



VISAGAR
you dream. we create.

Date: 17th October, 2017

BSE Limited
Corporate Services Department,
Dalal Street, Fort
Mumbai - 400001.

Ref: Scrip ID:- VISAGAR

Scrip Code :-

531025

Sub: Submission of Annual Report for the year 2016-17 pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Dear Sir,

In compliance with Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, enclosed herewith please find the Annual Report of the Company for the financial year 2016-17 which has been duly approved and adopted in the Annual General Meeting held on 30th September 2017.

Kindly take the same on your record and oblige.

FOR VISAGAR FINANCIAL SERVICES LIMITED

(Arvind Desai)
Whole-time Director
DIN: 00353903



Encl: A/a.

VISAGAR FINANCIAL SERVICES LIMITED

Regd. Off. : 907/908, Dev Plaza, S.V. Road, Andheri (W), Mumbai 400 058.

Tel.: (022) 6742 4815 Email: info@visagar.com Website : www.visagar.com CIN L99999MH1994PLC076858



VISAGAR FINANCIAL SERVICES LIMITED

*24TH ANNUAL REPORT
2016-17*

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Pramod Kumar Goenka (Chairman & Non-Executive Director)
Mr. Arvind G Desai (Whole-Time Director)
Mr. Tilokchand Kothari (Director)
Mr. Suranjan Upadhyay (Non-Executive, Independent Director)
Mrs. Asha Kothari (Non-Executive Director)
Ms. Shalini Bose (Company Secretary; *w.e.f. 26.07.2017*)

REGISTERED OFFICE

907-908, Dev Plaza, 9th Floor,
Opp Andheri Fire Station,
S.V. Road, Andheri (W),
Mumbai – 400058.

BANKER

HDFC BANK

AUDITORS

M/s. Sudhir M Desai & Co.
Chartered Accountants

SECRETARIAL AUDITOR

Mrs. Averil Pinto
Practising Company Secretary

REGISTRAR AND SHARES TRANSFER AGENT

Adroit Corporate services (P)Ltd.
19/20, Jafferbhoy Industrial Estate, 1st Floor Makwana road, Marol Naka,
Andheri (East), Mumbai-400059. Tel. No. - 28596060/28503748 E-mail-
www.adroitcorporate.com

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VISAGAR FINANCIAL SERVICES LIMITED

CIN: L99999MH1994PLC076858

**Registered Office: 907-908, Dev Plaza, 9th floor, Opp. Andheri Fire Station, S.V. Road,
Andheri (W), Mumbai- 400058.**

Tel No.: 022-67424815 E-mail id: info@visagar.com Website: www.vfsl.org

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the Members of **M/s. VISAGAR FINANCIAL SERVICES LIMITED** will be held on Saturday, **September 30, 2017** at 1:30 p.m. at 1008/1009, Gold Crest Centre, L T Road, Borivali West, Mumbai – 400 092, India to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Pramod Goenka (DIN: 00869599), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139, Section 142, and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. Sorabh R Agrawal & Co. (Firm Registration No. 144123W) be appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 24th AGM, (i.e. this AGM) of the Company to the conclusion of the 29th AGM, to be held in 2022 (subject to ratification of appointment by the members at every AGM held after this AGM), on a remuneration as may be agreed upon by the Board of Directors and the Auditors.”

Registered Office:
907-908, Dev Plaza, 9th Floor,
Opp. Andheri Fire Station, S.V. Road,
Andheri (W), Mumbai – 400058
Website: www.vfsl.org
Email: info@visagar.com

By Order of the Board of Directors
For Visagar Financial Services Limited

Place: Mumbai
Date: August 11, 2017

Arvind Desai
Whole-time Director
DIN: 00353903

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
3. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a duly certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Company has notified closure of Register of Members and Share Transfer Books from September 25, 2017 to September 30, 2017 (both days inclusive) for the purpose of annual book closure.
6. Additional information pursuant to Regulations of SEBI (Listing Obligation and Disclosures Requirements) Regulation, 2015 in respect of Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Notice.
7. Members desirous of obtaining any information as regards accounts and operations of the Company are requested to address their queries to the Registered Office of the Company in writing at least seven days in advance before the date of the Meeting, to enable the Company to keep the necessary information ready.
8. Members are requested to:
 - i) Bring their copy of Annual Report to the Meeting.
 - ii) Bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report. Members, who hold shares in Electronic Form, are requested to bring their Depository ID Number and Client ID Number to facilitate their identification for recording attendance at the forthcoming Annual General Meeting.
 - iii) Quote their Registered Folio Nos. on all correspondence with the Company
 - iv) Register their e-mail address, if not already registered for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

- v) Notify changes in address, if any, to the Registrars of the Company immediately, quoting their folio numbers, if shares are held by them in physical form. Those holding shares in dematerialized form should send the above information to the respective Depository Participants.
 - vi) Intimate the Registrar and Share Transfer Agents, M/s. Adroit Corporate Services (P) Ltd., for consolidation into a single folio Members, if they have shares in physical form in multiple folios in identical names or joint holding in the same order of names.
 - vii) Convert their holdings in dematerialised form to eliminate risks associated with physical shares and better management of the securities. Members can write to the company's registrar and share transfer agent in this regard.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s. Adroit Corporate Services (P) Ltd., 19/20 , Jafferbhoy Industrial Estate, 1st floor, Makwana Road, Marol Naka, Andheri (East), Mumbai – 400 059.
 10. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 2.00 p.m. prior to the date of the Meeting.
 11. The Annual Report 2016-17 and Notice of the 24th Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent in electronic form to all the members whose email IDs are registered with the Company/Depository Participants(s). For members who have not registered their email address, physical copies of the aforesaid documents are being sent in the permitted mode.
 12. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2016-17 will also be available on the Company's website www.vfsl.org for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@visagar.com.
 13. **Voting through electronics means:**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on **27th September 2017 (9.00 am)** and ends on **29th September, 2017 (05.00 pm)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **23rd September 2017** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - a. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep our password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "**VISAGAR FINANCIAL SERVICES LIMITED**".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to skjaincs1944@gmail.com with a copy marked to evoting@nsdl.co.in
- b. In case a Member receives physical copy of the Notice of AGM[for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below/ at the bottom of the Attendance Slip for the AGM:
EVEN (Remote e-voting Event Number) **USER ID** **PASSWORD/PIN**
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@adroitcorporate.com.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
- XIII. Dr. S. K. Jain, Practising Company Secretary, Proprietor of M/s. S. K. Jain & Company, Company Secretaries, FCS 1473, CP. No.3076 has been appointed as the Scrutinizer for providing facility to

the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

- XIV. The Chairman shall, at the AGM, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting by polling papers and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company viz. www.vfsl.org and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

M/s. Sudhir M. Desai & Co., Chartered Accountants have been the Statutory Auditors of the Company since long. Pursuant to Section 139 of the Companies Act, 2013 and the rules made thereunder, the Company is required to appoint new Statutory Auditors due to expiry of the maximum permissible tenure as the Auditors of the Company. On the recommendation of the Audit Committee, at its meeting held on 30th May, 2017, the Board considered and approved the appointment of M/s. Sorabh R Agrawal & Co. (Firm Registration No. 144123W) Chartered Accountants as the Statutory Auditors to hold office from the conclusion of the 24th AGM on 30th September, 2017 until the conclusion of the 29th AGM in the year 2022, at a remuneration as may be agreed upon by the Board of Directors and the Auditors.

ROUTE MAP FOR THE VENUE OF ANNUAL GENERAL MEETING



Annexure to Notice

Details of the Directors seeking appointment/re-appointment at the Annual General Meeting
(Pursuant to Regulation 36 (3) of the Listing Regulations, 2015 & Secretarial Standards-2 on General Meetings)

Name of Director	Mr. Pramod Goenka
DIN	00869599
Date of Appointment	15.09.2005
Brief Profile	He is having 28 years of experience in the field of Finance Planning.
Directorship in other Public limited Companies	Shree Venkatesh Steels Limited
No. of Shares held in the Company Own Beneficial Basis	Nil Nil
Relationship with other Directors, Manager and other Key Managerial Personnel	NONE
Chairman/Member of the Committee of the Board of Directors of the Company	Visagar Financial Services Limited Member of Audit Committee & Stakeholders Relationship Committee
Chairman/Member of the Committee of the Board of Directors of other Public Companies*	None

**The Directorship above does not include Directorship held with Private and foreign companies and companies registered under Section 8 of the Companies Act, 2013.*

DIRECTORS' REPORT

The Members,
VISAGAR FINANCIAL SERVICES LIMITED

Your Directors are pleased to present their **24th Annual Report** together with the Audited Financial Statements for the financial year ended March 31, 2017 and the Auditors Report thereon.

1. Business Performance

(Rs. In Lacs)

Particulars	Year Ended 31-03-2017	Year Ended 31-03-2016
Revenue from Operations	1054.65	410.84
Other Income	-	-
Finance Cost	17.13	0.008
Depreciation	0.55	0.17
Profit before Exceptional Items & Tax	(5.89)	4.09
Exceptional Items	-	-
Profit before Tax	(5.89)	4.09
Provision for Tax	-	(1.30)
Deferred Tax	-	-
Profit for the year	(5.89)	2.79
Appropriations:		
Proposed Dividend	-	-
Interim Dividend	-	-
Dividend Distribution Tax	-	-
Balance c/f to Balance Sheet as at 31.03.2017	(5.89)	2.79

2. Operations and Future Plans

During the year under review the Company's Turnover has increased from Rs. 410.84 Lakhs to Rs. 1054.65 Lakhs. However, the expenses during the year have raised significantly from Rs. 406.75 Lakhs to Rs. 1060.54 Lakhs due to which there is net loss in the Company of Rs. 5.89 Lakhs compared to net profit of Rs. 2.79 Lakhs in the previous year.

However, your Company is optimistic about the coming year. Since the Company is trying to reduce cost and expand its business, your Directors are hopeful that the results will be more encouraging.

3. Dividend

As your company incurred losses during the year under review and due to the accumulated losses our directors regret for their inability to declare dividend to the members.

4. Share Capital

The Issued, Subscribed & Paid up Capital of the Company as on March 31, 2017 stands at Rs. 65,018,000/- divided into 32,509,000 Equity Shares of Rs. 2/- each. During the period under review, the Company has not issued shares with differential voting rights nor granted any stocks options or sweat equity.

5. Transfer to Reserve

The Board does not propose to make transfer to reserves for the year 2016-17 as your company incurred losses during the year under review.

6. Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Act, and that of Articles of Association of the Company, Mr. Pramod Goenka (00869599) Director of the Company retires by rotation at this Annual General Meeting of the Company and being eligible, offers himself for reappointment.

7. Board Evaluation

Your Board has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

Board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

8. Meetings of the Board

During the year ended March 31, 2017, Five (5) Board Meetings were held by the Company on 28th May, 2016, 11th August, 2016, 12th November, 2016, 10th February, 2017 and 17th March, 2017.

9. Details of Committees of the Board

Currently, the Company has three (3) Committees namely Audit Committee, Nomination and Remuneration Committee & Stakeholders' Relationship Committee. The detailed composition of various

Committees is elucidated below:

i) Audit Committee

The Audit Committee comprises of three Directors namely Mr. Suranjan Upadhyay, Mr. Arvind Desai and Mr. Pramod Goenka. The aforesaid Members of the Committee operate in the capacity of Independent, Executive & Non-Executive Director respectively. The Chairman of the Committee is Mr. Suranjan Upadhyay who is an Independent Non-Executive Director. The recommendations of the Audit Committee are always welcomed and accepted by the Board & all the steps impacting the financials of the Company are undertaken only after the consultation of the Audit Committee. During the period ended 31st March, 2017, five (5) Meetings of Audit Committee were held on 28th May, 2016, 11th August, 2016, 12th November, 2016, 10th February, 2017 and 17th March, 2017.

ii) Nomination & Remuneration Committee

The Committee was constituted pursuant to provisions under Section 178 of the Companies Act, 2013. The Committee consists of three (3) Members, namely Mr. Suranjan Upadhyay (Independent, Non-Executive Director), Mr. Pramod Kumar Goenka (Non-Executive Director), and Mrs. Asha Kothari (Non-Executive Director). The Chairman of the Committee is Mr. Suranjan Upadhyay who is an Independent Non-Executive Director. During the year ended 31st March, 2017, One (1) Committee Meeting was held on February 10, 2017.

Nomination and Remuneration Committee Policy

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is annexed as “Annexure A” to this report.

iii) Stakeholders’ Relationship Committee

The Committee oversees all the matters relating to Stakeholders’ grievances/complaints. The role of the Committee is to consider & resolve securities holders’ complaint. The Committee consists of three members, namely Mrs Asha Kothari, Mr. Arvind Desai and Mr. Pramod Kumar Goenka. The aforesaid Members of the Committee operate in the capacity of Non-Executive Director, Executive Director and Non Executive Director respectively. The Committee is chaired by Mrs Asha Kothari as Non-Executive Director. During the year ended March 31, 2017, Four (4) Committee Meetings were held on 28th May, 2016, 11th August, 2016, 12th November, 2016 and 10th February, 2017.

10. Declaration of Independence from Independent Directors

Your Company has received declarations pursuant to Section 149(7) of the Companies Act, 2013 from all the Independent Directors confirming that they meet the criteria of independence laid down under Section 149(6) of the Companies Act, 2013. Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as specified in the Companies Act, 2013, rules made thereunder as well as applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

11. Internal Control Systems and their Adequacy

The Management continuously reviews the internal control systems and procedures for the proficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses. The Internal Auditor of the Company conducts the audit on regular basis and the Audit Committee periodically reviews internal audit reports and effectiveness of internal control systems. Apart from the above, the Company in consultations with the external and independent consultants adopted a policy for development and implementation of risk management for the company including identification of elements of risk, if any, that may threaten the existence of the Company and a mechanism to mitigate the same.

12. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm that:

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

13. Change in the Nature of Business

During the period under review, there is no change in the nature of business of the Company. The Company continues to operate in the NBFC (Non- Banking Financial Company) Sector.

14. Extract of Annual Return

The extract of Annual Return in Form MGT-9 as required under Section 92 of the Companies Act, 2013 (herein after referred to as "the Act") forms an integral part of this Report as "**Annexure B**".

15. Prevention of Sexual Harassment Policy

In order to prevent sexual harassment at workplace, your Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rule made thereunder. During the year under review, there were no cases filed or reported pursuant to the provisions of the said Act.

16. Auditors & their Report

a) Change in Statutory Auditor:

In terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors)

Rules, 2014, M/s. Sudhir M. Desai & Co., Chartered Accountants (Firm Reg. No. 125516W), Mumbai, the Auditors of your Company shall hold office till the conclusion of the ensuing AGM and they shall not be eligible for re appointment due to expiry of the maximum permissible tenure as the Auditors of your Company. Your Board places

on record its deep appreciation for the valuable contributions of the Auditors during their long association and wishes them success in the future.

Based on the recommendation of the Audit Committee, your Board at its meeting held on May 30, 2017, appointed M/s. Sorabh R Agrawal & Co. (Firm Registration No. 144123W) as the Auditors of the Company, in place of the retiring auditors M/s. Sudhir M. Desai & Co., Chartered Accountants, to hold office from the conclusion of the ensuing 24th AGM until conclusion of the 29th AGM of your Company to be held in the year 2022, subject to approval of the Members of the Company at the ensuing AGM and ratification by the Members of the Company every year thereafter, if required.

Your Company has received a certificate from M/s. Sorabh R Agrawal & Co., Chartered Accountants confirming their eligibility to be appointed as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and Rules framed thereunder. The proposal for their appointment has been included in the Notice convening the 24th AGM for obtaining approval of the Members of the Company.

b) Secretarial Auditor:

In compliance with the provisions of Sec 204 and other applicable provisions of Companies Act 2013, the Board of Directors have appointed Mrs. Averil Pinto, Practising Company Secretary as Secretarial Auditors to undertake secretarial audit of the Company for the financial year ended 31st March, 2017. The Secretarial Audit Report is attached herewith marked as “**Annexure C**” and forms an integral part of this report.

The Secretarial Auditor has made and mentioned the following observation in his report:

- 1) *The Company has not appointed Chief Financial Officer (CFO) and Company Secretary as whole time Key Managerial Personnel under section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014.*
- 2) *Nomination & Remuneration Committee under section 178 of the Companies Act, 2013 read with rule 6 of Companies (Meeting of Board and its power) Rule 2014 , Clause 49 of the earstlie Listing Agreement and Regulation 18 and 19 of SEBI (Listing Obligations and Disclosure Requirements) is not constituted properly.*

In this respect, we would like to submit our response:

1. Even after making deliberate efforts; the Company was unable to appoint Chief Financial Officer during the year. However, the Company has appointed Company Secretary in the Board Meeting held on 26th July, 2017. The Company assures you that the Company will appoint suitable candidates for the post of Chief Financial Officer
2. At present, there is only one Independent Directors on the Board of the Company. Hence the constitution of Nomination & Remuneration Committee is not proper as it requires atleast two Independent Directors. The Board intends to appoint the other Independent Director in the Committees and assures you that in the coming year, more Independent Directors will be appointed on the Board after which the constitution of the Board as well as Committees will be in accordance with all the applicable provisions and shall depict the true essence of an independent and well-informed Board.

17. Risk Management

Risk Management is the process of identification, assessment, and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid a comprehensive Risk Assessment and Minimization Procedure, which is reviewed by the Audit committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The policy has been hosted on Company's website www.vfsl.org.

18. Public Deposits

The Company has not accepted any deposit from the general public within the meaning of section 73 of the Companies Act, 2013 and the rules made there under.

19. Particulars of Contracts/ Arrangements with Related Party

During the year, there were no related party transactions made in the Company, therefore Form AOC-2 is not applicable to the Company. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://vfsl.visagar.com/attachments/policyrtp.pdf>.

20. Particulars of Loans, Guarantees or Investments by the Company under section 186

Details of Loan, Guarantees and Investments covered under the provisions of the Act, are disclosed in the notes to the Financial Statements.

21. Material Changes affecting the financial position of the Company

During the year ended March 31, 2017, there were no material changes and commitments affecting the financial position of the Company have occurred to which financial results relate and the date of the Report.

22. Corporate Social Responsibility Committee

Since the provisions as laid down in the Section 135 of the Companies Act, 2013 are not applicable to the Company, hence no such Committee has been formed. However, Company had always tried in its best possible ways to involve itself in social development activities.

23. Dematerialisation of Shares

Your Company has connectivity with the National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for dematerialization of its Equity Shares. The ISIN No **INE309H01020** has been allotted for the Company Shares. Therefore, the members and/or investors may keep their shareholdings in the electronic mode with their Depository Participant.

As on March 31, 2017, 87.86% of the paid up Equity Share Capital stands in Demat mode and the remaining 12.14% Equity Shares were held in physical mode, the details of which are as follows:

Particulars	No. of Shares	% of Total Capital
Held in Demat form with CDSL	16979277	52.23
Held in Demat form with NSDL	11583913	35.63
Held in physical mode	3945810	12.14

24. Listing of Shares

The shares of your Company are listed at BSE Limited. The applicable Annual Listing fees have been paid to the Stock Exchange for the financial year 2016-17.

25. Subsidiary Companies

The Company does not have any Subsidiary Company.

26. Vigil Mechanism/Whistle Blower Policy

Pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, every listed Company is required to have a Vigil Mechanism/ Whistle Blower Policy for the Directors and employees to report their concerns and grievances. The Company has a Whistle Blower Policy in place and the same is also available on the web-site at the web-link <http://vfsl.visagar.com/attachments/whistleblowerpolicyVigilmechanism.pdf>

The Audit Committee of Directors are entrusted with the responsibility to oversee the Vigil mechanism.

27. Corporate Governance

In terms of Regulation 15(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the provisions related to Corporate Governance as specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of schedule V shall not be applicable in respect of companies having paid up equity share capital not exceeding Rs.10 crore and Net worth not exceeding Rs.25 crore as on the last day of the previous financial year.

As on March 31, 2017, the Equity Share Capital is Rs. 6,50,18,000 and Net worth is Rs. 12,26,16,272. Hence, the company is not providing a separate report on corporate governance, and also a certificate from the Company's Auditors confirming the compliance of Corporate Governance. However, the Company continues to adhere to the best practices prevailing in Corporate Governance and follows the same in its true spirit.

28. Secretarial Standards of ICSI

Pursuant to the approval given on April 10, 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 01, 2015. The Company is in compliance with the same.

29. Significant and Material Orders Passed by the Regulators or Courts:

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

30. Management Discussion and Analysis

Management Discussion and Analysis Report is appended to this Annual Report.

31. Particulars of Employees

Particulars of employees in accordance with the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not given, as none of the employees qualifies for such disclosure.

32. Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

33. Acknowledgement

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Bankers, Business Associates and the Government and other regulatory authorities and thank all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.

**By Order of the Board of Directors
For Visagar Financial Services Limited**

**Arvind Desai
Whole-time Director
(DIN: 00353903)**

**Place: Mumbai
Date: May 30, 2017**

ANNEXURE - A

Nomination & Remuneration Policy of the Company

THE APPOINTMENT POLICY FOR INDEPENDENT DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR EXECUTIVES WILL BE AS UNDER-

(A) Independent Directors:

Independent Directors will be appointed based on the criteria mentioned under section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, rules made thereunder & Listing Agreements entered with Stock Exchanges.

(B) Key Managerial Personnel (KMP):

KMP will be appointed by the resolution of the Board of Directors of the Company, based on qualifications, experience and exposure in the prescribed field. Removal of the KMP will also be done by the resolution of Board of Directors of the Company. Appointment/ Removal will be in accordance with the provisions of the Companies Act, 2013, rules made thereunder and Listing Agreements entered with Stock Exchanges.

(C) Senior Executives:

Senior Executive will be appointed by the Chairman and the Managing Director and/or Executive Director of the Company based on their qualifications, experience and exposure. Removal of the Senior Executives will also be by Chairman, Managing Director and/or Executive Director. Further, appointment and removal will be noted by the Board as required under clause 8(3) of Companies (Meeting of Board and its Powers) Rules, 2014.

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES WILL BE AS UNDER

The following will be the guiding factors with respect to remuneration to Directors, Key Managerial Personnel and other employees

- (A)** The objective of policy is directed towards having a compensation philosophy and structure that will reward and retain talent;
- (B)** Remuneration to Key Managerial Personnel and other employees will have a balance between fixed and incentive pay reflecting both short and long term performance objectives appropriate to the working of the Company and its goals and objectives. Such remuneration will generally comprise of fixed pay, bonus, ex-gratia, perquisites and other work related benefits;
- (C)** The Remuneration to the key managerial personnel and other employees will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and also the market conditions in the employment market.

ANNEXURE - B

FORM NO. MGT-9

Extract of Annual Return as on the financial year ended 31st March 2017

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

1. REGISTRATION AND OTHER DETAILS:

i.	CIN	L99999MH1994PLC076858
ii.	Registration Date	01.03.1994
iii.	Name of the Company	VISAGAR FINANCIAL SERVICES LIMITED
iv.	Category/Sub - Category of the Company	
v.	Category	Company Limited by Shares
vi.	Sub - Category	Indian Non-Government Company
vii.	Address of the Registered Office	907-908, Dev Plaza, 9 th Floor, Opp. Andheri Fire Station, S.V. Road, Andheri (W), Mumbai- 400058.
viii.	Contact Details	022- 6742 4815 Email id: info@visagar.com
ix.	Whether listed company	Yes (listed on BSE Limited)
x.	Name, Address and Contact details of Registrar and Transfer Agent, if any	
xi.	Name	Adroit Corporate Services Pvt. Ltd
xii.	Address	19, Jaferbhoy Industrial Estate, 1 st Floor Makwana Rd, Marol Naka, Mumbai- 400059.
xiii.	Contact	Tel: 022-42270400/2850/3748 Fax No.: 022 -28503748 Email id: info@adroitcorporate.com

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Non-Banking Finance Companies	64990	100%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of Shares held	Applicable Section
	None				

4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	-
b) Central Govt									
c) State Govt(s)	0	0	0	0	0	0	0	0	-
d) Bodies Corp	1686000	0	1686000	5.19	800000	0	800000	2.46	(2.73)
e) Banks / FI	0	0	0	0	0	0	0	0	-
f) Any Other	50000	0	50000	0.15	936000	0	936000	2.88	2.73
Subtotal(A)(1)	1736000	0	1736000	5.34	1736000	0	1736000	5.34	-
2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	-
b) Other- Individuals	0	0	0	0	0	0	0	0	-
c) Bodies Corp.	0	0	0	0	0	0	0	0	-
d) Banks / FI	0	0	0	0	0	0	0	0	-
e) Any Other....	0	0	0	0	0	0	0	0	-
Sub total(A)(2)	0	0	0	0	0	0	0	0	-
Total Shareholding of Prom & Prom. Group (A)= (A)(1)+(A)(2)	1736000	0	1736000	5.34	1736000	0	1736000	5.34	-
B. Public Shareholding									
1) Institutions									

a) Mutual Funds	0	0	0	0	0	0	0	0	-
b) Banks / FI	0	0	0	0	0	0	0	0	-
c) Central Govt	0	0	0	0	0	0	0	0	-
d) State Govt(s)	0	0	0	0	0	0	0	0	-
e) Venture Capital Funds	0	0	0	0	0	0	0	0	-
f) Insurance Companies	0	0	0	0	0	0	0	0	-
g) FIs	0	0	0	0	0	0	0	0	-
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-
i) Others (specify)	0	0	0	0	0	0	0	0	-
Sub total(B)(1)	0	0	0	0	0	0	0	0	-
2) Non Institutions									-
a) Bodies Corp.									
(i) Indian	14457103	2801770	17258873	53.09	14826237	2801770	17628007	54.23	1.14
(ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5681347	1144000	6825347	21.00	5502720	1144040	6646760	20.45	(0.55)
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	6650131	0	6650131	20.46	6459950	0	6459950	19.87	(0.59)
c) Others	0	0	0	0	0	0	0	0	-
d) Clearing Member	1326	0	1326	0.00	0	0	0	0.00	-

e) NRIs	37124	0	37124	0.11	38084	0	38084	0.12	0.01
f) Trust	199	0	199	0.00	199	0	199	0.00	-
Sub total(B)(2)	26827230	3945770	30773000	94.66	26827190	3945810	30773000	94.66	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	26827230	3945770	30773000	94.66	26827190	3945810	30773000	94.66	-
Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	-
Grand Total (A+B+C)	28563230	3945770	32509000	100	28563190	3945810	32509000	100	-

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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.	Sagar Portfolio Services Ltd	8,86,000	2.73	0	0	0	0	(2.73)
2.	Sib Sagar Trade and Agencies Pvt. Ltd.	8,00,000	2.46	0	8,00,000	2.46	0	-
3.	Tilokchand Kothari	50,000	0.15	0	9,36,000	2.88	0	2.73
	TOTAL	17,36,000	5.34	0	17,36,000	5.34	0	-

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

S. No.	Name of the Shareholder	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.	Sagar Portfolio Services Ltd.				
	At the beginning of the year	8,86,000	2.73	8,86,000	2.73
	Increase/Decrease during the year				
	Inter-se transfer on 27.10.2016	8,86,000	2.73	8,86,000	2.73
	At the End of the year	--	0.00	--	0.00
2.	Sib Sagar Trade and Agencies Pvt. Ltd.				
	At the beginning of the year	8,00,000	2.46	8,00,000	2.46
	Increase/Decrease during the year	0	0	0	0
	At the End of the year	8,00,000	2.46	8,00,000	2.46
3.	Tilokchand Kothari				
	At the beginning of the year	50,000	0.15	50,000	0.15
	Increase/Decrease during the year				
	Inter-se transfer on 27.10.2016	8,86,000	2.73	8,86,000	2.73
	At the End of the year	9,36,000	2.88	9,36,000	2.88

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

Sr. No	Name of Shareholder	Shareholding at the beginning of the year		Change in Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total Share Capital	Increase (No. of Shares)	Decrease (No. of Shares)	No. of shares	% of total Share Capital
1.	Bhaavoshali Management Services Pvt. Ltd.	0	0	23,01,894	-	23,01,894	7.08
2.	Greatscope Traders Private Ltd.	1,93,545	0.60	15,16,230	-	17,09,775	5.26
3.	Rashel Agrotech Ltd.	4,24,994	1.31	833326	-	12,58,320	3.87
4.	Chandika Vinimay Private Ltd.	10,10,000	3.11	-	-	10,10,000	3.11
5.	Seabird Distributors Private Ltd.	8,82,424	2.71	-	-	8,82,424	2.71
6.	Turbot Marketing Private Ltd.	0	0	847395	-	8,47,395	2.61
7.	RRP Management Services Private Ltd.	7,36,258	2.26	-	-	7,36,258	2.26
8.	Flyjoy Distributors Private Ltd.	2,00,000	0.62	4,96,293	-	6,96,293	2.14
9.	Seabird Retails Private Ltd.	6,15,968	1.89	-	-	6,15,968	1.89
10.	Economy Suppliers Private Ltd.	5,53,287	1.70	-	-	5,53,287	1.70

v. **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Tilokchand Kothari				
	At the beginning of the year	50,000	0.15	50,000	0.15
	Increase / Decrease in Share holding during the year	0	0	0	0
	Inter-se transfer on 27.10.2016	8,86,000	2.73	8,86,000	2.73
	At the End of the year	9,36,000	2.88	9,36,000	2.88

5. **INDEBTEDNESS**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the FY				
i) Principal Amount	--	56,36,721	--	56,36,721
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not	--	--	--	--
Total(i+ii+iii)	--	56,36,721	--	56,36,721
Change in Indebtedness during the FY				
- Addition	--	4,24,13,959	--	4,24,13,959
- Reduction	--	--	--	--
Net Change	--	4,24,13,959	--	4,24,13,959
Indebtedness at the end of the FY				
i) Principal Amount	--	4,80,50,680	--	4,80,50,680
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	4,80,50,680	--	4,80,50,680

6. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

• **Remuneration to Managing Director, Whole-time Directors and/ or Manager**

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Mr. Arvind Desai (Whole-time Director)	
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 Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify	-	-
6.	Total (A)	-	-

• **Remuneration to other directors**

Sl. No.	Particulars of Remuneration	Mr. Pramod Goenka	Mr. Suranjan Upadhyay	Ms Neha Pandey	Mrs. Asha Kothari	Total Amount
	<u>Independent Directors</u> • Fee for attending Board/Committee Meetings • Commission • Others, please specify	--	20,200	5,000	--	25,200
	Total (1)	--	20,200	5,000	--	25,200
	<u>Other Non-Executive Directors</u> • Fee for attending Board / committee meetings • Commission • Others, please specify	26,200	--	--	18,600	44,800
	Total (2)	26,200	--	--	18,600	44,800
	Total (B)=(1+2)	26,200	20,200	5,000	18,600	70,000

• **Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD**

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

* Ms. Shalini Bose has been appointed as a Company Secretary & Compliance officer of the Company in the Board Meeting held on 26.07.2017. Hence, no remuneration has been drawn by her during the financial year.

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

There were No Penalties/ Punishment/ Compounding of Offences for the year ending 31st March, 2017.

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	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers In Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure - C

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Member

VISAGAR FINANCIAL SERVICES LIMITED

907-908, DEV PLAZA, 9TH FLOOR,
OPP. ANDHERI FIRE STATION,
S.V. ROAD, ANDHERI (W),
Mumbai- 400058

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

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

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;

- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment **were not attracted to the Company during the Financial Year under Review;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the financial year under review)**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, presently known as SEBI (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the financial year under review)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued any Debt Securities during the financial year under review)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable during the financial year under review)**

- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not applicable during the financial year under review)**
- i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;

I have also examined the books, papers and returns filed and other records maintained by the Company's for the Financial Year ended on March 31, 2017 according to the provisions of various Labour Laws and other Laws applicable, including the Rules made thereunder, and amended from time to time, to the Company, as informed by the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above and there are no material non-compliances that have come to our knowledge except to the extent as mentioned below :

- 1) The Company has not appointed Chief Financial Officer (CFO) and Company Secretary as whole time Key Managerial Personnel under section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014.**
- 2) Nomination & Remuneration Committee under section 178 of the Companies Act, 2013 read with rule 6 of Companies (Meeting of Board and its power) Rule 2014 , Clause 49 of the earstlie Listing Agreement and Regulation 18 and 19 of SEBI (Listing Obligations and Disclosure Requirements) is not constituted properly.**

I further report that

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

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

All decision at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable Laws, Rules, Regulations and Guidelines.

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, 1961, Service tax Act, Central excise Act and Rules including CENVAT Rules & Custom Act, I have relied on the reports given by the Statutory Auditors of the Company.

I further report that during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. referred to above.

However I further report that during the audit period the Company has the following specific events:

- i. Miss Neha Pandey resigned from the directorship of the company with effect from 11th August 2016.

Date: 30.05.2017

Place: Mumbai

For **Averil F. Pinto**

Practicing Company Secretary

FCS No : 30272

COP No. 12643

This report should be read with my letter of even date which is annexed as **Annexure- I** and forms an integral part of this report.

Annexure-I

To,

The Members

VISAGAR FINANCIAL SERVICES LIMITED

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

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

Date: 30.05.2017

Place: Mumbai

For **Averil F. Pinto**

Practicing Company Secretary

FCS No : 30272

COP No. 12643

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY OVERVIEW

Non-banking finance companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. NBFCs' ground-level understanding of their customers' profile and their credit needs gives them an edge, as does their ability to innovate and customise products as per their clients' needs. This makes them the perfect conduit for delivering credit to MSMEs. However, NBFCs operate under certain regulatory constraints, which put them at a disadvantage vis-à-vis banks. While there has been a regulatory convergence between banks and NBFCs on the asset side, on the liability side, NBFCs still do not enjoy a level playing field. This needs to be addressed to help NBFCs realise their full potential and thereby perform their duties with greater efficiency. Moreover, with the banking system clearly constrained in terms of expanding their lending activities, the role of NBFCs becomes even more important now, especially when the government has a strong focus on promoting entrepreneurship so that India can emerge as a country of job creators instead of being one of job seekers. Innovation and diversification are the important contributors to achieve the desired objectives. The segment has witnessed considerable growth in the last few years and is now being recognised as complementary to the banking sector due to implementation of innovative marketing strategies, introduction of tailor-made products, customer-oriented services, attractive rates of return on deposits and simplified procedures, etc.

BUSINESS & FINANCIAL PERFORMANCE

The Company was originally incorporated on March 01, 1994 as Inca Finlease Private Limited. The Company was further converted from private to public on July 08, 1994 after its name was Inca Finlease Limited. The name of the Company was later changed to Visagar Financial services Limited (VFSL) on February 11, 2011. VFSL being a registered NBFC with RBI has been primarily engaged in the business of investing in securities of listed and unlisted companies. The investment portfolio of your Company is diversified across various sectors such as Financial Services, Education, Real Estate, among others.

The management uses estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profit / loss for the year.

During the year under review the Company's Turnover has increased from Rs. 410.84 Lakhs to Rs. 1054.65 Lakhs. However, the expenses during the year have raised significantly from Rs. 406.75 Lakhs to Rs. 1060.54 Lakhs due to which there is net loss in the Company of Rs. 5.89 Lakhs compared to net profit of Rs. 4.09 Lakhs in the previous year. The networth of the Company stood at Rs 122,616,272 compared to Rs. 123,194,074.

RISK & CONCERNS

As a non-deposit taking NBFC, the Company is subject to regulations by Indian governmental authorities, including the Reserve Bank of India. Also, as the Company operates in various lines of businesses, it is

governed by different Indian regulators across these businesses. Their laws and regulations impose numerous requirements on the Company, including asset classifications and prescribed levels of capital adequacy, solvency requirements and liquid assets. There may be future changes in the regulatory system or in the enforcement of the laws and regulations that could adversely affect the Company's performance.

Any slowdown in economic growth in India could cause the business of the Company to suffer. Recently, the growth in industrial production has been variable. Any slowdown in the Indian economy, and in particular in the demand for housing and infrastructure, could adversely affect the Company's business. Similarly, any sustained volatility in global commodity prices, including a significant increase in the prices of oil and petroleum products, could once again spark off a new inflationary cycle, thereby curtailing the purchasing power of the consumers. VFSL manages these risks by maintaining a conservative financial profile and following prudent business and risk management practices.

Opportunities

- ▮ Low retail penetration of financial services / products in India
- ▮ Tremendous brand strength and extensive distribution reach
- ▮ Opening of the financial sector in India in near future
- ▮ Opportunity to cross sell services
- ▮ Increasing per-capita GDP
- ▮ Changing demographic profile of the country in favour of the young

Threats

- ▮ Inflationary pressures and slowdown in policy making
- ▮ Competition from local and multinational players
- ▮ Execution risk
- ▮ Regulatory changes
- ▮ Attraction and retention of human capital

SEGMENT-WISE PERFORMANCE

The Company's main business is giving loans, investment securities of listed and unlisted companies, etc. All the activities of the Company are related to its main business. As such there are no separate reportable segments.

INTERNAL CONTROL SYSTEM AND ADEQUACY

Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. An effective system of internal control allows the NBFCs to assume additional risks in a calculated manner while minimizing financial surprises and protecting itself from significant financial loss. Thus, internal control is an integral component of risk management. The Internal control checks and internal audit programmes adopted by our Company plays an important role in the risk management feedback loop, in which the information generated in the internal control process is reported back to the Board and Management. The internal control systems are modified continuously to meet the dynamic change.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

Relations remained cordial with employees at all levels during the year. During the year under review, industrial relations have generally remained healthy, cordial and harmonious.

CAUTIONARY STATEMENT

The Statements in this Management's Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual Result might differ materially from those expressed or implied.

The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

CERTIFICATION FROM WHOLE-TIME DIRECTOR

To,
The Board of Directors,
Visagar Financial Services Limited

We hereby certify the following as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that:

- 1) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2017 and that to the best of our knowledge and belief :
 - 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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal controls systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4) We further certify that:
 - c. there have been no significant changes in internal control over financial reporting during the period under review;
 - d. there have been no significant changes in accounting policies made during the period and that the same have been disclosed in the notes to the financial statements; and
 - e. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over Financial Reporting.

Place: Mumbai
Date: 11th
August, 2017

(Arvind Desai)
Whole-time Director
DIN: 00353903

INDEPENDENT AUDITOR'S REPORT

To the Members of
VISAGAR FINANCIAL SERVICES LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are 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 Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's

management and Board of 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.

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, 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"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - 1) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 2) 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;
 - 3) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - 4) in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - 5) On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - 6) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - 7) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Sudhir M Desai & Co.
Chartered Accountants
Firm Registration No. 125516W

Sd/-
Sudhir M Desai
Proprietor
M. No: 041999
Place: Mumbai
Date: 30.05.2017

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- 1) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
c) The title deeds of immovable properties are held in the name of the company.
- 2) a) The management has conducted the physical verification of inventory at reasonable intervals.
b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally 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 statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, 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 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) The Company is registered under section 45-IA of the Reserve Bank of India Act 1934.

For Sudhir M Desai & Co.
Chartered Accountants
Firm Registration No. 125516W

Sd/-
Sudhir M Desai
Proprietor
M. No: 041999

Place: Mumbai
Date: 30.05.2017

“Annexure B” to the Independent Auditor’s Report

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

We have audited the internal financial controls over financial reporting of **M/s. VISAGAR FINANCIAL SERVICES LIMITED** (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Sudhir M Desai & Co.
Chartered Accountants
Firm Registration No. 125516W

Sd/-
Sudhir M Desai
Proprietor
M. No: 041999

Place: Mumbai
Date: 30.05.2017

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2017

PARTICULARS	NOTE NO.	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
EQUITY AND LIABILITIES			
1. SHAREHOLDER'S FUNDS			
(a) Share Capital	3	65,018,000	65,018,000
(b) Reserve & Surplus	4	57,642,374	58,231,199
2. NON-CURRENT LIABILITIES			
(a) Long Term Borrowings		-	-
(b) Deferred Tax Liability	5	16,328	16,328
(c) Other Long Term Liabilities		-	-
(d) Long-term provisions	6	225,000	225,000
3. CURRENT LIABILITIES			
(a) Short-term borrowings	7	48,050,680	5,636,721
(b) Trade Payables		2,361,276	-
(c) Other current liabilities	8	360,384	1,129,500
(d) Short Term Provisions		-	-
TOTAL		173,674,042	130,256,748
ASSETS			
1. NON-CURRENT ASSETS			
(a) Fixed Asset	9	43,884	30,598
(b) Non-Current Investments	10	87,262,734	42,072,734
(c) Long-term loans and advances	11	53,810,017	78,848,613
(d) Other Non-Current Assets		-	-
2. CURRENT ASSETS			
(a) Current Investments		-	-
(b) Inventories	12	31,697,501	10,410,299
(c) Trade receivables	13	-	3,948
(d) Cash and cash equivalents	14	815,806	(1,164,570)
(e) Other current assets	15	44,100	55,125
TOTAL		173,674,042	130,256,748

The accompanying notes are an integral part of to the financial statements.

For **Sudhir M Desai & Co.**

Chartered Accountants

Firm Registration No. 125516W

For **Visagar Financial Services Limited**

Sudhir M Desai

Proprietor

M. No: 041999

Place : Mumbai

Dated : 30.05.2017

(Arvind Desai)

Whole-time Director

DIN: 00353903

(Tilokchand Kothari)

Director

DIN: 00413627

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

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2017 (RS.)	YEAR ENDED 31.03.2016 (RS.)
INCOME			
Revenue from operations	16	105,465,217	41,083,855
Other Income		-	-
Total Revenue		105,465,217	41,083,855
EXPENSES			
Purchase of Stock in Trade		124,066,443	2,978,230
Changes in Inventories of Shares	17	(21,287,202)	36,152,328
Employees benefit expenses	18	505,000	520,000
Finance Cost	19	1,712,894	802
Depreciation & amortization	9	54,715	16,807
Other expenses	20	1,002,192	1,007,065
Total expenses		106,054,042	40,675,231
PROFIT / (LOSS) BEFORE TAX		(588,825)	408,624
Tax expenses			
Current tax		-	130,000
Deferred Tax		-	-
PROFIT / (LOSS) AFTER TAX		(588,825)	278,624
Earning per Equity Share			
Basic (Rs.)		(0.02)	0.01

The accompanying notes are an integral part of to the financial statements

For Sudhir M Desai & Co.
Chartered Accountants
Firm Registration No. 125516W

Sudhir M Desai
Proprietor
M. No: 041999
Place : Mumbai
Dated : 30.05.2017

For Visagar Financial Services Limited

(Arvind Desai)
Whole-time Director
DIN: 00353903

(Tilokchand Kothari)
Director
DIN: 00413627

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2017:

PARTICULARS	31.03.2017	31.03.2016
Cash Flow from operating activities :		
Net Profit before Tax as per P & L A/c	(588,825)	408,624
Adjusted for		
Misc Income	NIL	NIL
Interest Income	NIL	NIL
Depreciation	54,715	16,807
Misc Exp W/off	NIL	NIL
Income tax Paid	NIL	NIL
Operating Profit Before Working Capital Changes	(534,110)	425,431
Add : Adjusted for		
Other Current Assest	11,025	11,025
Sundry Debtors	3,949	314,512
Loans & Advances	25,038,595	29,414,598
Current Liabilities	44,006,118	(47,566,343)
Closing Stock	(21,287,202)	(10,410,299)
Net Cash Inflow/Outflow Operations (A)	47,238,375	(27,811,076)
Cash Flow from Investing Activities :		
Fixed Assets	(67,999)	NIL
Investments	(45,190,000)	26,376,023
Net Cash Flow from Investing Activities (B)	(45,257,999)	26,376,023
Cash Flow from Financial Activities:		
Share Capital	NIL	NIL
Deposits/Unsecured Loans	NIL	NIL
Misc. Expenditure	NIL	NIL
Income Tax Paid	NIL	NIL
Net Cash Flow from Financing Activities (C)	NIL	NIL
Net Cash Increase in Cash & Cash Equivalents (A + B + C)	1,980,376	(1,435,053)
Opening Balances of Cash & Cash Equivalents	(1,164,570)	270,483
Closing Balances of Cash & Cash Equivalents	815,806	(1,164,570)
NET INFLOW	(1,980,376)	1,435,053

The accompanying notes are an integral part of to the financial statements

For Sudhir M Desai & Co.

For Visagar Financial Services Limited

Chartered Accountants

Firm Registration No. 125516W

Sudhir M Desai

(Arvind Desai)

(Tilokchand Kothari)

Proprietor

Whole-time Director

Director

M. No: 041999

DIN: 00353903

DIN: 00413627

Place : Mumbai

Dated : 30.05.2017

Notes forming part of the financial statements for the year ended 31st March, 2017

1. Corporate Information

Visagar Financial Services Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange.

2. Significant Accounting Policies

2.1 Basis for preparation of accounts

“These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the Companies(Account) Rules 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year”

2.2 Revenue Recognition

Revenues are recognized and expenses are accounted for on accrual basis with necessary provisions for all known liabilities and losses. Income from Non- Performing Assets is recognized only when it is realized. Interest on deposits and loans is accounted for on the time proportion basis after considering reasonable certainty that the ultimate collection will be made. Dividend income is recognized when right to receipts is established. Profit or loss on sale of securities is accounted on trade date basis.

2.3 Tangible Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation thereon. Fixed Assets are accounted at cost of acquisition inclusive of inward freight, duties taxes and other incidental expenses related to acquisition and installation of Fixed Assets incurred to bring the assets to their working condition for their intended use.

2.4 Intangible Fixed Assets

Internally generated intangible assets are measured at the expenditure incurred for development of the contents of its websites.

2.5 Depreciation & Amortisation

Depreciation on Fixed Assets is provided on Written Down Value method based on the useful life of the asset in the manner prescribed in Schedule II to the Companies Act, 2013. Internally generated intangible assets i.e. website content is amortised over a period of five years.

2.6 Investments

Investments made by the Company with a long term prospective in Quoted and Unquoted securities are held as investments and are valued at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of the investments.

2.7 Inventories

Inventories are valued at lower of cost and net realisable value. Cost is determined on moving weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Foreign Currency Transactions

No Foreign currency transactions are recorded during this Financial Year under review.

2.9 Employees Benefits

All employee benefit obligations payable wholly within twelve months of the rendering the services are classified as Short Term Employee Benefits. Such Benefits are estimated and provided for in the period in which the employee renders the related service. Post Employment Benefits All eligible employees of the Company are entitled to receive benefits under the provident fund and Gratuity is accounted for as and when paid.

2.10 Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

2.11 Related Party Transactions

During the year, no transactions have been entered into by the Company with any related party.

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

NOTE NO.	PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
3	SHARE CAPITAL		
	AUTHORISED		
	35,000,000 Equity Shares of Rs. 2/- Each	70,000,000	70,000,000
		70,000,000	70,000,000
	ISSUED, SUBSCRIBED & PAID UP		
	32,509,000 Equity Shares of Rs. 2/- Each	65,018,000	65,018,000
		65,018,000	65,018,000
3.1	The reconciliation of the number of shares outstanding is set out below :		
	Equity Shares at the beginning of the year	65,018,000	65,018,000
	Add: Shares issued during the year	-	-
	Equity Shares at the end of the year	65,018,000	65,018,000

3.2 Rights, Preferences & Restrictions attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 2/- per share.

3.3 Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31 st March 2017		As at 31 st March 2016	
	No of shares held	No of shares held	No of shares held	% of Holding
Pawanshiv Tradelink Pvt Ltd	2,230,295	6.86	2,230,295	6.86

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

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
4 RESERVE & SURPLUS		
Capital Reserve	-	-
As per last Balance Sheet		
(a)	-	-
Security Premium Account		
As per last Balance Sheet	59,991,000	59,991,000
(b)	59,991,000	59,991,000
General Reserve		
As per last Balance Sheet	24,791	24,791
(c)	24,791	24,791
Statement of Profit & Loss		
As per last Balance Sheet	(1,784,592)	(2,063,216)
Add : Profit / (Loss) for the year	(588,825)	278,624
Less : Proposed Dividend	-	-
Less : Tax on Proposed Dividend	-	-
(d)	(2,373,417)	(1,784,592)
Total Reserve & Surplus (a+b+c+d)	57,642,374	58,231,199
PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
5 DEFERRED TAX ASSET / (LIABILITY) NET		
i. Deferred Tax liability on account of:		
Timing Difference on Depreciation	-	-
ii. Deferred Tax Asset on account of:		
Disallowances under Income Tax Act:	16,328	16,328
Unabsorbed Depreciation Allowance	-	-
Business Loss	-	-
	16,328	16,328
PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
6 LONG TERM PROVISIONS		
Provision for Tax	130,000	130,000
Provision for sub-assets	95,000	95,000
	225,000	225,000

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

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
7 SHORT TERM BORROWINGS		
Secured:		
Working Capital facilities from Bank	-	-
Unsecured:		
Inter Corporate Loan	48,050,680	5,636,721
Total	48,050,680	5,636,721

7.1 – Loans are repayable on demand.

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
8 OTHER CURRENT LIABILITIES		
Creditors against Shares not received	-	1,111,500
Outstanding Expenses	208,500	18,000
Statutory Dues Payables	151,884	-
Total	360,384	1,129,500

9 FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS AT 01.04.2016	ADD/DED DURING THE YEAR	AS AT 31.03.2017	UPTO 01.04.2016	FOR THE YEAR	UPTO 31.03.2017	AS AT 31.03.2017	AS AT 01.04.2016
Tangible Assets	-	-	-	-	-	-	-	-
Electrical Installation	35,888	-	35,888	22,733	3,406	26,139	9,749	13,155
Furnituer & Fixtures	41,320	-	41,320	29,479	3,066	32,545	8,775	11,841
Computer	307,334	67,999	375,334	301,731	48,243	349,974	25,360	5,602
TOTAL RS.	384,543	67,999	452,542	353,943	54,815	408,658	43,884	30,598

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

PARTICULARS		AS AT 31.03.2017		AS AT 31.03.2016	
10 NON CURRENT INVESTMENTS	No. of Shares/Units	Amount (Rs.)	No. of Shares/Units	Amount (Rs.)	
Quoted					
Maharashtra Corporation Limited	184430	227,771	184430	227,771	
Shalimar Productions Limited	1000113	2,460,278	1000113	2,460,278	
Visagar Polytex Limited	398805	10,223,185	26255	1,082,389	
(a)		12,911,234		50,273,757	
Unquoted					
Mahabali Innovative Tech Pvt Ltd		19,500,000	-	-	
Sagar Portfolio Shares	21400	53,50,000	-	-	
Trisha Media Limited	28661500	28,661,500	17350000	17,350,000	
Visagar Textiles Pvt Limited	50000	500,000	50000	500,000	
(b)		12,911,234		29,486,500	
Other Investment					
UTI Investment Fund		10,000,000		-	
Total (a+b+c)		87,262,734		42,072,734	

PARTICULARS		AS AT 31.03.2017 (RS.)		AS AT 31.03.2016 (RS.)	
11 LONG TERM LOANS & ADVANCES					
<u>Unsecured and Considered good:</u>					
Loans(Inclusive Interest Accrued Thereon)		51899633		75,381,224	
Advance given against shares		-		1,820,000	
Advanced Payment of Tax (Net of Provision)		1,910,384		1,647,389	
Total		53,810,017		78,848,613	

PARTICULARS		AS AT 31.03.2017		AS AT 31.03.2016	
12 INVENTORIES	No. of Shares/Units	Amount (Rs.)	No. of Shares/ Units	Amount (Rs.)	
3I Infotech	100000	566,500	-	-	
Axis Cades	1000	233,288	-	-	
Bharat Finance Limited	1000	826,650	-	-	
Birla Fund UTI Life	1000	444,742	-	-	
Birla Precision Technologies Limited	-	-	30309	79,409	
Brijlaxmi Leasing Finance Limited	300	75	300	66	
Chhatisgarh Industries Limited	90181	7,05,045	90181	387,778	
Everlon Synthetics Limited	22244	51,078	22244	28,917	

Filmcity Media Limited	4130850	3,749,986	4130850	2,024,117
Finaventure Capital Limited	870	4,915	870	4,915
First Source Solution Limited	10000	4,24,244	-	-
Gujrat State Fertilizers Chemicals Ltd	-	-	1000	64,300
Gratex India Limited	210000	4,349,869	-	-
HCL Infotech Limited	5000	262,959	-	-
IND Renewable Energy Limited	29640	1	-	-
India NVSH	340	14785	-	-
Inox Wind	1000	202,966	-	-
Intellect Design Limited	6000	923,590	-	-
Inventure Grawth & Securities Limited	15772	269,919	5000	56,250
JVL Agro	6909	152,036	-	-
Mannapuram	6000	571,603	-	-
Moil Limited	3000	1,035,043	-	-
Monnet Ispat & Energy Limited	17	378	17	378
Morepen La	5000	107,965	-	-
Mukta Agriculture Limited	16767	1	-	-
Network 18 Financial Limited	4000	156,565	-	-
Oricon Entertainment	5000	286822	-	-
Ortel	10071	1,237,038	-	-
Osiajee	16388	222,752	-	-
Pateleng	2000	171,832	-	-
Pearl Electronics Limited	17037	1	-	-
Pincon Life	25678	3,865,672	-	-
Pincon Spirit	17000	1,121,402	-	-
Rashel Agrotech Limited	129769	163,509	129769	114,196
Reliance Infrastructure Limited	1000	455,894	-	-
Royal Orchid	1000	85,515	-	-
Sagar Productions	583	8,551	-	-
Satra Choice	145456	357,814	-	-
Satra Properties Limited	182201	1,287,598	486534	3,293,835
Sintex Industries Limited	500	59,459	500	38,550
SMS Pharmaceutical	40599	3,949,796	-	-
Speciality Papers Limited	11500	96,600	11500	6,555
STC India	6143	1,234,045	-	-
Supreme Infrastructure	1000	97,990	-	-
Steel Authority of India	-	-	29	1,247
SVC Global	9000	1,665,116	-	-
Tanla Solutions	10000	580,610	-	-
Trident Limited	1000	77,054	-	-
Triupp Intetnational Fin India limited	5000	11,500	5000	11,500
Usha Mart Limited	10000	214,803	-	-
Vantage Coporate Services Limited	243877	1,849,541	443877	3,990,454
Wimplast Limited	500	766,281	100	163,500
Zenith Birla Limited	248844	2,244,573	248844	144,329
		31,697,501		10,410,299

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

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
13 TRADE RECEIVABLES		
(Unsecured and Considered good)		
- Outstanding for a period exceeding Six Months	-	-
- Others	-	3,948
Total	-	3,948

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
14 CASH AND BANK BALANCES		
Cash in Hand	14,520	85,174
Balance with bank in current account	801,286	(1,249,743)
A	815,806	(1,164,570)
OTHER BALANCES		
Unpaid Dividend	-	-
B	-	-
Total	815,806	270,483

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
15 OTHER CURRENT ASSETS		
Pre operative expenses		
Share Issue Expenses	44,100	55,125
Total	44,100	55,125

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

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
16 REVENUE FROM OPERATIONS		
Sale of Shares	103,022,372	35,067,719
Interest on Non Current Investments	2,180,709	5,961,344
Dividend	47,796	54,792
Profit / (Loss) on sale of Shares	286,339	-
	105,465,217	41,083,855

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
17 CHANGES IN INVENTORIES		
Stock in Hand at Beginning:	10,410,299	
Investment in Shares		46,562,627
Stock in Hand at Close:		
Investment in Shares	31,697,501	10,410,299
	(21,287,202)	36,152,328

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
18 EMPLOYEE BEBEFIT EXPENSES		
Salaries, Wages and Bonus	505,000	520,000
	505,000	520,000

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
19 FINANCE COST		
Interest on :		
Borrowing from Other	1,711,976	-
Bank Charges and Processing Charges On:		
Short term borrowings from Bank	918	802
	1,712,894	802

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

PARTICULARS	AS AT 31.03.2017 (RS.)	AS AT 31.03.2016 (RS.)
20 OTHER EXPENSES		
Advertisement & Sales Promotion	45,916	34,471
General expenses	741,88	731,542
Legal & Professional Charges	72,690	102,578
Printing, Stationary & Communication expenses	5,700	8,114
Rent, Rate & Taxes	48,000	37,360
Directors' Sitting Fees	70,000	75,000
Remuneration to Auditors		
Audit Fees	18,000	18,000
	1,002,192	1,007,065

The Company has regrouped/reclassified previous year's figures to conform to current year's classification/disclosures.

For Sudhir M Desai & Co.
Chartered Accountants
Firm Registration No. 125516W

For Visagar Financial Services Limited

Sudhir M Desai
Proprietor
M. No: 041999
Place : Mumbai
Dated : 30.05.2017

(Arvind Desai)
Whole-time Director
DIN: 00353903

(Tilokchand Kothari)
Director
DIN: 00413627

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VISAGAR FINANCIAL SERVICES LIMITED

L99999MH1994PLC076858

Regd Office: 907-908, Dev Plaza, 9th Floor, Opp. Andheri Fire Station, S. V. Road, Andheri – West, Mumbai – 400 058.

Tel.: +91-22-67424815, Website: www.vfsl.org E-mail: info@visagar.com

ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting hall Joint shareholders may obtain additional Slip at the venue of the meeting

D.P. Id*		Folio No.	
Client Id *		No. of Shares	

NAME OF THE SHAREHOLDER / PROXYHOLDER: _____

I hereby record my presence at the **24th Annual General Meeting** of the Company held on **Saturday, September 30, 2017** at **1.30 p.m.** at 1008/1009, Gold Crest Centre, L T Road, Borivali West, Mumbai – 400 092.

Signature of Shareholder/Proxyholder

Note: Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.

VISAGAR FINANCIAL SERVICES LIMITED

L99999MH1994PLC076858

Regd Office: 907-908, Dev Plaza, 9th Floor, Opp. Andheri Fire Station, S. V. Road, Andheri – West, Mumbai – 400 058.

Tel.: +91-22-67424815, Website: www.vfsl.org E-mail: info@visagar.com

PROXY FORM

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

Name of the Member(s) : _____
Registered Address : _____
Email ID : _____
Folio No./Client ID/DP ID : _____

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

1) Name : _____ Address : _____

Email ID: _____ Signature: _____ or
failing him

2) Name : _____ Address :

Email ID: _____ Signature: _____ or
failing him

3) Name : _____ Address :

Email ID: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **24th Annual General Meeting** of the Company to be held on **Saturday, September 30, 2017** at 1:30 p.m. at 1008/1009, Gold Crest Centre, L T Road, Borivali West, Mumbai – 400 092 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business
1. Adoption of financial statements for the year ended as at March 31, 2017 and Reports of Directors' and Auditors' thereon.
2. Re-appointment of Mr. Pramod Goenka (DIN: 00869599), who retires by rotation.
3. * Appointment of M/s. S C Mehra & Associates, Chartered Accountants as Statutory Auditors and fixing their remuneration.

* *As per the Addendum to the original AGM Notice dated 11th August, 2017*

Signed this _____ day of _____ 2017.

Signature of Shareholder

Signature of the proxy (holders)

Notes:

1. This form, in order to be effective, should be duly completed, stamped, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.
2. Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

VISAGAR FINANCIAL SERVICES LIMITED

CIN: L99999MH1994PLC076858

Registered Office: 907-908, Dev Plaza, 9th floor, Opp. Andheri Fire Station, S.V. Road,
Andheri (W), Mumbai- 400058.

Tel No.: 022-67424815 E-mail id: info@visagar.com Website: www.vfsl.org

ADDENDUM TO THE ORIGINAL NOTICE OF AGM DATED 11TH AUGUST, 2017

NOTICE is hereby given that Item No. 3 to be transacted in the original notice dated 11th August, 2017 shall be replaced by the following Ordinary Resolution in the 24th Annual General Meeting of the Members of **M/s. VISAGAR FINANCIAL SERVICES LIMITED** to be held on Saturday, 30th September 2017 at 1.30 p.m. at 1008/1009, Gold Crest Centre, L T Road, Borivali West, Mumbai – 400 092, India to transact the following business:

ORDINARY BUSINESS

Item No. 3

To appoint Statutory Auditors and fix their remuneration and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Section 139, Section 142, and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. S C Mehra & Associates (Firm Registration No. 106156W) be appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 24th AGM, (i.e. this AGM) of the Company to the conclusion of the 29th AGM, to be held in 2022 (subject to ratification of appointment by the members at every AGM held after this AGM), on a remuneration as may be agreed upon by the Board of Directors and the Auditors.”

Registered Office:
907-908, Dev Plaza, 9th Floor,
Opp. Andheri Fire Station, S.V. Road,
Andheri (W), Mumbai – 400058
Website: www.vfsl.org
Email: info@visagar.com

Place: Mumbai
Date: September 7, 2017

By Order of the Board of Directors
For Visagar Financial Services Limited

Arvind Desai
Whole-time Director
DIN: 00353903

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 3

In the Board meeting held on 30th May, 2017, the board had proposed to appoint M/s. Sorabh R Agrawal & Co. (Firm Registration No. 144123W) Chartered Accountants to hold office from the conclusion of the 24thAGM (on 30th September, 2017) until the conclusion of the 29th AGM in the year 2022. However, subsequent to the circulation of notice, we received a letter from M/s. Sorabh R Agrawal & Co. stating their ineligibility to be appointed as the Statutory Auditors of the Company, since they are not subject to peer review & they do not hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

In pursuance of the same, and based on the recommendation of the Audit Committee, the Board considered and approved the appointment of M/s. S C Mehra & Associates (Firm Registration No. 106156W) as the Statutory Auditors, at a remuneration as may be agreed upon by the Board of Directors and the Auditors. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the provisions of Regulation 33 of the Listing Regulations. The proposal for their appointment has been included in the Notice convening the 24th AGM for obtaining approval of the Members of the Company.

Registered Office:
907-908, Dev Plaza, 9th Floor,
Opp. Andheri Fire Station, S.V. Road,
Andheri (W), Mumbai – 400058
Website: www.vfsl.org
Email: info@visagar.com

Place: Mumbai
Date: September 7, 2017

By Order of the Board of Directors
For Visagar Financial Services Limited

Arvind Desai
Whole-time Director
DIN: 00353903

Note: The above addendum to the Notice & explanatory statement alongwith Notice dated 11.08.2017 of the ensuing 24th AGM is available on the website of the Company (www.vfsl.org). Further, as per Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 facility for e-voting is available to the members in respect of the aforesaid resolution on NSDL (our e-voting service provider) website.

VISAGAR FINANCIAL SERVICES LIMITED
907/908, Dev Plaza, S.V.Road,
Andheri - West, Mumbai - 400058