SPARKLING (INDIA) FINSHARES LIMITED

Regd Office: 516, Kirti Shikhar Building, Plot No. 11, District Centre, Janakpuri, New Delhi- 110058
Email: sparklinglimited@gmail.com, Website: www.sparklingfinshares.com, Tel. No. +91-11-65678111
CIN: L74900DL1994PLC062222

September 28, 2017

Corporate Relationship Department **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 Scrip Code:540211	**Listing Department** **The Calcutta Stock Exchange Limited** 7, Lyons Range, Murgighata, B B D Bagh, Kolkata, West Bengal- 700001

Dear Sir / Ma'am,

Sub: Annual Report of 24th Annual General Meeting (AGM) of Sparkling (India) Finshares Limited

In continuation to our letter dated September 01, 2017 and September 02, 2017 and September 27, 2017 the 24th Annual General Meeting ('AGM') of the Company held on September 27, 2017 and the business mentioned in the Notice dated August 31, 2017 were transacted.

In this regard, please find enclosed the Annual Report for F.Y 2016-17 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations.

This is for your information ad records.

Thanking You

Yours Truly,

By order of the Board
For **Sparkling (India) Finshares Limited**

SPARKLING (INDIA) FINSHARES LIMITED NEW DELHI

(CHERUKU SAGARIKA)
Director
DIN: 07167996
Encl: As Stated

SPARKLING (INDIA) FINSHARES LIMITED

24th ANNUAL REPORT 2016-2017

CIN: L74900DL1994PLC062222
Registered Office : 516, Kirti Shikhar Building,
Plot No. 11, District Centre, Janakpuri, New Delhi-58
Tel.: +91 11 65678111
Email: sparklinglimited@gmail.com
Website: www.sparklingfinshares.com

SPARKLING (INDIA) FINSHARES LIMITED

24TH ANNUAL REPORT 2016-17

CIN: L74900DL1994PLC062222

BOARD OF DIRECTORS

Mr. Pawan Aggarwal
Non Executive Non Independent Director

Ms. Cheruku Sagarika
Independent Director

Mr. Gandikota Yadagiri
Independent Director

Mr. Madan Gopal Sharma
Independent Director

CHIEF EXECUTIVE OFFICER

Mr. Surya Prakash Vadlamani

CHIEF FINANCIAL OFFICER

Mr. Durgaraju Ramu

AUDITORS

M/s Sushil Lal & Associates
Chartered Accountants

SECRETARIAL AUDITOR

Ms. Surbhi Bansal
Practicing Company Secretary

INTERNAL AUDITOR

M/s Sadh & Associates,
Chartered Accountants

REGISTRAR AND TRANSFER AGENT

Skyline Financial Services Private Limited

SHARES LISTED AT

BSE Limited
The Calcutta Stock Exchange Limited

BANKERS

HDFC Bank Limited
Axis Bank Limited

REGISTERED OFFICE

516, Kirti Shikhar Building, Plot No. 11,
District Centre, Janakpuri New Delhi - 110058 IN

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DIRECTOR'S REPORT

Directors' Report

To the Members,

We are pleased to present the 24th Annual Report on the business and operations for the year ended March 31, 2017, of Sparkling (India) Finshares Limited ("Company") along with the audited standalone financial statements for the year ended March 31, 2017.

BACKGROUND

Sparkling (India) Finshares Limited ("the Company") is a RBI registered 'Non Banking Finance Company (NBFC). The registered office of the Company situated at 516, Kirti Shikhar Building, Plot No. 11, District Centre, Janakpuri New Delhi – 110 058.

FINANCIAL SUMMARY/HIGH LIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE)

The highlights of financial results of your Company for the Financial Year 2016-17 and 2015-16 are summarised below:

(Amount in Rs.)

Particulars	**2016-17**	**2015-16**
Total revenue	1,819,132	6,656,080
Total expenses	5,785,639	1,658,358
Profit/Loss before tax	(3,966,507)	4,997,722
Tax expense (net of MAT Credit)	2,494	3,250
Profit/Loss after tax	(3,969,001)	4,994,472
Transfer to Reserve fund u/s 45-IC(1) of Reserve Bank of India Act, 1934	0	998894
Earnings per share	(0.99)	1.25

STATE OF COMPANY'S AFFAIRS / OPERATIONS & COMPANY'S PERFORMANCE

The Company is a Non-Banking Financial Company registered with the Reserve Bank of India. There has been no change in the business of the Company, during the year under review.

For the financial year ended March 31, 2017, your Company earned loss of Rs. 3,969,001 as against Profit of Rs. 4,994,472 in the previous financial year. The Earning

per share is also decreased during the year from Rs. (0.99) as against Rs. 1.25 in the previous financial year.

TRANSFER TO RESERVES

As per provisions of Section 45-IC of Reserve Bank of India Act, 1934, the NBFC Company is required to transfer sum not less than twenty percent of its net profit every year. This year company has incurred losses during the year so company has not transfer any amount for the financial year to the Statutory Reserve.

Besides this, your Company has not transferred any amount to reserve out of the profits of the year.

DIVIDEND

In view of need to conserve the resources of the company for the future growth, your Company's Directors do not recommend any dividend to the shareholders of the Company for the Financial Year 2016-17.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

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

SHARE CAPITAL

The paid up equity share capital as on March 31, 2017 was Rs. 4,00,05,000. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

RISK MANAGEMENT POLICY

Risk Management Policy identifies, communicate and manage risks across the organization. The policy also ensures that responsibilities have been appropriately delegated for risk management. Key Risk and mitigation measures are provided in the Management Discussion and Analysis annexed to the Annual Report.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has in place adequate internal financial controls across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

VIGIL MECHANISM

The Company has framed a Vigil Mechanism in compliance with the provisions of Section 177 of the Companies Act, 2013 read with the rules made there under in order to provide a framework for responsible and secure vigil mechanism. The Vigil Mechanism ensures standards of professionalism, honesty, integrity and ethical behavior.

HUMAN RESOURCES

The Company seeks to nurture a mutually beneficial relationship with its employees. This relationship is characterized by the investment which the Company makes in its employees by providing challenging roles and assignments opportunities for personal growth, relevant and timely performance support, training and an enabling environment. The Company seeks to create a workplace which combines achievement orientation with care for employees. The Company lists 'people' as one of its stated core values.

Your Company takes the pride in the Commitment, Competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR Policies to the growing requirements of the business.

COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock Exchange(s), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI) etc.

The Company has generally complied with all applicable provisions of the Companies Act, 1956 and the Companies Act, 2013, Listing Agreement executed with the Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

DEPOSITS

During the year under review, the Company has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 and rules made thereunder. There is no unclaimed or unpaid deposit lying with the Company.

RBI GUIDELINES

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per the provisions of the Companies Act, 2013, Mr. Pawan Aggarwal will retire at the ensuing AGM and being eligible, seek re-appointment. The Board recommends his re-appointment. The information as required to be disclosed under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in case of re-appointment of the director is provided in the Notice of the ensuing annual general meeting.

During the year under review, Ms. Teena Rani has resigned from the post of Company Secretary & Compliance Officer of the Company on August 31, 2017.

EVALUATION OF DIRECTORS, BOARD AND COMMITTEES

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the evaluation system approved by the Board.

The performance of the Board will be evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, board meetings and effectiveness of board processes, information and functioning, etc. The performance of the committees will be evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the compliance with the terms of reference of the Committees, composition of committees, functions and duties, committee meetings & procedures, etc.

The Board and the Nomination and Remuneration Committee reviews the performance of the individual director on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings, attendance, independent judgment etc. In addition, the Chairman will also be

evaluated on the basis of criteria such as leadership, managing relationship, conducting board meetings etc.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman will be evaluated.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

In accordance with the provisions of Section 178 of the Act, the Board of Directors has adopted a Policy on Board Diversity and Director Attributes and the Remuneration Policy. The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Board has received the declaration from all the Independent Directors as per the Section 149(7) of the Companies Act, 2013 and the Board is satisfied that all the Independent Directors meet the criterion of independence as mentioned in Section 149(6) of the Companies Act, 2013.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

In due compliance with the provisions of the Companies Act, 2013 read with the rules made there under a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole was evaluated, taking into account the views of directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the Board, its committees and individual directors was discussed.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186 of the Companies Act, 2013 (the 'Act') read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a Non-Banking Financial Company (NBFC) registered with Reserve Bank of India are exempt from the applicability of provisions of Section 186 of the Act.

During the year under review, the Company has invested funds in various securities in the ordinary course of business. For details of the loans/Investments, please refer to note of the financial statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the rules made there under and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 is not applicable.

MEETINGS OF THE BAORD

The agenda and Notice for the Meetings is prepared and circulated in advance to the Directors. The Board of Directors of the Company met Six (6) times during the financial year 2016-17 on 22.04.2016, 27.05.2016, 12.08.2016, 02.09.2016, 14.11.2016, and 02.02.2017. Details of attendance of board meetings by directors are as follows:

Name of the Director	Nos. of meetings attended
Mr. Pawan Aggarwal	6
Mr. Madan Gopal Sharma	6
Ms. Cheruku Sagrika	6
Mr. Gandikota Yadagiri	6

The necessary quorum was present in all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Companies Act, 2013.

COMMITTEES OF THE BOARD:

AUDIT COMMITTEE:

The Audit Committee comprises of three directors namely, Mr. Madan Gopal Sharma– Chairman, Ms. Cheruku Sagarika-Member, Mr. Gandikota Yadagiri-Member.

The Audit Committee met Five (5) times during the financial year 2016-17 on 27.05.2016, 12.08.2016, 02.09.2016, 14.11.2016, and 02.02.2017. Details of attendance of members of the committee are as follows:

Name of the Member	Nos. of meetings attended
Mr. Madan Gopal Sharma	5
Ms. Cheruku Sagarika	5
Mr. Gandikota Yadagiri	5

During the year under review, the Board accepted all the recommendations made by the Audit Committee of the Board.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee met one (1) time during the financial year 2016-17 on 02.09.2016. Details of attendance of members of the committee are as follows:

Name of the Member	Nos. of meetings attended
Mr. Madan Gopal Sharma	1
Ms. Cheruku Sagarika	1
Mr. Gandikota Yadagiri	1

STAKEHOLDER RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee met Two (02) times during the financial year 2016-17 on 02.09.2016 and 02.02.2017. Details of attendance of members of the committee are as follows:

Name of the Member	Nos. of meetings

	attended
Mr. Madan Gopal Sharma	02
Ms. Cheruku Sagarika	02
Mr. Gandikota Yadagiri	02

SECRETARIAL AUDIT

The Board had appointed Ms. Surbhi Bansal, Practicing Company Secretary (Membership No. 39013), to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2016-17. The Secretarial Audit Report is annexed to this report as Annexure-I. The report does not contain any qualification.

AUDITORS

STATUTORY AUDITORS

M/s Sushil Lal & Associates Chartered Accountant (Membership Number 509185) who are the Financial Auditor of the company hold office as financial auditor until the conclusion of 28th Annual General Meeting of the Company. Their appointment is subject to ratification by the members at the 24th Annual General Meeting.

STATUTORY AUDITORS' REPORT

The Auditors Report has been annexed with this report; Auditors' observations are self explanatory, which do not call for any further clarifications.

SECRETARIAL AUDITORS

Ms. Surbhi Bansal, Practicing Company Secretary (Membership No. 39013) had appointed by the Board of Directors of the Company in their meeting held on August 31, 2017 to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2017-18.

The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the secretarial auditor.

INTERNAL AUDITORS

M/s Sadh & Associates, Chartered Accountants, has been appointed by the Board of Directors of the Company to conduct the Internal Audit of the Company for FY 2017-18 as per the provisions of the Companies Act, 2013 read with the Rules made there

under.

EXTRACT OF ANNUAL RETURN

The extract of the annual return in the Form MGT 9 is annexed to this report as Annexure-II.

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

The Company primarily being an investment company and not involved in any industrial or manufacturing activities, the Company has no particulars to report regarding conservation of energy and technology absorption as required under section 134 of the Companies Act, 2013 and Rules made there under. During the year under review, the Company does not have any Foreign Exchange Earnings and outgo.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your directors hereby confirm that:

(a) in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
(b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
(c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
(d) the directors have prepared the annual accounts for the financial year ended March 31, 2017, 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 are operating effectively;' and
(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

Since, the paid- up capital of the Company is less than Rs. 10 Crores and Net worth is less than Rs. 25 Crores, the provisions of the Corporate Governance as stipulated under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. However, your Company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served. It has always been the Company's endeavor to excel through better Corporate Governance and fair & transparent practices, many of which have already been in place even before they were mandated by the law of land.

The management of Company believes that it will further enhance the level of Corporate Governance in the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to provisions of Section 135 of the Companies Act, 2013 read with the rules made there under, the criteria for companying with the CSR activity does not applicable to the Company throughout the year.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS

There has been no significant and material order passed by any regulator, courts or tribunals impacting the going concern status and operations of the Company in future.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report has been appended separately, which forms part of this report and the Annual Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:** Not Applicable, as no remuneration was paid to any Director during the financial year under review.

ii) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:** Not Applicable as the Company has not paid any remuneration to Directors during the financial year under review. Further, Ms. Teena Rani, Company Secretary of the Company has resigned w.e.f. August 31, 2017. Further, there is no increase in the remuneration of CFO and Company Secretary and Compliance officer of the Company during the year.

iii) **The percentage increase in the median remuneration of employees in the financial year:** Not Applicable

iv) **The number of permanent employees on the rolls of company:** 3

v) **average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Nil

vi) **the key parameters for any variable component of remuneration availed by the directors**: Nil

vii) **affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OR MANAGERIAL PERSONNEL) RULES, 2014

There is no directors/employees in the Company for which disclosure have to be made under the provisions of Rule 5 (2) & (3) of the Companies (Appointment and Remuneration or Managerial Personnel) Rules, 2014.

A. Details of Top ten employees in terms of remuneration drawn:

Name & Designation	Age (in Years)	Remuneration Received	Nature of Employment	Qualification & Experience	Date of commencement of Employment	Last Employment	% of Equity Share held	Whether related to Director or Manager
Mr. Surya Prakash Vadlamani (Chief Executive Officer)	52 Years	Rs. 4,20,000 p.a	Whole time	Graduated in Commerce & 23 years	14.11.2015	VRVS India Pvt. Ltd.	Nil	No
Mr. Durgaraju Ramu (Chief Financial Officer)	36 Years	Rs. 1,80,000 p.a	Whole time	P.G Diploma and 11 years appx.	12.02.2015	Kolors Healthcare India Pvt. Ltd.	Nil	No
Ms. Teena Rani (Company Secretary & Compliance officer)	28 Years	Rs. 2,25,000 p.a	Whole time	Company secretary & 2 year appx.	04.09.2015	Fedders Lloyd Corporation Limited	Nil	No

B. Details of other employees under aforesaid Rules:

Nil.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from shareholders regulatory bodies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, resulting in the successful performance of the Company during the year.

By Order of Board
Sparkling (India) Finshares Limited

	Sd/-	**Sd/-**
Date: August 31, 2017	**(GANDIKOTA YADAGIRI)**	**(CHERUKU SAGARIKA)**
Place: New Delhi	**Director**	**Director**
	DIN: 07225373	**DIN: 07167996**

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

CIN	**L74900DL1994PLC062222**
AUTHORISED CAPITAL	**Rs. 45000000/-**
PAID UP CAPITAL	**Rs. 40005000/-**

To,
The Members,
Sparkling (India) Finshares Limited
516, Kirti Shikhar Building, Plot No. 11,
District Centre, Janakpuri New Delhi - 110058

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sparkling (India) Finshares Limited** (hereinafter referred to as 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 March 31, 2017 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported 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 March 31, 2017 according to the provisions of –

i. The Companies Act, 2013 ("Act") and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made under that Act;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;

iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI); (Not Applicable during the Audit Period)

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **– Not Applicable to the Company during the Audit Period**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 notified on October 28, 2014;- **Not Applicable to the Company during the Audit Period**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;- **Not Applicable to the Company during the Audit Period**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **- Not Applicable to the Company during the Audit Period**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- - **Not Applicable to the Company during the Audit Period**

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

i. Secretarial Standards issued by the Institute of Company Secretaries of India notified with effect from July 1, 2015; and

ii. The Listing Agreements entered into by the Company with the Stock Exchange(s) i.e. BSE Limited / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from December 01, 2015.

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

I further report that:

The Board of Directors of the Company duly constituted with the Independent Directors (Executive or Non- Executive 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 a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

For
Company Secretaries

Sd/
(CS Surbhi Bansal)
Proprietor
Surbhi Bansal and Associates

M. No. : 39013
C.P. No. : 15939

Date: August 31, 2017
Place: New Delhi

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

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Sparkling (India) Finshares Limited
516, Kirti Shikhar Building, Plot No. 11,
District Centre, Janakpuri New Delhi – 110058

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, I followed provide a reasonable basis for our 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, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/
(CS Surbhi Bansal)
Proprietor
Surbhi Bansal and Associates

M. No. : 39013
C.P. No. : 15939

Date: August 31, 2017
Place: New Delhi

Annexure II

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

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

I. REGISTRATION AND OTHER DETAILS:

I. **CIN:-** L74900DL1994PLC062222
II. **Registration Date:-** 19/10/1994
III. **Name of the Company:-** Sparkling (India) Finshares Limited
IV. **Category/Sub-Category of the Company:-** Company limited by shares
V. **Address of the Registered office and contact details:-**
516, Kirti Shikhar Building, Plot No. 11, District Centre, Janakpuri New Delhi -110058,
Phone: +91-11-65678111,
Contact Person: Ms. Cheruku Sagarika,
Email: sparklinglimited@gmail.com
VI. **Whether listed company:-**Yes
VII. **Name, Address and Contact details of Registrar and Transfer Agent, if any:-**
M/s. Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area,
Phase I, New Delhi 110 020
Phone: +91-11-26812681-88
Contact Person: Mr. Virender Rana
Email: virenr@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	Financial consultancy services	99715910	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
	N.A	N.A.	N.A.	N.A	N.A

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	-	279,500	279,500	6.99%	-	279,500	279,500	6.99%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	-	279,500	279,500	6.99%	-	279,500	279,500	6.99%	0.00%
(2) **Foreign**									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	-	279,500	279,500	6.99%	-	279,500	279,500	6.99%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	18,800	18,800	0.47%	-	18,800	18,800	0.47%	0.00%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1000	102,700	103,700	2.59%	1,77,000	19,84,835	21,61,835	54.04%	51.45%

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	35,98,500	35,98,500	89.95%	6,34,865	9,05,500	15,40,365	38.50%	(51.45)%
c) Others (specify)									
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	1,000	3,720,000	3,721,000	93.01%	8,11,865	29,09,135	37,21,000	93.01%	0.00%
Total Public (B)	1,000	3,720,000	3,721,000	93.01%	8,11,865	29,09,135	37,21,000	93.01%	0.00%
C. Shares held by Custodian for GDRs & ADRs	**-**	-	**-**	0.00%	**-**	-	**-**	0.00%	0.00%
Grand Total (A+B+C)	1,000	3,999,500	4,000,500	100.00%	8,11,865	33,88,635	4,000,500	100.00%	0.00%

(ii) Shareholding of Promoters

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ms. Mamta Aggarwal	94000	2.35%	0	94000	2.35%	0	0.00%
2	Mr. Pawan Aggarwal	185500	4.64%	0	185500	4.64%	0	0.00%

(iii) Change in Promoter's shareholding (please specify if there is no change)

There is no change in Shareholdings of Promoters during the year under review.

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

SN	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	**C Pradeep**				
	At the beginning of the year	185,000	4.62%	185,000	4.62%
	Shares acquired/sold	0	0.00%	185,000	4.62%
	At the end of the year	185,000	4.62%	185,000	4.62%
2	**Vijayvarma Gajendran**				
	At the beginning of the year	175,000	4.37%	175,000	4.37%
	Shares acquired/sold	0	0.00%	175,000	4.37%
	At the end of the year	175,000	4.37%	175,000	4.37%
3	**Janaki Ramana Reddy. V**				
	At the beginning of the year	175,000	4.37%	175,000	4.37%
	Shares acquired/sold	0	0.00%	175,000	4.37%
	At the end of the year	175,000	4.37%	175,000	4.37%
4	**T.Kishore kumar**				
	At the beginning of the year	175,000	4.37%	175,000	4.37%
	Shares acquired/sold	0	0.00%	175,000	4.37%
	At the end of the year	175,000	4.37%	175,000	4.37%
5	**Naidu Babu Mutyala**				
	At the beginning of the year	-	0.00%	-	0.00%
	Shares acquired/sold (acquired through transfer on December 06, 2016	165,000	4.12%	165,000	4.12%
	At the end of the year	165,000	4.12%	165,000	4.12%
6	**A.Yughandhar naidu**				
	At the beginning of the year	165000	4.12%	165000	4.12%
	Shares acquired/sold (sell through transfer on February 11, 2017 & February 14, 2017)	(135)	0.00%	164,865	4.12%
	At the end of the year			164,865	4.12%
7	**Harish Gajendran**				
	At the beginning of the year	155,000	3.89%	155,000	3.89%
	Shares acquired/sold	0	3.89%	155,000	3.89%
	At the end of the year			155,000	3.89%
8	**Gadde Babu Rajendra Prasad**				
	At the beginning of the year	20,000	0.50%	20,000	0.50%
	Shares acquired/sold (acquired through transfer on December 06, 2016 and January 20, 2017)	1,00,000	2.50%	1,20,000	3.00%
	At the end of the year	1,20,000	3.00%	1,20,000	3.00%

9	**Priyanka Ponnada**				
	At the beginning of the year	-	0.00%	-	0.00%
	Shares acquired/sold (acquired through transfer on December 06, 2016)	115,000	2.87%	115,000	2.87%
	At the end of the year	115,000	2.87%	115,000	2.87%
10	**Vasam Setti Satyanarayana**				
	At the beginning of the year	110,000	2.75%	110,000	2.75%
	Shares acquired/sold	0	0.00%	110,000	2.75%
	At the end of the year	110,000	2.75%	110,000	2.75%

(V) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	**Mr. Pawan Aggarwal**				
	At the beginning of the year	185,500	4.64%	185,500	4.64%
	Shares acquired/sold	-	0.00%	185,500	4.64%
	At the end of the year			185,500	4.64%

V INDEBTNESS

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

(Amt. Rs. In Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	3.50	-	3.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	3.50	-	3.50
Change in Indebtedness during the financial year				
* Addition	-	11.97	-	11.97
* Reduction	-	-	-	-
Net Change	-	11.97		11.97
Indebtedness at the end of the financial year				
i) Principal Amount	-	15.41	-	15.41

ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	15.41	-	15.41

VI. Remuneration of Directors and Key Managerial Personnel

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

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

B. Remuneration to other Directors: NiL

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

(Amt. Rs. In Lacs)

S N.	Particulars of Remuneration	Name of Key Managerial Personnel			Total
	Name	Mr. Surya Prakash Vadlamani	Mr. Durgaraju Ramu	Ms. Teena Rani	
	Designation	CEO	CFO	Company Secretary & Compliance Officer	
1					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.2	1.8	2.25	8.25
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-

	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	'- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	4.2	1.8	2.25	8.25

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/compounding Fees imposed	Authority IRD/NCLT/ Court	Appeal made if any give details
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICER IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

By Order of Board
Sparkling (India) Finshares Limited

Sd/- **Sd/-**

Date: August 31, 2017 **(GANDIKOTA YADAGIRI)** **(CHERUKU SAGARIKA)**
Place: New Delhi **Director** **Director**
DIN: 07225373 **DIN:07167996**

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

Independent Auditor's Report

To the members of
SPARKLING (INDIA) FINSHARES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of ***SPARKLING (INDIA) FINSHARES LIMITED ("the Company")*** which comprise the Balance Sheet as on March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143 (11) of the Act.

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 misstatements.

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

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

Emphasis of Matter

We draw attention to:

Refer Note 27 to Financial Statements
The accounts of certain Loans and Advances, Investment made by the Company, Current Liabilities are subject to confirmation / reconciliation and adjustment, if any. The effect of the consequential adjustment has not been quantified by management.

Our opinion is not qualified in respect of this matter.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 March 31, 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 in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of written representations received from the directors as on March 31, 2017, and 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 sub-section (2) of section 164 of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigation 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.

iv. The company has made a disclosure in its financial statements as to holding as well as dealings in specified bank notes during the period from 8 November, 2016 to 30 December, 2016 and the same is in accordance with the books of accounts maintained by the company.

For Sushil Lal & Associates
(Chartered Accountants)
FRN No.: 021758N

Sd/-
CA (Dr) S. K. Lal
Partner
Membership No.: 509185

Place: New Delhi
Date: May 30, 2017

"Annexure A" to Independent Auditors' Report for the year ended March 31, 2017

(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

i. In respect of fixed assets:

   a) The Company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.

   b) The Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

   c) According to the information and explanations given to us, there is no immovable property held by the company, accordingly the provisions of Clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.

ii. In respect of Inventories:
   The company has no inventory. Accordingly, the provisions of clause 3 (ii) of the order are not applicable to the company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the provisions of clause iii (a) to (c) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

iv. According to the information and explanations given to us, the Company has not given any loan to Directors or persons connected with them as per the provisions mentioned in section 185 of the companies Act, 2013.

Company has made investments in other bodies corporate and complied the provisions of section of 186 of the Companies Act, 2013.

v. In respect of public deposit:

According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there-under. Therefore the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

vi. In respect of cost records:

Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing its undisputed statutory dues including Provident Fund, Employees State insurance, income-tax, Sales-Tax, Wealth Tax, Service tax, duty of Custom, duty of Excise, value added tax, cess and Entertainment Tax etc. There are no undisputed dues payable, outstanding as on March 31, 2017 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no amounts in respect of income tax, service tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

viii. The Company has not taken any loans from financial institutions, Banks, Government or through debentures during the audit period.

ix. The company has not raised money by way of initial Public offer or further public offer (including debt instruments) and term loans during the year under audit.

x. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.

xii. As explained, the company is not a Nidhi company. Therefore the provisions of Clause (xii) of paragraph 3 of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Act, to the extent applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us, No non cash transactions with Directors or persons connected with him have been noticed or reported during the year as per the provisions of Section 192 of the Act.

xvi. According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For Sushil Lal & Associates
(Chartered Accountants)
FRN No.: 021758N

Sd/-
CA (Dr) S. K. Lal
Partner
Membership No.: 509185

Place: New Delhi
Date: May 30, 2017

"Annexure B" to Independent Auditors' Report for the year ended March 31, 2017

(Referred to in Paragraph 2(f) under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 ***Sparkling (India) Finshares Limited*** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". 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.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 Sushil Lal & Associates
(Chartered Accountants)
FRN No.: 021758N

Sd/-
CA (Dr) S. K. Lal
Partner **Place:** New Delhi
Membership No.: 509185 **Date:** May 30, 2017

BALANCE SHEET AS AT MARCH 31, 2017

Amount in Rs.

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	**2**	40,005,000	40,005,000
Reserves and surplus	**3**	1,089,356	5,058,358
		41,094,356	**45,063,358**
Non-current liabilities			
Long Term Borrowings	**4**	10,662,644	349,944
Deferred tax liabilities (Net)	**5**	5,744	3,250
		10,668,388	**353,194**
Current liabilities			
Trade Payable	**6**	153,879	-
Other current liabilities	**7**	681,850	96,300
Short Term Provisions	**8**	-	1,216,203
		835,729	**1,312,503**
Total		**52,598,474**	**46,729,054**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	**9**	45,885	52,849
Non-current investments	**10**	42,902,587	44,264,560
		42,948,472	**44,317,409**
Current assets			
Trade receivables	**11**	-	986,000
Cash and cash equivalents	**12**	661,553	220,776
Short-term loans and advances	**13**	8,567,344	1,204,869
Other current assets	**14**	421,105	-
		9,650,002	**2,411,645**
Total		**52,598,474**	**46,729,054**
Significant Accounting Policies	**1**		
Notes to the Accounts	**2 to 32**		

Auditor's Report
"As per our separate report of even date"

For Sushil Lal & Associates
(Chartered Accountant)
FRN No. 021758N

Sd/-
(CA. S.K Lal)
Managing Partner
Membership No.: 509185

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

Sd/-
Gandikota Yadagiri
(Director)
DIN: 07225373

Sd/-
Cheruku Sagarika
(Director)
DIN: 07167996

Sd/-
Surya Prakash Vadlamani
(Chief Executive Officer)

Signed at New Delhi on 30 May, 2017

Sd/-
Durgaraju Ramu
(Chief Financial Officer)

Sd/-
Teena Rani
(Company Secretary)
M. No.- ACS-40050

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

Amount in `

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
Incomes			
Revenue from operations	**15**	1,081,105	895,000
Other income	**16**	738,027	5,761,080
Total Revenue		**1,819,132**	**6,656,080**
Expenses			
Employee benefits expense	**17**	936,907	858,833
Depreciation and amortization expense	**9**	21,769	7,626
Finance expense	**18**	330,889	-
Other expenses	**19**	4,496,074	791,899
Total Expenses		**5,785,639**	**1,658,358**
Profit before tax		**(3,966,507)**	**4,997,722**
Tax expense:			
Current tax		-	952,344
Deferred tax		2,494	3,250
MAT Credit Entitlement		-	(952,344)
Total Tax expenses		**2,494**	**3,250**
Profit (Loss) for the year		**(3,969,001)**	**4,994,472**
Earnings per equity share:			
Basic	**20**	(0.99)	1.25
Diluted	**20**	(0.99)	1.25
Significant Accounting Policies	**1**		
Notes to the Accounts	**2 to 32**		

Auditor's Report
"As per our separate report of even date"

For Sushil Lal & Associates
(Chartered Accountant)
FRN No. 021758N

(CA. S.K Lal)
Managing Partner
Membership No.: 509185

Signed at New Delhi on 30 May, 2017

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

Sd/-
Gandikota Yadagiri
(Director)
DIN: 07225373

Sd/-
Cheruku Sagarika
(Director)
DIN: 07167996

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Surya Prakash Vadlamani
(Chief Executive Officer)

Sd/-
Durgaraju Ramu
(Chief Financial Officer)

Sd/-
Teena Rani
(Company Secretary)
M. No.- ACS-40050

SPARKLING (INDIA) FINSHARES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

Amount in Rs.

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash flows from operating activities		
Net profit before tax and extraordinary items	(3,966,507)	4,997,722
Adjustments for:		
-Depreciation	21,769	7,626
- Other Non Cash Expenses/(Income)	-	2,088
('Profit)/Loss on Sale of Investments	(738,027)	(5,072,085)
Operating Profit/(Loss) before working capital changes	**(4,682,765)**	**(64,649)**
(Increase)/Decrease in trade receivables	986,000	(185,000)
(Increase)/Decrease in inventories	-	24,000
(Increase)/Decrease in Other Current Assets	(421,105)	-
(Increase)/Decrease in short term loans & advances (Except MAT Credit)	(7,362,475)	(252,525)
Increase /(Decrease) in trade Payable	153,879	-
Increase /(Decrease) In Other Current Liabilities	585,550	(68,170)
Income Taxes Paid	(1,216,203)	-
Net cash generated from/ (used in) operating activities (A)	**(11,957,117)**	**(546,345)**
Cash flows from investment activities		
-Purchase of fixed assets	(14,805)	(60,475)
-Sale of Investment	2,300,000	25,252,525
-Purchase of investment	(200,000)	(25,000,000)
Net cash generated from/ (used in) investing activities (B)	**2,085,195**	**192,050**
Cash flows from financing activities		
-Loan Repaid	-	-
-Loans taken	10,312,700	349,944
-Issue of Share Capital	-	-
Net cash generated from/ (used in) financing activities (C)	**10,312,700**	**349,944**
Net increase/(decrease) in cash/cash equivalents (A+B+C)	**440,778**	**(4,351)**
Cash and Cash Equivalents at beginning of the year	220,776	225,127
Cash and Cash Equivalents at end of the year	**661,553**	**220,776**

Notes

1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements.

2) Cash and Cash Equivalents at the end of the year consist of Cash, Cheques in Hand, Fixed Deposits and Balances with Banks.

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
Cash in Hand		291,384	50,530
Balances with Banks		370,169	170,246
		661,553	**220,776**

Significant Accounting Policies	**1**
Notes to the Accounts	**2 to 32**

Auditor's Report

"As per our separate report of even date"

For Sushil Lal & Associates
(Chartered Accountant)
FRN No. 021758N

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

Sd/-
(CA. S.K Lal)
Managing Partner
Membership No.: 509185

Sd/-
Gandikota Yadagiri
(Director)
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Sd/-
Cheruku Sagarika
(Director)
DIN: 07167996

Sd/-
Surya Prakash Vadlamani
(Chief Executive Officer)

Signed at New Delhi on 30 May, 2017

Sd/-
Durgaraju Ramu
(Chief Financial Officer)

Sd/-
Teena Rani
(Company Secretary)
M. No.- ACS-40050

SPARKLING (INDIA) FINSHARES LIMITED
Significant accounting policies and notes to the accounts for the year ended on March 31, 2017

Corporate Information

Sparkling (India) Finshares Limited ["Sparkling"] was incorporated on October 19, 1994 as a public limited company under the provisions of Companies Act, 1956. Sparkling is registered with the Reserve Bank of India as Non-Banking Financial Company [Non-Deposit taking]. Sparkling is primarily engaged in the business of financial consultancy and investment activities.

1 Significant accounting policies

a Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, assets and liabilities and disclosures relating to contingent assets & contingent liabilities as of the date of the financial statements and the results of operations during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

c Fixed Assets

Tangible Assets

Fixed assets are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation costs, duties and taxes, finance charges and other incidental expenses incurred during the construction / installation stage.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

d Depreciation /Amortization

Depreciation on tangible fixed assets is charged on Straight Line Method over their estimated useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year. Intangible assets are amortized over the useful life of the underlying assets. Computer software being intangible assets are amortized based on estimated useful life of 10 years.

e Lease

Operating lease

Lease where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

f Impairment of tangible and intangible assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.

Recoverable amount is higher of an asset's net selling price, and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

g Investments

Trade investments are the investments made to enhance the company's business interests. Investments are either classified as long term or current investments, based on management's intention at the time of purchase. Long-term investments are stated at cost and provision is made to recognise any decline, other than temporary, determined separately for each investment. Current investments are stated at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.

h Revenue Recognition

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

Sale of Services*:* Revenue from services is recognised under the proportionate completion method provided the consideration is reliably determinable and no significant uncertainty exists regarding the collection of the consideration. The amount recognised of revenue is exclusive of service tax and is net of returns.

Interest *:* Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Dividend *:* Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

i Foreign Currency Transactions

Initial Recognition *:* Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion: Foreign currency monetary items are reported using the closing rate. Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

Exchange Differences: Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

j Tax Expenses

Income tax expense comprises current tax as per Income Tax Act, 1961 and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized only to the extent there is reasonable certainty that the asset can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of earning sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain, as the case may be, to be realized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

k **Employee Benefits**

The Company's obligations towards various employee benefits have been recognized as follows:

Short-term employee benefits
All employee benefits payable within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, short-term compensated absences and the expected cost of other benefits is recognised in the period in which the employee renders the related service.

l **Earnings Per Share**

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

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

m **Provisions**

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

n **Contingent liability**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

SPARKLING (INDIA) FINSHARES LIMITED
Significant accounting policies and notes to the accounts for the year ended on March 31, 2017

2 Share Capital

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Authorized Capital		
45,00,000(Previous year 45,00,000) Equity Shares of Rs. 10/- each fully paid up	45,000,000	45,000,000
Issued, Subscribed and Paid up Capital:		
40,00,500(Previous year 40,00,500) Equity Shares of Rs. 10/- each fully paid up	40,005,000	40,005,000
Total	**40,005,000**	**40,005,000**

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is as given below

Particulars	As at March 31, 2017	As at March 31, 2016
Shares outstanding at the beginning of the year	4,000,500	4,000,500
Shares Issued during the year (+)	-	-
Shares bought back during the year (-)	-	-
Shares outstanding at the end of the year	4,000,500	4,000,500

b) *Terms/rights attached to equity shares :*
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

The equity shareholders of the company are entitled to get the dividend as and when proposed by the Board of Directors and approved by shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held is as given below:

Name of Shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	% Holding	No. of Shares	% Holding
	-	0%	-	0%

d) The Company has not allotted any fully paid up equity shares without payment being received in cash and by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.

3 Reserves and Surplus

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Securities Premium Account		
Opening Balance	-	-
Add : Securities premium credited on Share issue	-	-
Closing Balance	-	-
Statutory reserve (under section 45-IC of The Reserve Bank of India Act, 1934)		
Opening Balance	998,894	-
Add : Transferred during the year	-	998,894
Closing Balance	998,894	998,894
Surplus in Profit & Loss Account		
Opening balance	4,059,463	63,886
Add: Net Profit/(Net Loss) for the current year	(3,969,001)	4,994,472
Less: Transferred to statutory reserve	-	998,894
Closing Balance	90,462	4,059,463
Total	**1,089,356**	**5,058,358**

SPARKLING (INDIA) FINSHARES LIMITED
Significant accounting policies and notes to the accounts for the year ended on March 31, 2017

4 Long Term Borrowings

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Unsecured		
Loans from Director		
-Fixed Loan	1,541,644	349,944
Other Loans		
-G.B Rajendra Prasad	7,000,000	-
-Lorvenka Global IT Services Pvt. Ltd	1,320,000	-
-Unixguru Consultant Pvt. Ltd.	801,000	-
Total	**10,662,644**	**349,944**

5 Deferred Tax Asset / Liability (NET)

As per the requirement of the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the net deferred tax liability debited to Profit during the year is ` 2494 . The year-end position of Deferred Tax Liability and Asset is given below:

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred Tax Liability		
Related to Fixed Assets	5,744	3,250
Net deferred tax liability	**5,744**	3,250

6 Trade Payable

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Acceptance	153,879	-
Total	**153,879**	-

7 Other Current Liabilities

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Payable to Employees	256,500	58,500
Expenses Payable	381,634	29,800
Statutory Dues payable	43,716	8,000
Total	**681,850**	**96,300**

8 Short Term Provisions

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for Income Tax (Net of Tax Paid)	-	1,216,203
Total	**-**	**1,216,203**

SPARKLING (INDIA) FINSHARES LIMITED
Significant accounting policies and notes to the accounts for the year ended on March 31, 2017

9 Fixed Assets

(Amount in `)

PARTICULARS	GROSS BLOCK				DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at April 01, 2016	Additions	Sales/ Adjustments	As at March 31, 2017	As at March 31, 2016	For the year	Sales/ Adjustments	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Tangible Assets										
Computer (End User Devices)	60,475	14,805	-	75,280	7,626	21,769	-	29,395	45,885	52,849
Furniture & Fixures	4,185	-	-	4,185	4,185	-	-	4,185	-	-
Office Equipment	155,480	-	-	155,480	155,480	-	-	155,480	-	-
	220,140	14,805	-	234,945	167,291	21,769	-	189,060	45,885	52,849
Intangible Assets	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
TOTAL	**220,140**	**14,805**	**-**	**234,945**	**167,291**	**21,769**	**-**	**189,060**	**45,885**	**52,849**

Pursuant to "AS28- Impairment of Asset" issued by the central Government under the Companies (Accounting Standard) Rule 2006 for determining impairment in carrying amount of fixed asset, the companies has concluded that since recoverable amount of fixed asset is not less than its carrying amount, therefore , no provision for impairment is required in respect of fixed assets owned by the company.

SPARKLING (INDIA) FINSHARES LIMITED
Significant accounting policies and notes to the accounts for the year ended on March 31, 2017

10 Non Current Investments

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Other Investments		
Investment in Equity Shares of Rs. 10 each		
11,111 Equity Shares (Previous year 11,111 Equity Shares) of SBK Event Management Private Limited	20,000,000	20,000,000
2,50,000 Equity Shares (Previous year 2,50,000 Equity Shares) of IME International Private Limited	5,000,000	5,000,000
163 Equity Shares (Previous year Nil Equity Shares) of Livraison Food Products Pvt. Ltd.	200,000	-
Other Non Current Investments		
Investment in Gold Bars [10.098 kgs (Previous year-10.988 kgs)	17,702,587	19,264,560
Less: Aggregate provision for diminution in value of investments	-	-
Total	**42,902,587**	**44,264,560**
Aggregate value of quoted investments	-	-
Aggregate value of unquoted investments	42,902,587	44,264,560
Aggregate provision for diminution in value of investments	-	-

11 Trade Receivables

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Unsecured		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Considered Good	-	801,000
- Doubtful	-	-
Other debts		
- Considered Good	-	185,000
Total	**-**	**986,000**

12 Cash and Cash Equivalents

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Balances with banks*	370,169	170,246
Cash in hand	291,384	50,530
Total	**661,553**	**220,776**

* Balances with banks include:

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2015
Current Accounts	370,169	170,246
Total	**370,169**	**170,246**

13 Short Term Loans & Advances

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
MAT Credit Entitlement	952,344	952,344
Other Loans & Advances	7,615,000	252,525
Total	**8,567,344**	**1,204,869**

14 Other Current assets

Amount in `

Particulars	As at March 31, 2017	As at March 31, 2016
Security with TCAPL	20,000	-
Interest Receivable	401,105	-
Total	**421,105**	

15 Revenue from operations

Amount in `

Particulars	For the year ended March 31	For the year ended March 31
Consultancy Fees	675,000	895,000
Interest on Loan	406,105	-
Total	**1,081,105**	**895,000**

16 Other Income

Amount in `

Particulars	For the year ended March 31,	For the year ended March 31,
Profit on Sale of Investments (Gold Bars)	738,027	5,072,085
Other Non Operating Income	-	688,995
Total	**738,027**	**5,761,080**

17 Employee Benefits Expense

Amount in `

Particulars	For the year ended March 31,	For the year ended March 31,
Salary	913,000	709,333
Staff Benefit Expenses	23,907	149,500
Total	**936,907**	**858,833**

18 Finance Expense

Amount in `

Particulars	For the year ended March 31,	For the year ended March 31,
Interest on Loan	330,889	-
Total	**330,889**	**-**

19 Other Expenses

Amount in `

Particulars	For the year ended March 31,	For the year ended March 31,
Audit Fees	92,000	25,000
Advertisement Expenses	26,906	26,249
Communication Expenses	28,560	14,230
Bank Charges	4,686	11,488
Business Promotion Expenses	-	95,443
Direct Listing Fees	3,688,000	-
Income Tax Demand	1,000	-
Interest on Income Tax	306,403	-
Interest on Statutory Dues	13,613	350
Legal & Professional Charges	179,150	370,976
Conveyance Expenses	1,474	107,518
Genral Expenses	1,642	-
Electricity & Water Expenses	-	6,290
Entertainment Expenes	3,125	-
Office Expenses	-	9,680
Travelling Expenses	22,940	71,711
Postage & Courier	5,827	21,652
Printing and Stationary	12,724	14,248
ROC Expenses	7,150	11,800
Assets Written Off	-	2,088
Rent	46,000	-
Repair & Maintenance	6,100	600
Fees & Taxes	48,774	2,577
Total	**4,496,074**	**791,899**

20 Earnings Per Share

	Particulars	Reference	For the year ended March 31, 2017	For the year ended March 31, 2016
A	Net profit/ (Loss) attributable to equity	A	(3,969,001)	4,994,472
B	Weighted Average Number of Equity Shares outstanding during the period	B	4,000,500	4,000,500
C	Weighted Average (Diluted) Number of Equity Shares outstanding during the period	C	4,000,500	4,000,500
D				
E	Face Value per Share (Rs.)	D	10	10
	Basic Earnings/(Loss) per equity shares (Rs.)	A/B	(0.99)	1.25
F	Diluted Earnings/ (loss) per equity shares (Rs.)	A/C	(0.99)	1.25

21 Payment to Auditors

Particulars	For the year ended March 31	For the year ended March 31
As Auditors'		
- Audit Fees	92,000	25,000
In Other Capacity		
- Other Matters	-	-
Total	92,000	25,000

22 Related Party Disclosures

a) Key Managerial Personnel

Name of Related Party	Relationship
Mr. Surya Prakash Vadlamani (Appointed w.e.f. November 14, 2015)	Chief Executive Officer
Mr. Narasingu Koteswara Rao (Resigned w.e.f. November 01, 2015)	Chief Executive Officer
Mr. Durgaraju Ramu (Appointed w.e.f February 12, 2015)	Chief Financial Officer
Ms. Teena Rani (Appointed w.e.f September 04, 2015)	Company Secretary

b) Other Directors with whom transactions has entered during the year

Ms. Cheruku Sagarika	Director

c) Transactions with Related Parties

Particulars	For the year ended March 31,	For the year ended March 31,
Unsecured Loan Taken		
Ms. Cheruku Sagarika	1,541,644	349,944
Remuneration to KMPs		
Mr. Surya Prakash Vadlamani	420,000	159,833
Mr. Narasingu Koteswara Rao	-	140,000
Mr. Durgaraju Ramu	180,000	180,000
Ms. Teena Rani	225,000	172,500
Balance Pavable		
Ms. Cheruku Sagarika	1,541,644	349,944
Mr. Surya Prakash Vadlamani	134,000	33,500
Ms. Teena Rani	37,500	25,000
Mr. Durgaraju Ramu	60,000	-

23 The Company does not have any contingent liability or commitments as on 31.03.2017.

24 During the year 2017, the company has incurred a net loss of Rs. 39,69,030 and as of date, the Company's Current Assets exceeds its Current Liabilities by Rs. 88,14,244. These conditions along with other matters, if continued for extended period of time of few periods, may indicate the existence of material uncertainty that may cast doubt about Company's availability to continue as a Going Concern.
Furtherance, Trade Receivable do not exist in the Company.

25 Information pursuant to the provisions of Section 22 of Micro, Small and Medium Enterprises Development Act, 2006: During the year company has not paid any interest in terms of the section 18 of the above mentioned Act.
No principal amount or interest amount are due at the end of this accounting year which is payable to any Micro, Small or Medium enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

26 The Company is operating in single line of business and all the other activities revolve around the main business and entire business is conducted within India, hence in accordance with AS-17- "Segment Reporting" there are no separate reportable segments either on the basis of business segmentation or geographical segmentation.

27 The accounts of certain Short Term Loans and Advances, Investment made by the Company, Current Liabilities are subject to confirmation / reconciliation and adjustment, if any. The effect of the consequential adjustment has not been quantified by management.

28 Information as required under "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015" is furnished vide Annexure 1 attached herewith.

29 The Company has prepared these financial statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the schedule') issued by Ministry of Corporate Affairs.

30 Figures for previous year have been regrouped and/or reclassified wherever considered necessary, to conform to current year's classification.

31 **Disclosure on Specified Bank Notes**
During the year, the company had no any specified bank notes (SBN's) but had other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 30, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

Particulars	SBNs *	Other Denominations	Total
Closing Cash in hand on 8 November	-	381514	381514
(+) Permitted receipts	-	5000	5000
(-) Permitted payments	-	3040	3040
(-) Amount deposited in Banks	-	-	-
Closing Cash in hand on 30 December 2016	-	383474	383474

* for the purpose of this clause, the term "Specified bank notes" (SBNs) shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs no. S.O. 3407 (E) dated the 8th November, 2016

32 All Figures are in Indian Rupees.

Auditor's Report
"As per our separate report of even date"

For Sushil Lal & Associates (Chartered Accountants) FRN No. 021758N

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

Sd/-
(CA. S. K. Lal)

Sagarika

Managing Partner
Membership No.: 509185

sd/-
Gandikota Yadagiri
(Director)
DIN: 07225373

Sd/-
Cheruku
(Director)
DIN: 07167996

Sd/-
Surya Prakash Vadlamani
(Chief Executive Officer)

Sd/-
Durgaraju Ramu
(Chief Financial Officer)

Sd/
Teena Rani
(Company Secretary)
M. No.- ACS-40050

Signed at New Delhi on 30 May, 2017

SPARKLING (INDIA) FINSHARES LIMITED

Annexure-I

Schedule appended to the Balance Sheet of a Non-Systemically Important Non-Deposit taking Non-Banking Financial Company

[as required in terms of Paragraph 13 of Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015]

Amount in `

Particulars		
Liabilities Side :		
1 Loans and advances availed by the Non-Banking Financial Company (NBFCs) inclusive of interest accrued thereon but not paid :	**Amount Outstanding**	**Amount**
(a) Debentures		
-Secured	-	-
-UnSecured #	1,541,644	-
(b) Deferred Credits	-	-
(c) Term Loans	-	-
(d) Inter-corporate loans and borrowing	2,121,000	-
(e) Commercial Paper	-	-
(f) Public Deposits	-	-
(g) Other Loans	7,000,000	-

 # From Directors

Assets Side :

2 Break-up of Loans and Advances including bills receivables [other than those included in 4 below]	**Amount Outstanding in**
(a) Secured	-
(b) Unsecured	8,567,344

3 Break up of Leased Assets and stock on hire and other Assets counting towards AFC activities	**Amount Outstanding in**
(i) Lease assets including lease rentals under sundry debtors :	
(a) Financial Lease	-
(b) Operating Lease	-
(ii) Stock on hire including hire charges under sundry debtors :	
(a) Assets on hire	-
(b) Repossessed Assets	-
(iii) Other loans counting towards AFC activities	
(a) Loans where assets have been repossessed	-
(b) Loans other than (a) above	-

4 Break-up of Investments :	**Amount Outstanding in**
Current Investments	
1. Quoted :	
(i) Shares :	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual fund	-
(iv) Government Securities	-
(v) Others	-
2. Unquoted :	
(i) Shares :	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual fund	-
(iv) Government Securities	-
(v) Others	-
Long Term Investments :	
1. Quoted :	
(i) Shares :	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual fund	-
(iv) Government Securities	-
(v) Others	-
	-
2. Unquoted :	
(i) Shares :	
(a) Equity	25,200,000
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual fund	-
(iv) Government Securities	-
(v) Others (Gold Bars)	17,702,587

5 Borrower group-wise classification of assets financed as in (2) and (3)

Category	Amount net of Provisions (in `)		
	Secured	**Unsecured**	**Total**
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
Total	**-**	-	-

6 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

	Market Value / Break up or fair value or NAV (in	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	42,902,587	42,902,587
Total	**42,902,587**	**42,902,587**

7 Other information

Particulars	Amount in `
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	-
(ii) Assets acquired in satisfaction of debt	-

Auditor's Report
"As per our separate report of even date"

For Sushil Lal & Associates
(Chartered Accountant)
FRN No. 021758N

Sd/-
(CA. S.K Lal)
Managing Partner
Membership No.: 509185

For and on behalf of Board of Directors of
Sparkling (India) Finshares Limited

Sd/-
Gandikota Yadagiri
(Director)
DIN: 07225373

Sd/-
Cheruku Sagarika
(Director)
DIN: 07167996

Sd/-
Surya Prakash Vadlamani
(Chief Executive Officer)

Signed at New Delhi on 30 May, 2017

Sd/-
Durgaraju Ramu
(Chief Financial Officer)

Sd/-
Teena Rani
(Company Secretary)
M. No.- ACS-40050

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

I. INDUSTRY STRUCTURE AND DEVELOPMENT:

The year witnessed a highly dynamic situation of our Country; India must be consistent in regaining its position as a leading emerging market investment destination. This can only be possible if consistency and clarity continues in our policies.

Sparkling (India) Finshares Limited is an NBFC and is engaged mainly in the business of providing loans and advances to various Corporates. The main objective of the Company is to finance Industrial Enterprises by way of making loans and advances to industrial enterprises in India and to carry out all such activities as may be ancillary to the achievement of main objectives of the Company. The industry structure relevant to the Company's operations is mainly concerned with the capital market.

Indian economy is going through a period of rapid `financial liberalization'. The NBFC sector is undergoing a significant transformation at present and has come to be recognized as an important element of the financial system. Today, the `intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products. RBI has been setting right its regulatory and supervising policies from time to time to keep pace with the changes in the economic environment. The segment consisting of NBFCs, such as equipment leasing/hire purchase finance, providing loans and investment to other companies, etc. have made great strides in recent years and are meeting the diverse financial needs of the economy. They are being recognized as complementary to the banking sector due to their customer-oriented services, simplified procedures, attractive rates of return on deposits, flexibility and timeliness in meeting the credit needs of specified sector.

Your Company's performance for the year 2016- 17 has to be viewed in the context of aforesaid economic and market environment.

II. OPPORTUNITIES AND THREATS:

The sector uses the loans for various business activities ranging from the business of hire Purchase Company and to acquire, to provide on all type hire purchase basis of industrial and official plant, equipment machinery, vehicles, Agriculture, Handicrafts, Trading, Services, Shops, Livestock, and Production to others. As banks are unable to appraise the credit requirements of the micro and small businesses they are unable to extend credit facilities with collateral security. The banking system will not be able to meet this demand and a wide gap exists giving the Company an opportunity to grow in its financing of Small Business/ Industrial Loans. Major threat faced by Sparkling (India) Finshares Limited would be circumstances of not being able to raise funds for its future business operations.

III. SEGMENT-WISE PERFORMANCE:

The Company is engaged in a single segment i.e. finance/lending. Details of performance have been provided in this report.

IV. OUTLOOK:

Sparkling (India) Finshares Limited expects to improve its performance in financial year 2017-18 and hopes to grow at rate faster than the growth of bank credit. The approach would be to continue with the growth momentum while balancing risk. The Company will continue to invest in strengthening risk management practices; and in maintaining its investment in human resources to consolidate its position as a potentially big NBFC in India.

V. RISK MANAGEMENT:

Risk Management is an integral part of our Company's business strategy. A dedicated team is a part of the management processes governed by the senior management team. This team reviews compliance with risk policies, monitors risk tolerance limits, reviews and analyzes risk exposure related to specific issues and provides oversight of risk across the organization. The team nurtures a healthy and independent risk management function to avoid any kind of misappropriations in the Company. As part of the Risk Management framework, the management of Credit Risk, Market Risk, Operational Risk and Fraud Risk are placed under the Head – Risk. The Credit Risk management structure includes separate credit policies and procedures for various businesses. The risk policies define prudential limits, portfolio criteria, exceptional approval metrics, etc. and cover risk assessment for new product offerings. Concentration Risk is managed by analyzing counter-party, industry sector, geographical region, single borrower and borrower group. Retail Finance credit approval is based on product / programs and monitoring is primarily done at the portfolio level across products and programs. Casual analysis is carried out and corrective actions are implemented on key risk indicators. A Senior Management oversight committee meets periodically to review the operational risk profile of the organization. Fraud risks are mitigated through a fraud risk management team.

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. The Company's internal control system is commensurate with the size, nature and operations of the Company.

VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

The financial performance of the Company during the year under reference was reasonably good. For detailed information, please refer to Directors' Report, which forms part of this Annual Report.

VIII. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

We recognize people as our most valuable asset and we have built an open, transparent and meritocratic culture to nurture this asset. Talent Management is a key people planning tool that provides an integrated means of identifying, selecting, developing and retaining top talent within our Organization. Attrition has been managed well and has been below industry benchmarks. Sparkling (India) Finshares Limited has kept a sharp focus on Employee Engagement. We follow 360 degree feedback to ensure the satisfaction of our people. We have a strong system of grievance handling too. No concern of our people goes without addressing. We strive for excellence by thriving on Sparkling (India) Finshares Limited's positivity. As on March 31, 2017, total number of employee on the pay roll of the Company is three (3).

By Order of Board

Sparkling (India) Finshares Limited

	Sd/-	**Sd/-**
Date: September 01, 2017	**Gandikota Yadagiri**	**Cheruku Sagarika**
Place: New Delhi	**Director**	**Director**
	DIN: 07225373	**DIN:07167996**

NOTICE OF ANNUAL GENERAL MEETING

Notice of 24th Annual General Meeting

Notice is hereby given that the 24th Annual General Meeting of the shareholders of Sparkling (India) Finshares Limited will be held on Wednesday, September 27, 2017, at 10:00 A.M. at Aggarwal Bhawan, B-Block, Prashant Vihar, New Delhi- 110085, to transact the following business:

ORDINARY BUSINESS:

1. **Adoption of Audited Financial Statement:**

   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 Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the audited financial statements of the company for the financial year ended March 31, 2017 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and hereby considered and adopted."

2. **Re-appointment of Mr. Pawan Aggarwal, Director (DIN: 02071966), who retires by rotation.**

   To appoint a director in the place of Mr. Pawan Aggarwal, (DIN: 02071966), who retires by rotation and being eligible, offers himself for reappointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of the Section 152 of the Companies Act, 2013, Mr. Pawan Aggarwal, (DIN: 02071966), who retire by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. **Ratification of Appointment of Auditors**

   To ratify the appointment of Auditors of the Company who were appointed at the 23rd Annual General Meeting to hold office till the conclusion of twenty eight Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration and in this regard, pass the following resolution thereof as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 139 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s Sushil Lal & Associates Chartered Accountants (ICAI Firm Registration Number 021758M) who was appointed as Auditors of the Company at the 23rd Annual General Meeting held on September 30, 2016 to hold the office till the conclusion of the twenty eight Annual General Meeting of the Company, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Board of Directors in consultation with the auditors plus applicable service tax and reimbursement of out-of-pocket expenses in connection with the audit.**"**

By order of the Board
For SPARKLING (INDIA) FINSHARES LIMITED

Sd/-
(CHERUKU SAGARIKA)
Director
DIN: 07167996
Date: August 31, 2017
Place: New Delhi

NOTES:

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote, instead of himself/herself and the proxy need not be a member. A person can act as proxy on behalf of members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company.**

   Further, 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 proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the company not less than 48 hours before the time of holding the meeting.

2. The relevant details as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director, is also annexed.

3. The instrument appointing the Proxy, duly completed must be deposited at the Company's Registered Office not less than 48 hours before the commencement of the meeting. A Proxy form for the Annual General Meeting is enclosed.

4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. Members/Proxies/Authorized representatives are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.

6. Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from Thursday, September 21, 2017 to Wednesday, September 27, 2017 (both days inclusive) for the purpose of the Annual General Meeting.

7. The Company's Registrar and Transfer Agents for its share registry (both, physical as well as electronic) is M/s Skyline Financial Services Private Limited having its office at D-153A, 1st Floor, Okhla Industrial Area, Phase I, New Delhi 110 020.

8. Members who are holding shares in electronic mode are requested to intimate any change in their address or bank mandates to their Depository Participants (DPs) with whom they are maintain their demat accounts. Members holding shares in physical mode are requested to advice any change in their address or bank mandates to the Company/Skyline Financial Services Private Limited.

9. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the company a certified true copy of the relevant Board resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the meeting.

10. To support the 'Green Initiative', members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.

11. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report 2017 will also be available on the Company's website http://www.sparklingfinshares.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at sparklinglimited@gmail.com.

12. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.

13. 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. Members holding shares in physical form can submit their PAN details to the Company or our Registrar & Transfer Agents.

14. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

16. Members, who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

17. Members/Proxies/Authorized representatives are requested to bring the copies of annual reports and attendance slips to the meeting, if the same are received in physical form.

18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 24th Annual General Meeting to be held on Wednesday, September 27, 2017, at 10:00 A.M. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the e-voting facility:

    The e-voting facility is available at the link

    http://www.evotingindia.com/

19. The facility for voting through poll shall be made available at the AGM, to all the members attending the AGM, who have not opted e-voting facility. Further, the members who have opted e-voting facility may also attend the AGM but shall not be entitled to cast their vote again at the AGM.

20. Person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

21. E-voting commences on September 24, 2017 at 9:00 A.M. and will end at September 26, 2017 at 5:00 P.M. and at the end of e-voting period, the facility shall forthwith be blocked.

22. The Detailed instructions on remote e-voting is made part of a separate sheet "Instructions for e-voting" attached to this Notice.

23. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection in physical or electronic form at the Registered Office of the Company during business hours on all working days upto the date of declaration of the result of the 24th Annual General Meeting of the Company and the copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the Company and also at the meeting.

24. **The instructions for shareholders voting electronically are as under:**

(i) The voting period begins on September 24, 2017 at 9:00 A.M. and will end at September 26, 2017 at 5:00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 20, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

instructions for shareholders voting electronically are as under:

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

*sequence number shall be as per separate sheet attached with the Annual report

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the <Sparkling (India) Finshares Limited> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non–Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

Other Instructions:

(i) The e-voting period commences on September 24, 2017 at (9:00 A.M. IST) and will end at September 26, 2017 at (5:00 P.M. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Wednesday, September 20, 2017 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.

(ii) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date. 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 Meeting through electronic voting system or poll paper.

(iii) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on www.evotingindia.com.

(iv) Ms. Surbhi Bansal, Practicing Company Secretary (Membership No. 39013), has been appointed as Scrutinizer to scrutinize the e-voting process (including the Ballot Forms received from the members who do not have access to the e-voting process) in a fair and transparent manner.

(v) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, 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 make, not later than three days of conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour

or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

(vi) The result declared along with the Scrutinizer's Report shall be placed on the Company's website http://www.sparklingfinshares.com and on the website of CDSL www.cdslindia.com immediately.

INFORMATION AS REQUIRED UNDER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTOR BEING REAPPOINTED

Name of Director	Mr. Pawan Aggarwal
Date of Birth	June 03, 1964
DIN	02071966
Date of Appointment	December 15, 2003
Expertise in specific Functional Area	He is a Chartered Accountants and having 25 years of experience in the same field.
Qualifications	Chartered Accountants
Directorships held in listed companies	Nil
Chairmanship of Committees in other listed Companies	Nil
Number of shares held in the Company	185500
Disclosure of relationships between directors inter-se	Nil

By order of the Board
For SPARKLING (INDIA) FINSHARES LIMITED

Sd/-
(CHERUKU SAGARIKA)
Director
DIN: 07167996
Date: August 31, 2017
Place: New Delhi

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP-ID/CLIENT-ID*	
Regd. Folio No.#	
No. of shares held	
Whether the member is attending the meeting in person or by proxy or by authorized representative.	
Name of the proxy (to be filed in if proxy attends instead of the member).	

**Applicable for investors holding shares in Electronic form.*
 # Applicable for investors holding shares in Physical form.

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company. I/we hereby record my/our presence at the Annual General Meeting of the Company held on Wednesday, September 27, 2017 at 10:00 A.M., at Aggarwal Bhawan, Prashant Vihar, B-Block, Prashant Vihar, New Delhi-110085.

Signature of the Member/Proxy
(To be signed at the time of handing over the slip)

Form No. MGT-11

Proxy Form

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

CIN: L74900DL1994PLC062222
Name of the Company: SPARKLING (INDIA) FINSHARES LIMITED
Registered Office: 516, Kirti Shikhar Building, Plot No. 11, District Centre, Janakpuri New Delhi – 110 058

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

(* Applicable for members holding share(s) in electronic form)

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

1. Name : _____
   Address : _____
   E-mail ID : _____
   Signatiure : _____, or failing him _____

2. Name : _____
   Address : _____
   E-mail ID : _____
   Signatiure : _____, or failing him _____

3. Name : _____
   Address : _____
   E-mail ID : _____
   Signatiure : _____,

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 Wednesday, September 27, 2017 at 10:00 A.M. at Agarwal Bhawan, Prashant Vihar, New Delhi-110085 and at any adjournment thereof in respect of such resolutions as are indicated below:

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Resolution No.	**Resolutions**	**Optional**	
		For	**Against**
1	Adoption of Financial Statements		

2.	Re-appointment of Mr. Pawan Aggarwal, Director (DIN: 02071966), who retires by rotation.		
3.	Ratification of Appointment of Auditors		

Signed this _____ day of _____ 2017.

Affix Revenue Stamp

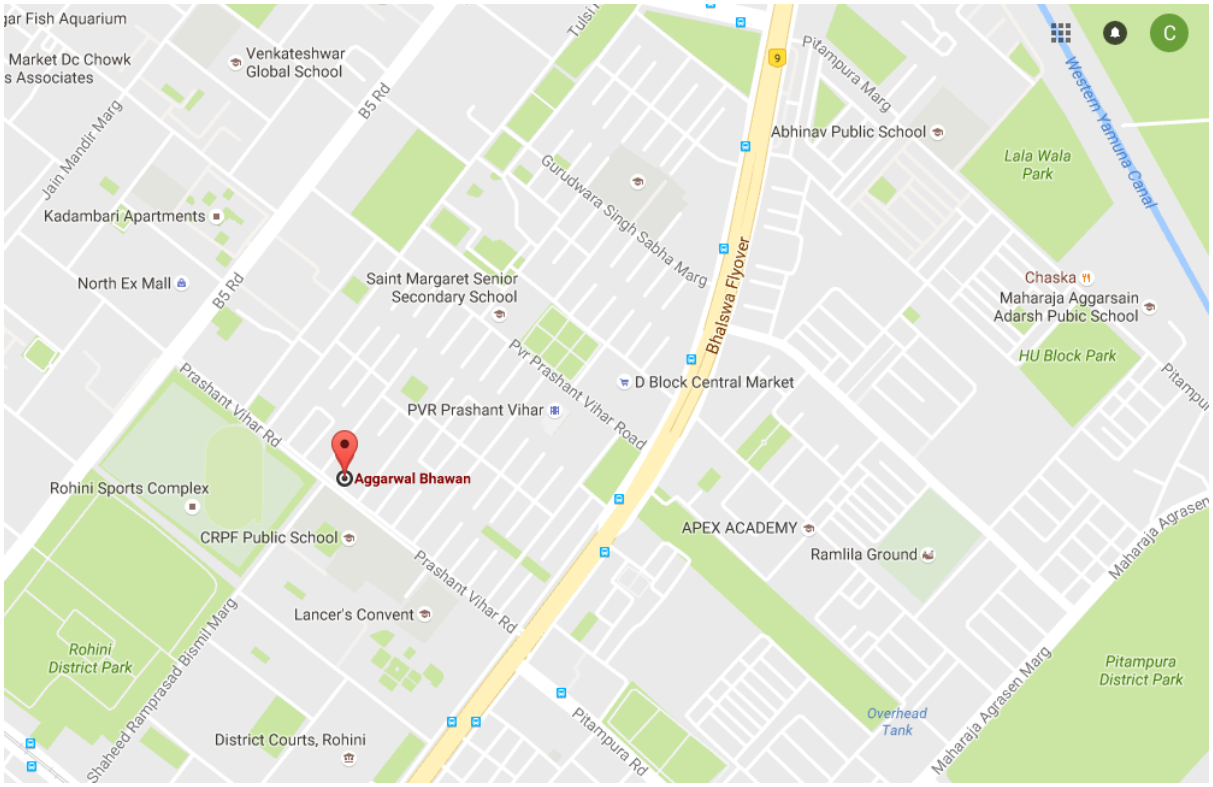
Signature of Shareholders(s)

Re.1 Revenue Stamp

Signature of Proxy holders(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions and Notes, please refer to the Notice of the Annual General Meeting.

3. It is optional to put a(√) in the appropriate column against the Resolution indicated in the Box. If, you leave the ' For' and 'against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she think appropriate.

Route Map for AGM Venue