responsibility of management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Bijal Nagda**

**Company Secretary**

**ACS No. : 26296**

**COP No. : 13643**

**Place: Mumbai**

**Date: 29th May, 2017**

**ANNEXURE 'C'**  
**MANAGEMENT DISCUSSION AND ANALYSIS**

**INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The Company is engaged in the business of rendering all kinds of financial services, to undertake all types of leasing and hire purchase business, etc.

**OVERALL REVIEW:**

The Company had undertaken tremendous efforts in order to improve its business activities & to generate revenue. Through these striving efforts the Company was able to achieve an effective growth rate as compared to previous years. The Company anticipates to achieve better results and a tremendous growth rates in the future.

**INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:** The Company is following a proper and adequate system of internal controls in respect of all its activities including safeguarding and protecting its assets against loss from unauthorized use or disposition. Further, all the transactions entered into by the Company are fully authorized, recorded and reported correctly.

**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

During the year under review, the Company has achieved Profit After Tax of Rs. 18.52 Lakhs as against Profit After Tax of Rs. 19.87 Lakhs during the previous year.

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:**

The relationship with the staff with all levels remained cordial during the year.

**CAUTIONARY STATEMENT:**

Statement in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement due to external factors.

**Registered Office**  
**3rd Floor, Vaastu Darshan, "B" Wing,**  
**Azad Road, Andheri (East),**  
**Mumbai – 400 069**

**For and on Behalf of the Board**  
**For Mudra Financial Services Limited**

**Place: Mumbai**  
**Date: 29th May, 2017**

<b>Sanjeev Maheshwari</b>	<b>Atul Jain</b>
<b>Chairman</b>	<b>Director</b>
<b>DIN: 02431173</b>	<b>DIN: 00096052</b>

## **Independent Auditors' Report**

To the members of,  
**Mudra Financial Services Limited**

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

We have audited the accompanying financial statements of **Mudra Financial Services Limited** ("the Company"), which comprises the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 standalone financial statements.

### **Opinion**

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;

- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

### **As required by section 143(3) of the Act, we report that:**

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**.
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us :
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the standalone financial statements as to holding as well as dealings in the Specified Bank notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016, on the basis of information available with the Company. Based on audit procedures and relying on the management's representation, we report that the disclosures are in accordance with the Books of accounts maintained by the Company and as produced to us by the Management.-Refer Note 25.

For **Desai Saksena & Associates**  
Chartered Accountants  
Firm's Registration No : 102358W

Place: Mumbai  
Date: 29<sup>th</sup> May, 2017

**Alok K Saksena**  
Partner  
Membership No: 035170

**Annexure A to the Independent Auditors' Report:**

(Referred to in our report of even date)

- i)
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
  - b. As per the explanation given to us, fixed assets have been physically verified by management in a phased periodical manner, no material discrepancies were noticed on such physical verification.
  - c. The Company does not own any immovable property and hence this clause is not applicable.
- ii) The management has conducted physical verification of inventory of shares at reasonable intervals during the year and no such discrepancies were noticed.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered by clause (76) of section 2. Accordingly clause (iii) of the Order is not applicable.
- iv) According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- v) The Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and rules framed there under.
- vi) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of Cost Records under section 148 (1) of the Act for any of the services rendered by the Company.
- vii)
  - a. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues applicable to it and as on 31<sup>st</sup> March, 2017 there is no undisputed amount payable for a period of more than six months from the date they became payable in respect of statutory dues applicable to it.
  - b. According to the information and explanations given to us, there were no statutory dues outstanding as on 31<sup>st</sup> March, 2017 which were not paid on account of dispute with the appropriate authorities.
- viii) As per the information and explanations given to us by the management, the Company has not taken any loan from banks and financial institutions and hence the provisions of Clause (viii) of the Order are not applicable to the Company.
- ix) According to the information and explanations given to us, the Company has not raised monies by way of Initial Public Offer or Further Public Offer (including debt instruments).
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing principles in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi) As per the information and explanations given to us, the Managerial Remuneration has been paid or provided in accordance with the approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly the provisions of Clause (xii) of the Order are not applicable to the Company.
- xiii) As per the information and explanation given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the relevant details have been disclosed in the financial statements, etc as required by the applicable accounting standards.
- xiv) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement and hence the provisions of Clause (xiv) of the Order are not applicable to the Company.
- xv) According to the information and explanations given to us, the Company has not entered into any non cash transactions with directors or persons connected with him during the year; hence the provisions of Clause (xv) of the Order are not applicable to the Company.
- xvi) As per the information and explanation provided to us by the management, the company has obtained the registration under section 45-IA of the Reserve Bank of India Act, 1934.

For **Desai Saksena & Associates**  
Chartered Accountants  
Firm's Registration No : 102358W

Place: Mumbai  
Date: 29<sup>th</sup> May, 2017

**Alok K Saksena**  
Partner  
Membership No: 035170



**Annexure ‘B’ to the Independent Auditors Report**  
(Referred to in Paragraph 2(f) of our report of even date)

We have audited the internal financial controls over financial reporting of Mudra Financial Services Limited (the ‘Company’) as of 31<sup>st</sup> 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 (the ‘Guidance Note’) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the ‘Act’).

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed u/s 143(10) of the Act, to the extent applicable, to an audit of internal financial control, both applicable to an audit of internal financial control and both issued by the ICAI. Those standards and 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 control over financial reporting included obtaining an understanding of internal financial control 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 risks. 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 control over financial reporting.

**Meaning of internal financial control 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 the generally accepted accounting principles, and the receipts and expenditure 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 been material effect on the financial statements.

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

Because of the inherent limitations of internal financial control 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 control 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 control over financial reporting and such internal financial control over financial reporting were operating effectively as at 31<sup>st</sup> March, 2017, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Desai Saksena & Associates**  
Chartered Accountants  
Firm's Registration No : 102358W

Place: Mumbai  
Date: 29<sup>th</sup> May, 2017

**Alok K Saksena**  
Partner  
Membership No: 035170

**MUDRA FINANCIAL SERVICES LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2017**

(Amount in Rs. )

PARTICULARS	NOTE NO.	AS AT 31.03.2017	AS AT 31.03.2016
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	50,100,000	50,100,000
(b) Reserves and surplus	3	23,401,779	21,550,139
		<b>73,501,779</b>	<b>71,650,139</b>
<b>2 Non-current liabilities</b>			
(a) Deferred tax liabilities (Net)	4	6,392	6,159
(b) Long-term provisions	5	189,000	189,000
		<b>195,392</b>	<b>195,159</b>
<b>3 Current liabilities</b>			
(a) Other current liabilities	6	17,850	43,219
		<b>17,850</b>	<b>43,219</b>
<b>TOTAL</b>		<b>73,715,021</b>	<b>71,888,517</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	7	24,311	24,311
		<b>24,311</b>	<b>24,311</b>
(b) Non-current investments	8	772,050	772,550
(c) Long-term loans and advances	9	63,632,673	63,372,625
		<b>64,429,034</b>	<b>64,169,486</b>
<b>2 Current assets</b>			
(a) Inventories	10	2,691,437	2,691,437
(b) Cash and cash equivalents	11	3,091,016	1,506,169
(c) Short-term loans and advances	12	11,594	36,856
(d) Other current assets	13	3,491,940	3,484,569
		<b>9,285,987</b>	<b>7,719,032</b>
<b>TOTAL</b>		<b>73,715,021</b>	<b>71,888,517</b>
Significant accounting policies and notes forming part of the financial statements	1 to 27		

As per our report of even date attached  
**FOR DESAI SAKSENA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 FRN No. – 102358W

For and on behalf of the board

(CA. ALOK K. SAKSENA)  
 PARTNER  
 M. No. 35170

Sanjeev Maheshwari  
 Director  
 DIN: 02431173

Dipen Maheshwari  
 Managing Director  
 DIN: 03148904

Place : Mumbai  
 Date: 29th May, 2017

Atul Jain  
 Director  
 DIN: 00096052

Anirudh Kumar Tanvar  
 Company Secretary

**MUDRA FINANCIAL SERVICES LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

(Amount in Rs. )

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
<b>INCOME</b>			
Revenue from Operations	14	765,385	2,959,615
Other Income	15	5,748,900	5,014,999
<b>Total Revenue</b>		<b>6,415,285</b>	<b>7,974,614</b>
<b>EXPENSES</b>			
Changes in Inventories	16	-	-
Employee benefits expense	17	1,909,769	1,978,700
Depreciation and amortisation expense	7	-	2,188
Other expenses	18	918,218	3,047,497
<b>Total expenses</b>		<b>2,827,987</b>	<b>5,028,385</b>
<b>Profit before tax</b>		<b>3,686,298</b>	<b>2,946,229</b>
<b>Tax expense:</b>			
Current tax		1,083,500	960,000
Current tax expense relating to prior years		750,925	(40)
Deferred Tax		233	(349)
<b>Profit after tax</b>		<b>1,851,640</b>	<b>1,986,617</b>
Basic & Diluted Earning per share	19	<b>0.37</b>	<b>0.40</b>
Significant accounting policies and notes forming part of the financial statements	1 to 27		

As per our report of even date attached  
**FOR DESAI SAKSENA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 FRN No. - 102358W

For and on behalf of the board

(CA. ALOK K. SAKSENA)  
 PARTNER  
 M. No. 35170

Sanjeev Maheshwari  
 Director  
 DIN: 02431173

Dipen Maheshwari  
 Managing Director  
 DIN: 03148904

Place: Mumbai  
 Date: 29th May, 2017

Atul Jain  
 Director  
 DIN: 00096052

Anirudh Kumar Tanvar  
 Company Secretary

**MUDRA FINANCIAL SERVICES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

(Amount in Rs. )

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before tax</b>	3,686,298	2,946,229
<b>Adjustments for:</b>		
Depreciation	-	2,188
Contingent Provision against Standard Assets	-	189,000
Interest Income	(5,686,651)	(4,952,750)
Interest Expense	-	-
Dividend Income	(62,249)	(62,249)
Investment w/off	500	-
Provision for retirement benefits	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>(2,062,102)</b>	<b>(1,877,582)</b>
<b>Adjustment for:</b>		
<b>Increase/Decrease in Working Capital</b>		
(Increase)/Decrease in Inventories	-	-
(Increase)/ Decrease in Other Current Assets	(7,371)	(3,128)
(Decrease)/Increase in Other Current Liabilities	(25,369)	(137,336)
(Increase)/ Decrease in Short Term Loans & Advance	25,262	30,944
<b>Cash Generated from Operations</b>	<b>(2,069,580)</b>	<b>(1,987,102)</b>
Less: Tax Paid	(1,926,739)	(122,086)
<b>Net Cash from Operating Activities</b>	<b>(3,996,319)</b>	<b>(2,109,188)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets & Capital WIP	-	-
Sale/(Purchase) of Investments (Net)	-	-
Sale of Fixed Assets	-	-
Interest Received	5,686,651	4,952,750
Dividend Income	62,249	62,249
(Increase)/ Decrease in Long term Loans & Advance	(167,734)	(2,100,000)
<b>Net Cash flow from Investing Activities</b>	<b>5,581,166</b>	<b>2,914,999</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share Capital (Equity + Share Premium)	-	-
Borrowings (Net)	-	-
Interest Paid	-	-
Allotment money in arrears received	-	-
<b>Net Cash flow from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,584,847</b>	<b>805,810</b>
<b>Opening Cash &amp; Cash Equivalents</b>	<b>1,506,169</b>	<b>700,359</b>
<b>Closing Cash &amp; Cash Equivalents</b>	<b>3,091,016</b>	<b>1,506,169</b>

**Notes to Cash flow statement:**

- The above Cash flow statement has been prepared as per the indirect method prescribed by Accounting Standard 3 issued by "The Institute of Chartered Accountants of India".
- All Figures in bracket are outflow
- The total of cash and cash equivalent is as per Balance Sheet.

As per our report of even date attached  
**FOR DESAI SAKSENA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**FRN No.-102358W**

For and on behalf of the board

(CA. ALOK K. SAKSENA)  
**PARTNER**  
**M. No. 35170**

Sanjeev Maheshwari  
**Director**  
**DIN: 02431173**

Dipen Maheshwari  
**Managing Director**  
**DIN: 03148904**

Place : Mumbai  
 Date: 29th May, 2017

Atul Jain  
**Director**  
**DIN: 00096052**

Anirudh Kumar Tanvar  
**Company Secretary**

## **MUDRA FINANCIAL SERVICES LIMITED**

### **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

#### **NOTE 1 SIGNIFICANT ACCOUNTING POLICIES**

##### **I BASIS OF ACCOUNTING**

The financial statements are prepared to comply in all material aspects under the Historical Cost convention and in accordance with generally accepted accounting principles in India and the mandatory Accounting Standards prescribed under Section 133 of the Companies Act 2013 ('Act') read with Rule - 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

##### **II USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles ('GAAP') requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### **III FIXED ASSETS**

Fixed assets are recorded at cost of acquisition or at revalued figures. Cost includes purchase cost together with all incidental charges and other related costs.

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and all attributable cost of bringing the asset to its working condition for its intended use

##### **IV DEPRECIATION**

Depreciation on fixed assets is provided under written down value method based on the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

##### **V REVENUE RECOGNITION**

Revenue (income) is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized

- (a) Revenue from service charges are recognized pro-rata over the period of the contract as and when services are rendered. The company collects service tax on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.
- (b) Revenues from the sale of shares are recognized upon delivery, which is when title passes to the customer
- (c) Interest Revenue is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate
- (d) Dividend Income is recognized when the company's right to receive dividend is established

##### **VI INVESTMENTS**

Investments are classified into current investments and non current investments. Current investments are stated at the lower of cost and fair value. Non current investments are stated at cost unless in the opinion of the Management, there is decline, other than temporary, in the value thereof in which case the recorded value is reduced to recognize the decline

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investment are made are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investments basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of such investments

##### **VII INVENTORIES**

Stock in trade comprising of shares is valued at cost. Cost of stock of shares is on FIFO basis

##### **VIII EMPLOYEE BENEFITS**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

##### **IX IMPAIRMENT LOSS**

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired and if such indication exists, the carrying value of such asset is reduced to its recoverable amount and a provision is made for such impairment loss in the statement of profit and loss. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset reflected at the recoverable amount subject to maximum of depreciated historical costs.

##### **X LEASE**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

##### **XI CASH AND CASH EQUIVALENTS**

Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand

##### **XII INCOME TAX**

Tax expense comprises both current and deferred tax at the enacted rates/substantively enacted rates. Current tax represents the amount of income tax payable/ recoverable in respect of the taxable income/ loss for the reporting period.

Provision for current tax is made on the basis of estimated taxable income for the current accounting period in accordance with the provisions of The Income tax Act, 1961.

Deferred tax represents the effect of "timing differences" between taxable income and accounting income for the reporting period that originate in one period and capable of reversal in one or more subsequent periods. Deferred Tax Assets are recognized only on reasonable certainty of realization and on unabsorbed depreciation and brought forward losses only on virtual certainty

##### **XIII PROVISION FOR STANDARD ASSETS**

Provisions for Standard Assets are made in accordance with the RBI Guideline

##### **XIV PROVISIONS AND CONTINGENT LIABILITIES**

Provisions are recognized in the accounts for present probable obligations arising out of past events that require outflow of resources, the amount which can be reliably estimated.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, unless likelihood of an outflow of resources is remote. Contingent assets are not recognized in the accounts, unless there is virtual certainty as to its realization.

##### **XV EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**MUDRA FINANCIAL SERVICES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**NOTE 2 SHARE CAPITAL**

(Amount in Rs. )

Particulars	AS AT 31.03.2017		AS AT 31.03.2016	
	No. of shares	Rupees	No. of shares	Rupees
<b>(a) Authorised</b>				
Equity shares of Rs.10/- each with voting rights	5,250,000	52,500,000	5,250,000	52,500,000
<b>(b) Issued</b>				
Equity shares of Rs. 10/- each with voting rights	5,010,000	50,100,000	5,010,000	50,100,000
<b>(c) Subscribed and fully paid up</b>				
Equity shares of Rs. 10/- each with voting rights	5,010,000	50,100,000	5,010,000	50,100,000
<b>Total</b>	<b>5,010,000</b>	<b>50,100,000</b>	<b>5,010,000</b>	<b>50,100,000</b>

(i) The company has only one class of shares referred to as equity shares having par value of Rs.10/- each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion of the number of equity shares held by the shareholders.

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

Particulars	Opening Balance	Issued during the year	Closing Balance
<b>Equity shares with voting rights</b>			
Year ended 31st March, 2017			
Number of shares	5,010,000	-	5,010,000
Amount (Rs.)	50,100,000	-	50,100,000
Year ended 31st March, 2016			
Number of shares	5,010,000	-	5,010,000
Amount (Rs.)	50,100,000	-	50,100,000

(iii) None of the above shares are reserved for issue under options/contract/commitments for sale of shares or disinvestment.

(iv) Shares allotted, as fully paid up, pursuant to contracts without payment being effected in cash / bonus shares / bought back / forfeited / call unpaid in previous five years -NIL.

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

Class of shares / Name of shareholder	AS AT 31.03.2017		AS AT 31.03.2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares of ₹10/- each fully paid up</b>				
Cypress Consultants Private Limited	695,200	13.88%	695,200	13.88%

## MUDRA FINANCIAL SERVICES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

#### NOTE 3 - RESERVES AND SURPLUS

(Amount in Rs.)

	AS AT 31.03.2017	AS AT 31.03.2016
<b>Statutory Reserve*</b>		
Balance as per last financial statements	3,136,327	2,739,004
Add : Amount transferred during the year	370,328	397,323
	3,506,655	3,136,327
<b>Balance in Statement of Profit and Loss</b>		
Opening Balance	18,413,812	16,824,517
Add: Profit for the year	1,851,640	1,986,618
Less: Transferred to Statutory Reserve	(370,328)	(397,323)
	19,895,124	18,413,812
	<b>23,401,779</b>	<b>21,550,139</b>

\* Created Pursuant to Section 45-1C of Reserve Bank of India Act, 1934

#### NOTE 4 - DEFERRED TAX

(Amount in Rs.)

	AS AT 31.03.2017	AS AT 31.03.2016
<b>Deferred Tax Liability</b>		
Related to fixed assets	6,392	6,159
<b>Deferred Tax Liability</b>	<b>6,392</b>	<b>6,159</b>

#### NOTE 5 - LONG TERM PROVISIONS

(Amount in Rs.)

	AS AT 31.03.2017	AS AT 31.03.2016
Contingent Provision against Standard Assets*	189,000	189,000
	<b>189,000</b>	189,000

A contingent provision against standard assets has been created at 0.30% of the outstanding standard assets in accordance with RBI guidelines.

#### NOTE 6 - OTHER CURRENT LIABILITIES

(Amount in Rs.)

	AS AT 31.03.2017	AS AT 31.03.2016
Payable for expenses	17,250	32,419
Statutory dues*	600	10,800
	<b>17,850</b>	<b>43,219</b>

\* Includes Profession Tax



**MUDRA FINANCIAL SERVICES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

NOTE : 7 FIXED ASSETS										
DETAILS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2016	Purchase/ Additions/ Adjustments	Sale/ Deductions/ Adjustments	AS AT 31.03.2017	Upto 01.04.2016	For the Year	Adjustments	AS AT 31.03.2017	AS AT 31.03.2017	AS AT 31.03.2016
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
<b>TANGIBLE ASSETS</b>										
Computers and Peripherals	666,100	-	-	666,100	646,617	-	-	646,617	19,483	19,483
Fax Machine	33,000	-	-	33,000	31,350	-	-	31,350	1,650	1,650
Air Conditioner	10,100	-	-	10,100	9,595	-	-	9,595	505	505
Telephone Instruments	53,445	-	-	53,445	50,773	-	-	50,773	2,672	2,672
<b>Total</b>	<b>762,645</b>	<b>-</b>	<b>-</b>	<b>762,645</b>	<b>738,334</b>	<b>-</b>	<b>-</b>	<b>738,334</b>	<b>24,311</b>	<b>24,311</b>
<b>AS AT 31.03.2016</b>	<b>762,645</b>	<b>-</b>	<b>-</b>	<b>762,645</b>	<b>736,146</b>	<b>2,188</b>	<b>-</b>	<b>738,334</b>	<b>24,311</b>	<b>-</b>

**MUDRA FINANCIAL SERVICES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**NOTE 8-NON CURRENT INVESTMENTS**

(Amount in Rs.)

	AS AT 31.03.2017	AS AT 31.03.2016
<b>NON TRADE INVESTMENT</b>		
<b>Quoted</b>		
<b>In Equity Shares</b>		
27,000 (27,000) Equity Shares of Electrosteel Steels Limited of Rs.10/- each	276,750	276,750
22,860 (22,860) Equity Shares of Makers Laboratories Limited of Rs.10/- each	495,300	495,300
	<b>772,050</b>	<b>772,050</b>
<b>Unquoted</b>		
<b>In Equity Shares</b>		
NIL (50) Equity Shares of Jay WiresIndia Private Limited of Rs.10/- each	-	500
	-	<b>500</b>
<b>Aggregate amount of quoted investments (At Cost)</b>	<b>772,050</b>	<b>772,050</b>
<b>Aggregate amount of quoted investments (Market Value)</b>	<b>3,022,830</b>	<b>1,472,337</b>
<b>Aggregate amount of unquoted investments</b>	-	<b>500</b>
<b>Total</b>	<b>772,050</b>	<b>772,550</b>

## MUDRA FINANCIAL SERVICES LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

#### NOTE 9 -LONG TERM LOANS AND ADVANCES

(Amount in Rs.)

	AS AT 31.03.2017	AS AT 31.03.2016
<i>Unsecured, considered good</i>		
Loans to Others	63,350,000	63,000,000
<b>Other Loans and Advances</b>		
Payment of Taxes (Net)	282,673	372,625
	<b>63,632,673</b>	<b>63,372,625</b>

#### NOTE 10 -INVENTORIES

	AS AT 31.03.2017	AS AT 31.03.2016
<b>(Valued at Cost)</b>		
Stock of Shares	2,691,437	2,691,437
	<b>2,691,437</b>	<b>2,691,437</b>

#### NOTE 11 - CASH AND CASH EQUIVALENTS

	AS AT 31.03.2017	AS AT 31.03.2016
Cash on hand	168,967	58,015
<u>Bank Balances with Scheduled Banks</u>		
In Current Accounts	2,922,049	1,453,154
	<b>3,091,016</b>	<b>1,506,169</b>

#### NOTE 12 - SHORT TERM LOANS AND ADVANCES

	AS AT 31.03.2017	AS AT 31.03.2016
<i>Unsecured, considered good</i>		
Other Advances		
Balances with Government Authorities	9,594	32,856
Prepaid expenses	2,000	4,000
	<b>11,594</b>	<b>36,856</b>

#### NOTE 13 -OTHER CURRENT ASSETS

	AS AT 31.03.2017	AS AT 31.03.2016
Interest accrued but not received	3,491,940	3,484,569
	<b>3,491,940</b>	<b>3,484,569</b>

**MUDRA FINANCIAL SERVICES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**NOTE 14 - REVENUE FROM OPERATIONS**

(Amount in Rs.)

	YEAR ENDED 31.3.2017	YEAR ENDED 31.3.2016
Sale of services	765,385	2,959,615
	<b>765,385</b>	<b>2,959,615</b>

**NOTE 15 - OTHER INCOME**

(Amount in Rs.)

	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Interest Income		
i. On loans and advances	5,667,657	4,841,918
ii. On IT Refund	-	110,832
iii. On Fixed Deposit	18,994	-
Dividend Income on Stock in Trade	62,249	62,249
	<b>5,748,900</b>	<b>5,014,999</b>

**NOTE 16 - CHANGES IN INVENTORIES**

(Amount in Rs.)

	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
<b>Inventories at the end of the year</b>		
Stock of Shares	2,691,437	2,691,437
<b>Inventories at the beginning of the year</b>		
Stock of Shares	2,691,437	2,691,437
<b>Total</b>	-	-

**NOTE 17 - EMPLOYEE BENEFITS EXPENSE**

(Amount in Rs.)

	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Salaries, Bonus and Other Allowances	1,777,894	1,879,549
Staff Welfare Expenses	131,875	99,151
	<b>1,909,769</b>	<b>1,978,700</b>

**MUDRA FINANCIAL SERVICES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**NOTE 18 - OTHER EXPENSES**

(Amount in Rs. )

	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Demat Charges	1,725	5,941
Registration Fees	-	14,500
Listing Fees	60,700	2,326,744
Legal and Professional Fees	264,100	5,000
Telephone Expenses	19,747	23,714
Duties and Taxes	2,000	2,000
Office Expenses	80,522	55,815
Computer and Software Expenses	78,764	45,980
Advertisement Expenses	42,248	43,222
Travelling and Conveyance Expenses	169,468	127,211
Printing and Stationery	53,842	63,683
Website Design Expenses	6,915	685
Statutory Audit Fees	15,075	17,421
Contingent Provision against Standard Assets (Refer Note 15)	-	189,000
Rent	120,000	120,000
Interest on Delayed Payment	3,112	6,581
	<b>918,218</b>	<b>3,047,497</b>

**NOTE 19 - EARNING PER SHARE**

		YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Profit after tax	(A)	1,851,640	1,986,617
Weighted average number of equity shares	(B)	5,010,000	5,010,000
Basic earnings per share	<b>(A)/(B)</b>	0.37	0.40
Diluted earnings per share	<b>(A)/(B)</b>	0.37	0.40
Face Value of Share		10.00	10.00

**MUDRA FINANCIAL SERVICES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

20 Schedule to the Balance Sheet for the year ended 31<sup>st</sup> March, 2017 (as required in terms of Paragraph 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

(Amount in Rs.)

<b>Particulars</b>		<b>Amount outstanding</b>	<b>Amount overdue</b>	
<b>Liabilities</b>				
1	Loans and Advances availed by the NBFC's inclusive of interest accrued thereon but not paid :			
(a)	Debtentures :			
	Secured	--	--	
	Unsecured (other than falling within the meaning of Public Deposits*)	--	--	
(b)	Deferred Credits	--	--	
(c)	Terms Loans	--	--	
(d)	Inter-corporate loans and borrowings	--	--	
(e)	Commercial Paper	--	--	
(f)	Public Deposits *	--	--	
(g)	Other Loans (Vehicle Loan)	--	--	
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :			
(a)	In the form of Unsecured Debtentures	--	--	
(b)	In the form of partly secured debtentures i.e. debtentures where there is a shortfall in the value of security	--	--	
(c)	Other Public Deposits	--	--	
Assets :			<b>Amount outstanding</b> ( ` in lacs)	
3	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):		--	
(a)	Secured		--	
(b)	Unsecured		<b>633.5</b>	
4	Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities		--	
5	<b>Break-up of Investments :</b>			
<b>Current Investments :</b>				
1	<b>Quoted :</b>			
i.	Shares			
(a)	Equity		<b>7.72</b>	
(b)	Preference		--	
ii.	Debtentures and Bonds		--	
iii.	Units of Mutual Funds		--	
iv.	Government Securities		--	
v.	Others (please specify)		--	
2	<b>Unquoted :</b>			
i.	Shares			
(a)	Equity		<b>0.00</b>	
(b)	Preference		--	
ii.	Debtentures and Bonds		--	
iii.	Units of Mutual Funds		--	
iv.	Government Securities		--	
v.	Others (Please Specify)		--	
6	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :			
		Amount net of provisions		
	Category	Secured	Unsecured	Total
1	Related Parties			
(a)	Subsidiaries	--	--	--
(b)	Companies in the same group	--	--	--
(c)	Other related parties other than related parties	--	--	--
	Total	--	--	--

7 Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			
Category		Market Value/ Break up or ( ` in lacs)	Book Value (Net of Provisions)  ( ` in lacs)
1	Related Parties		
(a)	Subsidiaries	--	--
(b)	Companies in the same group	--	--
(c)	Other related parties	--	--
2	Other than related parties	30.23	7.72
	Total	30.23	7.72
8 Other Information			
Particulars		Amount in `	
(i)	Gross Non Performing Assets	--	
(a)	Related Parties	--	
(b)	Other than related Parties	--	
(ii)	Net Non Performing Assets	--	
(a)	Related Parties	--	
(b)	Other than related parties	--	
(iii)	Assets acquired in satisfaction of debt	--	

#### 21 DISCLOSURE OF CLOSING STOCK

Sr. No.	Name of the Script (Quoted Shares)	Face Value	No of Shares	Value* (Rs)
1	Aqua Logistics Limited	1	26,000	357,948
2	ION Exchange (I) Limited	10	9,756	962,420
3	Makers Laboratories Limited	10	8,921	89,690
4	Omega Interactive Technologies Limited	10	19,383	775,324
5	Timbor Home Limited	10	2,500	130,216
6	Veer Energy and Infrastructure Limited	10	2,000	295,839
7	JSW Steel Limited – Preference Shares	10	8,000	80,000
			<b>76,560</b>	<b>2,691,437</b>

- Notes: 1. \* The Value of equity shares are valued at cost.  
2. Aggregate market value of quoted Shares is ` 71,36,474/-

**MUDRA FINANCIAL SERVICES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**NOTE 22 – CONTINGENT LIABILITY / CAPITAL COMMITMENTS :**

NIL

**NOTE 23 – FOREIGN EXCHANGE EARNINGS AND OUTGO:**

NIL

**NOTE 24 – RELATED PARTY DISCLOSURE:**

Description of relationship	Names of related parties
Holding Company	-
Subsidiary	-
Enterprises over which Key Managerial Personnel are able to exercise significant influence	GMJ & Co Rajveer Trading Private Limited Rajul Mercantile Private Limited Jadstone Trading Private Limited Mudra Share and Stock Brokers Limited
Key Management Personnel (KMP)	Dipen Maheshwari – Managing Director Atul Jain – Director Sanjeev Maheshwari – Director Jagannath Ramanuj Chakravarti – Director Asha Krishan Kumar Rathi – Director

**Note:** Related parties have been identified by the Management and relied on by the auditors.

**Details of related party transactions during the year ended 31.03.2017 and balances outstanding as at 31.03.2017:**

(In Rs.)

Particulars	Enterprises over which Key Managerial Personnel are able to exercise significant influence	KMP	Total
(a) Directors Remuneration Dipen Maheshwari (Previous Year)	- -	596,809 (522,581)	596,809 (522,581)
(b) Rent Paid – Rajveer Trading Private Limited (Previous Year)	120,000 (120,000)	- -	120,000 (120,000)

**Notes:** 1. Figures in bracket relate to the previous year



**MUDRA FINANCIAL SERVICES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**

**Note 25 – Disclosure on Specified Bank Notes(SBN's)**

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 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:

	<i>in Rs.</i>		
	<i>SBNs</i>	<i>Other Denominations</i>	<i>Total</i>
<i>Closing cash in hand as on 8.11.2016</i>	325,000	2,694	327,694
<i>(+) Permitted Receipts</i>	-	200,000	200,000
<i>(-) Permitted payments</i>	-	18,598	18,598
<i>(O) Amount deposited in Banks</i>	325,000	-	325,000
<i>Closing cash in hand as on 30.12.2016</i>	-	184,096	184,096

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

**NOTE 26 – SEGMENT REPORTING:**

The business activity of the company consists of financial activities which includes trading and investment in shares, granting of loans, etc. Thus, the Company has only one reportable business segment which is finance and investment and only one reportable geographical segment. Accordingly the segment information as required by Accounting Standard 17 on "Segment Reporting" is not required to be disclosed.

**NOTE 27**

Previous year figures have been regrouped / rearranged wherever necessary to conform to the current years' presentation.

**Signature to Notes 1 to 27**

As per our report of even date attached  
FOR DESAI SAKSENA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN No. 102358W

For and on behalf of the board

(CA. ALOK K. SAKSENA)  
PARTNER  
M. No. 35170

Sanjeev Maheshwari  
Director  
DIN: 02431173

Dipen Maheshwari  
Managing Director  
DIN: 03148904

Place: Mumbai  
Date: 29th May, 2017

Atul Jain  
Director  
DIN: 00096052

Anirudh Kumar Tanvar  
Company Secretary

## MUDRA FINANCIAL SERVICES LIMITED

### ATTENDANCE SLIP

**REGISTERED OFFICE:** 3<sup>rd</sup> Floor, Vaastu Darshan, "B" Wing, Azad Road, Andheri (East), Mumbai – 400 069.

**CIN:** L65999MH1994PLC079222 **Phone:** 022 - 61919293

**E-mail :** mudrafinancial.1994@gmail.com, **Website:** www.mudrafinancial.in

### 23<sup>RD</sup> ANNUAL GENERAL MEETING ON THURSDAY, 21<sup>ST</sup> SEPTEMBER, 2017

**Please complete this Attendance Slip and hand over at the entrance of the Meeting Hall**

Registered Folio / DP & CLIENT ID*	No. of Shares	
Name and Address of the Shareholder(s)/Proxy		
Joint Holder 1		
Joint Holder 2		

\*Applicable for Members holding shares in an electronic form.

I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting held on Thursday, 21<sup>st</sup> September, 2017 at 3:00 P.M at 3<sup>rd</sup> Floor, Vaastu Darshan "B" Wing, Azad Road, Andheri (East), Mumbai – 400 069.

**SIGNATURE OF THE SHARE HOLDER/PROXY**

# MUDRA FINANCIAL SERVICES LIMITED

## Form No. MGT-11 PROXY FORM

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

**Corporate Identification No: (CIN)** - L65999MH1994PLC079222

**Regd. Office:** 3<sup>rd</sup> Floor, Vaastu Darshan, 'B' Wing, Azad Road, Andheri (East), Mumbai – 400 069

**Phone:** 022 - 61919293

**E-mail:** mudrafinancial.1994@gmail.com, **Website:** www.mudrafinancial.in

Name of the Member(s): _____
Registered address : _____
E-mail ID: _____ Folio No. / D. .P..ID.and Client ID No.* _____

\*Applicable for members holding shares in electronic form.

I/We being a member(s) of \_\_\_\_\_ shares of Mudra Financial Services Limited, hereby appoint:

- Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature:  or failing him
- Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature:  or failing him
- Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature:

As my /our Proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 23<sup>rd</sup> Annual General Meeting of the Company to be held on Thursday, the 21<sup>st</sup> September, 2017 at 3.00 P.M. at 3<sup>rd</sup> Floor, Vaastu Darshan, 'B' Wing, Azad Road, Andheri (East), Mumbai – 400 069 and at any adjournment thereof in respect of such resolutions and in such manner as is indicated below:

Reso.No. Description

### ORDINARY BUSINESS:

- |   | For                      | Against                  |
|---|--------------------------|--------------------------|
| 1) To receive, consider and adopt the Audited Financial Statements of the Company which includes the Audited Balance Sheet as at 31 <sup>st</sup> March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2) To appoint a Director in place of Mr. Atul Jain (DIN No: 00096052), who retires by rotation and being eligible offers himself for re-appointment.  | <input type="checkbox"/> | <input type="checkbox"/> |
| 3) To appoint M/s. Sampat & Mehta, Chartered Accountants, as Auditors of the Company in place of retiring Auditors and to fix their remuneration.   | <input type="checkbox"/> | <input type="checkbox"/> |

### SPECIAL BUSINESS:

- |   | For                      | Against                  |
|---|--------------------------|--------------------------|
| 1) To ratify the Donation made by the Company to School of Human Genetics and Population amounting to Rs. 10,00,000/- (Rupees Ten Lakhs Only) vide resolution in the meeting of the Board of Directors held on 14 <sup>th</sup> February, 2014. | <input type="checkbox"/> | <input type="checkbox"/> |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

### **Note:**

Proxy need not be a member, Proxy form, complete in all respects, should reach the Company's Registered Office at 3<sup>rd</sup> Floor, Vaastu Darshan, 'B' Wing, Azad Road, Andheri (East), Mumbai – 400 069, not less than 48 hours before the scheduled time of the meeting.

Affix  
Revenue  
Stamp

Signature of Shareholder/ Proxy holder \_\_\_\_\_

## ROUTE MAP TO REACH AGM VENUE

Annual General Meeting of the Company to be held on Thursday, 21<sup>st</sup> September, 2017 at 03.00 P.M

Venue Address: 3<sup>rd</sup> Floor, Vaastu Darshan, "B" Wing, Azad Road, Andheri (East), Mumbai – 400 069

