

October 05, 2017

The Secretary
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers, 1st Floor,
Dalal Street, Fort,
Mumbai - 400 001

Scrip Code: 530867

Sub: Submission of Annual Report for the FY 2016-17

Dear Sir /Madam,

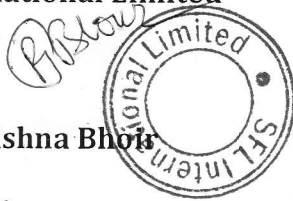
Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of M/s SFL International Limited for the Financial Year 2016-17 for your records and reference.

This is for your information and record.

Thanking you

Yours faithfully

For SFL International Limited



Rupesh Balkrishna Bhoir
Director
DIN: 07075499

Encl: As stated above

SFL INTERNATIONAL LIMITED
(FORMERLY SURYANAGRI FINLEASE LIMITED)

ANNUAL REPORT 2016-17

COMPANY'S PROFILE

Board of Director :

Mr. Rupesh Balkrishna Bhoir	Director
Mr. Kamleshkumar Sohanlal Mali	Independent Director
Ms. Vanita Mansukh Parmar	Independent Director

Registered Office :

101-104 GCP Business Center, Opp Memnagar Fire Station,
Office No. 107, Vijay Cross Road, Ahmedabad-380014, Gujarat, India
Website: www.sfl.net.in, Email Id: sfl1992@ymail.com

Statutory Auditor :

M/s. Ashok Dhariwal & Co.
Chartered Accountant
A-602, Narnarayan Complex
Navrangpura, Ahmedabad - 380009, Gujarat

Registrar and Share Transfer Agent :

M/s Skyline Financial Services Pvt Ltd
4A9, Gundecha Onclave, Kherani Road
Sakinaka, Mumbai-400072, Maharashtra
Tel: 022-6221 5779/2851 1022, Fax: 011-2681 2683
Email: mumbai@skylinerta.com

Bankers :

Indusind Bank

25TH ANNUAL GENERAL MEETING

Day, Date & Time : Tuesday, September 26, 2017 at 11:00 am

Venue : 101-104, GCP Business Centre, Opp. Memnagar Fire Station
Vijay Cross Road, Ahmedabad-380014, Gujarat

Book Closure :

Tuesday, September 19, 2017 to Tuesday, September 26, 2017 (both days inclusive)

Stock Exchanges where Shares of the Company are Listed:

BSE Limited
The Ahmedabad Stock Exchange Limited

Sl No.	Contents	Page Number
1.	Director's Report	1
2.	Corporate Governance Report	31
3.	Management Discussion & Analysis	50
4.	Independent Auditor Report	52
5.	Balance Sheet	59
6.	Statement of Profit & Loss	60
7.	Cash Flow Statement	61
8.	Notes to Financial Statements	67

DIRECTOR'S REPORT

TO THE MEMBERS

SFL INTERNATIONAL LIMITED

Your Directors are pleased to present the Twenty Fifth (25th) Annual Report together with the Audited Accounts of your Company for the Financial Year ended March 31, 2017. The summarised financial performance of your Company is as follows:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Total Income	-	-
Total Expenditure	11.59	13.45
Profit/(Loss) before Taxation	(11.59)	(13.45)
Tax Expense	(2.92)	(4.05)
Profit/(Loss) for the period	(8.67)	(9.40)
Brought forward from previous year	(93.12)	(83.72)
Surplus/(Deficit) carried to Balance Sheet	(101.79)	(93.12)

FINANCIAL PERFORMANCE

The Company has incurred a loss of Rs. 11.59 Lakhs during the year 2016-17, as compared to a loss of Rs. 13.45 Lakhs in the year 2015-16.

DIVIDEND

Due to loss, your Directors have not recommended any Dividend for the Financial Year 2016-17.

AMOUNTS PROPOSED TO CARRY TO THE RESERVES

The Company has not transferred any amount to reserve account during the year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

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

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's Internal Control Systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper

accounting record and providing reliable financial information. The Directors have laid down internal financial controls to be followed by the Company and such policies and procedures have been adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting record and the timely preparation of reliable financial information. An external independent firm carries out the internal audit of the Company operations and reports its findings to the Audit Committee on a regular basis. Internal Risk and Control function also evaluates organisational risk along with controls required for mitigating those risks. Internal Audit provides assurance on functioning and quality of internal controls along with adequacy and effectiveness through periodic reporting.

The Company has a Code of Business Conduct for all employees and a clearly articulated and internalized delegation of financial authority. These authority levels are periodically reviewed by management and modifications, if any, are submitted to the Audit Committee and Board for approval. The Company also takes prompt action on any violations of the Code of Business Conduct by its employees.

The Audit Committee reviews the effectiveness of the internal control system and also invites senior management personnel to provide updates on operating effectiveness and controls from time to time. A CEO/CFO Certificate signed by the Director of the Company confirms the existence and effectiveness of internal controls and reiterates their responsibilities to report deficiencies to the Audit Committee. The Audit Committee also reviews the risk management framework periodically and ensures it is updated and relevant. During the year under review, the Internal Financial Control Audit was carried out by the Statutory Auditors, the Report of which is forming part of this Annual Report.

DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

AUDITORS

i. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules framed there under the term of M/s Ashok Dhariwal & Co., Chartered Accountants, as the Statutory Auditors of the Company will conclude from the close of the ensuing Annual General Meeting of the Company.

The Board places on record its appreciation to the services rendered by M/s Ashok Dhariwal & Co. as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Vijay Moondra & Co., Chartered Accountants (Firm Registration No. 112308W), as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013.

Accordingly, the Board recommends the resolution in relation to appointment of Statutory Auditors, for the approval by the shareholders of the Company.

There is no audit qualification for the year under review.

ii. SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company had appointed M/s Jalan Alkesh & Associates, Practicing Company Secretary, as the Secretarial Auditor to conduct an audit of the Secretarial Records of the Company.

The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith as [Annexure-A] to this report.

DETAILS OF SUBSIDIARY/ JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any subsidiary/joint ventures/associate companies.

SHARE CAPITAL

The Authorised Share Capital of your Company stands at Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Rs. 10/- each. At present the Issued, Subscribed and Paid Up Share Capital of your Company is Rs. 3,36,45,000/- divided into 33,64,500 Equity Shares of Rs. 10/- each, fully paid-up.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 and the same is annexed herewith as [Annexure-B] to this Report.

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

a) Particulars of Conservation of Energy, Technology Absorption

The Provisions of Section 134(m) of the Act relating to conservation of energy and technology absorption do not apply to this Company as the Company has not carried out any manufacturing activities.

b) Foreign Exchange Earnings and Outgo

During the year under review there was no foreign exchange outgo nor was any foreign exchange earned.

DIRECTOR'S & KEY MANAGERIAL PERSONNEL

Your Company has a duly constituted Board of Directors which is in compliance with the requirements of the Companies Act, 2013, schedules thereto and rules framed there under and as per provisions of the Articles of Association of the Company.

a) Declaration by Independent Directors

All the Independent Directors have given a declaration that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 read with the rules made there under and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

b) Familiarisation Programme undertaken for Independent Directors

The Independent Directors are familiarised with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates,

business model of the Company, etc. On appointment, the Independent Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The Director is also explained in detail the various compliances required from him/her as a Director under the various provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. The details of familiarisation programme are available on the website of the Company viz. www.sfl.net.in.

c) Non-Independent Director

None of the Directors of the Company are disqualified for being appointed as Directors, as specified in Section 164 (2) of the Companies Act, 2013 and rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

d) Changes in Directorship/Key Managerial Personnel during the year

Mr. Rupesh Balkrishna Bhoir (DIN: 07075499) was appointed as Additional (Executive) Director of the Company with effect from March 27, 2017.

Ms. Sapna Yogesh Jangir (DIN: 07088078) resigned from the Directorship of the Company with effect from January 25, 2017. Mr. Mohit Kailash Chandra Agarwal (DIN: 06425687) resigned from the Directorship of the Company with effect from March 27, 2017. The Board has placed on record its sincere appreciation and gratitude for contributions made by them during their tenure as the Director of the Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

A total of Nine (9) Meetings of the Board of Directors of your Company were held during the year under review. The maximum interval between two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013, and in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of all Board/Committee Meetings are given in the Corporate Governance Report.

COMMITTEES OF THE BOARD

The Company has constituted/re-constituted various Board level committees in accordance with the requirements of Companies Act, 2013. Details of all the Committees along with composition and meetings held during the year under review are provided in the Corporate Governance Report.

AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report. There have been no instances where the Board has not accepted the recommendations of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition and terms of reference of the Stakeholders Relationship Committee has been furnished in the Corporate Governance Report.

DIRECTORS APPOINTMENT & REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The details of this policy are explained and annexed herewith as [Annexure- C] to this Report.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Board has adopted a Whistle Blower Policy to maintain highest standards of professionalism, honesty, integrity, ethical behaviour and to provide a vigil mechanism for Directors/Employees to voice concern in a responsible and effective manner regarding unethical matters involving serious malpractice, abuse or wrongdoing within the organisation. The Company affirms that during the year no personnel have been denied access to the Audit Committee. The said policy is available on the website of the Company viz. www.sfl.net.in.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company as an organization is committed to provide a healthy environment to all employees and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassments complaints received and disposed off during the financial year ended March 31, 2017:

- No. of Complaints received : NIL
- No. of Complaints disposed off : Not Applicable

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has complied with Section 186 of the Companies Act, 2013

The Company has not given any guarantee or provided security during the year under review.

RELATED PARTY TRANSACTIONS

A Related Party Policy has been devised by the Board of Directors for determining the materiality of transactions with related parties and dealings with them. The said Policy may be referred to at the website of the Company viz. www.sfl.net.in.

There are no contracts or arrangements entered into by the Company during the year under review with Related Parties referred to in Section 188(1) of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with promoters,

directors, key managerial personnel or other designated person which may have a potential conflict with the interest of the Company at large.

Necessary disclosures required under the Accounting Standards (AS-18) have been made in the Notes to Financial Statements.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

A statement containing the details of the Remuneration of Directors, Key Managerial Personnel (KMP) and Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given and annexed herewith as [Annexure-D] to this Report.

The Company have no employee drawing a remuneration of Rs. 60,00,000/- (Rupees Sixty Lakhs) per annum or part thereof in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE GOVERNANCE REPORT

As per Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a separate section on corporate governance practices followed by the Company, together with a certificate confirming compliance is annexed herewith as [Annexure-E] to this Report.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report on the operations of the Company, as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in a separate section and annexed herewith as [Annexure-F] to this Report.

RISK MANAGEMENT

Risk Management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The Risk Management framework is reviewed periodically by the Board and the Audit Committee. The Audit Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Directors of your Company confirm that:

- i. in the preparation of the Annual Accounts for the financial year ended March 31, 2017, the applicable Accounting Standards and Schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed and there are no material departures from the same;

- ii. the Directors have 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 as at March 31, 2017 and of the profit & loss of the Company for the Financial Year March 31, 2017;
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force) for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a 'going concern' basis;
- v. proper internal financial controls laid down by the Directors were followed by your Company and that such internal financial controls are adequate and operating effectively; and
- vi. proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

APPRECIATION

Your Directors wish to place on record their appreciation, for the contribution made by the employees at all levels. Your Directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the Company.

For & on behalf of the Board

Place: Ahmedabad
Date: May 30, 2017

Rupesh Balkrishna Bhoir
Chairman and Director
DIN: 07075499

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,
M/s SFL International Limited
101-104, GCP Business Centre, Opp Memnagar Fire Station
Office No-107, Vijay Cross Road, Ahmedabad-380014, Gujarat

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SFL International Limited, (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 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;
- d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (v) Other laws applicable specifically to the Company, namely:-
 - a) Income Tax Act, 1961.

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

- i. Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meetings Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreement entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

However the Compliance of the above law and Regulations is subject to the following fact:

- a. In spite of efforts made, the Company was not able to appoint a Whole Time Company Secretary.
- b. The Director of the Company is the compliance officer of the Company.
- c. In spite of efforts made, the Company was not able to appoint Managing Director or Whole Time Director or Manager.
- d. In spite of efforts made, the Company was not able to appoint Chief Financial Officer (CFO).

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

During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, Standards, etc. were not applicable to the Company:

- (i) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (iii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (vi) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998

We further report that:

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

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

As per the Minutes of the meetings duly recorded and signed by the Chairperson the decisions of the Board were unanimously and no dissenting views have been recorded.

We 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.

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

For Jalan Alkesh & Associates
Company Secretaries

Alkesh Jalan
Proprietor
ACS 15677
C.P. NO: 4580

Place: Ahmedabad
Date: May 30, 2017

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

'ANNEXURE A'

To,
The Members,
SFL International Limited
101-104, GCP Business Centre, Opp Memnagar Fire Station
Office No-107, Vijay Cross Road, Ahmedabad-380014, Gujarat

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

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

For Jalan Alkesh & Associates
Company Secretaries

Place: Ahmedabad
Date: May 30, 2017

Alkesh Jalan
Proprietor
ACS 15677
C.P. NO: 4580

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L17291GJ1992PLC018633
ii	Registration Date	30-Nov-92
iii	Name of the Company	SFL International Limited (Formerly Suryanagri Finlease Ltd)
iv	Category/Sub-category of the Company	Public Company/Limited by Shares
v	Address of the Registered office & contact details	101-104 GCP Business Center, Opp Memnagar Fire Station, Vijay Cross Road, Office No-107, Ahmedabad-380 014, Gujarat Email: sfl1992@ymail.com
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Skyline Financial Services Pvt. Limited Address 1: D-153A, 1st Floor Okhla Industrial Area, Phase-I, New Delhi-110020 Address 2: 4A9 Gundecha Onclave Khairani Road, Sakinaka, Mumbai-400072, Maharashtra

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Distributor, Trader in Textile Business	5131	0.00

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NIL	NIL	NIL	NIL	NIL

iv) Shareholding pattern of the company

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year 1st April 2016				No. of Shares held at the end of the year 31st March 2017				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A Promoters									
1) Indian									
a Individuals/ HUF	-	18,600	18,600	0.55	-	-	-	-	-
b Central Govt.	-	-	-	-	-	-	-	-	-
c State Govt.(s)	-	-	-	-	-	-	-	-	-
d Bodies Corporate	-	-	-	-	-	-	-	-	-
e Banks/ FI	-	-	-	-	-	-	-	-	-
f Any other (specify)	-	-	-	-	-	-	-	-	-
i. Trusts	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	-	18,600	18,600	0.55	-	-	-	-	-
2) Foreign									
a NRI Individuals	-	-	-	-	-	-	-	-	-
b Other Individuals	-	-	-	-	-	-	-	-	-
c Bodies Corporate	-	-	-	-	-	-	-	-	-
d Banks/ FII	-	-	-	-	-	-	-	-	-
e Any other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
B Public Shareholding									
1) Institutions									
a Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
b Banks/ FI	-	-	-	-	-	-	-	-	-
c Central Govt.	-	-	-	-	-	-	-	-	-
d State Govt.(s)	-	-	-	-	-	-	-	-	-
e Venture Capital Funds	-	-	-	-	-	-	-	-	-
f Insurance Companies	-	-	-	-	-	-	-	-	-
g FIIs	-	-	-	-	-	-	-	-	-
h Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	-	-	-	-	-	-	-	-	-
2) Non-Institutions									
a Bodies Corporates									
i. Indian	16,10,301	6,200	16,16,501	48.05	18,40,758	24,800	18,65,558	55.45	7.40
ii. Overseas	-	-	-	-	-	-	-	-	-
b Individuals									
i. Individual Shareholders holding nominal share capital upto Rs. 1 lakh	2,77,044	2,25,620	5,02,664	14.94	6,26,980	2,25,620	8,52,600	25.34	10.40
ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	12,06,935	14,800	12,21,735	36.31	4,70,569	14,800	4,85,369	14.43	(21.89)

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2016				No. of Shares held at the end of the year 31st March 2017				% Change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares		
c	Others (specify)									
i.	Non-Resident Indian	5,000	-	5,000	0.15	2,025	-	2,025	0.06	(0.09)
ii.	Overseas corporate Bodies	-	-	-	-	-	-	-	-	-
iii.	Foreign Nationals	-	-	-	-	-	-	-	-	-
iv.	Hindu Undivided Family	-	-	-	-	1,58,948	-	1,58,948	4.72	4.72
v.	Trust -	-	-	-	-	-	-	-	-	-
vi.	Foreign Bodies	-	-	-	-	-	-	-	-	-
Sub-Total (B) (2)		30,99,280	2,46,620	33,45,900	99.45	30,99,280	2,65,220	33,64,500	100.00	0.55
Total Public Shareholding (B) = (B)(1) + (B)(2)		30,99,280	2,46,620	33,45,900	99.45	30,99,280	2,65,220	33,64,500	100.00	0.55
C	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		30,99,280	2,65,220	33,64,500	100.00	30,99,280	2,65,220	33,64,500	100.00	0.55

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (1st April 2016)			Shareholding at the end of the year (31st March 2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Shilpa C Agrawal	12,900	0.38	-	-	-	-	(0.38)
2	Dinesh R Gupta	5,700	0.17	-	-	-	-	(0.17)
	Total	18,600	0.55	-	-	-	-	(0.55)

Change in Promoters' Shareholding

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (1st April 2016)		Cumulative Shareholding during the year	
		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 SHILPA C AGRAWAL DINESH R GUPTA	12,900 5,700	0.38 0.17	12,900 5,700	0.38 0.17
2	Date wise Increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment, transfer/ bonus/ sweat equity etc.)	Transfer			
3	At the end of the year SHILPA C AGRAWAL DINESH R GUPTA	- -	- -	- -	- -

S. N	Name of Shareholder	Shareholding at the beginning of the year		Date wise Increase/ Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/ Decrease	Reason	No. of Shares	% of total Shares of the Company
1	SHILPA C AGRAWAL	12900	0.38	31/03/2017 31/03/2017	-12900	Sale	0 0	0 0
2	DINESH R GUPTA	5700	0.17	31/03/2017 31/03/2017	-5700	Sale	0 0	0 0

iii) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)-

S. N	Name of Shareholder	Shareholding at the beginning of the year		Date wise Increase/ Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	Date	Increase/ Decrease	Reason	No. of Shares	% of total Shares of the Company
1	Neha Nandlal Agarwal	500000	14.86	20/06/2016 21/06/2016 22/06/2016	-50000 -40300 -27200	Sale Sale Sale	450000 409700 382500	13.37 12.18 11.37

S. N	Name of Shareholder	Shareholding at the beginning of the year		Date wise Increase/ Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		For each of the Top Ten Shareholders	No. of Shares	% of total Shares of the Company	Date	Increase/ Decrease	Reason	No. of Shares
				27/06/2016	-21300	Sale	361200	10.74
				28/06/2016	-91500	Sale	269700	8.02
				29/06/2016	-49000	Sale	220700	6.56
				30/06/2016	-58000	Sale	162700	4.84
				01/07/2016	-69800	Sale	92900	2.76
				05/07/2016	-92900	Sale	0	0.00
2	Dhansagar Vintrade Private Limited	137400	4.08	31/03/2017	-	-	137400	4.08
3	Frohar Trading Private Limited	107500	3.20	31/03/2017	-	-	107500	3.20
4	Vijay Kumar Arya	100000	2.97	31/03/2017	-	-	100000	2.97
5	Bhansali Value Creations Private Limited	0	0.00	06/01/2017	10	Purchase	10	0.00
				13/01/2017	-10	Sale	0	0.00
				03/02/2017	10	Purchase	10	0.00
				20/02/2017	-10	Sale	0	0.00
				16/03/2017	822	Purchase	822	0.02
				16/03/2017	-822	Sale	0	0.00
				17/03/2017	2104	Purchase	2104	0.06
				17/03/2017	-2004	Sale	100	0.00
				17/03/2017	-100	Sale	0	0.00
				20/03/2017	878	Purchase	878	0.03
				20/03/2017	-878	Sale	0	0.00
				21/03/2017	2920	Purchase	2920	0.09
				21/03/2017	-2920	Sale	0	0.00
				22/03/2017	2407	Purchase	2407	0.07
				22/03/2017	-2407	Sale	0	0.00
				23/03/2017	23273	Purchase	23273	0.69
				23/03/2017	-23273	Sale	0	0.00
				24/03/2017	13681	Purchase	13681	0.41
				24/03/2017	-13681	Sale	0	0.00
				27/03/2017	183827	Purchase	183827	5.46
				27/03/2017	-21500	Sale	162327	4.82

S. N.	Name of Shareholder	Shareholding at the beginning of the year		Date wise Increase/ Decrease in Shareholding during the year			Cumulative Shareholding during the year	
		For each of the Top Ten Shareholders	No. of Shares	% of total Shares of the Company	Date	Increase/ Decrease	Reason	No. of Shares
				27/03/2017	-54876	Sale	107451	3.19
				29/03/2017	-37585	Sale	69866	2.08
				29/03/2017	12238	Purchase	82104	2.44
				29/03/2017	-25395	Sale	56709	1.69
				30/03/2017	13575	Purchase	70284	2.09
				30/03/2017	-40000	Sale	30284	0.90
				30/03/2017	58703	Purchase	88987	2.64
				31/03/2017	-678	Sale	88309	2.62
				31/03/2017	10696	Purchase	99005	2.94
				31/03/2017	-	-	99005	2.94
6	Salasar Advisory Private Limited	144900	4.31	03/03/2017	-50000	Sale	94900	2.82
				31/03/2017	-	-	94900	2.82
7	Overall Vinimay88859 Private Limited	2.64		31/03/2017	-	-	88859	2.64
8	Goldmine Barter Private Limited	83975	2.50	31/03/2017	-	-	83975	2.50
9	Appear Commodeal Pvt. Ltd	69780	2.07	31/03/2017	-	-	69780	2.07
10	Subhshree Barter Private Limited	66245	1.97	31/03/2017	-	-	66245	1.97
11	Casuarina Projects Private Limited	63611	1.89	31/03/2017	-	-	63611	1.89
12	Akash A Agrawal	100200	2.98	10/03/2017	-40200	Sale	60000	1.78
				17/03/2017	-59800	Sale	200	0.01
				31/03/2017	-	-	200	0.01
13	Rajyoga Minerals Pvt. Ltd	69992	2.08	10/01/2017	69992	Sale	0	0.00
				31/03/2017	-	-	0	0.00

iv) Shareholding Pattern of Directors and Key Managerial Personnel

Sr. No	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year				
2	Date wise Increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment, transfer/ bonus / sweat equity etc.)				
3	At the end of the year				

V INDEBTEDNESS

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

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

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of the MD/ WTD/Manager		Total Amount
		Mr. Mohit K Agarwal	Mr. R. Bhoir	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit others (specify)	-	-	-
5	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

B) Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of the Directors			Total Amount
		Ms. Vanita Mansukh Parmar	Mr. Kamleshkumar Sohanlal Mali	Ms. Sapna Yogesh Jangir	
	Independent Directors				
1	(a) Fee for attending board committee meetings (b) Commission (c) Others, please specify	-	-	-	-
	Total (1)				-
2	Other Non Executive Directors (a) Fee for attending board committee meetings (b) Commission (c) Others, please specify.	-	-	-	-
	Total (2)-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				
	Overall Ceiling as per the Act.	-	-	-	-

C) Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary	CEO	CFO	Total Amount
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

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)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors/ Other Officers in Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

NOMINATION & REMUNERATION POLICY

1. PREAMBLE

The Board of Directors of SFL International Limited ("the Company") had constituted a Nomination and Remuneration Committee consisting of three (3) Directors, of which two directors are Independent Directors.

2. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. The Key Objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- d) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- f) To devise a policy on Board diversity
- g) To develop a succession plan for the Board and to regularly review the plan.

3. DEFINITIONS

- a) "Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- b) "Board" means Board of Directors of the Company.
- c) "Directors" mean Directors of the Company.
- d) "Key Managerial Personnel" means
 - i. Chief Executive Officer or the Managing Director or the Manager;
 - ii. Whole-time director;
 - iii. Chief Financial Officer;
 - iv. Company Secretary; and
 - v. Such other officer as may be prescribed.

- e) "Senior Management" mean personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.
- f) "Independent Director":- As provided under Section 149(6) of the Companies Act, 2013. 'Independent Director' shall mean a non-executive director, other than a managing director or a whole-time director or a nominee director of the Company:
- i. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - ii.
 - a) who is or was not a promoter of the company or its holding, subsidiary or associate company;
 - b) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
 - iii. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - iv. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year; -
 - v. who, neither himself nor any of his relatives-
 - a) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -
 - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - c) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding,

subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or

- e) who possesses such other qualifications as may be prescribed.

4. ROLE OF COMMITTEE

- a) Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

- b) Policy for appointment and removal of Director, KMP and Senior Management

- i. Appointment criteria and qualifications

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- ii. Term / Tenure

- **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

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

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

iii. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

iv. Removal

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

v. Retirement

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

c) Policy relating to the Remuneration for the Director, KMP and Senior Management Personnel

i. General:

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole-time Director, KMP and Senior Management Personnel shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director, KMP and Senior Management Personnel.
 - Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- ii. Remuneration to Director, KMP and Senior Management Personnel:
- Fixed pay: The Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
 - Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Director, KMP and Senior Management Personnel in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
 - Provisions for excess remuneration: If any Director, KMP and Senior Management Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- iii. Remuneration to Non- Executive / Independent Director:
- Remuneration / Commission: The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.
 - Sitting Fees: The Non- Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- Commission: Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- Stock Options: An Independent Director shall not be entitled to any stock option of the Company.

5. MEMBERSHIP

- a) The Committee shall consist of a minimum 3 directors, majority of them being independent.
- b) Minimum two (2) members, one of which must be an Independent Director, shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

6. CHAIRPERSON

- a) Chairperson of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- d) Chairman of the Nomination and Remuneration Committee meeting should be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

7. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

8. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

10. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation.
- d) Determining the appropriate size, diversity and composition of the Board;
- e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- g) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- h) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- i) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- j) Recommend any necessary changes to the Board; and
- k) Considering any other matters, as may be requested by the Board.

12. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- a) To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate.
- b) To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c) To delegate any of its powers to one or more of its members or the Secretary of the Committee.

- d) To consider any other matters as may be requested by the Board.
- e) Professional indemnity and liability insurance for Directors and senior management.

13. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

14. AMENDMENT(S)/MODIFICATION(S)

The Nomination and Remuneration Committee will review and may amend/modify this policy from time to time.

[Annexure-D]

Disclosure in Directors' Report pursuant to Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. Mohit Kailash Chandra Agarwal (Director)	-
2.	Mr. Rupesh Balkrishna Bhoir (Director)	-
3.	Ms. Vanita Mansukh Parmar (Independent Director)	-
4.	Mr. Kamlesh Kumar Sohanlal Mali (Independent Director)	-
5.	Ms. Sapna Yogesh Jangir (Independent Director)	-

Notes:

- Mr. Rupesh Balkrishna Bhoir (DIN: 07075499) was appointed as Additional (Executive) Director of the Company with effect from March 27, 2017.
- Mr. Mohit Kailash Chandra Agarwal (DIN: 06425687) resigned from the Directorship of the Company with effect from March 27, 2017.
- Ms. Sapna Yogesh Jangir (DIN: 07088078) resigned from the Directorship of the Company with effect from January 25, 2017.

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year:

Sl. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. Mohit Kailash Chandra Agarwal (Director)	NIL
2.	Mr. Rupesh Balkrishna Bhoir (Director)	NA
3.	Ms. Vanita Mansukh Parmar (Independent Director)	NIL
4.	Mr. Kamlesh Kumar Sohanlal Mali (Independent Director)	NIL
5.	Ms. Sapna Yogesh Jangir (Independent Director)	NIL

Notes:

- Mr. Rupesh Balkrishna Bhoir (DIN: 07075499) was appointed as Additional (Executive) Director of the Company with effect from March 27, 2017.
 - Mr. Mohit Kailash Chandra Agarwal (DIN: 06425687) resigned from the Directorship of the Company with effect from March 27, 2017.
 - Ms. Sapna Yogesh Jangir (DIN: 07088078) resigned from the Directorship of the Company with effect from January 25, 2017.
- (iii) The percentage increase in the median remuneration of employees in the financial year: Nil
- (iv) The number of permanent employees on the rolls of the Company: 3
- (v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there any exceptional circumstances for increase in the managerial remuneration:
- None of the Director's Remuneration was increased in the Financial Year 2016-17.
- (vi) Affirmation that the remuneration is as per the remuneration policy of the Company:
- Remuneration paid during the year ended March 31, 2017 is as per the Remuneration Policy of the Company.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY

SFL's ("The Company") governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen our business fosters a culture of ethical behaviour and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct is an extension of our values and reflects our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability on information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

A Report on compliance with the principles of Corporate Governance as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 is given below:

GOVERNANCE STRUCTURE

The Corporate Governance structure at SFL is as follows:

- **Board of Directors:** The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.
- **Committees of the Board:** The Board has constituted the following Committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee. Each of the Committee has been mandated to operate within a given framework.

THE BOARD OF DIRECTORS

a) Composition and category of Directors

The Board is broad-based and consists of eminent individuals from Industrial, Managerial, Financial and Marketing background. The Company is managed by the Board of Directors in co-ordination with the Senior Management Team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Company has a judicious combination of Executive and Non-Executive Directors. As on March 31, 2017, the Board comprised of Three (3) Directors out of which One (1) is Executive Director and Two (2) are Independent Directors. The Chairman of the Board is Executive Director.

The details of each member of the Board along with the number of Directorship/Committee Membership are given below:

Name	Category of Director	No. of Directorships in other Public Limited Companies	No. of Board Committees in which Chairman/Member in other Public Limited Companies	
			Chairman	Member
Mr. Rupesh Balkrishna Bhoir DIN: 07075499	Chairman and Director	-	-	-
Mr. Kamlesh Kumar Sohanlal Mali DIN: 07034361	Independent Director	-	-	-
Ms. Vanita Mansukh Parmar DIN: 05345249	Independent Director	2	-	2

Notes:

1. Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholder Relationship Committee in Indian Public Limited Company other than SFL International Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.
3. None of the Directors are inter-se related with each other.
4. Details of Director(s) retiring or being re-appointed are given in notice of Annual General Meeting.

b) Independent Directors

The Non-Executive Independent Directors fulfil the conditions of Independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. A formal letter of appointment to Independent Directors as provided in Companies Act 2013 has been issued and disclosed on the website of the Company viz. www.sfl.net.in.

c) Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice and detailed

agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets. The necessary quorum was present for all the meetings.

In the Financial Year 2016-2017, the Board met Nine (9) times. The details of Board Meetings held during the year are listed below. The interval between two Meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and as per Regulation 17(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Sl. No.	Date of Board Meeting	Total strength of the Board	No. of Directors present
1	April 29, 2016	4	4
2	May 30, 2016	4	4
3	June 23, 2016	4	4
4	August 12, 2016	4	4
5	August 30, 2016	4	4
6	November 14, 2016	4	4
7	January 25, 2017	4	4
8	February 14, 2017	3	3
9	March 27, 2017	3	3

Attendance at aforesaid Board Meetings and at the last Annual General Meeting of each of the Director as on March 31, 2017 is given below:

Name of the Director	Category of Directorship	Attendance at the Board Meeting(s)		Attendance at last AGM
		Held	Attended	
Mr. Rupesh Balkrishna Bhoir (DIN: 07075499)	Chairman & Director	9	1	NA
Mr. Kamlesh Kumar Sohan Lal Mali (DIN: 07034361)	Independent Director	9	9	Yes
Ms. Vanita Mansukh Parmar (DIN: 05345249)	Independent Director	9	9	Yes
Mr. Mohit Kailash Chandra Agarwal (DIN: 06425687)	Director	9	8	Yes
Ms. Sapna Yogesh Jangir (DIN: 07088078)	Independent Director	9	7	Yes

Notes:

- Mr. Rupesh Balkrishna Bhoir (DIN: 07075499) was appointed as Additional (Executive) Director of the Company with effect from March 27, 2017.
- Mr. Mohit Kailash Chandra Agarwal (DIN: 06425687) resigned from the Directorship of the Company with effect from March 27, 2017.
- Ms. Sapna Yogesh Jangir (DIN: 07088078) resigned from the Directorship of the Company with effect from January 25, 2017.

d) Information placed before Board of Directors

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

e) Shares held by Non-Executive Directors

None of the Non-Executive Director of the Company holds shares of the Company as on March 31, 2017.

GOVERNANCE CODES

Code of Business Conduct & Ethics

The Company has adopted Code of Business Conduct & Ethics ("the Code") which is applicable to the Board of Directors and all Employees of the Company. The Board of Directors and the members of Senior Management Team (one level below the Board of Directors) of the Company are required to affirm annual Compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the website of the Company viz. www.sfl.net.in.

Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

COMMITTEES OF THE BOARD

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective charters. These committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The minutes of the Committee Meetings are placed before the Board for noting.

The Board currently has the following Committees:

A. AUDIT COMMITTEE

Composition

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations 2015. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Accounts, etc. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

Meetings and Attendance

The Audit Committee met Four times during the Financial Year 2016- 17. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 30 2016, August 12 2016, November 14 2016 & February 14 2017. The requisite quorum was present at all the meetings. The Chairman of the Audit Committee was present at the Annual General Meeting of the Company.

The Table below provides the attendance of the Audit Committee members.

Name	Category	Designation	Meeting(s)	
			Held	Attended
Mr. Kamlesh Kumar Sohan Lal Mali	Independent Director	Chairman	4	4
Ms. Vanita Mansukh Parmar	Independent Director	Member	4	4
Mr. Mohit Kailash Chandra Agarwal	Executive Director	Member	4	4
Mr. Rupesh Balkrishna Bhoir	Executive Director	Member	4	-

Notes:

- Mr. Rupesh Balkrishna Bhoir (DIN: 07075499) was appointed as Additional (Executive) Director of the Company with effect from March 27, 2017.
- Mr. Mohit Kailash Chandra Agarwal (DIN: 06425687) resigned from the Directorship of the Company with effect from March 27, 2017.

The Audit Committee is empowered, pursuant to its terms of reference inter-alia, to

- Investigate any activity within its terms of reference
- Seek information from any employee
- Obtain outside legal or other professional advice
- Secure attendance of outsiders with relevant expertise, if it considers necessary
- Have full access to information contained in the records of the Company

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

1. Overseeing your Company's financial reporting process and the disclosure of its information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service;
3. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report as per Section 134(3)(c) of the Companies Act, 2013;
 - Changes, if any, in the accounting policies and practices and the reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with the Listing Regulations and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications in the draft audit report, if any.
4. Examination of financial statements and the Auditors' report thereon.
5. Reviewing with the management quarterly, half-yearly, nine months and annual financial statements, before submission to the Board for approval;
6. Reviewing and monitoring the auditors' independence and performance, and effectiveness of audit process.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
8. Formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
9. Discussion with the internal auditors on internal audit reports relating to internal control weaknesses and any other significant findings and follow-up thereon;
10. Evaluating the internal financial controls and risk management policies system of the Company;

11. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. To review the functioning of the Whistle Blower Mechanism
13. Any other matter referred to by the Board of Directors.

B. NOMINATION & REMUNERATION COMMITTEE

Composition

The Nomination & Remuneration Committee comprises of Three (3) Directors.

Meeting and Attendance

The Committee met twice during the financial year 2016-17 on April 29, 2016 & March 20, 2017. The requisite quorum was present at both the Meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company. The table below provides the attendance of the Nomination & Remuneration Committee.

Name	Category	Designation	Meeting(s)	
			Held	Attended
Mr. Kamlesh Kumar Sohan Lal Mali	Independent Director	Chairman	2	2
Ms. Vanita Mansukh Parmar	Independent Director	Member	2	2
Ms. Sapna Yogesh Jangir	Independent Director	Member	2	1
Mr. Mohit Kailash Chandra Agarwal	Executive Director	Member	2	1
Mr. Rupesh Balkrishna Bhoir	Executive Director	Member	2	-

Notes:

- Mr. Rupesh Balkrishna Bhoir (DIN: 07075499) was appointed as Additional (Executive) Director of the Company with effect from March 27, 2017.
- Mr. Mohit Kailash Chandra Agarwal (DIN: 06425687) resigned from the Directorship of the Company with effect from March 27, 2017.
- Ms. Sapna Yogesh Jangir (DIN: 07088078) resigned from the Directorship of the Company with effect from January 25, 2017.

The Nomination and Remuneration Committee is empowered with the following terms of reference and responsibilities in accordance with the provisions of law and the Nomination and Remuneration Policy:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulate a criteria for determining qualifications, positive attributes and independence of a director;

- Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Devise a policy on Board Diversity;
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification or modification as may be applicable.

Remuneration Policy

The success of the organization in achieving good performance and good governing practices depends on its ability to attract and retain individual with requisite knowledge and excellence as executive and non-executive directors. The Nomination and Remuneration Policy of the Company is annexed herewith as [Annexure- C] to this Report.

Details of Remuneration to all Directors:

The details of remuneration paid to the Directors for the year ended March 31, 2017 are as under:

Name	Designation	Salary	Perquisites	Sitting Fees	Total
Mr. Mohit Kailash Chandra Agarwal	Director	-	-	-	-
Mr. Rupesh Balkrishna Bhoir	Director	-	-	-	-
Mr. Kamlesh Kumar Sohanlal Mali	Independent Director	-	-	-	-
Ms. Vanita Mansukh Parmar	Independent Director	-	-	-	-
Ms. Sapna Yogesh Jangir	Independent Director	-	-	-	-

Disclosure pursuant to Part-II, Section-II, 3rd Provision, Point No-IV of Schedule-V under Section 196 and 197 of all the Directors

- i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc of all the Directors- As stated above
- ii. Details of fixed component and performance linked incentives along with performance criteria- Nil
- iii. Service Contracts, notice period, severance fees- Not Applicable
- iv. Stock options details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable- Not Applicable

Performance Evaluation of Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, its Committees and Individual Directors. A structured questionnaire was prepared, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Chairman/Director and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Meeting & Attendance

The Committee met Four (4) times during the financial year 2016-2017 on May 30 2016, August 12 2016, November 14 2016 and February 14 2017. The constitution of the Stakeholders Relationship Committee of the Board of Directors of your Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2016-17 is detailed below:

Name	Category	Designation	Meeting(s)	
			Held	Attended
Mr. Kamlesh Kumar Sohanlal Mali	Independent Director	Chairman	4	4
Mr. Mohit Kailash Chandra Agarwal	Executive Director	Member	4	4
Ms. Vanita Mansukh Parmar	Independent Director	Member	4	4
Mr. Rupesh Balkrishna Bhoir	Executive Director	Member	4	-

Notes:

- Mr. Rupesh Balkrishna Bhoir (DIN: 07075499) was appointed as Additional (Executive) Director of the Company with effect from March 27, 2017.
- Mr. Mohit Kailash Chandra Agarwal (DIN: 06425687) resigned from the Directorship of the Company with effect from March 27, 2017.

The Board has clearly defined the terms of reference for this committee. The Committee looks into the matters of Shareholders/Investors grievances along with other matters

or any other duties that may be delegated to the Committee by the Board of Directors from time to time.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, M/s Skyline Financial Services Private Limited attend to all grievances of the shareholders received directly or via any other authority. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the Investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

Details pertaining to the number of complaints received and responded and the status thereof during the financial year 2016-2017 are given below:

No. of Complaints received during the year	-
No. of Complaints resolved during the year	-
No. of Complaints pending at the end of the year	-

INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on March 27, 2017, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluate performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at this Meeting.

AFFIRMATIONS AND DISCLOSURES

1. The Company has generally complied with all mandatory requirements under the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations 2015.
2. There are no materially significant related party transactions of your Company which have potential conflict with the interests of the Company at large. Details of related party transactions are disclosed in notes to Financial Statements for the year ended March 31, 2017. The policy on related party transactions has been placed on the website of the Company viz. www.sfl.net.in.
3. The Company has generally complied with the requirements of the Stock Exchanges/ SEBI and statutory authorities on all matters during the last three years.
4. Quarterly/Half Yearly/Yearly Reports on compliance of mandatory and non-mandatory requirements in the prescribed format have been submitted to the Stock Exchanges

where the shares of the Company are listed within the stipulated time. The Company has complied with all mandatory requirements to the extent applicable to the Company.

5. The Director have certified to the Board in accordance with Part B of Schedule II to the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations 2015 pertaining to CEO/CFO certification for the Financial Year ended March 31, 2017.
6. The Company has a well defined risk management framework in place. The Company periodically places before the Audit Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.
7. Pursuant to Section 177(9) and (10) of the Companies Act 2013 and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company viz. www.sfl.net.in.
8. The Company has laid down a Code of Conduct for the members of the Board as well as for the employees of the Company. The Code has also been posted on the website of the Company viz. www.sfl.net.in. The Director has confirmed and declared that all members of the Board and Senior Management have affirmed compliance with the Code of Conduct as per the requirements of the Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
9. The Company has adopted a Policy on Determination of Materiality for Disclosures. The policy has also been posted on the website of the Company viz. www.sfl.net.in.
10. The Company has adopted a Policy on Archival and Preservation of Documents. The policy has also been posted on the website of the Company viz. www.sfl.net.in.
11. The Financial Statements for the Financial year 2016-2017 have been prepared in accordance with the applicable accounting principles in India, the mandatory Accounting Standards ('AS') as prescribed under Section 133 and other applicable provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the guidelines issued by the Securities and Exchange Board of India to the relevant extent. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

The Company has no subsidiary and hence there is no need to frame any policy for determining 'material' subsidiary.

The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities are not applicable.

MEANS OF COMMUNICATION

1. The quarterly, half-yearly and yearly financial results of the Company as per the statutory requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 are published within the stipulated time as per the regulations in the leading newspapers i.e. Financial Express, Ahmedabad and All India Edition.

2. The financial results are also filed electronically with BSE Limited and is also submitted to The Ahmedabad Stock Exchange Limited and posted on the website of the Company viz. www.sfl.net.in .
3. During the year under review, the Company did not make any presentation to institutional investors or to analysts.
4. Comprehensive information about the Company, its business and operations can be viewed on the website of the Company viz. www.sfl.net.in. The "Investor" tab on the website of the Company gives information relating to financial results, Annual Reports, Shareholding Pattern, etc.

GENERAL BODY MEETINGS

- a) Details of last Three (3) Annual General Meetings held

Year	Location	Date	Time	Special Resolutions Passed
2015-16	Celestia, The Hotel, HL Commerce College Road, Navrangpura, Ahmedabad-380009, Gujarat	28.09.2016	11:00 am	Nil
2014-15	Celestia, The Hotel, HL Commerce College Road, Navrangpura, Ahmedabad-380009, Gujarat	23.09.2015	11:00 am	Nil
2013-14	Celestia, The Hotel, HL Commerce College Road, Navrangpura, Ahmedabad-380009, Gujarat	26.09.2014	11:00 am	Nil

- b) Postal Ballot

During the year, no resolutions have been passed through postal ballot.

GENERAL SHAREHOLDER INFORMATION

- i. Annual General Meeting for FY 2016-17

Day & Date	Tuesday, September 26, 2017
Time	11:00 am
Venue	GCP Business Centre, Opp. Memnagar Fire Station, Vijay Cross Road, Ahmedabad-380014, Gujarat

- ii. Listing on Stock Exchanges:

- BSE Limited ("BSE")
25th Floor, P. J. Towers, Dalal Street, Mumbai-400001
- The Ahmedabad Stock Exchange Limited
Kamdhenu Complex, Opp Sahajanand College
Panjrapole, Ahmedabad-380015, Gujarat

iii. Stock Codes/Symbol

BSE: 530867

ASE: 57969

iv. Corporate Identity Number: L17291GJ1992PLC018633

v. Tentative Calendar for Financial Year ending March 31, 2018

The tentative dates for Board Meetings for consideration of quarterly financial results are as follows:

SL.No	Particulars	Tentative dates
1	First Quarter Results	On or before Second week of August 2017
2	Second Quarter & Half Yearly Results	On or before Second week of November 2017
3	Third Quarter and Nine months Results	On or before Second week of February 2018
4	Fourth Quarter and Annual Results	On or before Fourth week of May 2018

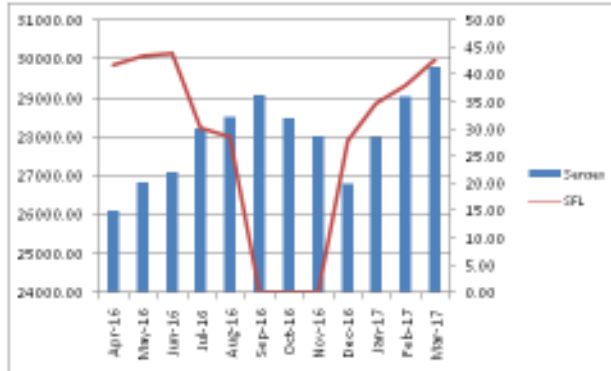
vi. Market Price Data

Year/Month	BSE (In Rs.)		SENSEX (In Rs.)	
	High	Low	High	Low
April 2016	41.85	37.95	26100.54	24523.20
May 2016	43.45	43.45	26837.20	25057.93
June 2016	44.00	30.90	27105.41	25911.33
July 2016	30.25	27.35	28240.20	27034.14
August 2016	28.70	27.30	28532.25	27627.97
September 2016	-	-	29077.28	27716.78
October 2016	-	-	28477.65	27488.30
November 2016	-	-	28029.80	25717.93
December 2016	27.80	26.10	26803.76	25753.74
January 2017	34.70	27.90	27980.39	26447.06
February 2017	38.20	35.00	29065.31	27590.10
March 2017	42.70	34.00	29824.62	28716.21

Particulars	BSE
Closing Share price as on March 31, 2017 (in Rs.)	41.90/-
Market Capitalisation as on March 31, 2017 (in Rs.)	1409.72 Lakhs

Annual Listing fees as applicable have been paid to the Stock Exchanges.

STOCK PERFORMANCE VIS-A-VIS INDEX



DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2017

Range of Shares	No. of Shareholders	No. of Shares
Upto 5000	2475	391974
5001 to 10000	220	191713
10001 to 20000	103	170426
20001 to 30000	39	100158
30001 to 40000	16	61002
40001 to 50000	9	43739
50001 to 100000	28	218361
100001 and above	54	2187127
Total	2944	3364500

SHAREHOLDING PATTERN AS ON MARCH 31, 2017

Category of Shareholders	No. of Shareholders	Total No. of Shares held	% of total Capital
Promoters	-	-	-
Financial Institution	-	-	-
Bodies Corporate	177	1750170	52.02
Resident Individual	2695	1337969	39.77
Others	72	276361	8.21
Total	2944	3364500	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company has entered into Agreements with both the Depositories registered under the Depositories Act, 1996 i.e. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) to facilitate holding and trading in shares of the Company in dematerialised form in accordance with the provisions of the Depositories Act, 1996.

As per SEBI guidelines, equity shares of the Company are compulsorily traded in dematerialised form and are available for trading on both the depositories, viz. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL & CDSL is INE320C01010.

As on March 31, 2017, 92.12 % shares are in dematerialised form. The no. of shares held in dematerialised form with both the depositories i.e. NSDL & CDSL as on March 31, 2017 is:

Electronic Form with NSDL : 1861058

Electronic Form with CDSL : 1238222

OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY TO IMPACT ON EQUITY: Not applicable

ADDRESS FOR CORRESPONDENCE

- **SFL International Ltd**
Registered Office
101-104, GCP Business Centre, Opp.
Memnagar Fire Station, Office No-107
Vijay Cross Road, Ahmedabad-380014, Gujarat
Telephone No- +91-8162210090
Email Id: sfl1992@ymail.com, Website: www.sfl.net.in
- **Registrar & Share Transfer Agent**
M/s Skyline Financial Services Pvt Ltd
4A9 Gundecha Onclave, Kherani Road,
Sakinaka, Mumbai-400072, Maharashtra
Tel No.: 022- 6221 5779/ 2851 1022
Fax No.: 011- 2681 2683
Email Id: mumbai@skylinerta.com

CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

The Company has laid down a Code of Conduct for the members of the Board as well as for the employees of the Company. The Code has also been posted on the website of the Company viz. www.sfl.net.in.

The Director has confirmed and declared that all members of the Board and Senior Management have affirmed compliance with the Code of Conduct as per the requirements of the Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been published in this Report.

For and On Behalf of Board of Directors

Place: Ahmedabad
Date: May 30, 2017

Rupesh Balkrishna Bhoir
Chairman/ Director
DIN: 07075499

CEO / CFO CERTIFICATION

To,
The Board of Directors
M/s. SFL International Limited

I the undersigned, in my capacity of Director and Chairman of M/s SFL International Limited ("the Company") to the best of my knowledge and belief certify that:

1. I have reviewed financial statements and the cash flow statement for the year ended March 31, 2017 and to the best of my knowledge and belief, I state that:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) I further state that to the best of my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- 3) I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting and I have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal control, if any, of which I am aware and the steps have been taken or propose to rectify these deficiencies.
- 4) I have indicated to the Auditors and the Audit Committee:
 - a. that there are no significant changes in internal control over financial reporting during the year;
 - b. that there are no significant changes in accounting policies during the year;
 - c. that there are no instances of significant fraud of which I have become aware.

Place: Ahmedabad
Date: May 30, 2017

Rupesh Balkrishna Bhoir
Chairman/ Director
DIN: 07075499

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

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These codes are available on the website of the Company viz. www.sfl.net.in.

I confirm that the Company has in respect of the year ended March 31, 2017, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For and On Behalf of Board of Directors

Place: Ahmedabad
Date: May 30, 2017

Rupesh Balkrishna Bhoir
Chairman/ Director
DIN: 07075499

Certificate of Compliance with the Corporate Governance

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
the Members of
SFL International Limited
(formerly known as Suryanagri Finlease Ltd.)

1. Based on the engagement by the management of SFL International Limited (formerly known as Suryanagri Finlease Ltd.) ('the Company'), we have examined details of compliance of conditions of Corporate Governance by the Company for the year ended 31st March, 2017 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchange.

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditors' Responsibility

3. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2017.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

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

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

Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose of compliance with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

(CA Ashok Dhariwal)
Partner

Membership No. 36452

Date: 30/05/2017

Place: Ahmedabad

MANAGEMENT DISCUSSION AND ANALYSIS

A. Industry Structure and Developments

Indian Textile Industry is the largest employer in the manufacturing sector. Next to agriculture, it provides direct employment to over 35 million workers and also another 50 million workers in the allied sector. It has over 57 million spindles and around 8.70 lac rotors together with looms in different parts of the country. It is blessed with large acreage of Cotton cultivation to produce on an average of over 350 lacs of bales of Cotton every year. Besides, it has adequate raw material base for man made fibres like PSF, VSF, Acrylic. With such strong base, the Indian textile industry had played and is playing a significant role in the growth and development of Indian economy.

B. Opportunities and Threats

India has emerged as one of the fastest growing economies in recent times. Global growth prospects also look positive. Main driving forces for the growth of the Indian economy are:-

- i. Increased Government spending on Infrastructure
- ii. Pick up for Private Placement
- iii. Expectation of good monsoon and
- iv. Expected surge in consumer spending will help the textile sector in a big way.

The implementation of the Goods and Service Tax Bill will end interstate barriers to trade and help free movement of goods. It will be a win-win for all stake holders.

Though the demonetisation of currency in November '16, had affected the textile trade initially as this segment was largely dependent on cash, yet over a period of time, this could be overcome. Further, the move had benefitted in mobilising surplus money in the banking sector. Today banking sector is flush with funds and is offering loans at relatively lower rates. There has been a drastic reduction in the lending rates by the Banks. This would benefit the textile sector too.

Textile industry needs to explore new avenues like Technical textiles which has great potential for future growth. There is a big gap between demand and supply in this segment and that Indian Textile Industry need to bridge the gap.

C. Outlook

The Indian Textile industry has a bright future. Textile Policy needs to recognise this and to prioritise segments which have potential and need focus.

There is a need to promote the growth of textile industry in sectors like Technical Textiles - where there is a great potential to expand and develop. Government need to announce policy decisions for its growth and development.

Textile exports to be made competitive in the face of protectionism etc. displayed by Developed economies. This has to be addressed on a war footing. This should receive the immediate attention.

D. Risks and Concerns

Textile Industry is always subject to facing crisis in a cyclical way. Timely action is needed to overcome this situation by taking corrective and proactive steps, then and there.

E. Human Resource/Industrial Relations

Human Resources Development, in all its aspects like training in safety and social values is under constant focus of the management. Relations between the management & the employees at all levels remained healthy & cordial throughout the year. The management and the employees are dedicated to achieve the corporate objectives and the targets set before the Company.

F. Internal Control Systems and their adequacy

The Company has an adequate Internal Control System commensurate with its size and operations. Management has overall responsibility for the Company's Internal Control System to safeguard the assets and to ensure reliability of financial records. Audit Committee reviews all financial statements and ensures adequacy of internal control systems.

G. Company Performance

The Company's overall performance was not good during the Financial Year 2016-17. The Company did not earn any income during the FY 2016-17.

H. Cautionary Statement

Statement in the Management Discussion and Analysis Report, describing the Company's objectives, opportunities and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws and regulations. The actual result may vary materially from those expressed or implied in the statement. Several factors make a significant difference to the Company operation including the government regulation, taxation and economic scenario affecting demand and supply condition and other such factors over the Company does not have any control.

Independent Auditor's Report

To the Members of
SFL INTERNATIONAL LTD.
(formerly known as Suryanagri Finlease Ltd.)

Report on the Financial Statements

We have audited the accompanying financial statements of SFL International Ltd. (formerly known as Suryanagri Finlease Ltd.) ("the company"), which comprise the Balance Sheet as at 31st 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 is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. As informed to us, 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Based on our audit procedures and relying on the management regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management. Refer Note 18 to the financial statements.

For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

(CA Ashok Dhariwal)
Partner
Membership No. 36452

Place: Ahmedabad
Date: 30/05/2017

Annexure “A” to Independent Auditors’ Report

Referred to in Paragraph 1 under the heading of “report on other legal and regulatory requirements” of our report of even date

- (i) In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars including, quantitative details and situation of the fixed assets
 - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c. The title deeds of immovable properties are held in the name of the company.
- (ii) In respect of its inventories:

During the year the company has not undertaken any transaction relating to inventory. Hence the provisions of clause (ii) of paragraph 3 the order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to any Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause (iii) (a), (iii) (b) & (iii) (c) of paragraph 3 of the Order are not applicable to the Company.
- (iv) The company has not given any loans, investments guarantees, and security. Hence, the provisions of Clause (iv) of paragraph 3 of the Order are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to us in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues with the appropriate authorities. There were no undisputed statutory dues in arrears as on 31st March, 2017 for a period of more than six months from the date they became payable.
 - b) There are no amounts payable in respect of income tax, service tax, sales tax, duty of customs, duty of excise or value added tax or cess which have not been deposited on account of disputes.

- (viii) The Company has not taken any borrowings from banks, financial institutions, Government or by way of debentures. Accordingly, the provisions of clause (viii) of the paragraph 3 of the Order are not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) and term loans. Accordingly, the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.
- (xi) The Managerial Remuneration has not been paid or provided and accordingly the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act are not required.
- (xii) The company is not a Nidhi Company hence the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him. Hence, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

(CA Ashok Dhariwal)
Partner
Membership No. 36452

Place: Ahmedabad
Date: 30/05/2017

Annexure “B” to Independent Auditor’s Report

Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date

Report on the Internal Financial Controls under section 143(3)(i) of the Act

We have audited the internal financial controls over financial reporting of SFL International Ltd. (formerly known as Suryanagri Finlease Ltd.) (“the company”), as of 31st 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. 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 the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (“the Act”).

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

(CA Ashok Dhariwal)
Partner
Membership No. 36452

Place: Ahmedabad
Date: 30/05/2017

SFL INTERNATIONAL LIMITED
(FORMERLY KNOWN AS SURYANAGRI FINLEASE LTD.)
BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	NOTES	AS AT MARCH 31, 2017	AS AT MARCH 31, 2016
Amt. in Rs.			
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	3,36,45,000	3,36,45,000
Reserves and surplus	2	(1,01,79,447)	(93,12,413)
Current liabilities			
Other current liabilities	3	7,34,213	8,86,932
TOTAL		<u>2,41,99,766</u>	<u>2,52,19,519</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	4	10,83,971	10,96,639
Non-current investments	5	1,28,39,862	1,28,39,862
Deferred tax assets	6	11,01,205	8,08,819
Long-term loans and advances	7	80,34,659	90,54,659
Current assets			
Trade receivables	8	7,19,799	7,19,799
Cash and bank balances	9	2,08,914	2,97,414
Short term loans and advances	10	2,11,356	4,02,327
TOTAL		<u>2,41,99,766</u>	<u>2,52,19,519</u>
Significant Accounting Policies			
Notes on Financial Statements	1 to 20		

As per our report of even date
For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

For and on behalf of the Board

(CA Ashok Dhariwal)
Partner
Membership No.: 36452
Place : Ahmedabad
Date : May 30, 2017

Rupesh B. Bhoir
(Director)
(DIN: 07075499)

Kamlesh S. Mali
(Director)
(DIN: 07034361)

SFL INTERNATIONAL LIMITED
(FORMERLY KNOWN AS SURYANAGRI FINLEASE LTD.)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in Rs)

Particulars	Notes	2016-17	2015-16
I. INCOME			
Revenue from Operations		-	-
Total (I)		<u>-</u>	<u>-</u>
II. EXPENDITURE			
Employee benefits expenses	11	1,21,185	1,34,839
Finance Costs	12	-	2,068
Depreciation and amortization expense	4	12,668	12,668
Other expenses	13	10,25,567	11,95,324
Total (II)		<u>11,59,420</u>	<u>13,44,899</u>
III. Profit / (Loss) before Extraordinary items and tax (I-II)		(11,59,420)	(13,44,899)
IV. Add / (Less) : Extraordinary Items		-	-
V. Profit for the year before taxation (III - IV)		<u>(11,59,420)</u>	<u>(13,44,899)</u>
VI. Tax Expense:			
Current Tax		-	-
MAT Credit Entitlement		-	-
Deferred Tax	6	(2,92,386)	(4,04,853)
Total Tax Expenses (VI)		<u>(2,92,386)</u>	<u>(4,04,853)</u>
Profit/ (Loss) for the Period (V-VI)		<u><u>(8,67,034)</u></u>	<u><u>(9,40,046)</u></u>
Earnings Per Equity Share			
Basic and Diluted	17	(0.26)	(0.28)
Significant Accounting Policies			
Notes on Financial Statements	1 to 20		

As per our report of even date

For Ashok Dhariwal & Co.

Chartered Accountants
(Registration No. 100648W)

For and on behalf of the Board

(CA Ashok Dhariwal)

Partner

Membership No.: 36452

Place : Ahmedabad

Date : May 30, 2017

Rupesh B. Bhoir

(Director)

(DIN: 07075499)

Kamlesh S. Mali

(Director)

(DIN: 07034361)

SFL INTERNATIONAL LIMITED
(FORMERLY KNOWN AS SURYANAGRI FINLEASE LTD.)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Amount in Rs)

Particulars	For the year ended 31.03.2017		For the year ended 31.03.2016	
A. Cash flow from operating activities				
Net Profit / (Loss) before tax		(11,59,420)		(13,44,899)
<u>Non-cash adjustment to reconcile profit before tax to net cash flows</u>				
Depreciation/ amortisation on continuing operation	12,668		12,668	
Sundry balances written off	2,04,212		-	
		2,16,880		12,668
Operating profit / (loss) before working capital changes		(9,42,540)		(13,32,231)
<u>Movements in working capital:</u>				
Decrease/(increase) in trade receivables	-		3,91,93,089	
Increase/(decrease) in trade payables	-		(3,82,86,634)	
Increase/(decrease) in other current liabilities	(1,52,719)		(19,518)	
		(1,52,719)		8,86,937
Cash generated from/ (used in) operations		(10,95,259)		(4,45,294)
Direct taxes paid (net of refunds)		-		(18,722)
Net cash flow from / (used in) operating activities (A)		(10,95,259)		(4,64,016)
B. Cash flow from investing activities				
Decrease/(increase) in short-term loans and advances	1,90,971		(6,960)	
Decrease/ (increase) in long-term loans and advances	8,15,788		1,05,50,000	
Purchase of Fixed Assets	-		(40,000)	
Purchase of investments	-		(1,00,00,000)	
Net cash flow from / (used in) investing activities (B)		10,06,759		5,03,040

SFL INTERNATIONAL LIMITED
(FORMERLY KNOWN AS SURYANAGRI FINLEASE LTD.)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Amount in Rs)

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
C. Cash flow from financing activities	-	-
Net cash flow from / (used in) financing activities (C)	-	-
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(88,500)	39,024
Cash and cash equivalents at the beginning of the year	2,97,414	2,58,390
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	2,08,914	2,97,414
Add : Bank Balances not considered as Cash & Cash Equivalents	-	-
Closing Cash & Bank Balances (note9)	2,08,914	2,97,414
Components of cash and cash equivalents		
Cash on Hand	86,646	2,06,127
In current account with banks	1,22,268	91,287
TOTAL CASH AND CASH EQUIVALENTS	2,08,914	2,97,414

In terms of our report attached.
For Ashok Dhariwal & Co.
Chartered Accountants
(Registration No. 100648W)

For and on behalf of the Board

(CA Ashok Dhariwal)
Partner
Membership No.: 36452
Place : Ahmedabad
Date : May 30, 2017

Rupesh B. Bhoir
(Director)
(DIN: 07075499)

Kamlesh S. Mali
(Director)
(DIN: 07034361)

CORPORATE INFORMATION

SFL International Ltd (formerly known as Suryanagri Finlease Ltd.) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is listed on BSE and ASE. The company is engaged mainly in the business of trading of cloth.

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENT

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time and the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India. The financial statements have been prepared on accrual basis under historical cost convention and going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported accounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and reported income and expenses during the year. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

3. INVENTORIES

Items of inventories (including traded goods) are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of Raw Material, Packing material, Chemicals, Stores and Consumables, Finished goods, trading and other products are ascertained on FIFO basis.

4. PRIOR PERIOD AND EXCEPTIONAL ITEMS

All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period items". Exceptional items are general non-recurring items of income and expense within profit or loss from ordinary activities, which are of such size, nature or incidence that their disclosure is relevant to explain the performance of the company for the year.

5. FIXED ASSETS/INTANGIBLE ASSETS & DEPRECIATION

- i. Fixed assets are stated at their original cost of acquisition including respective taxes duties freight and other incidental expenses related to acquisition and installation of the respective assets.
- ii. Intangible Assets are recognized as per the principle laid down in Accounting Standard 26 – Intangible Assets, as specified in the Companies (Accounting Standard) Rules, 2006 (as amended).

- iii. Depreciation on fixed assets is provided on written down value method (WDV) at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. Intangible assets are amortized over their estimated useful life on a straight line basis.

6. REVENUE RECOGNITION

Sales of products/job work are recognized when they are invoiced to customers. Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Dividend income is recognized when the right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

7. FOREIGN CURRENCY TRANSACTIONS

Initial Recognition

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Conversion

Monetary items denominated in foreign currencies at the year-end are restated at the year-end rates. Non monetary foreign currency items are stated at cost.

Exchange Differences

Any income or expense arising on account of exchange difference either on settlement or on translation is recognized in the Profit & Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

8. INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Long term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. Current investments are carried at the lower of cost and quoted / fair value, computed category wise.

9. BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are charged to statement of Profit & Loss.

10. SEGMENT REPORTING

The company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in accessing performance.

11. RELATED PARTY TRANSACTIONS

Disclosure of transactions with related parties, as required by Accounting Standard 18 - "Related Party Disclosure" as specified in Companies (Accounting Standards) Rules, 2006 (as amended), have been set out in a separate note forming part of the financial statements. Related party as defined under clause 3 of the Accounting Standard 18 have been identified on the basis of representation made by key managerial personnel and information available with the company.

12. EARNING PER SHARE

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with the Accounting Standard 20 as specified in the Companies (Accounting Standard) Rules, 2006 (as amended). The basic EPS has been computed by dividing the income available to Equity Shareholders by the weighted average number of Equity Shares outstanding during the accounting year. The diluted E.P.S. has been computed using the weight average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

13. PROVISION FOR BAD AND DOUBTFUL DEBTS

Provision is made in accounts for Bad Doubtful Debts/Advances which in the opinion of the management are considered irrecoverable.

14. TAXES ON INCOME

Deferred Taxation

In accordance with the Accounting Standard 22 – Accounting for Taxes on Income, as specified in the Companies (Accounting Standard) Rules, 2006 (as amended), the deferred tax for timing difference between the book and the income tax profit for the year is accounted for by using the tax rate and laws that has been enacted and substantively enacted as of the balance sheet date.

Deferred tax assets arising from timing difference are recognized to the extent there is a virtual certainty that the assets can be realized in future.

Net outstanding balance in deferred tax account is recognized as deferred tax liability/assets. The deferred tax account is used solely for reversing timing difference as and when crystallized.

Current taxation

Provision for taxation has been made in accordance with the income tax laws prevailing for the relevant assessment year.

15. IMPAIRMENT OF FIXED ASSETS

The carrying amount of assets, other than inventories, is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset recoverable amount is estimated.

The impairment loss is recognized whenever the carrying cost amount of an asset or its cash generation unit exceed its recoverable amount. The recoverable amount is the greater of the asset net selling price and value in the use which is determined based on the estimated future cash flow discounted to the present value all impairment losses are recognize in the profit and loss account.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and is recognized in the Statement of profit and loss.

16. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurements are recognized when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

SFL INTERNATIONAL LIMITED

(Formerly, known as SURYANAGRI FINLEASE LTD)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1. SHARE CAPITAL

Amt in Rs.

Particulars	31.03.2017	31.03.2016
<u>Authorised Share Capital</u>		
50,00,000 (50,00,000) Equity Shares of Rs.10 (10) each	5,00,00,000	5,00,00,000
<u>Issued, Subscribed and fully paid up</u>		
33,64,500 (33,64,500) Equity Shares of Rs.10 (10) each fully paid up	3,36,45,000	3,36,45,000
TOTAL	3,36,45,000	3,36,45,000

(a) Reconciliation of the Number of Shares Outstanding

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Nos.	Rs.	Nos.	Rs.
Equity Shares at the beginning of the year	33,64,500	3,36,45,000	33,64,500	3,36,45,000
Add : Shares issued on exercise of Employee Stock Options	-	-	-	-
Add : Allotted on Rights Issue of Shares	-	-	-	-
Add : Allotted without payment being received in cash on amalgamation	-	-	-	-
Add : Allotted to Qualified Institutional Buyers	-	-	-	-
Less : Shares cancelled on buy back of equity shares	-	-	-	-
Equity Shares at the end of the year	33,64,500	3,36,45,000	33,64,500	3,36,45,000

(b) Rights, Preferences and Restrictions Attached to each class of shares

The Company has only one class of Equity Shares having a par value of Rs.10/- per share and each holder of the Equity Shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no preferential amounts exist currently. The distribution will be in proportion to the number of shares held by the shareholders.

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Nos.	Rs.	Nos.	Rs.
Equity Shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	-	-
Equity Shares allotted as fully paid pursuant to the scheme of amalgamation	-	-	-	-
Equity Shares bought back by the company	-	-	-	-

SFL INTERNATIONAL LIMITED

(Formerly, known as SURYANAGRI FINLEASE LTD)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**(d) Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at 31st March, 2017		As at 31st March, 2016	
	Nos.	% holding	Nos.	% holding
Neha Nandlal Agrawal	-	-	5,00,000	14.86%

2. RESERVES & SURPLUS

Amt in Rs.

Particulars	31.03.2017	31.03.2016
Surplus/ (Deficit) in Statement of Profit & Loss Account		
Opening balance	(93,12,413)	(83,72,367)
(+) Net Profit/(Net Loss) for the current year	(8,67,034)	(9,40,046)
TOTAL	(1,01,79,447)	(93,12,413)

3. OTHER CURRENT LIABILITIES

Amt in Rs.

Particulars	31.03.2017	31.03.2016
Advance against sale of assets	7,14,062	7,14,062
TDS payable	2,901	36,735
Sundry expenses payable	17,250	1,36,135
TOTAL	7,34,213	8,86,932

SFL INTERNATIONAL LIMITED
(Formerly, known as SURYANAGRI FINLEASE LTD)
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

4. FIXED ASSETS

(Amount in Rs.)

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2016	Additions during the Year	Deductions / Adjustments during the Year	As at March 31, 2017	As at April 1, 2016	For the year ending March 31, 2017	Deductions / Adjustments during the Year	As at March 31, 2016	As at March 31, 2017
Tangible Assets									
Computer	40,000	-	-	40,000	12,668	12,668	-	27,332	14,664
Office premises	12,36,504	-	-	12,36,504	1,67,197	-	-	10,69,307	10,69,307
Vehicles	7,07,965	-	-	7,07,965	7,07,965	-	-	-	-
Total	19,84,469	-	-	19,84,469	8,87,830	12,668	-	10,96,639	10,83,971
Previous Year	19,44,469	40,000	-	19,84,469	8,75,162	12,668	-	10,69,307	10,96,639

SFL INTERNATIONAL LIMITED

(Formerly, known as SURYANAGRI FINLEASE LTD)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

5. NON-CURRENT INVESTMENT

Amt in Rs.

Particulars	31.03.2017	31.03.2016
Investments in Unquoted Shares :		
20,000 (20,000) Equity Shares of Goldmine Barter Pvt. Ltd. @ Rs. 10 each fully paid up	1,00,00,000	1,00,00,000
Investments in immovable property		
Land & building	28,39,862	28,39,862
TOTAL	1,28,39,862	1,28,39,862

6. DEFERRED TAX ASSETS

Amt in Rs.

Particulars	Balance as on 01.04.2016	Arising during the year	Balance as on 31.03.2017
A. Deferred Tax Liabilities			
On account of depreciation	3,502	(948)	2,554
Gross Deferred Tax Liabilities	3,502	(948)	2,554
B. Deferred Tax Assets			
Unabsorbed business loss	8,04,905	2,88,472	10,93,377
Unabsorbed depreciation	7,416	2,966	10,382
Gross Deferred Tax Assets	8,12,321	2,91,438	11,03,759
NET DEFERRED TAX LIABILITIES /(ASSETS)	(8,08,819)	(2,92,386)	(11,01,205)

7. LONG TERM LOANS AND ADVANCES

Amt in Rs.

Particulars	31.03.2017	31.03.2016
(Unsecured, considered good)		
MAT Credit Receivable (refer note 7.1)	54,659	54,659
Loans and advances to others	79,80,000	90,00,000
TOTAL	80,34,659	90,54,659

7.1 MAT CREDIT ENTITLEMENT :

Based on the assessment of the future taxable income, the Management is of the opinion that there is convincing evidence that the company will pay normal income tax within the specified period during which MAT credit is available for set off.

8. TRADE RECEIVABLES

Amt in Rs.

Particulars	31.03.2017	31.03.2016
Receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	-	-
Receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	7,19,799	7,19,799
TOTAL	7,19,799	7,19,799

SFL INTERNATIONAL LIMITED

(Formerly, known as SURYANAGRI FINLEASE LTD)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**9. CASH AND BANK BALANCES**

Amt in Rs.

Particulars	31.03.2017	31.03.2016
Cash and cash equivalents		
Balances with banks :		
- in current accounts	1,22,268	91,287
Cash on hand	86,646	2,06,127
Total (A)	2,08,914	2,97,414
Other bank balances		
- Deposits with original maturity of more than twelve months	-	-
Total (B)	-	-
TOTAL (A + B)	2,08,914	2,97,414

10. SHORT TERM LOANS AND ADVANCES

Amt in Rs.

Particulars	31.03.2017	31.03.2016
Unsecured, considered good		
Balance with Income Tax Authorities	-	2,04,212
Security deposits	33,653	33,653
Sundry deposits	1,74,512	1,64,462
Other Advances	3,191	-
TOTAL	2,11,356	4,02,327

11. EMPLOYEE BENEFIT EXPENSES

Amt in Rs.

Particulars	2016-17	2015-16
Salaries and Wages	90,000	90,000
Staff Welfare	31,185	44,839
TOTAL	1,21,185	1,34,839

12. FINANCE COSTS

Amt in Rs.

Particulars	2016-17	2015-16
Interest on Income Tax	-	2,068
TOTAL	-	2,068

SFL INTERNATIONAL LIMITED

(Formerly, known as SURYANAGRI FINLEASE LTD)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**13. OTHER EXPENSES**

Amt in Rs.

Particulars	2016-17	2015-16
Advertisement	40,080	26,907
Bank charges	16,565	6,150
Courier charges	10,626	-
General expenses	66,446	1,46,172
Sundry Balances written off	2,04,212	-
Payment to auditors (refer note 13.1)	17,250	28,750
Postage expenses	15,197	10,055
Professional & legal expenses	28,650	4,36,449
Listing Fees	2,00,000	2,52,810
Registrar expenses	66,148	53,471
Rent, rates & taxes	2,28,690	1,97,760
Interest on TDS	8,974	2,296
Interest on professional Tax	1,788	-
Professional Tax	8,000	-
Service Tax	79,803	27,427
Printing & Stationery	7,350	7,077
Website maintenance Charges	25,788	-
TOTAL	10,25,567	11,95,324

13.1 PAYMENT TO AUDITORS

Amt in Rs.

Particulars	2016-17	2015-16
As Auditors	17,250	17,250
For Taxation Matters	-	11,500
TOTAL	17,250	28,750

- 14.** In the opinion of the management and to the best of their knowledge and belief, the value under the head of current and non-current assets (other than fixed assets and non-current investments) are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.

15. SEGMENT REPORTING

As the Company's primary business is trading of cloth and the sales are only in the domestic market, the disclosure requirements of the Accounting Standard - 17 "Segment Reporting" as specified by the Companies (Accounting Standard) Rules, 2006 are not applicable. However it does not have any impact on the true and fair view of the state of affairs in case of Balance Sheet and Statement of Profit and Loss.

SFL INTERNATIONAL LIMITED

(Formerly, known as SURYANAGRI FINLEASE LTD)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017**16. RELATED PARTY DISCLOSURES :**

As per the Accounting Standard 18, disclosures of related parties (as identified by the management), as defined in the Accounting Standard are given below:

Names of Related Parties & Description of Relationship

RELATIONSHIP		2016-17	2015-16
1. Holding Company:		Nil	Nil
2. Subsidiary Company:		Nil	Nil
3. Key Managerial personnel:	Mr. Kamleshkumar S. Mali, Director Ms. Vanita M. Parmar, Director Mr. Rupesh B. Bhoir, Director (w.e.f. 27.03.2017) Mr. Mohit K. Agarwal, Director (upto 27.03.2017) Ms. Sapna Y. Jangir, Director(upto 25.01.2017)		

There are no transactions with related parties during the year.

17. EARNINGS PER SHARE (EPS)

Particulars	2016-17	2015-16
Net Profit for the year (in Rs.)	(8,67,034)	(9,40,046)
Weighted Average Number of shares outstanding during the year	33,64,500	33,64,500
Earning Per Share (in Rs.)	(0.26)	(0.28)
Nominal Value of Share (in Rs.)	10	10

18. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	57,000	79,815	1,36,815
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	9,850	9,850
(-) Amount deposited in Banks	57,000	-	57,000
Closing cash in hand as on December 30, 2016	-	69,965	69,965

*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.

SFL INTERNATIONAL LIMITED

(Formerly, known as SURYANAGRI FINLEASE LTD)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

19. There are neither any imports on CIF basis nor any expenditure or earnings in foreign currency.
20. Previous year's figure have been regrouped / reclassified, wherever necessary to confirm to this year's classification / disclosure. Further the figures have been rounded off to the nearest rupee.

As per our Report of even date annexed herewith

For Ashok Dhariwal & Co.
Chartered Accountants
Registration No.: 100648W

For and on behalf of the Board

(CA Ashok Dhariwal)
Partner
Membership No.: 36452
Place : Ahmedabad
Date : May 30, 2017

Rupesh B. Bhoir
(Director)
(DIN: 07075499)

Kamlesh S. Mali
(Director)
(DIN: 07034361)