



COMFORT FINCAP LIMITED

(Formerly : Parasnath Textiles Limited)

A- 301, HETAL ARCH, OPP. NATRAJ MARKET, S.V.ROAD, MALAD (WEST), MUMBAI - 400 064

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E-mail : info@comfortfincap.com • URL : www.comfortfincap.com

Regd.Office: 22, Block B, Camac Street, Kolkata - 700 016.

CIN NO.: L65923WB1982PLC035441

Date: August 26, 2019

To,
The Manager
Department of Corporate Services,
Bombay Stock Exchange Limited,
Phirozee Jeejeeboy Towers,
Dalal Street, Fort,
Mumbai – 400 001

To,
The Secretary,
The Calcutta Stock Exchange Limited,
7, Lyons Range
Kolkata: - 700001
Scrip Code - 26078

Dear Sir,

Sub: Annual Report 2018-19 of the Company along with the Notice convening 37th Annual General Meeting (“AGM”) and Intimation of Book Closure Date and Remote E- voting period dates.

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the Financial Year 2018-19 along with the Notice convening 37th AGM to be held on Monday, September 16, 2019 at 01.00 p.m. at the Hotel Regenta Inn Larica, Biswa Bangala Road, Rajarhat New Town, Chinarpark, Nowapara, Kolkata, West Bengal 700157.

The Annual Report along with the Notice convening 37th AGM of the Company for the Financial Year 2018- 19 is being dispatched/sent to the Members both physically and through soft copies via permitted mode(s) and the same is also being made available on the website of the Company at www.comfortfincap.com.

Further to our intimation dated August 14, 2019, wherein we had intimated details relating to Book Closure, we once again inform you that the Company has fixed September 09, 2019 as Book Closure date for the purpose of 37th Annual General Meeting and E-voting.

We further wish to intimate you that in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration Rules), 2014 as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall provide its Members the facility to exercise the votes electronically for transacting the items of business, as per details set out in the Notice convening the ensuing 37th AGM of the Company. For the aforesaid purpose, the Company has fixed September 09, 2019 as cut-off date for the purpose of determining the eligibility of Members to vote either through Remote E-voting or voting at the AGM. The Remote E-voting period will commence on Thursday, September 12, 2019 (9.00 a.m. IST) and will end on Sunday, September 15, 2019 (5.00 p.m. IST).

Request you to take the above on your record.

Thanking you,

For COMFORT FINCAP LIMITED


NIRMALA HITESH KANJAR
CHIEF FINANCIAL OFFICER

Encl: As Above





COMFORT FINCAP LIMITED

37TH ANNUAL REPORT 2018-19

Board of Directors

Mr. Bharat Shiroya

: Managing Director (till 29.06.2019);

Chief Executive Officer (w.e.f. 29.06.2019)

Mr. Anil Agrawal

: Non-Executive & Non-Independent Director (till 29.06.2019);

Mrs. Annu Agrawal

: Non-Executive & Non-Independent Director (till 29.06.2019);

Mr. Jugal Thacker

: Non-Executive & Independent Director (till 29.06.2019);

Mr. Anilkumar Nevatia

: Non-Executive & Independent Director (till 18.05.2019);

Mr. Devendra Lal Thakur

: Non-Executive & Independent Director

Mrs. Nirmala Kanjar

: Chief Financial Officer

Mr. Ankur Agrawal

: Additional Director (w.e.f. June 29, 2019)

Mr. Milin Ramani

: Additional Director (w.e.f. June 29, 2019)

CIN: L65923WB1982PLC035441

Registered Office

22, Camac Street, Block 'B', Ground Floor,
Behind Pantaloons, Kolkata, West Bengal, 700016

Corporate Office

A-301, Hetal Arch, Opp. Natraj Market,
S. V. Road, Malad (West), Mumbai 400064
Tel: 91-22-28449765/66
Fax: 91-22-28892527
Email: info@comfortfincap.com
Website: www.comfortfincap.com

Registrars and Share Transfer Agents

M/s. Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai - 400059
Tel: 022-62638200 Fax: 022-62638299
Website : www.bigshareonline.com
Email ID: investor@bigshareonline.com

Bankers

Union Bank of India
IDBI Bank

Statutory Auditors

A. R. Sodha & Co., Chartered Accountants.

Internal Auditors

Siddhant Shah & Co. Chartered Accountants.

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37th ANNUAL GENERAL MEETING

Day & Date	Monday, September 16, 2019
Time	1.00 P.M.
Venue	Hotel Regenta Inn Larica, Biswa Bangala Road, Rajarhat New Town, Chinarpark, Nowapara, Kolkata, West Bengal-700157.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 37TH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMFORT FINCAP LIMITED WILL BE HELD ON MONDAY, SEPTEMBER 16, 2019 AT 01.00 P.M AT HOTEL REGENTA INN LARICA, BISWA BANGALA ROAD, RAJARHAT NEW TOWN, CHINARPARK, NOWAPARA, KOLKATA, WEST BENGAL 700157 TO TRANSACT THE FOLLOWING BUSINESS :-

ORDINARY BUSINESS:

1. To receive, consider and adopt:

- a. The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditors thereon; and**
- b. The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Report of the Auditors thereon.**

SPECIAL BUSINESS:

2. To Appoint Mr. Ankur Anil Agrawal (DIN: 06408167) as Non-Executive Non-Independent Director, liable to retire by rotation.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactments thereof for the time being in force), Mr. Ankur Anil Agrawal (DIN: 06408167), whose appointment was recommended by Nomination and Remuneration Committee and appointed by Board of Directors as an Additional Director on June 29, 2019 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Non - Executive Non - Independent Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors and/or Company Secretary of the Company, be and is hereby jointly and/or severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

3. To Appoint Mr. Milin Jagdish Ramani (DIN: 07697636) as Non-Executive Independent Director of the Company to hold office for a term of 5 consecutive years i.e. from June 29, 2019 to June 28, 2024

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(SEBI LODR) (including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force), and based on the recommendation and approval of the Nomination and Remuneration Committee and Board of Directors of the Company respectively, Mr. Milin Jagdish Ramani (DIN: 07697636), who was appointed as an Additional Director and who meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) SEBI LODR and in respect of whom the Company has received a notice in writing under Section 160 of Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term of 5 consecutive years i.e. from June 29, 2019 to June 28, 2024 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any of the Board of Directors and / or Company Secretary be and is hereby authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds, matters and things, as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

4. To approve and Ratify the Related Party Transactions

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (“the Act”) and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed/to be passed at their respective meetings, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to ratify/ approve all the material related party transactions (including any modifications, alterations or amendments thereto) entered into/ to be entered into by the Company during F.Y. 2018-19, FY 2019-20 and thereafter in the ordinary course of business and on arm’s length basis with related Party/ies within the meaning of the Act and Listing Obligations, as per below framework:

Name of the Related Party	Comfort Capital Pvt Ltd.	Ms. Deepika Agrawal	Flora Fountain Properties Limited	Comfort Intech Limited	Comfort Securities Ltd.
Name of the Director or Key Managerial Personnel who is/may be related	Mr. Ankur Agrawal	Mr. Ankur Agrawal	Mr. Ankur Agrawal	Mr. Ankur Agrawal	Mr. Anil Agrawal and Mrs. Annu Anil Agrawal (Former Directors of the Company)
Nature of Relationship	Related Directors				
Nature and particulars of the contract / arrangement	Related Party Transactions in the nature of providing of loan(s) / business advance to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any loan taken/ to be taken by entities, being entities under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub-section 2(b) of Section 185 of Companies Act, 2013				
Material terms of the contract / arrangement	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis.				
Monetary value of the contract / arrangement					
For FY 2018-19:	Rs. 5 Crore	Rs. 3 Crore	Rs. 8 Crore	Rs. 15 Crore	Rs. 4 Crore
For FY 2019-20 and onwards :	Rs. 5 Crore	Rs. 3 Crore	Rs. 8 Crore	Rs. 15 Crore	Rs. 4 Crore
The indicative base price or current contracted price and the formula for variation in the price, if any	Prices are basis on arm's length having reference of market price however remains static for the contracted quantity and delivery period.				
Any other information relevant or important for the members to take a decision on the proposed resolution	None				

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board / any Committee thereof be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board / any Committee thereof is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board / Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.”

BY ORDER OF THE BOARD OF DIRECTORS OF COMFORT FINCAP LIMITED

Sd/-
ANKUR ANIL AGRAWAL
ADDITIONAL DIRECTOR
DIN: 06408167

DATE : AUGUST 14, 2019

PLACE : MUMBAI

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), setting out material facts concerning the business to be transacted at the ensuing Annual General Meeting (AGM) under item nos. 2 to 4 is annexed hereto.
2. A brief resume of each of the Director proposed to be Appointed at this AGM, nature of their expertise in specific functional areas, names of Companies in which they hold the Directorship and Membership /Chairmanships of Board Committees, Shareholding and relationship between directors inter-se as stipulated under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulation) and other requisite information as per Secretarial Standard-2 on General Meetings, are attached herewith.

Further, the Members may take note that pursuant to provisions of Section 152(6) none of the Directors of the Company are liable to retire by rotation at 37th AGM as Mr. Devendra Lal Thakur being an Independent Director is not liable to retire by rotation and other two Directors, namely Mr. Ankur Agrawal and Mr. Milin Ramani, are being appointed at the AGM.

3. The Company's Statutory Auditors, A.R. Sodha & Co, Chartered Accountants (Registration No. 110324W), were appointed as Statutory Auditors of the Company for a period of 5 consecutive years till the conclusion of the 40th AGM, subject to ratification by members every year.

Pursuant to the provisions Section 139 of the Act, and the Companies (Amendment) Act, 2018 effective from 7 May, 2018, the requirement of seeking ratification from the members for the continuation of re-appointment of the Statutory Auditors has been withdrawn from the Statute.

In view of the above, ratification of the Members for continuing the re-appointment of the Statutory Auditors at this AGM is not being sought. M/s. A. R. Sodha & Co. Chartered Accountants, (Firm Registration No. FRN 110324W) have given a confirmation and consent under Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors. The Board of Directors based on the recommendation of the Audit Committee shall determine the remuneration payable to the Statutory Auditors.

4. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING”) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

5. Pursuant to the provisions of Section 105 of the Act, a person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. However, a Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or Member.
6. The Register of Members and Share Transfer Books of the Company will remain closed on September 09, 2019 for the purpose of Annual General Meeting.
7. Corporate Members intending to send their Authorised Representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send a duly certified copy of the relevant Board Resolution together with the specimen signature(s) of their representative(s) who are authorised to attend and vote on their behalf at the Meeting.
8. In case of joint holders attending the AGM, the joint holder who is highest in the order of names will be entitled to vote at the AGM.
9. Members, Proxies and Authorised Representatives are requested to bring to the AGM, the Attendance Slips enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No., along with their copy of the Annual Report at the time of attending the Meeting. Please note that Annual Report copies shall not be available / distributed at the AGM Venue.
10. Share Transfer Permitted only in Demat: Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30 November, 2018, it is advised that transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1 April, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, members holding shares in physical form are requested to take action to dematerialise the Equity Shares, promptly to avoid inconvenience in future.
11. Pursuant to the SEBI Listing Regulations, the Company is required to maintain Bank details of its members for the purpose of payment of Dividends, etc. Members are requested to register / update their Bank details with the Company in case shares are held in physical form and with their Depository Participants where shares are held in dematerialised mode to enable expeditious credit of the dividend into their respective Bank accounts electronically through the Automated Clearing House (ACH) mode.
12. Transfer of Unclaimed Dividend Amount and Shares to the Investor Education and Protection fund (IEPF) Authority:

Pursuant to the applicable provisions of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force), the Company will be transferring the dividend and the shares to the IEPF Authority for its Dividend Account of the financial year 2011-12 which is due in October, 2019. The Company will be sending individual correspondence to the shareholders and will be publishing an newspaper advertisement for claiming the unpaid/unclaimed dividend in respect of which dividend has not been en-cashed or claimed by the members for 7 consecutive years or more. The shareholders are once again requested to claim their unpaid/unclaimed Dividend to avoid the transfer to IEPF Authority.

Members who have not yet en-cashed their Final Dividends from financial year 2011-12 and 2012-13 and thereafter are requested to make their claims to the Company / RTA. Members are requested to quote folio numbers / DP ID – Client ID in all their correspondence.

In case the members have any queries on the subject matter and the Rules, they may contact the Company's RTA. The members / claimants whose shares and / or, unclaimed dividend, etc. have been transferred to IEPF Authority may claim

the shares and unclaimed dividend by making an application to IEPF Authority in IEPF Form-5 (available on www.iepf.gov.in). The member / claimant can file only one consolidated claim in a financial year as per the IEPF Rules. It is in the members interest to claim any un-en-cashed dividends from IEPF and for future dematerialization of their shares and opt for Automated Clearing House (ACH) mode, so that dividends paid by the Company are credited to the investor's account on time.

13. In compliance with provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Annual Report for Financial Year 2018- 2019 of your Company will be sent via Electronic Mode (E-mail) to the Members whose E-mail ID was made available to us by the Depositories Participants. We request the Members to register / update their e-mail address with their Depository Participant, in case they have not already registered/ updated the same. Members who are holding shares in physical form are requested to get their email address registered with the Registrar and Share Transfer Agents, the physical copies to them are being sent by the permitted mode. Members may also note that the Annual Report for the financial year ended 31 March, 2019 including the Notice of the 37th AGM will also be made available on the website of the Company at www.comfortfincap.com for their downloading.
14. Members are requested to join the Company in supporting the Green Initiative taken by Ministry of Corporate Affairs ("MCA") to effect electronic delivery of documents including the Annual Report and other documents to the members at the E-mail addresses registered for the said purpose. Members are hereby requested to register their E-mail addresses with their Depository Participant or with Bigshare Services Pvt. Ltd, Registrar and Share Transfer Agent (RTA) of the Company, for sending various Notices, Annual Report, Dividend intimation and other documents through Electronic Mode. Those members who have changed their E-mail Addresses are requested to register their E-mail ID / New Addresses with RTA, in case the shares are held in physical form and with the Depository Participants where shares are held in Demat mode.
15. All the relevant documents referred to in the accompanying Notice are available for inspection at the Registered Office of the Company on all working days (From Monday to Friday) during the business hours up to the date of AGM.
16. The Members, desiring any information relating to the Accounts, are requested to write to the Company at the Registered Office of the Company, to enable us to keep the requisite information ready.
17. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and the Register of Contracts or Arrangements, in which the Directors are interested maintained under Section 189 of the Act, will be available for inspection at the AGM.
18. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014, as amended and Regulation 44 of the Listing Regulations, the Company is pleased to provide e-voting facility to all Members which have been provided through the e-voting platform of NSDL. In this regard, your demat account/folio number has been enrolled by the Company for your participation in e-voting on the resolutions placed by the Company on the e-voting system. Instructions and manner of e-voting process can be downloaded from the link <https://www.evoting.nsdl.com/>. E-voting is optional. The e-voting rights of the members/beneficial owners shall be reckoned on the equity shares held by them as on Monday, September 09, 2019 i.e. **Cut-off date are entitled to vote on the Resolutions set forth in this Notice.**
19. **VOTING:-** All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date namely, Monday, September 09, 2019 only shall be entitled to vote at the General Meeting by availing the facility of remote e-voting or by voting at the General Meeting.

(I) VOTING THROUGH ELECTRONIC MEANS

1. Pursuant to Section 108 and Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended and Regulation 44 of the SEBI Listing Regulations, the Company has provided e-voting facility to the members using the National Securities Depository Limited (NSDL) platform. All business to be transacted at the Annual General Meeting can be transacted through the electronic voting system. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ("remote e-voting").
 2. A member can opt for only one mode of voting i.e. either in person or through proxy at the meeting or through e-voting. If a member casts votes by all the modes, then voting done through e-voting shall prevail and voting through other means shall be treated as invalid.
 3. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 4. The Company will take the Scrutinizer's Report to scrutinize the physical poll as well as further remote e-voting process in a fair and transparent manner from Practicing Professional (Scrutinizer), who (he/she) has been appointed for this purpose.
 5. The results shall be declared within 48 hours after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the company's website www.comfortfincap.com and on the website of NSDL <https://www.evoting.nsdl.com/> and the same shall also be communicated to BSE Limited where the shares of the Company are listed.
20. The instructions for members for voting electronically are as under:
- Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. Monday, September 09, 2019, may obtain the User ID and password in the manner as mentioned at points (ii) to (v) given below.

The instructions for Members for e-Voting are as under: The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at www.evoting.nsdl.com

How to Log-in to NSDL e-Voting website?

- A. Visit the e-Voting website of NSDL. Open web browser by typing the following: www.evoting.nsdl.com either on a Personal Computer or on a mobile.
- B. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholders' section.
- C. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at eservices.nsdl.com with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

D. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
i) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
ii) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
iii) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if Folio Number is 001*** and EVEN is 101456 then user ID is 101456001***

E. Your password details are given below:

- i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- iii) How to retrieve your 'initial password'?
 - a. If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your initial password'.
 - b. If your e-mail ID is not registered, your 'initial password' is communicated to you on your postal address.

F. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

- i) Click on 'Forgot User Details/Password (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- ii) Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- iii) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

G. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.

H. Now, you will have to click on 'Login' button.

I. After you click on the 'Login' button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 3. Select "EVEN" of company for which you wish to cast your vote.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 6. Upon confirmation, the message "Vote cast successfully" will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- A. The voting rights of Members shall be in proportion to their shares of the Paid - Up Equity Share Capital of the Company as on the cut-off date of Monday, September 09, 2019. For all others who are not holding shares as on Monday, September 09, 2019 and receive the Annual Report of the Company, the same is for their information.
 - B. A copy of this Notice has been placed on the website of the Company.
 - C. Mrs. Ramadevi Satish Venigalla, Practicing Company Secretary (Membership No. FCS 7345, COP 17889) has been appointed by the Board of Directors as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
 - D. The Scrutinizer shall, immediately after the conclusion of voting at the Meeting, first 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 favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. Chairman or a person authorized by him in writing shall declare the result of the voting forthwith.
 - E. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.comfortfincap.com, on the website of NSDL <https://www.evoting.nsdl.com/> and communicated to the BSE Limited.

(II) VOTING AT AGM

1. The members, who have not cast their votes electronically, can exercise their voting rights at the AGM through ballot paper.
2. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., Bigshare Services Pvt. Ltd. at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059, Tel: 022-62638200 Fax: 022-62638299, Website: www.bigshareonline.com.

COMFORT FINCAP LIMITED

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Email ID: investor@bigshareonline.com, changes, if any, in their Bank details, registered address, Email ID, etc. along with their Pin Code. Members holding shares in electronic form may update such details with their respective Depository Participant.

3. The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient votes through a compilation of Remote E-Voting and voting through ballot held at the AGM.

21. Route Map showing directions to reach to the venue of the 37th AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on "General Meeting."

Additional information on Directors recommended for Appointment [Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings] Item No. 2 & 3

Particulars	Mr. Milin Jagdish Ramani	Mr. Ankur Anil Agrawal
DIN	07697636	06408167
Date of Birth	08/02/1993	23/11/1990
Age (in years)	26 years	29 years
Date of Appointment	June 29, 2019	June 29, 2019
Nationality	Indian	Indian
Qualification	Mr. Milin Ramani is an Associate Member of the Institute of Company Secretaries of India (ICSI).	Mr. Ankur Agrawal is a fellow member of ICAI and CFA. He also hold a degree of Family MBA from Indian School of Business.
Expertise in specific Functional Area	He has sound experience in the field of secretarial and other regulatory compliances.	He has more than 7 years of post qualification work experience in the field of Commerce, Finance, Audit and Accounts.
Directorships held in other public companies (excluding private, foreign companies and Section 8 companies)	1. Digicable Network (India) Limited 2. Luharuka Media & Infra Limited 3. Comfort Commotrdae Limited (Additional Director) 4. Comfort Intech Limited (Additional Director)	1. Liquours India Limited 2. Flora Fountain Properties Limited 3. Luharuka media & Infra Limited 4. Comfort Commotrade Limited (Additional Director) 5. Comfort Intech Limited (Additional Director)
Shareholding in the Company as on March 31, 2019	NIL	NIL

Particulars	Mr. Milin Jagdish Ramani	Mr. Ankur Anil Agrawal
Memberships/ Chairmanships of Committees of public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Comfort Intech Limited <ul style="list-style-type: none"> Audit Committee- Member Stakeholder Relationship Committee- Member Comfort Commotrade Limited <ul style="list-style-type: none"> Audit Committee- Member Luharuka Media & Infra Limited <ul style="list-style-type: none"> Audit Committee- Member Stakeholder Relationship Committee- Member Comfort Fincap Limited <ul style="list-style-type: none"> Audit Committee- Member Stakeholder Relationship Committee- Member Digicable Network (India) Limited <ul style="list-style-type: none"> Audit Committee- Member 	Comfort Intech Limited <ul style="list-style-type: none"> Audit Committee- Member Stakeholder Relationship Committee- Chairman Comfort Commotrade Limited <ul style="list-style-type: none"> Audit Committee- Member Stakeholder Relationship Committee- Chairman Luharuka Media & Infra Limited <ul style="list-style-type: none"> Audit Committee- Member Stakeholder Relationship Committee- Member Comfort Fincap Limited <ul style="list-style-type: none"> Audit Committee- Member Stakeholder Relationship Committee- Chairman
No. of Board Meeting attended during the year of the Company	NA since appointment made after the end of the financial year on June 29, 2019	NA since appointment made after the end of the financial year on June 29, 2019
Disclosure of relationship between Directors inter-se	None	Mr. Ankur Anil Agrawal is son of Mr. Anil Beniprasad Agrawal - Chief Executive Officer of the Company and Director (resigned w.e.f. June 29, 2019) and Mrs. Annu Anil Agrawal - Director (resigned w.e.f. June 29, 2019)
Key Terms and Conditions of the appointment	As per the Resolution at Item no. 3 of this Notice read with the explanatory statement thereto	As per the Resolution at Item no. 2 of this Notice read with the explanatory statement thereto
Remuneration last drawn	NA since appointment after the end of the financial year i.e on June 29, 2019	NA since appointment after the end of the financial year i.e on June 29, 2019
Remuneration sought to be paid	Since the Director is a Non-Executive Director of the Company, only sitting fees and the commission, if any would be payable to him	Since the Director is a Non-Executive Director of the Company, only sitting fees and the commission, if any would be payable to him

BY ORDER OF THE BOARD OF DIRECTORS OF COMFORT FINCAP LIMITED

Sd/-
ANKUR ANIL AGRAWAL
ADDITIONAL DIRECTOR
DIN: 06408167

DATE : AUGUST 14, 2019
PLACE : MUMBAI

ANNEXURE TO NOTICE
EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out the material facts relating to the Special Business mentioned in the accompanying Notice

ITEM NO. 2

The Board of Directors based on the recommendation of Nomination and Remuneration Committee at its meeting held on June 29, 2019 appointed Mr. Ankur Agrawal as an Additional Director of the Company in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 to hold office up to the date of the ensuing Annual General Meeting of the Company. The Company has received valid Notice in writing from a member under the provisions of Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Ankur Agrawal for the office of Director of the Company.

The Company has received from Mr. Ankur Agrawal (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

The resolution seeks the approval of Members for the appointment of Mr. Ankur Agrawal as a Director of the Company pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under.

In the opinion of the Nomination & Remuneration Committee and Board of Directors of the Company, the appointment of Mr. Ankur Anil Agrawal on the Board would be of immense benefit to the overall functioning of the Company having regard to the qualification, being fellow member of ICAI, CFA and bearing degree of Family MBA from Indian School of Business. Further, he has more than 7 years of post Qualification of work experience in the field of Commerce, Finance, Audit and Accounts. The Board recommends the Ordinary Resolution as set out in Item No. 2 of the Notice for the approval of the members at the ensuing Annual General Meeting.

A brief profile of Mr. Ankur Anil Agrawal as Non-Executive Director to be appointed is given in the table appearing before the explanatory statement.

Except Mr. Ankur Agrawal none of the other Directors / KMPs of the Company are, in any way, concerned or interested in the resolution.

Your Board recommends the said resolution, as Ordinary Resolution for approval of the Members.

ITEM NO. 3

The Board of Directors based on the recommendation of Nomination and Remuneration Committee at its meeting held on June 29, 2019 appointed Mr. Milin Jagdish Ramani as an Additional Director in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 to hold office up to the date of the ensuing Annual General Meeting of the Company. The Company has received a valid notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Milin Jagdish Ramani for the office of Independent Director of the Company for a term of 5 years from June 29, 2019 to June 28, 2024.

The Company has received from Mr. Milin Ramani (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013. The Board of Directors propose the appointment of Mr. Milin Jagdish Ramani as an Independent Director of the Company to hold office upto 5 years from the date of appointment and will not be liable to retire by rotation.

In the opinion of the Nomination & Remuneration Committee and Board of Directors of the Company, the appointment of Mr. Milin Ramani on the Board would be of immense benefit to the overall functioning of the Company having regard to the

qualification, being Company Secretary and considering his sound experience in the field of secretarial and other regulatory compliances. The Board recommends the Special Resolution as set out in Item No. 3 of the Notice for the approval of the members at the ensuing Annual General Meeting.

A brief profile of Mr. Milin Jagdish Ramani to be appointed as Independent Director is given in the table appearing before the explanatory statement.

Except Mr. Milin Ramani none of the other Directors / KMPs of the Company are, in any way, concerned or interested in the resolution.

Your Board recommends the said resolution, as Special Resolution for approval of the Members.

ITEM NO. 4

Your Company generally enters into transaction with related parties as prescribed in the table of resolution no. 4 in ordinary course of business and at arms' length basis, which would fall in the definition of "Related Parties" under the Companies Act, 2013 ("the Act") and/or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules') exempts a company from obtaining consent of the Board of Directors and the members in case the related party transactions entered into by the Company are in the ordinary course of business and on arm's length basis.

However, Regulation 23 of SEBI Listing Regulations requires approval of the members through a resolution for all material related party transactions, even if they are entered into in the ordinary course of business and on arm's length basis, if the same is not exempt under Regulation 23(5) of the Listing Regulations. For this purpose, a transaction with a related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company as per the last audited financial statements.

Your Company had entered into related transactions falling under the category of material related party transaction requiring shareholders' approval. Further, your Company may have to enter into similar material related party transactions in future requiring shareholders' approval, the framework of which has been recommended by the Audit Committee and approved by the Board of Directors of the Company in the text of the resolution proposed in the Notice.

All the material related party transactions entered/to be entered into by the Company (for which members approval is being sought) are/would be on arm's length basis and in the ordinary course of business and approval of the Audit Committee / Board is obtained/would be obtained, wherever required.

Information required to be given in the explanatory statement pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 forms part of the resolution.

Shareholders' approval by way of a Special Resolution is therefore sought for the resolution set out in this Notice in terms of Regulation 23 of the Listing Regulations. Except Mr. Ankur Agrawal and his relatives, none of the other Directors / KMPs of the Company are, in any way, concerned or interested in the Resolution.

The Board recommends the Special Resolution as set out at item No. 4 for the approval of the Shareholders.

BY ORDER OF THE BOARD OF DIRECTORS OF COMFORT FINCAP LIMITED

DATE : AUGUST 14, 2019
PLACE : MUMBAI

Sd/-
ANKUR ANIL AGRAWAL
ADDITIONAL DIRECTOR
DIN: 06408167

ROUTE MAP OF THE 37TH ANNUAL GENERAL MEETING OF THE MEMBERS OF COMFORT FINCAP LIMITED TO BE HELD ON MONDAY, SEPTEMBER 16, 2019 AT 01.00 P.M AT HOTEL REGENTA INN LARICA, BISWA BANGALA ROAD, RAJARHAT NEW TOWN, CHINARPARK, NOWAPARA, KOLKATA, WEST BENGAL 700157



DIRECTOR'S REPORT

To the Members of the Company,

Your Directors have pleasure in presenting the 37th Annual Report on the business and operations of your Company with Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2019. The Audited Financial Statements (Consolidated and Standalone) of your Company for the financial year ended March 31, 2019 are summarized below:

1) HIGHLIGHTS OF STANDALONE AND CONSOLIDATED FINANCIAL RESULTS:

(In Lacs)

PARTICULARS	STANDALONE		CONSOLIDATED	
	MARCH 31, 2019	MARCH 31, 2018	MARCH 31, 2019	MARCH 31, 2018
Revenue from Operations	718.66	733.57	718.66	733.57
Other operating Income	3.82	1.77	3.82	1.77
Total Revenue	722.48	735.34	722.48	735.34
Earnings before Interest, Depreciation and Tax (EBIDTA)	495.13	548.21	495.13	548.21
Finance Cost	135.55	209.02	135.55	209.02
Depreciation and Amortization Expenses	0.55	0.54	0.55	0.54
Profit before Tax	359.03	338.65	359.03	338.65
Current Tax Expenses	108.13	93.85	108.13	93.85
Deferred Tax	-	-	-	-
Tax of earlier years	-4.62	1.75	-4.62	1.75
Profit for the Year	255.52	243.05	255.52	243.05
Earnings Per Share (EPS)	2.35	2.24	2.35	2.24

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report which affects the financial position of the Company. Based on internal financial control framework and compliance systems established in the Company and verified by the statutory and internal auditors and reviews performed by the management and the Audit Committee of the Board, your Board is of the opinion that Company's internal financial controls were adequate and effective during the financial year 2018-19.

2) CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Section 129 and 133 of Companies Act, 2013 (hereinafter referred to as "the Act") read with the Companies (Accounts) Rules, 2014 and Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the financial year 2018-19, together with the Auditors' Report form part of this Annual Report.

The Consolidated and Standalone Financial Statements of the Company for the year ended March 31, 2019 have been prepared in accordance with applicable Accounting Standards and the relevant provisions of the Companies Act, 2013.

3) FINANCIAL PERFORMANCE

At Standalone and Consolidated Level, The Revenue from operation stood at 718.66 Lacs compared with 733.57 Lacs in the Previous Year. The Net Profit for the year stood at 255.52 Lacs against 243.05 Lacs reported in the Previous Year.

The Management continues to concentrate its efforts to increase the revenue of the Company by identifying new opportunities.

In accordance with the provisions contained in Section 136 of the Companies Act, 2013, the Annual Report of the Company, containing therein its Consolidated and Standalone Financial Statements are available on the website of the Company at www.comfortfincap.com. Further, a detailed analysis of Company's performance is included in the Management Discussion and Analysis, which forms part of this Annual report.

4) DIVIDEND

The Company has a robust track record of rewarding its members with a generous dividend payout. During previous financial Year Shareholders had approved the payment of a Final Dividend for the financial year 2017-18 @ of Rs. 0.25/- per Equity Share.

Further, based at the financial Performance of the Company for the year 2018-19 and with a view to conserve financial resources, the Directors have not recommended any dividend on equity shares for the year ended on March 31, 2019.

5) TRANSFER OF UNCLAIMED DIVIDEND AMOUNTS AND CONCERNED SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF) AUTHORITY

Pursuant to the applicable provisions of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (including any statutory modification(s) and / or reenactment(s) thereof for the time being in force), the Company will be transferring the dividend and the shares to the IEPF Authority for its Dividend Account of the financial year 2011-12 which is due in October, 2019. The Company will be sending individual correspondence to the shareholders and newspaper advertisement for claiming the un-paid/unclaimed dividend in respect of which dividend has not been en-cashed or claimed by the members for 7 consecutive years or more. The shareholders are once again requested to claim their un-paid/unclaimed to avoid the transfer to IEPF Authority.

Members who have not yet en-cashed their Final Dividends from financial year 2011-12 and 2012-13 and thereafter are requested to make their claims to the Company / RTA. Members are requested to quote folio numbers / DP ID – Client ID in all their correspondence.

6) SHARE CAPITAL & LISTING

The paid-up Equity Share Capital of the Company as on March 31, 2019 is Rs 10,85,13,000. 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 or sweat equity shares, nor has it granted any stock options during the Financial Year 2018-19.

7) TRANSFER TO RESERVES

There was no amount from profit, which was transferred to General Reserves during the year under review.

8) LISTING WITH THE STOCK EXCHANGES

Your Company's equity shares are listed on The BSE Limited. Annual listing fees for the Financial Year 2018-19 and 2019-20 have been paid to BSE Limited. The Status of Listing of the Company is displayed as suspended on the website of Calcutta Stock Exchange Limited.

9) SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES

For the period under review, your Company has an Associate Company namely, Lemonade Shares & Securities Private Limited as on March 31, 2019. There are no Subsidiaries or joint venture companies within the meaning of Section 2(87) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the associates.

Pursuant to sub-section (3) of section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing the salient feature of the financial statement of a company's subsidiary in **Form AOC-1** is attached as **Annexure - 1** to this Report.

10) DEPOSITS

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made thereunder.

11) MATERIAL CHANGES AFFECTING THE COMPANY

No material changes and commitments occurred after the close of the financial year 2018-19 till the date of this Report which affect the financial position of the Company, except the resignation of Mr. Anil Agrawal, Mr. Bharat Shiroya, Mr. Jugal Thacker, Mrs. Annu Agrawal - Director(s) of the Company w.e.f. June 29, 2019 due to the SEBI order dated March 12, 2019 which stated that they shall not hold Position as director in any listed Company for the period of 3 years w.e.f. July 01, 2019. Comfort Fincap Limited was restrained from accessing the securities market for a period of three years as per the SEBI Order dated April 02, 2018.

Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

12) CORPORATE GOVERNANCE

Our Corporate Governance practices are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholders value legally, ethically and sustainably.

Pursuant to Listing Regulations, a separate chapter titled 'Corporate Governance' has been included in this Annual Report, along with the reports on Management Discussion and Analysis.

All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2018-19. A declaration to this effect signed by the Chief Executive Officer (former Managing Director) of the Company, is contained in this Annual Report.

The Chief Executive Officer (former Managing Director) and Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the Listing Regulations. Certificate from the Auditors of the Company regarding compliance of conditions of corporate governance is annexed to this Report.

13) BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical backgrounds, age and ethnicity, that will help us retain our competitive advantage.

Your Company's Board comprises of mix of Executive, Non – Executive Directors and Woman Director with considerable experience and expertise across a range of fields such as finance, accounts, legal, secretarial, industrial relations,

personal management and strategy. Except Executive Director and Independent Directors, all other directors are liable to retire by rotation as per the provisions of the Act. It is confirmed that there is no relationship between the Directors inter-se except Mr. Anil Agrawal, Mr. Ankur Agrawal and Mrs. Annu Agrawal. During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, perquisites and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

The details of the Directors, their meetings held during the year and the extracts of the Nomination and Remuneration Policy has been given in the Corporate Governance, which forms part of this Report.

I. Key Managerial Personnel

The following are the Key Managerial Personnel of the Company as on March 31, 2019:

Sr. No.	Name of the Person	Designation
1	Mr. Bharat Nanubhai Shiroya*	Managing Director
2	Mrs. Nirmla Kanjar	Chief Financial Officer
3	Mr. Kirit Dharod**	Company Secretary
4	Ms. Nidhi Busa#	Company Secretary

*Post Financial Year, Mr. Bharat Nanubhai Shiroya has resigned from the office of the Managing Director of the Company with effect from June 29, 2019.

Mr. Bharat Nanubhai Shiroya was appointed as Chief Executive Officer of the Company with effect from June 29, 2019.

**During the Year under review, Mr. Kirit Dharod has resigned from the Post of Company Secretary & Compliance Officer with effect from May 15, 2018.

#During the year under review Ms. Nidhi Busa was Appointed as Company Secretary and Compliance Officer of the Company w.e.f. January 01, 2019 and she resigned w.e.f. April 19, 2019.

II. BOARD OF DIRECTORS

Following were the Directors as on March 31, 2019:

Sr. No.	Name of the Person	DIN	Category
1	Mr. Bharat Nanubhai Shiroya	00014454	Managing Director
2	Mr. Anil Beniprasad Agrawal	00014413	Non- Executive Director
3	Mrs. Annu Anil Agrawal	00014487	Non- Executive Director
4	Mr. Jugal Thacker	00015460	Independent Director
5	Mr. Devendra Lal Thakur	00392511	Independent Director
6	Mr. Anilkumar Shivkaran Nevatia	00531183	Independent Director

Further, as on the date of this Report and post financial year following changes took place in Board of Directors of the Company;

Change in Directorate

a) Cessation of Directors

- Mr. Anil Shivkaran Nevatia (DIN: 00531183) – Independent Director of the Company has resigned from the post of Director with effect from May 18, 2019 due to personal and unavoidable circumstances. Further, pursuant to Regulation 30 of SEBI LODR, he also stated that there was no other than mentioned above.

The Board recorded its sincere appreciation for his valuable contribution during his long association with the Company.

- Mr. Bharat Nanubhai Shiroya (DIN: 00014454) – Managing Director of the Company, Mrs. Annu Anil Agrawal (DIN: 00014487) and Mr. Anil Beniprasad Agrawal (DIN:00014413) – Directors of the Company, have resigned from the post of Director on account of SEBI order dated March 12, 2019 which stated that they shall not hold position as Director in any listed company for a period of three years, with effect from July 01, 2019.

Accordingly, in compliance with the order, they have resigned with effect from the closure of the working hours of June 29, 2019. The Board recorded its sincere appreciation for their valuable contribution during their long association with the Company.

- Mr. Jugal Chandrakant Thacker (DIN: 00015460) – Independent Director of the Company has resigned from the post of Independent Director on account of SEBI order dated March 12, 2019 which stated that he shall not hold position as Director in any listed company for a period of three years, with effect from July 01, 2019. Accordingly, in compliance with the order, he resigned with effect from the closure of the working hours of June 29, 2019.

Further, pursuant to Regulation 30 of SEBI LODR, he also stated that there was no other material reason other than the SEBI order.

The Board recorded its sincere appreciation for their valuable contribution during his long association with the Company.

b) Appointment/Re-appointment of Directors

- Pursuant to Regulation 17 of SEBI LODR and based on recommendation of Nomination and Remuneration Committee and Board at its meeting held on June 29, 2019, appointed Mr. Milin Jagdish Ramani (DIN:07697636) and Mr. Ankur Anil Agrawal (DIN: 06408167) as Additional Director with effect from June 29, 2019 to hold office up to the date of forthcoming Annual General Meeting.

Further, Subject to approval of Shareholders at ensuing Annual General Meeting, it is proposed to appoint Mr. Ankur Anil Agrawal and Mr. Milin Ramani as Directors of the Company in the category of Non-Executive Non-Independent and Non-Executive Independent respectively w.e.f. June 29, 2019. The Company has received requisite declarations from them.

Details about the Directors being appointed are given in the Notice of the forthcoming Annual General Meeting.

c) Director liable to retire by rotation:

- Pursuant to provisions of section 152(6) none of the directors of the company are liable to retire by rotation at 37th AGM as Mr. Devendra Lal Thakur being an Independent Director is not liable to retire by rotation and other two directors, namely Mr. Ankur Agrawal and Mr. Milin Ramani, are proposed to be appointed at the 37th AGM as Non Executive Non Independent Director and Non Executive Independent Director respectively.

d) Change in Key Managerial Personnel

- During the year under review, Mr. Bharat Nanubhai Shiroya resigned as Managing Director of the Company with effect from June 29, 2019.
- During the year under review, Mr. Kirit Dharod, Company Secretary and Compliance Officer of the Company has tendered her resignation with effect from May 15, 2018.
- During the year under review, Ms. Nidhi Busa was Appointed as Company Secretary and Compliance Officer of the Company w.e.f. January 01, 2019 and she resigned w.e.f. April 19, 2019.
- After the end of Financial Year i.e on June 29, 2019, the Board of Directors based on the recommendation of Nomination and Remuneration Committee appointed Mr. Bharat Nanubhai Shiroya as Chief Executive Officer of the Company with effect from July 01, 2019.

There was no other change in the Directors and Key Managerial Personnel during the year under review.

Further, None of the Directors are disqualified for being appointed as the Director of the Company in terms of Section 164 of the Companies Act, 2013. Further the Company after due assessment took on record the necessary declaration received from the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, and also in the opinion of the Board and as confirmed by the Director, they fulfill the conditions specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder.

III. Declaration by an Independent Director(s)

The Independent Directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, as amended and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), as amended.

In terms of Regulation 25(8) of the SEBI LODR, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, perquisites and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

IV. Director's Evaluation

In terms of the requirement of the Companies Act, 2013 and Regulation 4 (2)(f) of SEBI LODR, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with the aim to improve the effectiveness of the Board and the Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Independent Director being evaluated.

The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process based on the recommendation of the Nomination & Remuneration Committee.

V. Induction and Familiarization Programme for Directors

The Familiarization Programme for Independent Directors, which also extends to other Non-Executive Directors aims to familiarize them with the Company, nature of the industry, business model, processes & policies, compliances etc., and seeks to update them on the roles, responsibilities, rights and duties under the Companies Act, 2013 and the SEBI Listing Regulations and other applicable statutes. The details of the induction and familiarization programme for the Directors are given in the Corporate Governance Report, which forms part of the Annual Report.

VI. Committees of the Board of Directors

As on March 31, 2019, the Board had three Committees: Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee. A detailed note on the Committees and meetings of those committees held during the year is provided in the Corporate Governance Report forming part of this Report.

14) DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to sub- section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained / received from the operating management, your Directors make the following statement and confirm that -

- i. In the preparation of the Annual Standalone and Consolidated Financial Statements for the year ended March 31, 2019, the applicable accounting standards have been followed and there are no material departures.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts on a going concern basis.
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2018-19.

15) AUDIT COMMITTEE

The details pertaining to composition and other particulars of Audit Committee are included in the Corporate Governance Report which forms a part of this Report.

16) AUDITORS**STATUTORY AUDITOR**

The Company's Statutory Auditors, M/s. A. R. Sodha & Co., Chartered Accountants (FRN 110324W), were appointed as Statutory Auditors of the Company for a period of 5 consecutive years till the conclusion of the 40th AGM, subject to ratification by members every year. Further, pursuant to the provisions Section 139 of the Act, and the Companies (Amendment) Act, 2018 effective from 7 May, 2018, the requirement of seeking ratification from the members for the continuation of re-appointment of the Statutory Auditors has been withdrawn from the Statute.

M/s. A. R. Sodha & Co., Chartered Accountants (FRN 110324W) has confirmed their eligibility and consent under Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 for their continuance as the Auditors of the Company for the financial year 2019-2020. In terms of the SEBI Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI. Further, the report of the Statutory Auditors along with the notes is enclosed with the Financial Statements. The Auditors have issued modified opinion on the Financial Statements for the financial year ended 31 March, 2019 as mentioned below:

The Auditors have issued Qualified opinion on the Financial Statements for the financial year ended 31 March, 2019 as mentioned below:

The Company has not provided for defined benefit obligation in the nature of gratuity based on the requirement of Ind AS 19 i.e. "Employee Benefit", which requires defined benefit obligation to be recognized based on actuarial valuation basis. In absence of valuation we are unable to quantify the impact of above on the net profit for the year and liabilities as on reporting date.

Management's Explanation:

For-payment of gratuity, it is accounted-for on payment basis.

Further, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

The Auditors' Report is enclosed with the financial statements in this Annual Report.

SECRETARIAL AUDITOR

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has re-appointed M/s R. M. Mimani & Associates LLP, Practicing Company Secretaries as Secretarial Auditor to undertake the secretarial audit of the Company for financial year 2019-20.

The Secretarial Audit Report for the financial year ended 31st March, 2019 under Companies Act, 2013, issued by M/s R. M. Mimani & Associates LLP, Practicing Company Secretaries, in the prescribed form MR-3 is annexed to this Report. The report of the Secretarial Auditors for the financial year 2018-19 is annexed as **Annexure - 2** to this report. The report is self-explanatory and contains some qualification, reservation and adverse remarks as mentioned below:

- (i) During the period from May 15, 2018 to December 31, 2018 of the financial year, the office of the Company Secretary & Compliance officer of the Company was remained vacate.

Management's Explanation:

During the year under review Ms. Nidhi Busa was Appointed as Company Secretary and Compliance Officer of the Company w.e.f. January 01, 2019 and she reigned w.e.f. April 19, 2019.

Pursuant to the circular issued by the SEBI dated 8 February, 2019, Secretarial Auditor has also issued the "Annual Secretarial Compliance Report" for the F.Y. 2018-19 and the same was duly submitted to the stock exchange(s) in time.

INTERNAL AUDITOR

M/s. Siddhant Shah & Co., Practicing Chartered Accountants, Mumbai performed the duties of internal auditors of the Company for 2018-19 and their report is reviewed by the Audit Committee from time to time. Further, Board of Directors of the Company with recommendation of Audit Committee, has appointed M/s. Siddhant Shah & Co, as an Internal Auditors of the Company for the F.Y 2019-20.

COST AUDITOR

The Company is not covered under the pursuit of section 148 of the Companies Act, 2013 and accordingly is not required to appoint cost auditor.

17) NOMINATION AND REMUNERATION POLICY

The Company has a Nomination and Remuneration Policy for Directors and Senior Managerial Personnel approved by the Nomination and Remuneration Committee and the Board. The policy is available at the website of the Company at www.comfortfincap.com. The purpose of the Remuneration Policy is to establish and govern the procedure applicable:

- To evaluate the performance of the members of the Board.
- To ensure remuneration payable to Directors KMP & other senior Management strike appropriate balance and commensurate among others with the functioning of the Company and its long term objectives.
- To retain motivate and promote talent within the Company and to ensure long term sustainability of the managerial persons and create competitive advantage.

The policy inter-alia covers the Directors' appointment and remuneration, Key Managerial Personnel and other senior management appointment and remuneration.

18) VIGIL MECHANISM/ WHISTLEBLOWER POLICY

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour.

Pursuant to Section 177(9) of the Act and Regulation 4(2)(d)(iv) of the SEBI Listing Regulations, a Whistleblower Policy and Vigil Mechanism was established for directors, employees and stakeholders to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company for redressal.

The Company has an effective Vigil Mechanism named 'Whistleblower Policy' to deal with instances of fraud and mismanagement, if any, to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding accounting, auditing, internal controls or disclosure practices of the company. It gives a platform to the Whistle Blower to report any unethical or improper practice (not necessarily violation of law) and to define processes for receiving and investigating complaints. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.comfortfincap.com.

19) CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year under review, all contracts / arrangements / transactions entered into by the Company with related parties were in ordinary course of business and on an arm's length basis.

All Related Party Transactions are placed before the Audit Committee for its review and approval on quarterly basis. There are no materially significant Related Party Transactions made by the Company with Directors or Key Managerial Personnel, etc., which may affect the interest of the Company. Further, an omnibus approval of the Audit Committee is obtained for the Related Party Transactions which are repetitive in nature and the management apprises the Audit Committee of such transaction every quarter.

The details of contracts and arrangements with related parties of your Company for the financial year under review, are given in notes to the Financial Statements, forming part of this Annual Report.

Disclosures as required under the Act are given in the **Form AOC – 2 as Annexure - 3** to this report.

Further, the approval of the Shareholders is sought for the transactions entered/to be entered with the related party(ies), exceeding 10% of the turnover of the company as provided under Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2015, for the financial year 2018-19 and 2019-20. (Please refer to Item No. 4 of the Notice). The Board recommends the approval of the shareholders for the related party transactions.

Further, Your Company has revised its Policies on determining materiality of related party transactions and also on dealing with Related Party Transactions in accordance with the amendments to the applicable provisions of the SEBI Listing Regulations. The same has been posted on the website of the Company at www.comfortfincap.com.

20) POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is committed to provide protection to women against sexual harassment at workplace and thus has in place Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) and Rules framed thereunder. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complaint during the financial year 2018-19.

21) EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Act, the extract of annual return for the financial year ended March 31, 2019 in **Form MGT-9** under the provisions of 92(3) of the Act is attached as **Annexure - 4** of the Board's Report. Annual return referred to in Section 92(3) of the Act is also available on the website of the Company at www.comfortfincap.com. Any member who is interested in obtaining a copy of the Annual Report may write to the Company at the Corporate Office of the Company.

22) PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Loans, Guarantee and Investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

23) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has sound internal financial controls commensurate to the size and nature of its business. The Company periodically reviews the internal financial controls in the light of new statutes. During the year, such controls were tested and no material weakness in their design of operations was observed. The internal financial controls with reference to the financial statements were adequate and operating effectively. Refer to 'Internal control systems and their adequacy' in Management's discussion and analysis in this Annual Report.

24) REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

25) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the Financial Year 2018-19, there were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company in the future, except as provided below :

SEBI on March 12, 2019 had passed an order in the Matter of RaviKumar Distilleries Limited stating that Mr. Anil Beniprasad Agrawal – Wholetime Director, Mrs. Annu Anil Agrawal- Non Executive Non Independent Director, Mr. Bharat Nanubhai Shiroya - Non Executive Non Independent Director, Mr. Jugal Chandrakant Thacker - Independent Director of the Company cannot become Director of any listed Company for a period of 3 Years with effect from July 2019. In Compliance with the SEBI order, all the above mentioned Directors of your Company had resigned from the post of Director with effect from June 29, 2019 and New Directors were inducted on the Board of your Company.

SEBI vide its order dated April 02, 2018 restrained Comfort Fincap Limited from accessing the securities market for a period of three years.

26) BUSINESS RISK MANAGEMENT

Pursuant to section 134 (3) (n) of the Companies Act, 2013, the company has adequate risk management mechanism and is periodically reviewed by the Board. The major risks identified by the business are systematically addressed through mitigating actions on a continuing basis and cost-effectively risk are controlled to ensure that any residual risks are at an acceptable level. Whilst it is not possible to eliminate the risk absolutely effort is underway to actively promote and apply best practices at all levels and to all its activities including its dealing with external partners.

Further, your Company has put in place a Risk Management Policy which aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

27) MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) is presented in a separate section forming part of this Annual Report. It provides details about the overall industry structure, global and domestic economic scenarios, developments in business operations/ performance of the Company's various businesses, internal controls and their adequacy, risk management systems, and other material developments during the financial year 2018-19.

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

The operations of the Company are entirely service based and thus essentially, the Company is non-energy intensive organization. The Company has optimization of power usage as well as higher operational efficiency. Further, the Company has reduced the power consumption during the year, through monitoring energy use and installing LED lights. The Company's operations do not require significant import of technology.

Foreign Exchange Earnings and Outgo –

Total Foreign Exchange used and earned by the Company is as follows:

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Foreign Exchange Used	-	-
Foreign Exchange Earned	-	-

29) HUMAN RESOURCES (HR) AND PARTICULARS OF EMPLOYEES

As on March 31, 2019, the Company had a total head count of 10 employees. The Directors wish to place on record their appreciation and acknowledgment of the efforts and dedication and contributions made by employees at all levels during the year under review. The Company continues to focus on attracting new talent & help them to acquire new skills, explore new roles and realize their potential.

The disclosure pertaining to remuneration and other details as 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 is annexed as **Annexure - 5** to this Report.

During the year under review, there are no employees who come within the purview of Section 134 (3)(q) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

30) PREVENTION OF INSIDER TRADING

The Company has amended the Insider Trading Policy with effect from April 01, 2019 in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. This policy includes policy and procedures for inquiry in case of leak of UPSI or suspected leak of UPSI. The code of conduct and code of fair disclosure framed by the Company have helped in ensuring compliance with the requirements.

The amended policy is available on our website, at www.comfortfincap.com.

31) CODE OF CONDUCT

Regulation 17(5) of the SEBI Listing Regulations, requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has also adopted a Code of Conduct for Directors and senior management. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. A declaration duly signed by the Managing Director is given under Corporate Governance Report appearing elsewhere as a separate section in this Annual Report. The Policy with Respect to Obligation of Directors & Senior Management is also posted on the website of the Company at www.comfortfincap.com

32) CORPORATE SOCIAL RESPONSIBILITY

Your Company's profits, net worth and turnover are far below the criteria as mentioned in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Hence the CSR provisions are not applicable to the Company during the F.Y. 2018-19.

33) SECRETARIAL STANDARDS

Your Company has complied with the applicable Secretarial Standard SS-1 and SS-2 with respect to Board Meetings and General Meetings respectively specified by the Institute of Company Secretaries of India.

34) ACKNOWLEDGEMENTS

Your Board takes this opportunity to place on record our deep appreciation to our shareholders, customers, business partners, vendors, bankers, financial institutions, regulatory and government authorities for all the support rendered during the year under review.

The Directors also thank the Government of India, Governments of various states in India and concerned Government departments and agencies for their co-operation.

The Board places on record sincere gratitude and appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year and their families for making the Company what it is.

BY ORDER OF THE BOARD OF DIRECTORS OF COMFORT FINCAP LIMITED

Sd/-
ANKUR ANIL AGRAWAL
ADDITIONAL DIRECTOR
DIN: 06408167

DATE : AUGUST 14, 2019
PLACE : MUMBAI

Annexure – 1

FORM AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries companies/associates companies/
joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Company does not have subsidiary company; therefore Part A is not applicable

Part "B": Associates and Joint Ventures

Company does not have Associate Company and Joint Venture Company; therefore Part B is not applicable

Name of Associates or Joint Ventures	Lemonade Shares and Securities Private Limited
1. Latest audited Balance Sheet Date	March 31, 2019
2. Date on which the Associate or Joint Venture was associated or acquired	November 2012
3. Shares of Associate or Joint Ventures held by the company on the year end	
Number of shares:	2,20,000
Amount of Investment in Associates or Joint Venture:	Rs. 22,00,000/-
Extent of Holding (in percentage):	46.81%
4. Description of how there is significant influence	Equity Holding
5. Reason why the associate/joint venture is not consolidated	Not applicable, since it is consolidated
6. Net-worth attributable to shareholding as per latest audited Balance Sheet	Rs. 46,747,920/-
7. Profit or Loss for the year	
i. Considered in Consolidation	Rs. 482/-
ii. Not Considered in Consolidation	Rs. 547/-

Annexure - 2
Form No. MR.3

Secretarial Audit Report for the financial year ended on March 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the companies (Appointment and remuneration of managerial personnel) Rule, 2014]

To,
The Members
Comfort Fincap Limited
22 Camac Street,
Block 'B' Kolkata
WB-700016

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there-under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there-under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there-under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent applicable.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- VI. Other law applicable specifically to the Company, as detailed below;
 - (i) The Reserve Bank of India Act, 1934
 - (ii) Rules, regulation and guidelines issued by the Reserve Bank of India as are applicable to the Non-Banking Financial Company (NBFC)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India related to the meetings of Board of Directors and General Meetings;
- (ii) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and listing agreement entered into by the Company with Stock Exchanges in India.

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals and being relied on the reports given by such designated professionals.

We report that, during the financial year under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines as mentioned above, subject to the following:

- (i) During the period from May 15, 2018 to December 31, 2018 of the financial year, the office of the Company Secretary & Compliance officer of the Company was remained vacate.

During the financial year under review, provisions of the following regulations were not applicable to the Company;

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (ii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (iii) The Securities and Exchange Board of India (Issue of Debt Securities) Regulations, 2008
- (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999
- (v) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (vi) 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;

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and there was no formal system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- Decisions at the meetings of Board of Directors of the Company and Committee thereof were carried out with requisite majority.

We further report that based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department duly signed by the department head and Compliance Certificate(s) of the Managing Director/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion system and process exists in the company required further strengthen to commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report during the financial year under review, the following are events/actions may have a major bearing on the affairs of the Company in pursuance of any of the above referred laws, rules, regulations, guidelines standards etc.

- Mr. Anil Agrawal, Mrs. Annu Agrawal, Mr. Bharat Shiroya and Mr. Jugal Thacker, Directors of the Company vide SEBI order dated March 12, 2019;
 - a. restrained from accessing the securities Market for a period of five years from the date of the order
 - b. Repay the amount of with interest within a period of one year from the date of the order
 - c. Shall not hold the position of Director in listed Companies for a period of three years effective from July 01, 2019.
- Mr. Anil Agrawal and Comfort Fincap Limited were restrained from accessing the securities market for a period of three years as per the SEBI Order dated April 02, 2018

For R M MIMANI & ASSOCIATES LLP
[COMPANY SECRETARIES]
[Firm Registration No. I2001MH250300]

RANJANA MIMANI
(PARTNER)
FCS No: 6271
CP No: 4234

PLACE : MUMBAI
DATE : AUGUST 14, 2019

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

Annexure – “A”

**To,
The Members
Comfort Fincap Limited
22 Camac Street,
Block ‘B’ Kolkata
WB-700016**

Our Secretarial Audit Report of even date is to be read along with this letter;

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

**For R M MIMANI & ASSOCIATES LLP
[COMPANY SECRETARIES]
[Firm Registration No. I2001MH250300]**

**RANJANA MIMANI
(PARTNER)
FCS No: 6271
CP No: 4234**

**PLACE : MUMBAI
DATE : AUGUST 14, 2019**

Annexure -3

FORM AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related Parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions Under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No	Particulars					
a)	Name (s) of the related party	Comfort Capital Pvt Ltd.	Ms. Deepika Agrawal	Flora Fountain Properties Limited	Comfort Intech Limited	Comfort Securities Limited
	Nature of Relationship	Related Directors				
b)	Nature of contracts/ arrangements/ transaction	Margin Funding	Margin Funding	Loan given	Loan taken	Loan taken
c)	Duration of the contracts/ arrangements/ transaction	April 01, 2018 to March 31, 2019				
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 3,34,00,000/-	Rs. 2,05,00,000/-	Rs. 6,99,65,448/-	Rs. 11,55,00,000/-	Rs. 2,40,00,000/-
e)	Date of approval by the Board	May 30, 2018				
f)	Amount paid as advances, if any	None				

Annexure -4

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2019

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L65923WB1982PLC035441
ii	Registration Date	12/11/1982
iii	Name of the Company	COMFORT FINCAP LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares
v	"Address of the Registered office & contact details"	22 Camac Street, Block 'B', Kolkata, West Bengal 700016, Phone no.: 033-40035004, Email.: info@comfortfincap.com , Website.: www.comfortfincap.com
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Share Transfer Agent, if any.	BIGSHARE SERVICES PRIVATE LIMITED. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059 Tel: 022-62638200 Fax: 022-62638299 Website : www.bigshareonline.com Email ID: investor@bigshareonline.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The Company has been in the business of providing financial services

SL No	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnover of the company
1	Non-Banking Finance Company	0807	99.79
2	Trading activities	0204	0.21

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sr No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Lemonade Shares & Securities Pvt Ltd.	U67100MH2010PTC205455	Associate Company	46.81	2(6)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

i. Category-wise Share Holding.

	No. of Shares held at the beginning of the year: 01/04/2018				No. of Shares held at the end of the year :31/03/2019				% Change
Category of Shareholder	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A) Shareholding of Promoter and Promoter Group									
Indian									
(a) INDIVIDUAL / HUF	1164000	0	1164000	10.73	1164000	0	1164000	10.73	0.00
(b) Central / State government(s)	0	0	0	0	0	0	0	0	0
(c) BODIES CORPORATE	4351000	0	4351000	40.10	4351000	0	4351000	40.10	0.00
(d) FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
(e) ANY OTHERS (Specify)									
(i) TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(ii) DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A)(1) :	5515000	0	5515000	50.82	5515000	0	5515000	50.82	0.00
Foreign									
(a) BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
(b) INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
(c) INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
(d) QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(e) ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A)(2) :	0	0	0	0.00	0	0	0	0.00	0.00
Total holding for promoters (A)=(A)(1) + (A)(2)	5515000	0	5515000	50.82	5515000	0	5515000	50.82	0.00
(B) Public shareholding									
Institutions									
(a) Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(b) FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
(c) MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(d) VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
(e) INSURANCE COMPANIES	0	0	0	0	0	0	0	0	0
(f) FPI's/FII'S	0	0	0	0.00	0	0	0	0.00	0.00
(g) FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
(h) QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
(i) ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1) :	0	0	0	0.00	0	0	0	0.00	0.00

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	No. of Shares held at the beginning of the year: 01/04/2018				No. of Shares held at the end of the year :31/03/2019				% Change
Category of Shareholder	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
Non-institutions									
(a) BODIES CORPORATE	2420527	0	2420527	22.31	1833578	0	1833578	16.90	(5.41)
(b) INDIVIDUAL									
(i) (CAPITAL UP TO TO Rs. 2 Lakh)	264029	13401	277430	2.56	238345	13401	251746	2.32	(0.24)
(ii) (CAPITAL GREATER THAN Rs. 2 Lakh)	2468083	80000	2548083	23.48	2651458	0	2651458	24.43	0.95
(c) ANY OTHERS (Specify)									
(i) TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(ii) CLEARING MEMBER	89118	0	89118	0.82	598376	0	598376	5.51	4.69
(iii) NON RESIDENT INDIANS (NRI)	1142	0	1142	0.01	1142	0	1142	0.01	0.00
(iv) DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
(v) EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
(vi) OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
(vii) UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
(d) QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(2) :	5242899	93401	5336300	49.18	5322899	13401	5336300	49.18	0.00
Total Public Shareholding (B)=(B) (1) + (B)(2)	5242899	93401	5336300	49.18	5322899	13401	5336300	49.18	0.00
(C) Shares held by Custodians and against which Depository Receipts have been issued									
(a) SHARES HELD BY CUSTODIANS									
(i) Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(ii) Public	0	0	0	0.00	0	0	0	0.00	0.00
TOTAL (C):	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A) + (B) + (C)	10757899	93401	10851300	100.00	10757899	93401	10851300	100.00	0.00

ii. Shareholding of Promoters

Sr. No	NAME	Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	LUHARUKA SALES & SERVICES PRIVATE LIMITED	540500	4.98	0.0000	540500	4.98	0.0000	0.0000
2	ANIL AGRAWAL HUF	1164000	10.73	0.0000	1164000	10.73	0.0000	0.0000
3	LUHARUKA COMMOTRADE PRIVATE LIMITED	3810500	35.12	9.22	3810500	35.12	9.22	0.0000
	TOTAL	5515000	50.82	9.22	5515000	50.82	9.22	0.0000

iii. Change in Promoters' Shareholding

Particulars	Share holding at the beginning of the year 01/04/2018		Share holding at the end of the year 31/03/2019	
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
At the beginning of the year	5515000	50.82	5515000	50.82
Changes during the year	NO CHANGE	0.00	NO CHANGE	0.00
At the end of the year	5515000	50.82	5515000	50.82

Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDR's and ADR's)

Sr No	NAME	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01.04.2018 / end of year 31.03.2019)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	KRIPA SECURITIES PRIVATE LIMITED	4,39,700	4.05	31-Mar-2018	NA	NA	439,700	4.05
				06-Jul-2018	-425,000	Sell	14,700	0.14
		14,700	0.14	30-Mar-2019				
2	GLOBE CAPITAL MARKET LIMITED	0	0.00	31-Mar-2018	NA	NA	0	0.00
				27-Apr-2018	1	Buy	1	0.00
				04-May-2018	-1	Sell	0	0.00
				06-Jul-2018	425,000	Buy	425,000	3.92
		4,25,000	3.92	30-Mar-2019				
3	SNEHAPUSPH MARKETING PRIVATE LIMITED	3,39,644	3.13	31-Mar-2018	NA	NA	339,644	3.13
		3,39,644	3.13	30-Mar-2019				
4	NEXTEL GARMENTS PRIVATE LIMITED	2,700	0.02	31-Mar-2018	NA	NA	2,700	0.02
				20-Apr-2018	-2,700	Sell	0	0.00
				25-May-2018	3,083	Buy	3,083	0.03
				01-Jun-2018	6,000	Buy	9,083	0.08
				08-Jun-2018	2,400	Buy	11,483	0.11
				15-Jun-2018	-1,999	Sell	9,484	0.09
				22-Jun-2018	2,050	Buy	11,534	0.11
				29-Jun-2018	2,068	Buy	13,602	0.13
				06-Jul-2018	950	Buy	14,552	0.13
				13-Jul-2018	3,945	Buy	18,497	0.17
				20-Jul-2018	789	Buy	19,286	0.18
				27-Jul-2018	-1,508	Sell	17,778	0.16
				03-Aug-2018	510	Buy	18,288	0.17
				10-Aug-2018	-813	Sell	17,475	0.16
				17-Aug-2018	-2,544	Sell	14,931	0.14
				24-Aug-2018	-600	Sell	14,331	0.13

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				31-Aug-2018	3,296	Buy	17,627	0.16
				14-Sep-2018	-1,000	Sell	16,627	0.15
				20-Sep-2018	-140	Sell	16,487	0.15
				28-Sep-2018	-8,225	Sell	8,262	0.08
				12-Oct-2018	49,771	Buy	58,033	0.53
				26-Oct-2018	229	Buy	58,262	0.54
				02-Nov-2018	-4,085	Sell	54,177	0.50
				09-Nov-2018	-19,137	Sell	35,040	0.32
				16-Nov-2018	-454	Sell	34,586	0.32
				23-Nov-2018	1,167	Buy	35,753	0.33
				30-Nov-2018	4,519	Buy	40,272	0.37
				07-Dec-2018	-10,548	Sell	29,724	0.27
				14-Dec-2018	-20,779	Sell	8,945	0.08
				21-Dec-2018	275,888	Buy	284,833	2.62
				28-Dec-2018	-1,493	Sell	283,340	2.61
				31-Dec-2018	2,400	Buy	285,740	2.63
				04-Jan-2019	-19,326	Sell	266,414	2.46
				11-Jan-2019	-20,206	Sell	246,208	2.27
				18-Jan-2019	-8,215	Sell	237,993	2.19
				25-Jan-2019	-2,855	Sell	235,138	2.17
				01-Feb-2019	2,396	Buy	237,534	2.19
				08-Feb-2019	-1,551	Sell	235,983	2.17
				15-Feb-2019	2,199	Buy	238,182	2.20
				22-Feb-2019	-3,538	Sell	234,644	2.16
				01-Mar-2019	6,252	Buy	240,896	2.22
				08-Mar-2019	1,590	Buy	242,486	2.23
				15-Mar-2019	7,843	Buy	250,329	2.31
				22-Mar-2019	1,150	Buy	251,479	2.32
				29-Mar-2019	2,198	Buy	253,677	2.34
		2,53,677	2.34	30-Mar-2019				
5	HELPFUL INVESTMENT ADVISORY PRIVATE LIMITED	2,20,000	2.03	31-Mar-2018	NA	NA	220,000	2.03
				12-Oct-2018	-50,000	Sell	170,000	1.57
				21-Dec-2018	-170,000	Sell	0	0.00
		0	0.00	30-Mar-2019				
6	VIDISA TEXTILES PRIVATE LIMITED	2,18,425	2.01	31-Mar-2018	NA	NA	218,425	2.01
		2,18,425	2.01	30-Mar-2019				
7	AMI JAINEEK PATEL	0	0.00	31-Mar-2018	NA	NA	0	0.00
				14-Dec-2018	152,801	Buy	152,801	1.41
				11-Jan-2019	5,000	Buy	157,801	1.45
		1,57,801	1.45	30-Mar-2019				
8	CHANDRAKANT RAMJI VAGHASIA	1,56,019	1.44	31-Mar-2018	NA	NA	156,019	1.44
		1,56,019	1.44	30-Mar-2019				

9	INTERCITY BUILDERS PRIVATE LIMITED	1,39,000	1.28	31-Mar-2018	NA	NA	139,000	1.28
		1,39,000	1.28	30-Mar-2019				
10	SEEMA PRAVINKUMAR JHUNJHUNWALA	1,34,500	1.24	31-Mar-2018	NA	NA	134,500	1.24
		1,34,500	1.24	30-Mar-2019				

V INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Rs. 15,13,41,694	-	-	Rs. 1,51,34,16,94
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Rs. 15,13,41,694	-	-	Rs. 15,13,41,694
Change in Indebtedness during the financial year				
Additions	Rs. 1,75,00,65,170	Rs. 13,38,25,421	-	Rs. 1,88,38,90,591
Reduction	Rs. (1,81,08,44,485)	Rs. (2,51,76,131)	-	Rs. 1,83,60,20,616
Indebtedness at the end of the financial year				
i) Principal Amount	Rs. 9,05,62,379	Rs. 10,86,49,290	-	Rs. 19,92,11,669
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	Rs. 9,05,62,379	Rs. 10,86,49,290	-	Rs. 19,92,11,669

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of the Managing Director
1	Gross salary	Mr. Bharat Shiroya
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	Rs. 24,81,333
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-
2	Stock option	-
3	Sweat Equity	-
4	Commission - as % of profit - others (specify)	-
5	Others, please specify	-
	Total (A)	Rs. 24,81,333
	Ceiling as per the Act	The above is within the limits as prescribed by the Act.

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B. Remuneration to other Directors:

Sl. No	Particulars of Remuneration	Name of the Directors					
		Mr. Anil Kumar Nevatia	Mr. Jugal Thacker	Mr. Devendra Lal Thakur	Mr. Anil Agrawal	Mrs. Annu Agrawal	Total Amount
1	Independent Directors/ Non Executive Directors						
	(a) Fee for attending board committee meetings	Rs. 70,000	Rs. 40,000	Rs. 70,000	Rs. 10,000	Rs. 20,000	Rs. 2,10,000
	(b) Commission	-	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-	-
	Total (1)	Rs. 70,000	Rs. 40,000	Rs. 70,000	Rs. 10,000	Rs. 20,000	Rs. 2,10,000
	Overall Ceiling as per the Act.	The above is within the limits as prescribed by the Act.					

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary	Company Secretary	Chief Financial Officer	
1	Gross Salary	Kirit Dharod*	Nidhi Busa#	Nirmala Kanjar	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	Rs. 79,647	Rs. 36,000	Rs. 10,09,940	Rs. 11,25,587
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	Rs. 79,647	Rs. 36,000	Rs. 10,09,940	Rs. 11,25,587

* Mr. Kirit Dharod Resigned has been appointed as Company Secretary & Compliance Officer of the Company w.e.f. May 15, 2018

#Ms. Nidhi Busa was appointed as Company Secretary & Compliance Officer of the Company w.e.f. January 01, 2019 and Resigned w.e.f. April 19, 2019.

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeall made if any (give details)
A. COMPANY					
Penalty	NONE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NONE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NONE				
Punishment					
Compounding					

ANNEXURE- 5

Statement under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- 1. The ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company for the financial year 2018-19:**

Name of Directors/ KMP	Designation	Ratio of Remuneration of each Director / Employee to the median remuneration	Remuneration (in Rs.)	
			FY 2018-19	FY 2017-18
Mr. Bharat Shiroya@	Managing Director	4.52	24,81,333	22,25,845
Mr. Anil Agrawal#	Non Executive Non-Independent Director	0.02	10,000	30,000
Mrs. Annu Agrawal\$	Non Executive Non-Independent Director	0.04	20,000	20,000
Mr. Jugal Thacker*	Independent Director	0.07	40,000	15,000
Mr. Anil Kumar Nevatia%	Independent Director	0.13	70,000	65,000
Mr. Devendra Lal Thakur	Independent Director	0.13	70,000	65,000
Nirmala Kanjar	Chief Financial Officer	1.84	10,09,940	8,98,629
Kirit Dharod^	Company Secretary	0.14	79,647	3,59,758
Nidhi Busa~	Company Secretary	NA	36,000	NA

@ Resigned as Managing Director w.e.f. June 29, 2019 and appointed as Chief Executive Officer w.e.f. June 29, 2019

Resigned as Director w.e.f. June 29, 2019

\$ Resigned as Director w.e.f. June 29, 2019

* Resigned as Director w.e.f. June 29, 2019

% Resigned as Director w.e.f. May 18, 2019

^ Resigned w.e.f. May 15, 2018

~ Appointed as Company Secretary & Compliance Officer of the Company w.e.f. January 01, 2019 and Resigned w.e.f. April 19, 2019.

- 2. The percentage increase in remuneration of each Director, Group Chief Financial Officer, Company Secretary in the financial year 2018-19 as compared to financial year 2017-18:**

Name of Directors/ KMP	Designation	% increase / decrease in Remuneration
Mr. Bharat Shiroya	Managing Director	11.48
Mr. Anil Agrawal	Non Executive Non- Independent Director	-66.67
Mrs. Annu Agrawal	Non Executive Non- Independent Director	0
Mr. Jugal Thacker	Independent Director	166.67
Mr. Anil Kumar Nevatia	Independent Director	7.69
Mr. Devendra Lal Thakur	Independent Director	7.69
Nirmala Kanjar	Chief Financial Officer	12.38
Kirit Dharod	Company Secretary	-77.86
Nidhi Busa	Company Secretary	NA

3. **The Percentage increase in the median remuneration of employees in the financial year 2018–19:** The percentage increase in the median remuneration of all employees in the financial year was approximately 26.75%.
4. **The number of permanent employees on the rolls of Company as on 31 March, 2019:** The number of permanent employees on the rolls of Company as on 31 March, 2019 were 10.
5. **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:** Average percentage increase made in the salaries of the employees other than the Managerial Personnel in the financial year was approximately 3.74% vis-a-vis increase of approximately 38.60% in the salaries of Managerial Personnel.
6. **Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:** We affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF COMFORT FINCAP LIMITED

DATE : AUGUST 14, 2019
PLACE : MUMBAI

Sd/-
ANKUR ANIL AGRAWAL
ADDITIONAL DIRECTOR
(DIN: 06408167)

CORPORATE GOVERNANCE REPORT

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (SEBI Listing Regulation), given below are the corporate governance policies and practices of your Company for the Financial year 2018-19.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company defines Corporate Governance as a systemic process by which companies are directed and controlled to enhance their wealth-generating capacity. Since large corporations employ a vast quantum of societal resources, we believe that the governance process should ensure that these resources are utilised in a manner that meets stakeholders' aspirations and societal expectations.

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organization. Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness to all. Your Company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit. Corporate Governance has always been an integral and indispensable practice at Comfort in conducting its business. We believe that Corporate Governance is a journey towards sustainable value creation and is always an upward moving target.

Your Company's Board has empowered key management officials to implement policies and guidelines related to the key elements of Corporate Governance -transparency, disclosure, supervision and internal controls, risk management, internal and external communications, high standards of safety, accounting fidelity, product and service quality. It also has in place a comprehensive business review process.

The requisite certificate from the Secretarial Auditor of the Company confirming compliance with the conditions of Corporate Governance is attached to this Report.

THE BOARD OF DIRECTORS

The Board of Directors play a pivotal role in ensuring that the Company runs on sound business principles and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well-defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company, ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.

The composition of the Board is in compliance with the requirements of the Companies Act, 2013 (Act) and Regulation 17 of the SEBI Listing Regulations.

The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

The Company has a robust and an effective framework for monitoring compliances with the applicable laws within the organisation and also to provide regular updates through Senior Management to the Board on a quarterly basis. The Audit Committee and the Board collectively reviews the status of compliances with the applicable laws and provide valuable guidance to the Management team, wherever necessary.

PROFILE OF THE BOARD OF DIRECTORS

The brief profile of each Director as mentioned below gives an insight into the education, expertise, skills and experience possessed by them. None of the Directors has any inter-se relationship among themselves apart from Mr. Anil Beniprasad Agrawal, Mrs. Annu Anil Agrawal and Ankur Anil Agrawal who are related to each other.

A: Mr. Bharat Nanubhai Shiroya

Mr. Bharat Shiroya (DIN: 00014454), aged 49 years was the Managing Director of the Company. He resigned as a Managing Director of the Company w.e.f. June 29, 2019 and got appointed as Chief Executive Officer of the Company. He is a graduate from Mumbai University and holds a degree of M.B.A from National Institute of Management. He has vast experience of more than 25 years in securities and financial services and is responsible for overseeing Company's trading activities and investment portfolio. As on the date of this report, Mr. Bharat Nanubhai Shiroya is the Director in the following Companies:

CIN/FCRN	Company Name	ACTIVE compliance
U67100MH2010PTC205455	Lemonade Share & Securities Private Limited	ACTIVE compliant
U67120MH2002PLC136562	Comfort Securities Limited	ACTIVE Non-Compliant
U74999MH1993PTC070309	Comfort Capital Private Limited	ACTIVE compliant
U99999TG1975PLC001837	Liquors India Ltd	ACTIVE Non-Compliant

B: Mr. Anil Beniprasad Agrawal

Mr. Anil Agrawal (DIN: 00014413), aged 57 years was the Non Executive Non- Independent Director of the Company. He resigned as a Director with effect from June 29, 2019. He is a Fellow Member of the Institute of Chartered Accountants of India & also a qualified Cost and Works Accountant. He has versatile experience of more than 35 years in the field of finance, capital markets and related activities. He is also one of the founder promoters of our Company and was involved in day to day affairs including future planning, finances control, man-management and in strategic decision making of our Company. As on the date of this report, Mr. Anil Beniprasad Agrawal is a Director in the following Companies:

CIN	Company Name	ACTIVE compliance
U10100CT2011PTC022741	Comfort Mines & Minerals Private Limited	ACTIVE Non-Compliant
U51109MH2010PTC204611	Luharuka Commotrade Private Limited	ACTIVE compliant
U51109MH2010PTC210772	Luharuka Dealers Private Limited	ACTIVE compliant
U51900MH1993PTC070308	Luharuka Exports Private Limited	ACTIVE compliant
U51909MH2010PTC205252	Luharuka Sales & Services Private Limited	ACTIVE compliant
U51909MH2011PTC218760	Luharuka Tradelink Private Limited	ACTIVE compliant
U67100MH2010PTC205455	Lemonade Share & Securities Private Limited	ACTIVE compliant
U67120MH2002PLC136562	Comfort Securities Limited	ACTIVE Non-Compliant
U67190MH1989PTC053454	Luharuka Investment and Consultants Private Limited	ACTIVE compliant
U99999TG1975PLC001837	Liquors India Ltd	ACTIVE Non-Compliant

C: Mrs. Annu Anil Agrawal

Mrs. Annu Agrawal (DIN: 00014487), aged 52 years was the Non-Executive (Non-Independent) Director of the Company. She resigned as a Director of the Company w.e.f. June 29, 2019. She is a Bachelor of Arts (Hons) from the Banaras Hindu University and has more than 20 years of experience in the field of capital market including research, dealing etc. She was involved in day to day affairs including future planning, finance control, human resource management, and in strategic decision making of the Company. She is also an active socialist and works towards welfare of the society. As on the date of this report, Mrs. Annu Anil Agrawal is a Director in the following Companies:

CIN/FCRN	Company Name	ACTIVE compliance
U10100CT2011PTC022741	Comfort Mines & Minerals Private Limited	ACTIVE Non-Compliant
U51109MH2010PTC210772	Luharuka Dealers Private Limited	ACTIVE compliant
U51909MH2011PTC218760	Luharuka Tradelink Private Limited	ACTIVE compliant
U67120MH2002PLC136562	Comfort Securities Limited	ACTIVE Non-Compliant

D: Mr. Jugal Chandrakant Thacker

Mr. Jugal Thacker (DIN: 00015460), aged 55 years was an Independent Director of the Company. He resigned as a Director of the Company w.e.f. June 29, 2019. He is a Chartered Accountant by qualification and possesses more than 25 years of experience in the field of finance, taxation and investment. He holds expertise in Debt Syndication, Issue Managements, Buy-back, Delisting and Open Offers, etc. As on the date of this report, Mr. Jugal Chandrakant Thacker is a Director in the following Companies:

CIN/FCRN	Company Name	ACTIVE compliance
U67120MH2002PLC136562	Comfort Securities Limited	ACTIVE Non-Compliant
U99999TG1975PLC001837	Liquors India Ltd	ACTIVE Non-Compliant

E: Mr. Devendra Lal Thakur

Mr. Devendra Lal Thakur (DIN: 00392511), aged 59 years is an Independent Director of the Company. He is a fellow member of ICAI and Partner in KDA Strategic Advisors LLP. He has more than 30 years of experience in the field of Commerce, Finance, Audit and Accounts. As an Independent Director of the Company and Chartered Accountant by profession, he contributes on the financial aspect and brings value addition to the Company. As on the date of this report, Mr. Devendra Lal Thakur in a Director is the following Companies:

CIN/FCRN	Company Name	ACTIVE compliance
L51311MH2007PLC175688	Comfort Commotrade Limited	ACTIVE compliant
L65100MH1987PLC044094	Luharuka Media & Infra Limited	ACTIVE compliant
L65923WB1982PLC035441	Comfort Fincap Limited	ACTIVE compliant
L74110DD1994PLC001678	Comfort Intech Limited	ACTIVE compliant

F: Mr. Anilkumar Shivkaran Nevatia

Mr. Anil Kumar Nevatia (DIN: 00531183), aged 56 years was Independent Director of the Company. He Resigned as Independent Directors of the Company w.e.f. May 18, 2019. He is a member of the Institute of Chartered Accountants of India. He has a wide experience of more than 27 years in the field of accounts, audit & income tax. Currently, he is a

proprietor of M/s A.K Nevatia & Associates, Chartered Accountants, Mumbai. As on the date of this report, Mr. Anilkumar Shivkaran Nevatia is a Director in Pratiksha Property Dealers Private Limited which is amalgamated.

G: Mr. Ankur Anil Agrawal

Mr. Ankur Agrawal (DIN: 06408167), aged 29 years is an Additional Director (Non-Executive-Non-Independent Director) of the Company appointed w.e.f. June 29, 2019. He is a Fellow Member of the Institute of Chartered Accountants of India & is also a qualified Chartered Financial Analyst. He also holds degree of Family MBA from Indian School of Business. He has a remarkable post qualification work experience of more than 7 years in the field of Commerce, Finance, Audit and Accounts. As a young enthusiast he brings dynamism & exuberance in the functioning of the Company. As on the date of this report, Mr. Ankur Anil Agrawal is a Director in the following Companies:

CIN/FCRN	Company Name	ACTIVE compliance
L51311MH2007PLC175688	Comfort Commotrade Limited	ACTIVE compliant
L65100MH1987PLC044094	Luharuka Media & Infra Limited	ACTIVE compliant
L65923WB1982PLC035441	Comfort Fincap Limited	ACTIVE compliant
L74110DD1994PLC001678	Comfort Intech Limited	ACTIVE compliant
U45200MH1982PLC027753	Flora Fountain Properties Ltd	ACTIVE compliant
U51109MH2010PTC204611	Luharuka Commotrade Private Limited	ACTIVE compliant
U51900MH1993PTC070308	Luharuka Exports Private Limited	ACTIVE compliant
U51909MH2010PTC205252	Luharuka Sales & Services Private Limited	ACTIVE compliant
U67190MH1989PTC053454	Luharuka Investment And Consultants Private Limited	ACTIVE compliant
U74120MH2013PTC247701	Hubbert & Fabiola Distilleries Private Limited	ACTIVE compliant

H: Mr. Milin Jagdish Ramani

Mr. Milin Jagdish Ramani (DIN: 07697636), aged 26 years is an Additional Director (Non-Executive-Independent Director) of the Company appointed w.e.f. June 29, 2019. He is an Associate Member of the Institute of Company Secretaries of India (ICSI) and has sound experience of more than 3 years in the field of secretarial and other regulatory compliances. As a Director of the Company Mr. Milin Jagdish Ramani contributes on the compliance aspect and brings in a value addition to the Company. As on the date of this report, Mr. Milin Jagdish Ramani is a Director in the following Companies:

CIN/FCRN	Company Name	ACTIVE compliance
L51311MH2007PLC175688	Comfort Commotrade Limited	ACTIVE compliant
L65100MH1987PLC044094	Luharuka Media & Infra Limited	ACTIVE compliant
L65923WB1982PLC035441	Comfort Fincap Limited	ACTIVE compliant
L74110DD1994PLC001678	Comfort Intech Limited	ACTIVE compliant
U67190MH2000PTC123482	Avista Corporate Finance Advisory Private Limited	ACTIVE compliant
U74110MH2011PTC218072	BF Advisory Services India Private Limited	ACTIVE compliant
U74999MH2007PLC171246	Digicable Network (India) Limited	ACTIVE compliant

COMPOSITION AND CATEGORY OF DIRECTORS

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, 2015.

The Board of Directors as on March 31, 2019 consisted of six Directors, out of which, five Directors are Non-Executive Directors including a Woman Director and one Director is Managing Director who is entrusted with substantial powers of management of the affairs of the Company. Out of six Directors, three Directors are Independent Directors which comprises half of the total strength of the Board. The Non-Executive Directors are eminent and experienced persons in their respective fields of industry, finance and law.

A Certificate has been received from M/s R M Mimani & Associates LLP, Company Secretaries, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority other than Mr. Anil Beniprasad Agrawal, Mr. Bharat Shiroya, Mrs. Annu Anil Agrawal and Mr. Jugal Thacker who resigned as a Director from the Company w.e.f June 29, 2019 due SEBI's order dated March 12, 2019 (WTM/GM/EFD/99/2018-19).

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management

Directorships and Committee Memberships/Chairmanships in other Companies as on March 31, 2019 are given below:

Name of the Director	DIN	Executive/ Non - Executive/ Independent/ Promoter	No. of Directorship in Listed entities (1) (Including your Company)	Position in Committees in listed entities (2) (Including your Company)	
				Member	Chairman
Mr. Bharat Shiroya	00014454	Managing Director	3	0	1
Mr. Anil Agrawal	00014413	Non Executive Non-Independent Director	3	2	1
Mrs. Annu Agrawal	00014487	Non Executive Non-Independent Director	3	1	0
Mr. Jugal Thacker	00015460	Independent Director	3	2	1
Mr. Anil Kumar Nevatia	00531183	Independent Director	3	4	0
Mr. Devendra Lal Thakur	00392511	Independent Director	4	4	4

(1) Excluding private companies, foreign companies and companies registered under section 8 of the Companies Act 2013, alternate directorship and Memberships of Managing Committees of various Chambers/Institutions/Boards.

(2) Represents Chairmanship /Membership of Audit Committee and Stakeholders Relationship Committees of other companies.

- (3) None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2019 have been made by the Directors.
- (4) No Director is related to any other Director on the Board in terms of the definition of 'Relative' given under the Companies Act, 2013 except Mrs. Annu Agrawal who is the spouse of Mr. Anil Agrawal.

In Compliance with SEBI order dated March 12, 2019, Mr. Anil Beiprasad Agrawal, Mr. Bharat Nanubhai Shiroya, Mrs. Annu Anil Agrawal and Mr. Jugal Chandrakant Thacker – Directors of the Company resigned with effect from Closing hours of June 29, 2019. The above mentioned directors are restrained from acting as directors in any listed company for a period of three years. Accordingly, to comply with Regulation 17 of SEBI LODR, the Board at its meeting held on June 29, 2019 appointed Mr. Ankur Anil Agrawal and Mr. Milin Jagdish Ramani as Additional Directors to hold office up to the date of forthcoming Annual General Meeting. Details about the Director being appointed are given in the Notice of the forthcoming Annual General Meeting.

The Board of the Company is now structured as having requisite level of education/qualifications, professional background, sector expertise, special skills, nationality and geography. According to the Company's nature of business the Company has identified core skills/ expertise/ competencies the as required in the context of its business for it to function effectively and which are currently available with the Board are finance, accounts, legal, Secretarial, Industrial relations, personal management and strategy.

Further, the Members may take note that pursuant to provisions of Section 152(6) none of the Directors of the Company are liable to retire by rotation at this AGM as Mr. Devendra Lal Thakur being an Independent Director is not liable to retire by rotation and other two directors, namely Mr. Ankur Agrawal and Mr. Milin Ramani, are being appointed at the AGM.

DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS/CHAIRMANSHIPS IN OTHER COMPANIES AS ON JUNE 30, 2019 ARE GIVEN BELOW:

Name of the Director	DIN	Category of Director	No. of Directorship in Listed entities (1) (Including your Company)	Position in Committees in listed entities (2) (Including your Company)	
				Member	Chairman
Mr. Devendra Lal Thakur	00392511	Independent Director	4	4	4
Mr. Ankur Anil Agrawal	06408167	Additional Director	4	5	3
Mr. Milin Jagdish Ramani	07697636	Additional Director	4	8	0

- (1) Excluding private companies, foreign companies and companies registered under section 8 of the Companies Act 2013, alternate directorship and Memberships of Managing Committees of various Chambers/Institutions/Boards.
- (2) Represents Chairmanship /Membership of Audit Committee and Stakeholders Relationship Committees of other companies.
- (3) None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on June 30, 2019 have been made by the Directors.
- (4) No Director is related to any other Director on the Board.

BOARD MEETINGS

Board meets at regular intervals to review the financial performance of the Company, discuss and decide on business strategies / policies of the Company. The Board meetings are pre-scheduled and a tentative calendar of the Board meetings is circulated to the Director in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at subsequent Board meetings.

The notice of Board / Committee Meetings is given well in advance to all the Directors. The Agenda of the Board / Committee Meetings is set out in consultation with the Chairman of the Company. The Agenda is circulated a week prior to the date of the Meeting. The Agenda for the Board and Committee Meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. All agenda items of the Board and Committee meetings are backed by comprehensive background information to enable the Board to take informed decisions. Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board.

During the financial year ended 31st March, 2019, Five Board Meetings were held on May 28, 2018, August 14, 2018, November 13, 2018, January 15, 2019 and March 29, 2019. The necessary quorum was present for all the meetings. The maximum interval between any two Meetings was well within the maximum allowed gap of 120 days as mentioned under Section 173 of the Companies Act, 2013 and the SEBI Listing Regulation.

The details of attendance of Directors at Board Meetings during the financial year 2018-19 and at the Annual General Meeting (AGM) of the Company are as reproduced below:

Sr. No.	Name of Member	Category	No. of Meetings attended			Attendance at AGM held on September 28, 2018
			Held During the tenure	Attended	% of attendance	
1	Mr. Bharat Shiroya	Executive Director, MD	5	5	100%	Yes
2	Mr. Anil Agrawal	Non-Executive – Non Independent Director	5	5	100%	Yes
3	Mrs. Annu Agrawal	Non-Executive – Non Independent Director	5	5	100%	No
4	Mr. Jugal Thacker	Non-Executive - Independent Director	5	4	80%	No
5	Mr. Anil Kumar Nevatia	Non-Executive - Independent Director	5	4	80%	No
6	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	5	5	100%	No

BOARD PROCEDURES AND FLOW OF INFORMATION

The Board meets at least once in a quarter to, inter alia, review quarterly/half yearly and yearly standalone and consolidated financial results/statements, compliance report(s) of all laws applicable to the Company, regulatory developments, significant transactions and arrangements entered into by the company or any other proposal from the management, etc.

The Company provides the following information inter alia to the Board, which is given either as part of the agenda or by way of presentations during the meetings, as deemed appropriate:

- Annual operating plans and budgets, capital budgets and other updates.
- Quarterly, half-yearly and annual financial results of the Company
- Minutes of meetings of committees of the Board.
- The information on recruitment and removal and remuneration of senior officers just below the Board level, including Chief Financial Officer
- Materially important show cause, demand, prosecution and penalty notices, if any.

Compliance and Non-compliance of any regulatory or statutory nature or listing requirements as well as shareholders' services such as non-payment of dividend or delays in share transfer, if any.

CORE SKILL/EXPERTISE/COMPETENCIES

As stipulated under Schedule V of the SEBI Listing Regulations, core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

List of such core skills/expertise/competencies as required and available with the Board are:

1. Corporate Governance & Ethics
2. Management & Strategy
3. Human Resource & Industrial Relation
4. Financial Services
5. Sales and Marketing
6. Law
7. Secretarial
8. Finance and Taxation

INDEPENDENT DIRECTORS

Independent Directors play a vital role in the governance process of the Board and its Committees. With their expertise in various fields, they enrich the decision making process at the Board and the Committees level. The Appointment / Re-appointment of Independent Directors are carried out in a structured manner in accordance with the Provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The Nomination and Remuneration Committee identifies potential candidates based on certain criteria and considers the Diversity of the Board and accordingly makes such recommendations to the Board.

During the Financial year under review, the Company had Three Independent Directors on the Board. Post financial year, two independent directors tendered their resignation and on recommendation of Nomination and Remuneration Committee, the Company has appointed one additional director (Mr. Milin Ramani) in the category of independent director who shall hold office upto the date of ensuing Annual General Meeting. Brief details of his appointment as an independent director is included in the Notice of the Annual General Meeting

CONFIRMATION AS REGARDS TO INDEPENDENCE OF INDEPENDENT DIRECTORS

The Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI Listing Regulations and are independent of the Management.

SEPARATE MEETINGS OF THE INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met amongst themselves without the presence of the other Directors on 15 January, 2019 and discussed / assessed the following items:

- the financials of the Company;
- the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board Members to effectively and reasonably perform their duties;
- Evaluation of Performance of Non-Independent Directors and the Board as whole;
- Evaluation of Performance of Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors; and
- Other related matters;

All Independent Directors were present at their Meeting. They expressed satisfaction on the Board Member's freedom to express views on the business transacted at the various Board and Committee meetings and the openness with which the Management discussed various subject matters on the agenda of the meetings.

NUMBER OF INDEPENDENT DIRECTORSHIPS

In compliance with the SEBI Listing Regulations, Directors of the Company do not serve as an Independent Director in more than seven listed companies.

BOARD INDUCTION, TRAINING AND FAMILIARIZATION

A letter of appointment together with an induction is given to the Independent Directors at the time of their appointment setting out their roles, functions, duties and responsibilities. As per Regulation 46 (2) of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors is available on the Company's website i.e www.comfortfincap.com.

The Board familiarisation program comprises of the following:-

- Induction program for new Independent Directors;
- Immersion sessions on business and functional issues and
- Strategy session.

All new Independent Directors are taken through a detailed induction and familiarization program when they join the Board of your Company.

Directors are familiarized with the organizational set-up, functioning of various departments, internal control processes and relevant information pertaining to your Company. The details of the said familiarization programmes are available on your Company's website: www.comfortfincap.com.

In compliance with Companies Act, 2013 and the SEBI Listing Regulations, the Board of Directors has carried out an Annual Evaluation of its own performance, Board Committees, Individual Directors, Chairpersons and the Managing Director for the year under review. In respect of individual Directors including the Chairman and the Managing Director and Whole Time Director, their personal performance was carried out using a peer review process. Board and Committees functioning were reviewed and evaluated on the basis of responses from Directors, Committee Members and the Managing Director to structured questionnaires, covering various aspects of the composition and functioning of the Board and its Committees. In a separate meeting of the Independent Directors, performance of Non-Independent Director, performance of the Board as a whole and performance of the Chairman were also evaluated, taking into account the views of Executive Director and Non-Executive Directors. The Directors were asked to provide their valuable feedback and suggestions about the overall functioning of the Board and its Committees and its areas of improvement for a higher degree of engagement with the Management.

The Board expressed its satisfaction with the Evaluation results, which reflects the high degree of engagement of the Board and its Committees with the Company and its Management. Based on the outcome of the Performance Evaluation and assessment cum feedback of the Directors, the Board and the Management have also agreed on some action points, which will be implemented over an agreed time frame. The Nomination and Remuneration Committee of the Company identifies and ascertains the Integrity, Qualification, Expertise, Positive attributes and Experience of persons for Appointment as Directors and thereafter recommends the candidature for election as a Director on the Board of the Company. The manner of Appointment and Removal of Directors / Key Managerial Personnel / Senior Management and their remuneration thereof forms part of the Nomination and Remuneration Policy of the Company, which is available on the website of the Company at www.comfortfincap.com.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Company has prescribed a Code of Conduct for Directors and Senior Management of the Company. The said code is available on the website of the Company at www.comfortfincap.com. The Code lays down the Code of Conduct which is expected to be followed by the Directors and the Designated persons in their business dealings and in particular on matters relating to integrity at work place, in business practices and in dealing with Stakeholders. Managing Director declares that the members of the Board of Directors and Senior Management Personnel have affirmed Compliance with the Code during the financial year under review.

PECUNIARY RELATIONSHIP OR TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS.

During the year, there were no pecuniary relationships or transactions entered into between the Company and any of its Non-Executive / Independent Directors apart from payment of sitting fees and / or commission /perquisites as approved by the members.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

Each Independent Director's performance was evaluated by Schedule IV of the Companies Act, 2013 having regard to the following criteria of evaluation viz.

- (i) Preparedness
- (ii) Contribution by the Director
- (iii) Effective Deployment of Knowledge & Expertise
- (iv) Focus on governance
- (v) Communication and
- (vi) Integrity and maintenance of confidentiality

The Non-Executive Directors of the Company comprises of Independent Directors and are paid sitting fees for the time devoted to the Company. Apart from the sitting fees, there is no other material pecuniary relationship or transactions by the Company with the Directors.

CRITERIA OF MAKING PAYMENT OF REMUNERATION TO NON-EXECUTIVE DIRECTORS

Non-Executive Directors ("NEDs") are paid remuneration by way of Sitting Fees;

- During the financial year 2018-19, no Commission was paid to the Non-Executive Directors;
- There were no pecuniary relationship / transactions between non-executive directors and the Company;
- No amount by way of loan or advance has been given by the Company to any of its Directors;

- The sitting fees payable to the NEDs for attending the Board and Committee meetings is fixed subject to the statutory ceiling. The detail of sitting fees paid to the Non-Executive Independent Director and Non-Executive Non-Independent Directors along with their shareholding for the financial year 2018-19 are given below:

Sr. No	Name of the Director	Sitting Fees	Number of Equity Shares held by the Directors as on 31 March, 2019
1	Annu Anil Agrawal	20,000	-
2	Anil Beniprasad Agrawal	10,000	-
3	Jugal Chandrakant Thacker	40,000	-
4	Devendra Lal Thackur	70,000	-
5	Anilkumar Shivkaran Nevatia	70,000	-

DETAILS OF REMUNERATION PAID TO EXECUTIVE DIRECTOR:

Remuneration of Mr. Bharat Nanubhai Shiroya – Managing Director comprises of fixed components viz. Salary, perquisites etc. The details of the remuneration paid to Mr. Bharat Nanubhai Shiroya during the financial year 2018-19 along with the shares held by him are as follows:

Sr. No	Name of the Director	Salary	Number of Equity Shares held by the Directors as on 31 March, 2019
1	Mr. Bharat Nanubhai Shiroya	Rs. 24,81,333	-

COMMITTEES OF BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board periodically reviews the composition and terms of reference of its Committees in order to comply with any amendments/modifications to the provisions relating to composition of Committees under the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder.

The Committees make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the Committees are placed before the Board for information or for approval, as required. During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. The minutes of the meetings of all Committees are placed before the Board for review.

The Board as on March 31, 2019 has following Statutory Committees:

1. Audit Committee
2. Stakeholders Relationship Committee and
3. Nomination and Remuneration Committee

The Committees of the Board are elaborated hereunder:

1) AUDIT COMMITTEE

Pursuant to the Companies Act, 2013 and the SEBI Listing Regulations, the Company has constituted an Audit Committee. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Companies Act, 2013 and the SEBI Listing Regulations. All

members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management.

The Internal Auditors and Statutory Auditors of the Company discuss their audit findings and updates with the Committee and submit their views directly to the Committee.

Terms of Reference

The Board has included in the terms of reference of the Audit Committee the monitoring, implementing and review of risk management plan as required under Regulation 21 of the SEBI (LODR), 2015 and, therefore, a separate Risk Management Committee has not been constituted.

The extract of Terms of Reference is given below:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing and examining with management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval;
- Evaluation of internal financial controls and risk management systems
- Reviewing management discussion and analysis of financial condition and results of operations;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.
- Reviewing approval and disclosure of all related party transactions including granting of omnibus approval for the proposed transactions,
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- to review the functioning of the whistle blower mechanism;

Carrying out any other function as is mentioned in the terms of reference of the audit committee

Composition of Audit Committee and attendance record of members for 2018-19:

During the financial year under review, the Audit Committee met 5 (Five) times to deliberate on various matters. Audit Committee Meetings were held on May 28, 2018, August 14, 2018, November 13, 2018, January 15, 2019 and March 29, 2019.

The gap between any two Meetings was not more than 120 (One Hundred Twenty) day and the required quorum was present in all the Meetings. Below given are the details of composition and attendance of the members during the financial year 2018-19:

	Name of Member	Category	Designation	No. of Meetings attended		
				Held During the tenure	Attended	% of attendance
1	Mr. Jugal Thacker	Non-Executive - Independent Director	Chairperson	5	4	80%
2	Mr. Anil Nevatia	Non-Executive - Independent Director	Member	5	4	80%
3	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	Member	5	5	100%

On June 29, 2019, The Board reconstituted the Audit Committee. The detail of Composition of Audit Committee as on date is as follows:

Sr. No.	Name of Member	Category	Designation
1	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	Chairperson
2	Mr. Ankur Anil Agrawal	Additional Director	Member
3	Mr. Milin Ramani	Additional Director	Member

2) NOMINATION AND REMUNERATION COMMITTEE

Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act. The purpose of the Committee is to screen and review individuals qualified to serve as executive directors, non-executive directors, key managerial personnel and independent directors, consistent with the criteria approved by the Board, and to recommend, for approval by the Board, nominees for election at the AGM. The committee also reviews and approves senior executive compensation to ensure that it is competitive in the global markets in which we operate, to attract and retain the best talent. Below given is the Extract of Terms of Reference of the Committee

- Recommend to the Board the setup and composition of the Board and its committees.
- Determine / recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board
- To identify the persons who are qualified to become Director, or who may be appointed in Senior Management of the Company and shall specify the manner for effective Evaluation of Performance of Board, its Committees and Individual Directors & CEO to be carried out either by the Board, by the Committee or by an independent external professional / agency and review its implementation and Compliance.
- Recommend to the Board the appointment/re-appointment of Key Managerial Personnel.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
- To recommend the perquisites / sitting fees for Non-Executive Directors for attending Board as well as Committee Meetings.
- Oversee familiarization programs for Directors.
- Carrying out any other function as is mentioned in the terms of reference of the Nomination & Remuneration Committee.

Composition of Nomination & Remuneration Committee and attendance record of members for 2018-19:

During the financial year under review, the Nomination & Remuneration Committee met 3 (Three) times to deliberate on various matters. Nomination & Remuneration Committee Meetings were held on August 14, 2018, January 15, 2019 and March 29, 2019.

Below given are the details of composition and attendance of the members during the financial year 2018-19 :

Sr. No.	Name of Member	Category	Designation	No. of Meetings attended		
				Held During the tenure	Attended	% of attendance
1	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	Chairperson	3	3	100
2	Mr. Anil Kumar Nevatia	Non-Executive - Independent Director	Member	3	2	66.67
3	Mr. Jugal Thacker	Non-Executive - Independent Director	Member	3	3	100

On June 29, 2019, The Board reconstituted the Nomination & Remuneration Committee. The detail of Composition of Nomination & Remuneration Committee as on date is as follows:

Sr. No.	Name of Member	Category	Designation
2	Mr. Ankur Anil Agrawal	Additional Director	Chairperson
2	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	Member
3	Mr. Milin Ramani	Additional Director	Member

Remuneration Policy

Your Company's Nomination and Remuneration Policy for Directors and Senior Managerial Personnel approved by the Nomination and Remuneration Committee and the Board, is focused on recruiting, retaining and motivating high talented individuals. It is driven by the success and performance of the individual employees and the Company. Through its compensation programme, Company endeavors to attract, retain, develop and motivate a high performance workforce. Individual performance pay is determined by business performance of the Company. The purpose of the Remuneration Policy is to establish and govern the procedure applicable:

- To evaluate the performance of the members of the Board.
- To ensure remuneration payable to Directors KMP & other senior Management strike appropriate balance and commensurate among others with the functioning of the Company and its long term objectives.
- To retain motivate and promote talent within the Company and to ensure long term sustainability of the managerial persons and create competitive advantage.

The policy inter-alia covers the Directors' appointment and remuneration, Key Managerial Personnel and other senior management appointment and remuneration.

Remuneration of Directors

During the year under review, there was no pecuniary relationship/transaction with any Non-Executive Directors of the Company apart from sitting fees. The Company has not granted any stock options to any of its Non-Executive Independent Directors.

Non-executive Directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company.

Based on the recommendations of the Nomination & Remuneration Committee, the Board has formulated Policy for Remuneration of Directors, Key Managerial Personnel (KMP) & other employees. The policy has been posted on the website of the Company www.comfortfincap.com.

3) STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the Companies Act, 2013 and the SEBI Listing Regulations, the Company has constituted a Stakeholders' Relationship Committee. This Committee was constituted to specifically look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, non-receipt of dividend, payment of unclaimed dividends etc. In addition, the Committee also looked into matters that can facilitate better investor services and relations. Below given is the Extract of Terms of Reference of the Committee

- Oversight and review of all matters related to the transfer of securities of the Company.
- Resolution of the grievances of all security holders including complaints related to transfer / transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of split / duplicate share certificates for shares reported lost / defaced / destroyed, as per the laid down procedure and to authorise the Company Secretary and Registrar and Share Transfer Agent to attend to such matters.
- Reviewing statutory compliances relating to all security holders.
- Oversight of compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund (IEPF).
- To review the measures taken by the Company for effective exercise of Voting Rights by members
- To approve and monitor dematerialisation /rematerialisation of shares and all such matters incidental thereto and authorise the Company Secretary and RTA to attend to such matters
- Carrying out any other function as is mentioned in the terms of reference of the Stakeholders' Relationship Committee.

Composition of Stakeholders' Relationship Committee and attendance record of members for 2018-19:

During the financial year under review, the Stakeholders' Relationship Committee met 4 (Four) times to deliberate on various matters. Stakeholders' Relationship Committee Meetings were held on May 28, 2018, August 14, 2018, November 13, 2018 and January 15, 2019.

Below given are the details of composition and attendance of the members during the financial year 2018-19 :

Sr. No.	Name of Member	Category	Designation	No. of Meetings		
				Held During the tenure	Attended	% of attendance
1	Mr. Anil Agrawal	Non-Executive - Independent Director	Chairperson	4	4	100%
2	Mr. Anil Kumar Nevatia	Non-Executive - Independent Director	Member	4	4	100%
3	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	Member	4	4	100%

On June 29, 2019, The Board reconstituted the Stakeholders' Relationship Committee. The detail of Composition of Stakeholders' Relationship Committee as on date is as follows:

Sr. No.	Name of Member	Category	Designation
1	Mr. Devendra Lal Thakur	Non-Executive - Independent Director	Chairperson
2	Mr. Ankur Anil Agrawal	Additional Director	Member
3	Mr. Milin Ramani	Additional Director	Member

Status of Transfers

There were no pending share transfers as on March 31, 2019.

Complaints

The details of shareholders' complaints received and disposed of during the year under review are as follows:

SR NO.	STATUS OF INVESTOR COMPLAINTS	
1.	pending at the beginning of the financial year	0
2.	received during the financial year	0
3.	disposed off during the financial year	0
4.	pending at the end of the financial year	0

Prevention of Insider Trading

The Company has amended the Insider Trading Policy with effect from April 01, 2019 in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The Code aims at preserving and preventing misuse of unpublished price sensitive information. All Directors, Designated Persons and Connected Persons of your Company and its Subsidiaries (as defined under the Insider Code) are covered under the Insider Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in the securities of your Company. The code of conduct and code of fair disclosure framed by the Company have helped in ensuring compliance with the requirements.

The amended policy is available on our website, at www.comfortfincap.com

Code of Conduct

Regulation 17(5) of the SEBI Listing Regulations, requires listed companies to lay down a code of conduct for its Directors and Senior Management, incorporating duties of Directors as laid down in the Companies Act, 2013. The Company has also adopted a Code of Conduct for Directors and senior management. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. A declaration duly signed by the Managing Director has been annexed to this report. The code of conduct has been posted on the website of the Company www.comfortfincap.com

Details of non-compliance, penalties and strictures imposed on the company by the stock exchanges/ SEBI/ statutory authorities on matters relating to capital markets during the last three years: NIL

Compliance Officer

Ms. Nidhi Busa has resigned from the post of Company Secretary & Compliance Officer w.e.f April 19, 2019 Hence at present there is no Company Secretary to act as a Compliance Officer of the company. However, Company is under process to recruit a suitable candidate for the post of Company Secretary.

GENERAL BODY MEETINGS

A. Particulars of Annual General Meetings held during last three years:

YEAR	LOCATION	DATE	TIME	SPECIAL RESOLUTION
2015-16	22, Camac Street, Block 'B', Ground Floor, Behind Pantaloons, Kolkata, West Bengal, 700016.	10.09.2016	4.00 P.M	[1] Appointment of Mr. Devendra Lal Thakur (DIN:00392511) [2] Revision in remuneration payable to Mr. Bharat Shiroaya, (DIN: 00014454), as a Managing Director.
2016-17	Hotel Royal Garden, 163A Park Street, Kolkata- 700017	09.09.2017	12:30 P.M	[1] To re-appointment of Mr. Bharat Shiroya, as a Managing Director (DIN: 00014454) of the Company. [2] To approve related party transaction under section 188 of Companies Act,2013
2017-2018	Vedic Village Spa Resort, Shikharpur Bagu, Rajarhat, Kolkata- 700135, West Bengal.	28.09.2018	12.30 P.M.	[1] Revision in remuneration payable to Mr. Bharat Shiroya, (DIN: 00014454), as a Managing Director.

B. Extra-Ordinary General Meetings

There were no Extra-Ordinary General Meetings conducted during the Financial Year 2018-19.

C. Postal Ballot

There was no postal ballot conducted during the Financial Year 2018-2019.

Means of Communication

Website: Your Company maintains a website www.comfortfincap.com, wherein there is a dedicated section 'Investor Relation'. The website provides details, inter-alia, about the Company, its performance including quarterly financial results, annual reports, press release, investor presentation, share price data, unpaid dividend details, shareholding pattern, contact details, etc.

Quarterly/ Annual Financial Results: The quarterly, half-yearly and annual financial results of the Company are published in Financial Express & Duranto Batra. The results are also uploaded by BSE Limited on its website www.bseindia.com.

Stock Exchanges: BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, including the statutory filings and disclosures, are filed with BSE Limited. The filings required to be made under the Listing Regulations, inter-alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are in accordance with the Listing Regulations filed electronically.

Investor Servicing: E-mail ID: info@comfortfincap.com in has been designated for the purpose of registering complaints by shareholders or investors.

COMFORT FINCAP LIMITED

Annual Report 2018-2019

GENERAL SHAREHOLDERS INFORMATION

- i. **Annual General Meeting:** 37th Annual General Meeting of the Members of the Comfort Fincap Limited will be held on Monday, September 16, 2019 at 01.00 p.m at Hotel Regenta Inn Larica, Biswa Bangala Road, Rajarhat New Town, Chinarpark, Nowapara, Kolkata, West Bengal 700157 .
- ii. **The Financial year:** Financial year : April 01, 2019 to March 31, 2020

Tentative schedule for declaration of financial results during the financial year 2019-20

Quarter ending June 30, 2019	Second week of August 2019
Quarter ending September 30, 2019	Second week of November 2019
Quarter ending December 31, 2019	Second week of February 2020
Financial year ending March 31, 2020	Fourth week of May 2020

- iii. **Book Closure Date :** Monday, September 09, 2019
- iv. **Registered Office :** Premises No. 22, Block B, Camac Street, Kolkata - 700 016
- v. **Listing on Stock Exchanges**

Your Company's equity shares are listed on The BSE Limited. Annual listing fees for the Financial Year 2019-20 have been paid to BSE Limited. The Status of Listing of the Company displays it as suspended on the website of Calcutta Stock Exchange Limited.

Stock Code

Trading Symbol at : BSE Limited
Scrip Code : 535267
Calcutta Stock Exchange Limited
Scrip Code : 26078

Demat ISIN Number in : Equity Shares INE274M01018
NSDL & CDSL

- vi. **BSE Limited Stock Market Data (in Rs. / per share) from April 2018 to March 2019**

Month	High	Low	No. of Shares
Apr-18	16.55	15.8	3,55,741
May-18	16.65	16.1	3,24,703
Jun-18	16.55	16.1	2,94,197
Jul-18	16.5	15.6	3,69,278
Aug-18	16.95	15.2	4,04,715
Sep-18	17.05	15.9	3,16,694
Oct-18	17.65	15.25	3,52,356
Nov-18	16.95	13.95	3,43,681

Month	High	Low	No. of Shares
Dec-18	20.2	14.4	3,69,290
Jan-19	19	14	4,18,460
Feb-19	16.75	15.3	3,27,154
Mar-19	15.85	13.9	3,29,612

vii. Performance of Comfort Fincap Ltd Share price in comparison to BSE Sensex:



viii. Distribution of Share Holding As on March 31, 2019

Range of Shareholding (Rs)	No. of Shareholders	% of Total	Share Amount Rs.	% of Total
1-5000	840	83.67	294020	0.27
5001-10000	25	2.49	200600	0.19
10001-20000	22	2.19	322450	0.30
20001-30000	6	0.60	155330	0.14
30001-40000	6	0.60	218360	0.20
40001-50000	8	0.80	381720	0.35
50001-100000	16	1.59	1229990	1.13
100001- Above	81	8.06	105710530	97.42
Total	1004	100.00	108513000	100.00

ix. Shareholding Pattern (Category Wise) As on March 31, 2019

Category	No. of Shares	Percentage
Promoters	55,15,000	50.82
Mutual Funds / UTI & Banks	NIL	NIL
Private Corporate Bodies	18,33,578	16.91
Resident Individuals	29,03,204	26.75

COMFORT FINCAP LIMITED

Annual Report 2018-2019

Category	No. of Shares	Percentage
NRIs / FIIs	1142	0.01
NBFC's Registered with RBI's	NIL	NIL
Clearing Members	5,98,376	5.51
HUF	NIL	NIL
Total :	1,08,51,300	100.00

x. List of the Top 10 Shareholders of the Company (Excluding Promoter Group) As on March 31, 2019:

Sr. No.	Name of Shareholder	No. of Shares	Shares as % of total no. of shares
1.	GLOBE CAPITAL MARKET LIMITED	4,25,000	3.92
2.	SNEHAPUSPH MARKETING PRIVATE LIMITED	339644	3.13
3.	NEXTEL GARMENTS PRIVATE LIMITED	253677	2.34
4.	VIDISA TEXTILES PRIVATE LIMITED	218425	2.01
5.	AMI JAINEEK PATEL	157801	1.45
6.	CHANDRAKANT RAMJI VAGHASIA	156019	1.44
7.	INTERCITY BUILDERS PRIVATE LIMITED	139000	1.28
8.	SEEMA PRAVINKUMAR JHUNJHUNWALA	134500	1.24
9.	COMFORT SECURITIES LTD – CLIENT ACCOUNT	127551	1.18
10.	SURESH LAXMANBHAI BHALALA	120700	1.11

xi. Dematerialisation Of Shares & Liquidity

Break-up of shares in physical & electronic mode as on March 31, 2019.

Mode	No of shareholders	% of total shareholders	No of shares	% of total shares
Physical	9	0.90	13401	0.12
Electronic	995	99.10	1,08,37,899	99.88
Total	1004	100	1,08,51,300	100.00

xii. Outstanding GDRs/ADRs/Warrants or any convertible instruments

The Company did not issue any GDRs/ADRs/Warrants or any convertible instruments. Hence there were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at end 31st March 2019.

xiii. Share Transfer System

SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, amended Regulation 40 of Listing Regulations pursuant to which from 1st April, 2019, onwards securities can be transferred only in dematerialized form. However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in demat form will facilitate convenience and ensure safety of transactions for investors.

Presently, the Share Transfers in physical form are processed and the Share Certificates returned within a period of 15 days from the date of receipt of the document, subject to the documents being clear in all respects. The Board has delegated the authority for approving the transfers to the RTA subject to approval by SRC.

Shareholders grievances and other miscellaneous correspondence on change of address, mandates etc., received from members are generally processed by RTA of the company within 15 days.

The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI (LODR) Regulations, 2015 and files a copy of the certificate with the Stock Exchange.

All inquiries relating to the members records, transmission of shares, change of address, non-receipt of dividend, loss of share certificates, transfer of shares to IEPF Authority, etc. should be addressed to RTA

xiv. Details of Unclaimed Dividend

Pursuant to provisions of Section 125 of the Companies Act, 2013 the amount of Dividend which has remained unclaimed / unpaid for a consecutive period of 7 years from the date of transfer of such amount to unpaid dividend account is required to be transferred to Investors Education and Protection Fund (IEPF) Authority established by Central Government. Accordingly, all the members who have not encashed the dividend warrants since financial year 2011-12, 2012-13 and thereafter are requested to take steps to contact the RTA of the Company.

Financial year	Date of Declaration	Date of Payment	Tentative dates for transfer of shares and dividend to IEPF
2011-12	15-09-2012	22-09-2012	22-10-2019
2012-13	20-07-2013	29-07-2013	27-08-2020
2013-14	29-09-2014	08-10-2014	06-10-2021
2014-15	24-09-2015	01-10-2015	01-10-2022
2015-16	10-09-2016	16-09-2016	17-19-2023
2016-17	09-09-2017	15-09-2017	16-09-2024
2017-18	29-09-2018	11-10-2018	05-10-2025

Transfer of Concerned Equity Shares to Investor Education and Protection Fund Authority

Your Company will be transferring the dividend and the shares to the IEPF Authority for its Dividend Account of the financial year 2011-12 which is due in October, 2019. The Company will be sending individual correspondence to the shareholders and publish newspaper advertisement for claiming the un-paid/unclaimed dividend in respect of which dividend has not been en-cashed or claimed by the members for 7 consecutive years or more. The shareholders are once again requested to claim their un-paid/unclaimed to avoid the transfer to IEPF.

Members who have not yet en-cashed their Dividends from financial year 2011-12 and 2012-13 and thereafter are requested to make their claims to the Company / RTA. Members are requested to quote folio numbers / DP ID – Client ID in all their correspondence.

In case the members have any queries on the subject matter and the Rules, they may contact the Company's RTA. The members / claimants whose shares and / or, unclaimed dividend, etc. have been transferred to IEPF Authority may claim the shares and unclaimed dividend by making an application to IEPF Authority in IEPF Form-5 (available on www.iepf.gov.in). The member / claimant can file only one consolidated claim in a financial year as per the IEPF Rules. It is in the members interest to claim any un-en-cashed dividends from IEPF and for future dematerialization of their shares and opt for Automated Clearing House (ACH) mode, so that dividends paid by the Company are credited to the investor's account on time.

Payment of Dividend through Automated Clearing House (ACH)

The Company provides the facility for direct credit of the dividend to the members Bank Account. The SEBI Listing Regulations also mandate Companies to credit the dividend to the members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their Bank account through the Banks' "Automated Clearing House" mode. Members who hold shares in demat mode should inform their Depository Participant, whereas Members holding shares in physical form should inform the Company about of the core banking account details allotted to them by their bankers. In cases where the core banking details are not available with the Company, then the Company will issue physical warrant / demand draft to the Members.

Green Initiatives for Sending Communication

Company has sent correspondence to the physical shareholders requesting them to give their E-mail ID's to the Company / RTA (for physical shares held) and their Depository Participants (DPs), so that Annual report and other communications can be sent electronically to all the members. Members, who have so far not informed the E-mail ID's to their DP's, are requested to do the same in the interest of environment. The page of the same available in the annual report.

COMPLIANCES WITH CORPORATE GOVERNANCE DISCLOSURE REQUIREMENTS AS SPECIFIED IN THE SEBI LISTING REGULATIONS

The Company complies with all mandatory requirements as per Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of the SEBI Listing Regulation. Further, as required by Schedule V of the SEBI Listing Regulations; the Certificate on Corporate Governance received from M/s R M Mimani & Associates LLP, Company Secretaries is annexed to the Report.

MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion & Analysis forms part of the Annual Report and annexed elsewhere in this Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, the Company has established a Whistle Blower Policy and the same is placed on the web site of the Company at web site of the company at www.comfortfincap.com. The Company has a Whistle Blower Policy for Directors and Employees to report their concerns about unethical behavior, leakage of unpublished price sensitive information, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimisation of Director(s) and / or Employee(s) who avail the mechanism.

PREVENTION OF INSIDER TRADING

Pursuant to amendments to SEBI PIT Regulations, the Company has revised its "Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders" and the "Code of Practices and Procedures for Fair Disclosure of UPSI" (PIT Code) and the same have been posted on the website of the Company at web site of the company at www.comfortfincap.com. All the Directors, concerned Senior employees, third parties such as Statutory Auditors, Investor Relation Agency, Consultants, etc. who could have access to the (UPSI) of the Company are governed by this Code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code.

During the year under review, there has been due Compliance with the said code. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the Designated Employees while in possession of UPSI in relation to the Company and during the period when the Trading Window is closed. All Promoters / Promoter group, Directors, Key Managerial Personnel, Senior Management and concerned third parties such as Statutory Auditors & Investor Relation Agency and other concerned personnel and Connected Employees who may be in possession of price sensitive information are made aware through-mail about trading window closure. The Board of Directors, Designated Employees and Connected Persons have affirmed compliance with the PIT Code during the year

under review. In line with the amendments introduced recently by SEBI, the above Code is amended suitably to align it with the amendments, which are effective from 1 April, 2019.

WEBSITE

In Compliance with SEBI Listing Regulations, the Company has its own functional website www.comfortfincap.com. The information about the Company, quarterly and Annual Audited Financial Results, Annual Reports, distribution of shareholding at the end of each quarter, official press releases, and information required to be disclosed under Regulation 30(8) and 46 of the SEBI Listing Regulations, etc. are regularly updated on the website. Further, all the updated policies of the Company are available at the website of the Company.

DISCLOSURE RELATING TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to provide a safe and conducive work environment to all its employees and associates to uphold and maintain the dignity of every women employee working in the Company. The Company's Policy provides for protection against sexual harassment of women employees at workplace and for prevention and redressal of such complaints.

During the year under review, the Company has not received any complaint. No cases of child labour, forced labour and involuntary labour were reported during the year.

CODES AND POLICIES

The Board has adopted all applicable Codes and Policies in terms of the requirements of the Companies Act, 2013, the SEBI Listing Regulations and also under SEBI (Prohibition of Insider Trading) Amendment, Regulations, 2018. The requisite Codes and / or Policies are posted on the Company's website at www.comfortfincap.com. and references to these codes and policies have been given at relevant sections in this report

ADDRESS FOR INVESTOR CORRESPONDENCE

Registrar to an Issue and Share Transfer Agent:

Bigshare Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East), Mumbai - 400059
Tel: 022-62638200 Fax: 022-62638299
Website : www.bigshareonline.com
Email ID: investor@bigshareonline.com

Correspondence Address:

Registered Office:

COMFORT FINCAP LIMITED

22, Camac Street, Block 'B', Ground Floor,
Behind Pantaloons, Kolkata, West Bengal, 700016

Depository for Equity Shares

National Securities Depository Limited

Trade World, 'A' Wing, 4th Floor
Kamala Mills Compound Senapati Bapat Marg,
Lower Parel, Mumbai 400 013, India
Tel : 91 22 2499 4200 Fax : 91 22 2497 6351

Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers, 17th Floor
Dalal Street, Fort, Mumbai 400 001, India
Tel : 91 22 2302 3333 Fax : 91 22 2272 3199

Corporate Office:

COMFORT FINCAP LIMITED

A-301, HETAL ARCH S.V.ROAD,
MALAD (WEST) MUMBAI Mumbai -400064
Tel: 022-28448509
Email: info@comfortfincap.com
Website: www.comfortfincap.com

DECLARATION PURSUANT TO SCHEDULE V OF THE LISTING REGULATIONS

In accordance with Regulation 26 (3) and Schedule V of the Listing Regulations with the Stock Exchanges, I hereby declare that the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct as applicable to them for the year ended 31st March 2019.

For COMFORT FINCAP LIMITED

PLACE: MUMBAI
DATE: AUGUST 14, 2019

Sd/-
BHARAT SHIROYA
CHIEF EXECUTIVE OFFICER (FORMER MANAGING DIRECTOR)

CHIEF EXECUTIVE OFFICER (FORMER MANAGING DIRECTOR) AND CHIEF FINANCIAL OFFICER CERTIFICATION

We the undersigned, in our respective capacities as Chief Executive Officer (former Managing Director) and Chief Financial Officer of Comfort Fincap Limited ("the Company") to the best of our knowledge and belief, certify that:

- 1) We have reviewed Financial Statements and the Cash Flow statement for the financial year ended March 31, 2019 and that to the best of our knowledge and belief, we state that:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, laws and regulations.
- 2) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or which violate the Company's Code of Conduct.
- 3) We hereby declare that, all Board Members and Senior Managerial Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.
- 4) We are responsible for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control Systems of the Company pertaining to Financial Reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 5) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - a) significant changes, if any, in internal controls over financial reporting during the year;
 - b) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,

FOR COMFORT FINCAP LIMITED
SD/-
BHARAT NANUBHAI SHIROYA
CHIEF EXECUTIVE OFFICER (FORMER MANAGING DIRECTOR)
DIN : 00014454

FOR COMFORT FINCAP LIMITED
SD/-
NIRMALA KANJAR
CHIEF FINANCIAL OFFICER

PLACE: MUMBAI
DATE: AUGUST 14, 2019

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity Number: L65923WB1982PLC035441

Nominal Capital: Rs.150, 000,000

To the Members of

Comfort Fincap Limited

22 Camac Street, Block 'B' Kolkata

WB-700016

We have examined the compliance of conditions of Corporate Governance by Comfort Intech Limited ("the Company") for the financial year ended on March 31, 2019, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the LODR.

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

We have examined relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of LODR during the financial year ended March 31, 2019.

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

For R M MIMANI & ASSOCIATES LLP

[COMPANY SECRETARIES]

[Firm Registration No. I2001MH250300]

RANJANA MIMANI

(PARTNER)

FCS No: 6271

CP No: 4234

PLACE: MUMBAI

DATE: AUGUST 14, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of
the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To the Members of
Comfort Fincap Limited
22 Camac Street,
Block 'B' Kolkata
WB-700016

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Comfort Fincap Limited** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

DIN	Full Name	Designation	Date of Appointment
00014454	Mr. Bharat Shiroya	Managing Director	01/10/2011
00014413	Mr. Anil Agrawal	Non Executive Director	07/02/2011
00014487	Mrs. Annu Agrawal	Non Executive Director	02/08/2014
00015460	Mr. Jugal Thacker	Independent Director	02/08/2014
00531183	Mr. Anil Kumar Nevatia	Independent Director	09/04/2011
00392511	Mr. Devendra Lal Thakur	Independent Director	24/11/2015

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R M MIMANI & ASSOCIATES LLP
[COMPANY SECRETARIES]
[Firm Registration No. I2001MH250300]

RANJANA MIMANI
(PARTNER)
FCS No: 6271
CP No: 4234

PLACE: MUMBAI
DATE: AUGUST 14, 2019

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The economy of India is a developing mixed economy. It is the world's seventh-largest economy by nominal GDP and the third-largest by purchasing power parity (PPP). The country ranks 139th in per capita GDP (nominal) and 119th in per capita GDP (PPP) as of 2018. After the 1991 economic liberalization, India achieved 6-7% average GDP growth annually. Since 2014, India's economy has been the world's fastest growing major economy, surpassing China.

The long-term growth perspective of the Indian economy is positive due to its young population, English proficiency, corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. India topped the World Bank's growth outlook for the first time in fiscal year 2015–16, during which the economy grew 7.6%. Despite previous reforms, economic growth is still significantly slowed by bureaucracy, poor infrastructure, and inflexible labor laws (especially the inability to lay off workers in a business slowdown).

India has one of the fastest growing service sectors in the world with an annual growth rate above 9% since 2001, which contributed to 57% of GDP in 2012–13. India has become a major exporter of IT services, Business Process Outsourcing (BPO) services, and software services with \$177 billion revenue in FY 2019. The IT industry continues to be the largest private-sector employer in India. India is the second-largest start-up hub in the world with over 3,100 technology start-ups in 2018–19. The Indian automobile industry is one of the largest in the world with an annual production of 21.48 million vehicles (mostly two and three-wheelers) in 2013–14. India had \$600 billion worth of retail market in 2015 and one of world's fastest growing e-commerce markets.

NBFCs in India

Non-Banking Finance Companies (NBFCs) are a vital part of India's financial system. Their role in nation-building and financial inclusion complement the banking sector in taking credit to the unbanked segments of society. NBFCs play a critical role in providing financial support for the economically weaker sections.

The scope of NBFCs is expanding with the Government of India (GoI) focusing prominently on promoting entrepreneurship and innovation, especially in the micro, small and medium enterprises (MSMEs) segment. NBFCs enjoy the advantages of better product lines, lower cost, wider and effective reach, robust risk management capabilities to check and control bad debts and understanding of their customer segments vis-à-vis the traditional banks. Additionally, NBFC's credit growth is likely to remain healthy owing to improving macroeconomic conditions, higher credit penetration, increased consumption and disruptive digital trends. NBFCs' ground-level understanding of their customers' profile and their credit needs gives them an edge, as does their ability to innovate and customize products as per their clients' needs. Moreover, with the banking system clearly constrained in terms of expanding their lending activities, the role of NBFCs becomes even more important now.

The NBFCs are also expected to focus more on collections than on incremental business. Competitive pressure for retail-focused NBFCs is likely to intensify as banks are increasingly focusing on retail segment to offset weak corporate credit growth. Further, increase in bank deposit base post demonetization and steep reduction in lending rates is expected to result in migration of some large-ticket and relatively better quality NBFC borrowers to banks. NBFC's business has also been affected by the moderation in disbursements with limited cash availability, especially microfinance and gold-backed lending. The extent of recovery in the borrower businesses and income levels and their ability to contribute margins for asset purchase and business funding, would be the key drivers of growth in the near to medium term.

NBFCs continued to grow their share in the financial services industry. Data published by the RBI in its Financial Stability Report dated 31 December 2018 show that NBFCs have outperformed scheduled commercial banks (SCBs) on growth in advances, asset quality and profitability. This growth momentum of NBFCs should result in their share in the financial services sector increasing in the near future.

ABOUT THE COMFORT FINCAP LIMITED**Business Overview**

Our Company was originally incorporated as Parasnath Textiles Limited (PTL) on 12th November, 1982 under the Companies Act, 1956 in the State of West Bengal. Initially The object of the Company was to carry on the business of manufacturers and dealers in textiles, investment /trading in shares & securities. However, the Company was registered with RBI as a Non Banking Financial Company ('NBFC') on 15th September, 1998 being Registration No. 05.02895 and started NBFC business.

The Company's name was changed from Parasnath Textiles Limited to Comfort Fincap Limited vide fresh certificate of incorporation dated 4th June, 2011.

The Company is providing various financial solutions such as advancing loans against listed Shares & Securities and properties, corporate loans, personal loans, trade financing, bills discounting etc.

Our Company is primarily focused in providing inter corporate loans, personal loans, loans against shares & securities, loans against properties, trade financing, bills discounting, trading in shares & securities and arbitrage business in stock and commodity market. Being an NBFC, our Company has positioned itself between the organized banking sector and local money lenders, offering the customers competitive, flexible and timely lending services.

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PRODUCTS & SERVICES

Our Company offers financial services to commercial, industrial and financial clients with a one stop financial solution:- advancing loans against listed Shares, Securities, Properties, Mortgage Loans, Auto / Home

- Margin funding
- Corporate loans
- Personal loans
- Trading in shares & securities
- Trade financing
- Bills discounting, etc.

FINANCIAL PERFORMANCE

At Standalone and Consolidated Level, The Revenue from operation stood at 718.66 Lacs compared with 733.57 Lacs in the Previous Year. The Net Profit for the year stood at 255.52 Lacs against 243.05 Lacs reported in the Previous Year.

The Management continues to concentrate its efforts to increase the revenue of the Company by identifying new opportunities.

STRENGTHS

- a well-defined and scalable organization structure
- Experienced and stable management team

- The Company has a long standing presence spanning over two decades of financing, resulting in deep understanding of the market that it operates in.
- The Company's biggest strength is its trained manpower. This enables smooth conduct of operation.

WEAKNESS

- **Branding:** Our Company is not a well established brand among large NBFC players who have access to larger financial resources.
- **Accessibility:** We do not have branches so we are unable to explore the business opportunities in other areas.

OPPORTUNITIES AND THREATS

Increase in demand, a supportive operating environment and declining interest rate regime are factors which could support NBFCs ability to improve profitability and shareholder returns. The Company faces stiff competition from Banks and other NBFCs operating in similar areas of business and challenges from regulatory changes in the NBFC and ancillary sectors. However, with its excellent service, foot print, digitalization initiatives and unique differentiators in the product, the Company has been able to continue to expand its business.

OUR STRATEGY

- Expansion of existing activities
- Financial Management/Advisory Services
- Brand recognition
- Retention of customer base with a holistic association approach
- Constant strengthening of risk framework

REGULATORY

As Being a Non-Banking Finance Company, is regulated by Department of Non-Banking Supervision of Reserve Bank of India. Company is currently under category of Non-Deposit accepting company so company is not within purview of various guidelines applicable. However, RBI has issued several guidelines applicable to Non-Deposit accepting companies, notable among which are:

- Submission of Financial Statements
- Submission of Business-Continuity Certificate
- To exercise the Fair Practice Code
- Compliance with Prudential Norms

Company is complying with various statutory provisions such as Companies Act, Income tax, Service tax, Stock Exchanges Listing compliances and other applicable laws and regulations applicable to the company.

RISKS & CONCERNS

Risk management involves identification of risk, assessing the impact on business if a security incident occurs, and making the right financial decision about how to deal with the results of one's assessment. It also includes the implementation of a programme to continually measure and assess the effectiveness of existing safeguards in protecting one's critical assets. Thus, managing risks is not a one-time activity; it's an ongoing process. It is also critical to recognize that certain business risks are unavoidable, and have to be dealt with as they arise.

Your Company has directed its effort towards risk management by employing the expertise people and technology to mitigate the risks affecting the growth and profitability of the Company. The Company is constantly engaged in innovating its methods and procedures of risk management.

INDUSTRY RISKS**Competition**

Banks which have significant cost of funds advantage can grow their gold loan business by offering lower interest rates than NBFCs, thereby imposing threat to the NBFC gold loan business. Besides, the unorganized sector caters to a large customer segment even today and retain their niche customer segment limiting the growth opportunities of NBFCs

Adverse regulatory changes

Though adequate regulations have been framed for regulating the sector, any future changes in the regulatory environment have the potential to affect the gold loan NBFC industry. In the face of adverse regulations, the industry players may find the business less profitable, which may affect their sustainability.

INTERNAL CONTROL SYSTEM AND ADEQUACY

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

CAUTIONARY

Statements in this report pertaining to the Company's objectives, projections, estimates, exceptions and predictions are forward-looking statements subject to the applicable laws and regulations. These statements may be subject to certain risks and uncertainties. The Company's operations are affected by many external and internal factors which are beyond the control of the management. Therefore, the actual position may differ from those expressed or implied. Important factors that could influence the Company's operations include global and domestic financial conditions, changes in government regulations, tax laws, RBI regulations, exchange rate fluctuation, economic developments within the country and other factors such as litigation and industrial relations.

E-COMMUNICATION REGISTRATION FORM (FOR PHYSICAL HOLDER OF SHARES / FOR MEMBERS NOT YET UPDATED THEIR E-MAIL ID OR BANK ACCOUNT DETAILS WITH THE COMPANY)

To,
Mr. Sandeep V More
Bigshare Services Pvt. Ltd (Unit: Comfort Fincap Limited)
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri East, Mumbai 400059.

Folio No. / DP ID & Client ID	
Name of the sole / first named Member	
Name of joint holder(s)	
Registered Address of Member	
E Mail ID to be registered	
Mobile No (optional)	

Bank Account Details : (for electronic credit of unpaid dividends and all future dividends)	
Name of the Bank	
Name of the Branch	
Account Number (as appearing in your cheque book)	
Account Type (Saving / Current / Cash Credit)	
9 Digit MICR Number (as appearing on the MICR cheque issued by the bank) Please enclose a photocopy of a cheque for verification	
11 Digit IFSC Code	

Date: __ __ \ 20__

Signature of the Member: _____

Note:

- Members holding shares in demat form are requested to fill up prescribed registration form with their Depository Participant (DP).
- Members are requested to keep DP / RTA / Company informed as and when there is any change in the Email address. Unless the E-mail ID given above is changed by you by sending another communication in writing / E-mail, the Company will continue to send the documents to you on the above mentioned E-mail ID.
- Members hereby authorize Company to send all the correspondence on the above mentioned E-mail ID.
- Please enclose a self-attested copy of PAN card of the members, original cancelled cheque leaf, Bank pass book and address proof viz., Aadhaar card as required for updating of the details along with this form.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS,
COMFORT FINCAP LIMITED**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Comfort Fincap Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and its cash flows for the year ended on that date.

Basis for Qualified Opinion

The Company has not provided for defined benefit obligation in the nature of gratuity based on the requirement of Accounting Standard-15 (Revised) i.e. "Employee Benefit", which requires defined benefit obligation to be recognised based on actuarial valuation basis. In absence of valuation we are unable to quantify the impact of above on the net profit for the year and liabilities as on reporting date.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the Basis for Qualified Opinion Section, we have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report,

Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except as described in Basis for Qualified Opinion paragraph.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - III. There has been no delay in transferring any amount to be transferred to Investor Education and Protection fund by the Company.

For A.R. Sodha & Co.
Chartered Accountants
FRN 110324W

A.R. Sodha
Partner
M No.031878

Place : Mumbai
Date : 20th May, 2019

ANNEXURE A TO AUDITORS'S REPORT

On the basis of such checks as we considered appropriate and according to the information and explanations given to us, we report that:

1.
 - a) According to information and explanations given to us and records furnished before us, the company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets have been physically verified by the Management at reasonable intervals. In our opinion, the frequency of verification is reasonable with regard to the size of the company and nature of assets. According to information and explanations given to us by the management, no material discrepancy was noticed on such verification.
 - c) The company does not have any immovable property and accordingly reporting under clause 3(i)(c) not applicable.
2.
 - a) The stock in trade of shares and securities held in dematerialized format have been verified from the relevant statements received from the depositories during the year, by the management.
 - b) In our opinion and according to the information and explanations given to us, the procedures of verification of shares and securities followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on verification of stock of shares and securities by the management as compared to book records.
3. According to the information and explanation given to us and on the basis of records furnished before us, company has granted unsecured loans to three parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - a) The terms and conditions of the grant of such loans are not prejudicial to the interest of the company.
 - b) According to information and explanation given to us the loan is repayable on demand and has been repaid as and when demanded. Interest has been served on a regular basis.
 - c) Loan has been repaid as and when demanded and hence there is no overdue amount.
4. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to the loans given. However, the company has not given any guarantees and security, or made any investment, under section 185 and 186 of the Companies Act, 2013.
5. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not accepted any deposits within the meaning of section 73 to 76 from public during the year. Accordingly clause 3(v) of Companies (Auditor's Report) Order, 2016 is not applicable.
6. According to the information and explanation given to us the Company is not required to maintain cost records as specified under section 148 sub-section (1) of the Companies Act, 2013. Accordingly clause 3(vi) of Companies (Auditor's Report) Order, 2016 is not applicable.
7.
 - a) According to the information and explanations given to us and records examined by us, the Company is generally

regular in depositing of undisputed statutory dues with respect to Provident fund, Goods and Service Tax, Income Tax, Tax Deducted at Source and Service tax. According to information and explanation given to us and records examined by us no undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Goods and Service Tax, Cess is outstanding as at 31st March for more than six months from the date they become payable.

- b) According to information and explanation given to us and the records of the Company examined by us, there are no statutory dues which have not been paid on account of any dispute.
8. According to the information and explanation given to us and records examined by us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.
9. According to information and explanation given to us by the management and records furnished before us, the company has not raised money by way of initial public offer and the term loan raised during the year has been applied for the purpose for which they have been obtained.
10. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company by its officers and employees during the period nor we have been informed of such instances by the Management. Accordingly reporting under clause 3(x) of Companies (Auditor's Report) Order, 2016 is not applicable.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.
12. The Company is not a Nidhi Company hence reporting under clause 3(xii) of Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
13. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required to be disclosed under applicable Accounting Standard.
14. According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
15. According to the information and explanation given to us, the company has not entered into any non-cash transaction with directors or persons connected with them. Accordingly reporting under clause 3(xv) of the Companies (Auditor's Report) Order, 2016 is not applicable.
16. The Company is non-banking financial company and is registered under section 45-IA of the Reserve Bank of India Act, 1934.

For A.R. Sodha & Co.
Chartered Accountants
FRN 110324W

A.R. Sodha
Partner
M No.031878

Place : Mumbai
Date : 20th May, 2019

ANNEXURE B TO AUDITORS'S REPORT

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

We have audited the internal financial controls over financial reporting of Comfort Fincap Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting.

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies

and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 ICAI.

For A.R. Sodha & Co.
Chartered Accountants
FRN 110324W

A.R. Sodha
Partner
M No.031878

Place : Mumbai
Date : 20th May, 2019

COMFORT FINCAP LIMITED

Annual Report 2018-2019

Standalone Balance Sheet as at March 31, 2019

(Amount in INR)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	10,85,13,000	10,85,13,000
(b) Reserves and Surplus	3	21,33,44,315	19,10,57,254
		32,18,57,315	29,95,70,254
2. Non - Current Liabilities			
(a) Long -Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long - Term Liabilities		-	-
(d) Long - Term Provisions		-	-
		-	-
3. Current Liabilities			
(a) Short - Term Borrowings	4	19,92,11,669	15,13,41,694
(b) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises; and		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5	6,62,145	12,27,605
(c) Other Current Liabilities	6	47,62,064	34,08,444
(d) Short - Term Provisions	7	95,62,356	43,73,046
		21,41,98,235	16,03,50,789
TOTAL		53,60,55,550	45,99,21,044
II Assets			
1. Non - Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	2,70,216	2,50,527
(ii) Intangible Assets		-	-
(b) Non - Current Investments	9	2,59,17,615	2,59,17,615
(c) Long - Term Loans and Advances		-	-
(d) Other Non - Current Assets		-	-
		2,61,87,832	2,61,68,142
2. Current Assets			
(a) Inventories	10	2,39,36,388	2,49,72,307
(b) Trade Receivables	11	1,68,150	9,28,855
(c) Cash and Cash equivalents	12	1,02,80,698	2,45,95,956
(d) Short - Term Loans and Advances	13	47,54,23,750	38,17,72,083
(e) Other Current Assets	14	58,732	14,83,701
		50,98,67,718	43,37,52,902
TOTAL		53,60,55,550	45,99,21,044
Significant Accounting Policies	1		

As per our report of even date

For A. R. Sodha & Co.

Chartered Accountants

Firm Reg. No. 110324W

A. R. Sodha

Partner

M.No.-031878

Mumbai, 20th May, 2019

Bharat Shiroya

Managing Director

DIN: 00014454

Anil Agrawal

Director

DIN: 00014413

Nirmala Kanjar

Chief Financial Officer

Standalone Statement of Profit and Loss for the year ended March 31, 2019

(Amount in INR)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from Operations	15	7,18,66,160	7,33,56,595
II Other Income	16	3,82,220	1,76,926
III Total Revenue (I + II)		7,22,48,380	7,35,33,520
IV Expenses			
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Stock-in-Trade	17	10,35,919	9,64,579
Employee Benefits Expenses	18	1,41,78,905	1,11,53,982
Finance Costs	19	1,35,54,580	2,09,02,332
Depreciation and Amortization Expense	8	54,873	53,802
Other Expenses	20	75,21,019	65,93,787
Total Expense		3,63,45,295	3,96,68,482
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		3,59,03,085	3,38,65,038
VI Exceptional Items		-	-
VII Profit before Extraordinary Items and Tax (V-VI)		3,59,03,085	3,38,65,038
VIII Extraordinary Items		-	-
IX Profit Before Tax (VII-VIII)		3,59,03,085	3,38,65,038
X Tax Expense:			
(a) Current Tax		1,08,12,600	93,85,100
(b) Tax of Earlier Year		(4,61,685)	1,75,367
		1,03,50,915	95,60,467
XI Profit for the Period from Continuing Operations (IX - X)		2,55,52,170	2,43,04,571
XII Profit/(Loss) for the Period from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII)		-	-
XV Profit for the Period (XI + XIV)		2,55,52,170	2,43,04,571
XVI Earnings Per Equity Share (Face Value Rs. 10/- Per Share):	21		
Basic (Rs.)		2.35	2.24
Significant Accounting Policies	1		

As per our report of even date

For A. R. Sodha & Co.

Chartered Accountants
Firm Reg. No. 110324W

Bharat Shiroya

Managing Director
DIN: 00014454

Anil Agrawal

Director
DIN: 00014413

A. R. Sodha

Partner
M.No.-031878

Nirmala Kanjar

Chief Financial Officer

Mumbai, 20th May, 2019

COMFORT FINCAP LIMITED

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Standalone Cash Flow Statement for the year ended 31st March, 2019

(Amount in INR)

	For the year ended March 31, 2019	For the year ended March 31, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax for the year	3,59,03,085	3,38,65,038
Adjustments for :		
Interest Paid	1,35,54,580	2,09,02,332
Depreciation	54,873	53,802
Capital Gains on sale of Investments	-	(7,66,783)
Provision for Loans	19,97,680	1,27,070
Operating Profit before Working Capital change	5,15,10,218	5,41,81,459
Adjustments for :		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	10,35,919	9,64,579
Trade receivables	7,60,705	30,93,117
Short-term loans and advances	(9,56,49,347)	(3,63,97,639)
Long-term loans and advances	-	-
Other current assets	14,24,969	75,976
Other non-current assets	-	-
	(9,24,27,754)	(3,22,63,967)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	(5,65,460)	3,52,837
Other current liabilities	13,53,620	(5,16,505)
Short-term provisions	19,97,680	1,27,070
Long-term provisions	-	-
	27,85,840	(36,598)
Cash Generated From Operations	(3,81,31,696)	2,18,80,894
Income Tax paid	71,59,285	99,08,204
NET CASH FROM OPERATING ACTIVITIES Total (A)	(4,52,90,981)	1,19,72,690
CASH FLOW FROM INVESTING ACTIVITIES		
Investments (Purchased)/Sold	-	15,09,698
Fixed Assets (Purchased)/Sold	(74,562)	(1,48,509)
NET CASH USED IN INVESTING ACTIVITIES Total (B)	(74,562)	13,61,189
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity Capital	-	-
Dividend Paid	(32,65,110)	(26,12,072)
Loan taken / (Repaid) in Secured Loan	4,78,69,975	1,12,33,810
Interest paid	(1,35,54,580)	(2,09,02,332)
NET CASH FROM FINANCING ACTIVITIES Total (C)	3,10,50,285	(1,22,80,595)
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)	(1,43,15,258)	10,53,285
Cash and Cash Equivalents -- Opening Balance	2,45,95,956	2,35,42,671
Cash and Cash Equivalents -- Closing Balance	<u>1,02,80,698</u>	<u>2,45,95,956</u>

Note: Previous year's figures have been regrouped/rearranged wherever considered necessary.

As per our report of even date

For A. R. Sodha & Co.

Chartered Accountants

Firm Reg. No. 110324W

A. R. Sodha

Partner

M.No.-031878

Mumbai, 20th May, 2019

Bharat Shiroya

Managing Director

DIN: 00014454

Anil Agrawal

Director

DIN: 00014413

Nirmala Kanjar

Chief Financial Officer

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

NOTE – '1'

SIGNIFICANT ACCOUNTING POLICIES:

A. The financial statements have been prepared under the historical cost convention and materially comply with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013. All income and expenditure having material bearing on the financial statements have been recognized on the accrual basis.

B. Use of Estimates

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

C. Accounting of Income/Expenditure

All income and expenditure items having a material bearing on the financial statements are recognised on accrual basis except in the case of dividend income, debenture interest and interest on fixed deposits with non-banking companies & interest receivable from / payable to government on tax refunds / late payment of taxes, duties / levies which are accounted for on cash basis.

As per prudential norms prescribed by Reserve Bank of India, interest income has been recognized only on standard advances given by the Company and if the account turns non-performing during the financial year/period then any unrealized interest till the date account turns non performing is reversed in the year/period in which accounts became non-performing

D. Investments:

Long term investments in Shares / Mutual Funds are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

E. Stock in Trade:

Closing stock in case of quoted shares has been valued at lower of cost and fair value. Wherever quotations are not available as on 31 March 2019, inventory has been valued at lower of last traded price and cost. Wherever quotations are not available due to scrip has been suspended / delisted for a considerable period of time by stock exchanges has been valued at nil rate.

F. Fixed Assets/Depreciation

- i) Fixed Assets are stated at cost of acquisition as reduced by accumulated depreciation and impairment losses, if any. Acquisition cost comprises of the purchase price and attributable cost incurred for bringing the asset to its working condition for its intended use..
- ii) Depreciation on Tangible Fixed Assets has been provided based on the useful life of the asset and in the manner as prescribed in Schedule II to the Companies Act, 2013.

- iii) Depreciation on Fixed Assets added or sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

G. Taxation:

Current Tax provision is made based on the tax liability computed after considering tax allowances and exemptions at the balance sheet date as per Income Tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax asset is recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

The carrying amount of Deferred Tax Assets are reviewed at each balance sheet date and written down or written up, to reflect the amount that is reasonably or virtually certain, as the case may be, to be realized.

H. Foreign Exchange Transactions:

Foreign Currency transactions are accounted for at the exchange rates prevailing at the time of recognition of income/ expenditure and difference if any, resulting in income or expenses dealt with in profit & loss account under the head Foreign Exchange Fluctuation Gain.

Foreign currency monetary items are reported using the closing rates. Exchange difference arising on reporting them at closing rate i.e. at the rate different from those at which they were initially recorded, are recognized as income or expenses as the case may be.

I. Retirement Benefits :

Gratuity payments will be accounted for on Payment basis.

J. Impairment of assets

The carrying amounts of assets are viewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

K. Earning per share

In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earning per share comprises the weighted average shares considered for deriving basic earning per share, and also the weighted average number of shares that could have been issued on the conversion of all diluted potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the shares outstanding). Dilutive potential equity shares are deemed converted

as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares adjusted for any stock splits and issues of bonus shares effected prior to the approval of the financial statements by the Board of Directors.

L. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate to settle the obligation at the balance sheet date. These provisions are reviewed at each balance sheet date and adjusted to affect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Note 2 - Share Capital

(a) Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
Authorised :		
1,50,00,000 Equity Shares (Previous Year 1,50,00,000) of Rs. 10/- each	15,00,00,000	15,00,00,000
TOTAL	15,00,00,000	15,00,00,000
Issued and Subscribed :		
1,08,51,300 Equity Shares (Previous Year 1,08,51,300) of Rs. 10/- each	10,85,13,000	10,85,13,000
TOTAL	10,85,13,000	10,85,13,000
Subscribed and Paid-up :		
1,08,51,300 Equity Shares (Previous Year 1,08,51,300) of Rs. 10/- each	10,85,13,000	10,85,13,000
TOTAL	10,85,13,000	10,85,13,000

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

Particulars	As at March 31, 2019	As at March 31, 2018
Number of shares at the beginning of the year	1,08,51,300	1,08,51,300
Add: Issue of Shares during the year		
Number of shares allotted as fully paid-up during the year	-	-
	-	-
No. of shares at the end of the year	1,08,51,300	1,08,51,300

(d) Details of shareholders holding more than 5% shares in the company

No. of Shares held by	As at March 31, 2019		As at March 31, 2018	
	Nos.	%	Nos.	%
Luharuka Commotrade Pvt Ltd	38,10,500	35.12%	38,10,500	35.12%
Anil Agawal HUF	11,64,000	10.73%	11,64,000	10.73%

Note 3 - Reserves & Surplus

(Amount in INR)

Particulars	As at March 31, 2019		As at March 31, 2018	
(a) Securities Premium Reserve				
As per last Balance Sheet	8,09,20,000		8,09,20,000	
Add: On issue of shares	-	8,09,20,000	-	8,09,20,000
(b) Special Reserve				
As per last Balance Sheet	2,58,76,458		2,10,15,544	
Add: Transfer from Profit and Loss Account during the year	51,10,434	3,09,86,892	48,60,914	2,58,76,458
(c) Surplus in the Profit & Loss Account				
As per last Balance Sheet	8,42,60,796		6,48,17,140	
Add: Profit / (Loss) for the year	2,55,52,170		2,43,04,571	
Amount available for appropriations	10,98,12,967		8,91,21,711	
Appropriations:				
Add: Transferred from reserves	-		-	
Less: Transferred to special reserve	(51,10,434)		(48,60,914)	
Equity dividend	(27,12,840)		-	
Tax on Dividend	(5,52,270)		-	
	(83,75,544)	10,14,37,423	(48,60,914)	8,42,60,796
TOTAL		21,33,44,315		19,10,57,254

Note 4 - Short Term Borrowings

(Amount in INR)

Particulars	As at March 31, 2019		As at March 31, 2018	
(a) Loans repayable on demand				
From banks				
Secured*	2,17,07,784		2,24,98,682	
Unsecured	-	2,17,07,784	-	2,24,98,682

(Amount in INR)

Particulars	As at March 31, 2019	As at March 31, 2018
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* Secured loans are lien on FDR kept with bank.
The interest rate on this facility is FD Interest Rate+ 1%

(b) Loans and advances from Others

Secured**	6,88,54,595	12,88,43,012
Unsecured	10,86,49,290	17,75,03,885
		-
		12,88,43,012
TOTAL	19,92,11,669	15,13,41,694

** Secured loans are taken on securities held by the Company. The interest rate on these facilities are ranging from 10.75% to 11.50%.

Note 5 - Trade Payables

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables	6,62,145	12,27,605
TOTAL	6,62,145	12,27,605

Note 6 - Other Current Liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Other Payables	32,67,955	34,08,444
Un-paid Dividend	14,94,109	-
TOTAL	47,62,064	34,08,444

Note 7 - Short-Term Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Standard Advances	18,34,120	12,97,740
Provision for Sub-standard assets	4,60,000	10,01,300
Provision for Doubtful assets	20,02,600	-
Provision for Taxation (net of Advance tax & TDS)	52,65,636	20,74,006
TOTAL	95,62,356	43,73,046

Standalone Notes to financial statements for the year ended March 31, 2019

Note : 8 Fixed assets

(Amount in INR)

Tangible assets	Gross block			Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2018	Additions	Disposals	Balance as at 31 March, 2019	Balance as at 1 April, 2018	Depreciation / amortisation expense for the year	Other adjustments	Balance as at 31 March, 2019	Balance as at 31 March, 2018
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Motor Vehicle	10,38,394	-	-	10,38,394	9,36,376	33,464	-	9,69,840	68,554
Air Condition	1,48,509	74,562	-	2,23,071	-	21,409	-	2,01,662	1,48,509
Total	11,86,903	74,562	-	12,61,465	9,36,376	54,873	-	9,91,249	2,50,527
Previous year	10,38,394	1,48,509	-	11,86,903	8,82,574	53,802	-	9,36,376	1,55,820

Note - 9 - Non- Current Investments

(Amount in INR)

Particulars	Nos.	Cost as on 31.03.2019	FMV as on 31.03.2019	Nos.	Cost as on 31.03.2018	FMV as on 31.03.2018
In Equity Shares of Associate Companies - Unquoted Fully paid-up						
Lemonade Share & Securities Pvt. Ltd. (F.V. Rs. 10/- each)	2,20,000	2,20,00,000	NA	2,20,000	2,20,00,000	NA
In Equity Shares of Other Companies - Unquoted Fully paid-up						
Liquors India Limited (F.V. Rs. 10/- each)	2,00,000	26,00,000	NA	2,00,000	26,00,000	NA
Total [A]	4,20,000	2,46,00,000	-	4,20,000	2,46,00,000	-
In Equity Shares of Others- Quoted Fully paid-up						
Himachal Futuristic Communications Ltd (F.V. Re. 1/- each)	1,85,000	13,17,615	42,18,000	1,85,000	13,17,615	47,91,500
Total [B]	1,85,000	13,17,615	42,18,000	1,85,000	13,17,615	47,91,500
TOTAL [A+B]	6,05,000	2,59,17,615	42,18,000	6,05,000	2,59,17,615	47,91,500

Notes	Current Year	Previous Year
1. Aggregate amount of Quoted Investment	13,17,615	13,17,615
2. Aggregate Market Value of Quoted Investment	42,18,000	47,91,500
3. Aggregate amount of Un-Quoted Investment	2,46,00,000	2,46,00,000

Note 10 - Inventories

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
Stock-in-trade (Shares)	2,39,36,388	2,49,72,307
(Valued at cost or Market Value whichever is lower)		
TOTAL	<u>2,39,36,388</u>	<u>2,49,72,307</u>

Note 11 - Trade Receivables

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
(a) Due for a period exceeding six months		
- Unsecured, considered good	-	7,51,355
- Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
		<u>7,51,355</u>
	-	7,51,355
(b) Others		
- Unsecured, considered good	1,68,150	1,77,500
- Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
	<u>1,68,150</u>	<u>1,77,500</u>
TOTAL	<u>1,68,150</u>	<u>9,28,855</u>

Note 12 - Cash & Cash equivalents

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
Cash & Cash Equivalents		
(a) Balances with Banks :		
- Current Accounts	91,63,294	17,710
- Deposits (under lien with banks)*	<u>10,00,000</u>	<u>2,44,94,968</u>
	1,01,63,294	2,45,12,678
(b) Cash-in-hand	<u>1,17,404</u>	<u>83,278</u>
TOTAL	<u>1,02,80,698</u>	<u>2,45,95,956</u>

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Note 13 - Short Term Loans & Advances

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
(a) Advances recoverable in cash or in kind for value to be received		
i) Advances Considered good & in respect of which Company is fully secured	37,03,20,928	33,98,90,290
ii) Advances Considered good for which Company holds no Security other than personal security	8,82,08,841	3,08,92,157
iii) Sub-Standard Advances in respect of which Company is;		
(a) Secured	46,00,000	1,00,13,000
(b) Unsecured	-	-
(c) Doubtful (Secured)	1,00,13,000	-
	1,46,13,000	1,00,13,000
(b) Prepaid Expenses	5,521	7,176
(c) Other Advances	17,000	11,000
(d) Security deposit	13,00,000	-
(e) Income Tax Refund receivable	9,58,460	9,58,460
TOTAL	47,54,23,750	38,17,72,083

Note 14 - Other Current Assets

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
Interest accrued on Fixed Deposits	58,732	14,83,701
TOTAL	58,732	14,83,701

Note 15 - Revenue from Operations

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Income from Operation		
Interest Income		
From Loans & Advances	6,58,06,741	6,48,45,856
From Term deposits	1,73,417	6,66,07,495
Financial Advisory & Consultancy	22,77,500	17,62,500
(A)	6,82,57,658	6,83,69,995

(Amount in INR)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(b) Other operating Income		
Loan Processing Fee received	25,82,584	29,08,667
Dividend Income	10,25,919	13,11,149
Long Term Capital Gain / (Loss)	-	7,66,783
	(B) 36,08,503	49,86,599
TOTAL (A+B)	7,18,66,160	7,33,56,595

Note 16 - Other Income

(Amount in INR)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Other Misc. income	3,82,220	1,76,926
TOTAL	3,82,220	1,76,926

Note 17 - Changes in Inventories of Stock-in-trade

(Amount in INR)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year		
Shares	2,39,36,388	2,49,72,307
Inventories at the beginning of the year		
Shares	2,49,72,307	2,59,36,886
Net (Increase) / Decrease in Inventories	10,35,919	9,64,579

Note 18 - Employment Benefit Expenses

(Amount in INR)		
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries , Bonus & Allowances	1,37,20,063	1,08,39,536
PF Expenses	2,84,223	-
Staff Insurance Expenses	35,244	28,256
Staff Welfare Expenses	1,39,375	2,86,190
TOTAL	1,41,78,905	1,11,53,982

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Note 19 - Financial Costs

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Expenses	1,35,54,580	2,09,02,332
TOTAL	1,35,54,580	2,09,02,332

Note 20 - Other Expenses

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Advertisement Expenses	27,971	44,530
Annual Listing fees	2,99,750	2,83,550
Business promotion expenses	72,564	1,92,378
Custodial Fees	1,09,000	96,300
Commission Expenses	20,08,714	18,22,310
Director's Sitting Fees	2,28,900	1,90,050
Insurance Expenses	9,734	14,206
Loan Processing Fee paid	2,200	34,540
Legal, Professional & Technical Charges	8,68,046	15,82,432
Miscellaneous Expenses	2,64,507	4,74,604
Printing, Postage & Stationery Expenses	2,42,724	2,39,834
Professional Tax	2,500	2,500
Payments to Auditors :		
- Audit & Tax Audit fees	2,25,000	2,25,000
- For Other Services	-	-
Travelling & Conveyance Expenses	3,08,571	5,83,771
Telephone Expenses	1,67,295	1,57,745
Repairs & Maintenance Expenses	85,863	42,967
Rent Expenses	6,00,000	4,80,000
Provision for Advances	19,97,680	1,27,070
TOTAL	75,21,019	65,93,787

Note 21 - Earnings Per Equity Share

		(Amount in INR)	
Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018	
(a) Net profit after tax attributable to equity shareholders for			
Basic EPS	2,55,52,170	2,43,04,571	
Add/Less: Adjustment relating to potential equity shares	-	-	2,43,04,571
Net profit after tax attributable to equity shareholders for	2,55,52,170	2,43,04,571	
Diluted EPS			
(b) Weighted average no. of equity shares outstanding during the year			
For Basic EPS	1,08,51,300	1,08,51,300	
(c) Face Value per Equity Share (Rs.)	10.00	10.00	
Basic EPS	2.35	2.24	

22. Contingent liability not provided is Rs. Nil (Previous Year amounting Rs. Nil)

23. Advances recoverable in cash or in kind or for value to be received in respect of which company is fully secured includes:-

Particulars	2018-2019 (Rs.)	2017-2018 (Rs.)
Secured against Immovable Property	9,08,08,696	6,22,43,045
Secured against Shares	19,91,04,434	21,57,65,627
Secured against bill discounting	9,50,20,798	6,18,81,618

24. Auditors' Remuneration	2018-2019	2017-2018
For Audit Fees	Rs. 2,25,000	Rs. 2,25,000
	Rs. 2,25,000	Rs. 2,25,000

25. Foreign Currency Transactions:

Earning / Expenditure in foreign currency Rs. Nil (P.Y. Rs. Nil)

26. Earnings per Share:	2018-2019	2017-2018
Basic & Diluted	Rs. 2.35	Rs. 2.24

27. Balances of the Sundry Debtors, Loans and Advances and Sundry Creditors are subject to confirmation and resultant reconciliation, if any.

28. There are no dues to Micro and Small Enterprises as at 31st March, 2019. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

29. In accordance with Accounting standard 'AS -18' relating to Related Party Disclosures, information pertinent to related party transaction is given as under:-

A. Name of the related parties & description of relationship

- a) Key Managerial Personnel : Mr. Bharat Shiroya (Managing Director)
Mrs. Nirmala H. Kanjar (CFO)
Ms. Nidha Busa (CS) (appointed w.e.f. January 01, 2019)
Mr. Kirit Dharod (CS) (resigned w.e.f. May 15, 2018)
- b) Promoters and their relatives : Mrs. Annu Agrawal (Director)
Mr. Anil Agrawal (Director)
Miss. Deepika Agrawal (Relative)
Mr. Ankur Agrawal (Relative)
Mrs. Aayushi Agrawal (Relative)
Anil Agrawal -HUF (Promoter)
Luharuka Commotrade Pvt. Ltd. (Promoter)
Luharuka Sales & Services Pvt. Ltd. (Promoter)
- c) Associate Company : Lemonade Share & Securities Pvt. Ltd.
- d) Group Companies : Comfort Securities Limited
Liquors India Limited
Comfort Capital Pvt. Ltd.
Luharuka Media and Infra Limited
Luharuka Investment & Consultants Pvt. Ltd.
Flora Fountain Properties Ltd.

B. Transactions during the year with related parties:-

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	Associates / Group Companies
1	i) Loan Given			
	Comfort Capital Pvt. Ltd.	-	-	3,34,00,000
		-	-	-
	Deepika Agrawal	-	2,05,00,000	-
		-	-	-
	Luharuka Commotrade Pvt. Ltd.	-	-	45,00,000
		-	-	-
	Luharuka Investment & Consultants Pvt. Ltd.	-	-	14,50,000
		-	-	-
	Flora Fountain properties Ltd.	-	-	6,99,65,448
		-	-	-

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	Associates / Group Companies
	Luharuka Media & Infra Limited	-	-	-
		-	-	(1,55,00,000)
	Liquors India Ltd	-	-	-
		-	-	(5,31,00,000)
	ii) Loan Received Back			
	Comfort Capital Pvt. Ltd.	-	-	1,50,00,000
		-	-	-
	Luharuka Investment & Consultants Pvt. Ltd.	-	-	14,50,000
		-	-	-
	Flora Fountain properties Ltd.	-	-	6,99,65,448
		-	-	-
	Luharuka Media & Infra Limited	-	-	-
		-	-	(1,55,00,000)
	Liquors India Ltd	-	-	-
		-	-	(5,31,00,000)
2	i) Loan taken			
	Luharuka Media & Infra Limited	-	-	-
		-	-	(50,00,000)
	Comfort Intech Limited	-	-	11,55,00,000
		-	-	(4,25,00,000)
	Comfort Securities Limited	-	-	2,40,00,000
		-	-	(6,70,00,000)
	ii) Loan Repaid			
	Luharuka Media & Infra Limited	-	-	-
		-	-	(50,00,000)
	Comfort Intech Limited	-	-	2,35,00,000
		-	-	(4,25,00,000)
	Comfort Securities Limited	-	-	2,40,00,000
		-	-	(6,70,00,000)
3	Security deposit paid			
	Annu Agrawal	-	10,00,000	-
		-	-	-
	Anil Agrawal –HUF	-	10,00,000	-
		-	-	-
	Security deposit received back			
	Annu Agrawal	-	1,00,000	-
		-	-	-

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Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	Associates / Group Companies
	Anil Agrawal –HUF	-	6,00,000	-
		-	-	-
4	Income			
	Comfort Capital Pvt. Ltd.	-	-	10,56,456
		-	-	-
	Deepika Agrawal	-	-	9,49,476
		-	-	-
	Luharuka Commotrade Pvt. Ltd.	-	-	3,18,500
		-	-	-
	Luharuka Investment & Consultants Pvt. Ltd.	-	-	79,509
		-	-	-
	Flora Fountain properties Ltd.	-	-	22,37,675
		-	-	-
	Luharuka Media & Infra Limited	-	-	-
		-	-	(1,37,833)
	Liquors India Ltd	-	-	-
		-	-	(23,21,014)
5	Expenses			
	Demat Charges Paid			
	Comfort Securities Limited	-	-	6,375
		-	-	(2,028)
	Office Rent Paid			
	Anil Agrawal –HUF	-	3,00,000	-
		-	(2,40,000)	-
	Annu Agrawal	-	3,00,000	-
		-	(2,40,000)	-
	Remuneration			
	Bharat Shiroya	24,81,333	-	-
		(22,25,845)	-	-
	Nirmala H Kanjar	10,09,940	-	-
		(8,98,629)	-	-
	Kirit Dharod	79,647	-	-
		(3,59,758)	-	-
	Deepika Agrawal	-	14,00,000	-
		-	(10,40,000)	-
	Ankur Agrawal	-	24,50,000	-
		-	(17,50,000)	-

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	Associates / Group Companies
	Nidhi Busa	36,000	-	-
		-	-	-
	Interest Paid			
	Luharuka Media & Infra Limited	-	-	-
		-	-	(95,500)
	Comfort Intech Limited	-	-	39,86,205
		-	-	(13,26,429)
	Comfort Securities Limited	-	-	4,80,500
		-	-	(19,86,399)
	Director Sitting fee Paid			
	Annu Agrawal	-	20,000	-
		-	(20,000)	-

Figure in bracket relates to previous year.

30. Segment Reporting

In the opinion of the Management, the Company is operating in a single segment only as per the provisions of the accounting standard AS-17, issued by the Institute of Chartered Accountants Of India.

31. The Previous years figures have been regrouped / rearranged / reclassified wherever necessary. Amounts and other disclosures for the preceding financial year are included as an integral part of current year's financial statements.

As per our report of even date

For A. R. Sodha & Co.

Chartered Accountants

Firm Reg. No. 110324W

Bharat Shiroya

Managing Director

DIN: 00014454

Anil Agrawal

Director

DIN: 00014413

A. R. Sodha

Partner

M.No.-031878

Nirmala Kanjar

Chief Financial Officer

Mumbai, 20th May, 2019

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS,
COMFORT FINCAP LIMITED**

Report on the Audit of the Consolidated Financial Statements**Qualified Opinion**

We have audited the accompanying consolidated financial statements of Comfort Fincap Limited (hereinafter referred to as the 'Holding Company') and its associate which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

The Holding Company has not provided for defined benefit obligation in the nature of gratuity based on the requirement of Ind AS 19 i.e. "Employee Benefit", which requires defined benefit obligation to be recognised based on actuarial valuation basis. In absence of valuation we are unable to quantify the impact of above on the net profit for the year and liabilities as on reporting date.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Except for the matter described in the Basis for Qualified Opinion section, we have determined that there are no other key audit matters to communicate in our report

Information Other than the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to

Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Holding Company including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of Holding company and its associate are responsible for assessing the ability of the Holding Company and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding company and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities of the Holding Company and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements also include the Group's share of loss of Rs. 482/- for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associates, is solely based on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
- d) In our opinion, the aforesaid financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except as described in the Basis for Qualified Opinion paragraph.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate company, none of the directors of the Holding Company and its associate company is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure.
- 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 Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company and its associates.
 - II. According to the information given to us, the company has not entered into any long-term contracts including derivative contracts.
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company or its associate companies.

For A.R. Sodha & Co.
Chartered Accountants
FRN 1103244W

A.R. Sodha
Partner
M No.031878

Place : Mumbai
Date : 20th May, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF COMFORT FINCAP LIMITED

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Comfort Fincap Limited (hereinafter referred to as "the Holding Company") and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies and its associate company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)]. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are

recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its associate company which are companies incorporated in India, have, 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, 2019, 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 ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, in so far as it relates to separate financial statements of one associate which is company incorporated in India, is based on the corresponding reports of the auditors of such associate incorporated in India.

For A.R. Sodha & Co.
Chartered Accountants
FRN 1103244W

A.R. Sodha
Partner
M No.031878

Place : Mumbai
Date : 20th May, 2019

COMFORT FINCAP LIMITED

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Consolidated Balance Sheet as at March 31, 2019

(AMOUNT IN INR)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I Equity & Liabilities			
1. Shareholders' funds			
(a) Share Capital	2	10,85,13,000	10,85,13,000
(b) Reserves and Surplus	3	21,36,47,606	19,13,60,064
		32,21,60,606	29,98,73,064
2. Non - Current Liabilities			
(a) Long -Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long - Term Liabilities		-	-
(d) Long - Term Provisions		-	-
3. Current Liabilities			
(a) Short - Term Borrowings	4	19,92,11,669	15,13,41,694
(b) Trade Payables		-	-
(i) total outstanding dues of micro enterprises and small enterprises; and		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5	6,62,145	12,27,605
(c) Other Current Liabilities	6	47,62,064	34,08,444
(d) Short - Term Provisions	7	95,62,356	43,73,046
		21,41,98,235	16,03,50,789
TOTAL		53,63,58,841	46,02,23,853
II Assets			
1. Non - Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	2,70,216	2,50,527
(ii) Intangible Assets		-	-
(b) Non - Current Investments	9	2,62,20,907	2,62,20,425
(c) Long - Term Loans and Advances		-	-
(d) Other Non - Current Assets		-	-
		2,64,91,123	2,64,70,952
2. Current Assets			
(a) Inventories	10	2,39,36,388	2,49,72,307
(b) Trade Receivables	11	1,68,150	9,28,855
(c) Cash and Cash equivalents	12	1,02,80,698	2,45,95,955
(d) Short - Term Loans and Advances	13	47,54,23,750	38,17,72,083
(e) Other Current Assets	14	58,732	14,83,701
		50,98,67,718	43,37,52,901
TOTAL		53,63,58,841	46,02,23,853
Significant Accounting Policies	1		

As per our report of even date

For A. R. Sodha & Co.

Chartered Accountants
Firm Reg. No. 110324W

A. R. Sodha

Partner
M.No.-031878

Mumbai, 20th May, 2019

Bharat Shiroya

Managing Director
DIN: 00014454

Anil Agrawal

Director
DIN: 00014413

Nirmala Kanjar

Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended March 31, 2019

(Amount in INR)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from Operations	15	7,18,66,160	7,33,56,595
II Other Income	16	3,82,220	1,76,926
III Total Revenue (I + II)		7,22,48,380	7,35,33,520
IV Expenses			
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Stock-in-Trade	17	10,35,919	9,64,579
Employee Benefits Expenses	18	1,41,78,905	1,11,53,982
Finance Costs	19	1,35,54,580	2,09,02,332
Depreciation and Amortization Expense	8	54,873	53,802
Other Expenses	20	75,21,019	65,93,787
Total Expense		3,63,45,295	3,96,68,482
V Profit before Exceptional and Extraordinary Items and Tax (III-IV)		3,59,03,085	3,38,65,038
VI Exceptional Items		-	-
VII Profit before Extraordinary Items and Tax (V-VI)		3,59,03,085	3,38,65,038
VIII Extraordinary Items		-	-
IX Profit Before Tax (VII-VIII)		3,59,03,085	3,38,65,038
X Tax Expense:			
(a) Current Tax		1,08,12,600	93,85,100
(b) Tax of Earlier Year		(4,61,685)	1,75,367
		1,03,50,915	95,60,467
XI Profit for the Period from Continuing Operations (IX - X)		2,55,52,170	2,43,04,571
XII Profit/(Loss) for the Period from Discontinuing Operations		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII)		-	-
XV Profit for the Period (before adjustment for Associate (XI + XIV))		2,55,52,170	2,43,04,571
XVI Add : Share of (Profit)/Loss of Associate		482	516
XVII Profit for the Period (after adjustment for Associate (XV - XVI))		2,55,52,652	2,43,05,087
XVI Earnings Per Equity Share (Face Value Rs. 10/- Per Share):			
Basic (Rs.)	21	2.35	2.24
Significant Accounting Policies	1		

As per our report of even date

For A. R. Sodha & Co.

Chartered Accountants
Firm Reg. No. 110324W

Bharat Shiroya

Managing Director
DIN: 00014454

Anil Agrawal

Director
DIN: 00014413

A. R. Sodha

Partner
M.No.-031878

Nirmala Kanjar

Chief Financial Officer

Mumbai, 20th May, 2019

COMFORT FINCAP LIMITED

Annual Report 2018-2019

Consolidated Cash Flow Statement for the year ended 31st March, 2019

(Amount in INR)

	For the year ended March 31, 2019	For the year ended March 31, 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax for the year	3,59,03,085	3,38,65,038
Adjustments for :		
Interest Paid	1,35,54,580	2,09,02,332
Depreciation	54,873	53,802
Capital Gains on sale of Investments	-	(7,66,783)
Provision for Loans	19,97,680	1,27,070
Operating Profit before Working Capital change	5,15,10,218	5,41,81,459
Adjustments for :		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	10,35,919	9,64,579
Trade receivables	7,60,705	30,93,117
Short-term loans and advances	(9,56,49,347)	(3,63,97,639)
Long-term loans and advances	-	-
Other current assets	14,24,969	75,976
Other non-current assets	-	-
	(9,24,27,754)	(3,22,63,967)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	(5,65,460)	3,52,837
Other current liabilities	13,53,620	(5,16,505)
Short-term provisions	19,97,680	1,27,070
Long-term provisions	-	(36,598)
Cash Generated From Operations	(3,81,31,696)	2,18,80,894
Income Tax paid	71,59,285	99,08,204
NET CASH FROM OPERATING ACTIVITIES Total (A)	(4,52,90,981)	1,19,72,690
CASH FLOW FROM INVESTING ACTIVITIES		
Investments (Purchased)/Sold	-	15,09,699
Fixed Assets (Purchased)/Sold	(74,562)	(1,48,509)
NET CASH USED IN INVESTING ACTIVITIES Total (B)	(74,562)	13,61,190
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity Capital	-	-
Dividend Paid	(32,65,110)	(26,12,072)
Loan taken / (Repaid) in Secured Loan	4,78,69,975	1,12,33,809
Interest paid	(1,35,54,580)	(2,09,02,332)
NET CASH FROM FINANCING ACTIVITIES Total (C)	3,10,50,285	(1,22,80,595)
Net Increase/(Decrease) in Cash and Cash Equivalents Total (A+B+C)	(1,43,15,258)	10,53,285
Cash and Cash Equivalents -- Opening Balance	2,45,95,955	2,35,42,670
Cash and Cash Equivalents -- Closing Balance	<u>1,02,80,698</u>	<u>2,45,95,955</u>

Note: Previous year's figures have been regrouped/rearranged wherever considered necessary.

As per our report of even date

For A. R. Sodha & Co.

Chartered Accountants

Firm Reg. No. 110324W

A. R. Sodha

Partner

M.No.-031878

Mumbai, 20th May, 2019

Bharat Shiroya

Managing Director

DIN: 00014454

Anil Agrawal

Director

DIN: 00014413

Nirmala Kanjar

Chief Financial Officer

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

NOTE – ‘1’

SIGNIFICANT ACCOUNTING POLICIES

A. PRINCIPLES OF CONSOLIDATION

Investment in associates where the company directly or indirectly through subsidiaries holds more than 20% of equity, are accounted for using equity method as per Accounting Standard 23- “Accounting for Investments in Associates in Consolidated Financial Statements” notified by Companies (Accounting Standards) Rules, 2006.

The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the company and its associates to the extent of its share, through its statement of Profit and Loss, to the extent such change is attributable to the associates’ Statement of Profit and Loss and through its reserves for the balance based on available information.

The Difference between the cost of Investment in the associates and the Company’s share of net assets at the time of acquisition of share in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

The financial statements of the associate used in the consolidation is drawn up to the same reporting date as that of the company i.e. 31st March 2019

The list of associates which are included in the consolidation and the Group’s holdings therein are as under:

Name of the Company	% Shareholding of Comfort Fincap Ltd.	
	F.Y. 2018-2019	F.Y. 2017-2018
Lemonade Share & Securities Private Limited	46.81	46.81

B. General

The financial statements have been prepared under the historical cost convention and materially comply with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013. All income and expenditure having material bearing on the financial statements have been recognized on the accrual basis.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates.

D. Accounting of Income/Expenditure

All income and expenditure items having a material bearing on the financial statements are recognised on accrual basis except in the case of dividend income, debenture interest and interest on fixed deposits with non-banking companies

& interest receivable from / payable to government on tax refunds / late payment of taxes, duties / levies which are accounted for on cash basis.

As per prudential norms prescribed by Reserve Bank of India, interest income has been recognized only on standard advances given by the Company and if the account turns non performing during the financial year/period then any unrealized interest till the date account turns non performing is reversed in the year/period in which accounts became non-performing

E. Investments:

Long term investments in Shares / Mutual Funds are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

F. Stock in Trade:

Closing stock in case of quoted shares has been valued at lower of cost and fair value. Wherever quotations are not available as on 31 March 2019, inventory has been valued at lower of last traded price and cost. Wherever quotations are not available due to scrip has been suspended / delisted for a considerable period of time by stock exchanges has been valued at nil rate.

G. Fixed Assets/Depreciation

- i) Fixed Assets are stated at cost of acquisition as reduced by accumulated depreciation and impairment losses, if any. Acquisition cost comprises of the purchase price and attributable cost incurred for bringing the asset to its working condition for its intended use.
- ii) Depreciation on Tangible Fixed Assets has been provided based on the useful life of the asset and in the manner as prescribed in Schedule II to the Companies Act, 2013.
- iii) Depreciation on Fixed Assets added or sold during the year, is provided on pro-rata basis with reference to the date of addition/deletion.

H. Taxation:

Current Tax provision is made based on the tax liability computed after considering tax allowances and exemptions at the balance sheet date as per Income Tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax asset is recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

The carrying amount of Deferred Tax Assets are reviewed at each balance sheet date and written down or written up, to reflect the amount that is reasonably or virtually certain, as the case may be, to be realized.

I. Foreign Exchange Transactions:

Foreign Currency transactions are accounted for at the exchange rates prevailing at the time of recognition of income/ expenditure and difference if any, resulting in income or expenses dealt with in profit & loss account under the head Foreign Exchange Fluctuation Gain.

Foreign currency monetary items are reported using the closing rates. Exchange difference arising on reporting them at closing rate i.e. at the rate different from those at which they were initially recorded, are recognized as income or expenses as the case may be.

J. Retirement Benefits :

Gratuity payments will be accounted for on Payment basis.

K. Impairment of assets

The carrying amounts of assets are viewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

L. Earning per share

In determining earning per share, the Company considers the net profit after tax and includes the post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earning per share comprises the weighted average shares considered for deriving basic earning per share, and also the weighted average number of shares that could have been issued on the conversion of all diluted potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the shares outstanding). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The number of shares and potentially dilutive equity shares adjusted for any stock splits and issues of bonus shares effected prior to the approval of the financial statements by the Board of Directors.

M. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate to settle the obligation at the balance sheet date. These provisions are reviewed at each balance sheet date and adjusted to affect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

COMFORT FINCAP LIMITED

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Note 2 - Share Capital

(Amount in INR)

(a) Particulars

Authorised :

	As at March 31, 2019	As at March 31, 2018
1,50,00,000 Equity Shares (Previous Year 1,50,00,000) of Rs. 10/- each	15,00,00,000	15,00,00,000
TOTAL	15,00,00,000	15,00,00,000

Issued and Subscribed :

1,08,51,300 Equity Shares (Previous Year 1,08,51,300) of Rs. 10/- each	10,85,13,000	10,85,13,000
TOTAL	10,85,13,000	10,85,13,000

Subscribed and Paid-up :

1,08,51,300 Equity Shares (Previous Year 1,08,51,300) of Rs. 10/- each	10,85,13,000	10,85,13,000
TOTAL	10,85,13,000	10,85,13,000

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

Particulars	As at March 31, 2019	As at March 31, 2018
Number of shares at the beginning of the year	1,08,51,300	1,08,51,300
Add: Issue of Shares during the year		
Number of shares allotted as fully paid-up during the year	-	-
	-	-
No. of shares at the end of the year	1,08,51,300	1,08,51,300

(d) Details of shareholders holding more than 5% shares in the company

No. of Shares held by	As at March 31, 2019		As at March 31, 2018	
	Nos.	%	Nos.	%
Luharuka Commotrade Pvt Ltd	38,10,500	35.12%	38,10,500	35.12%
Anil Agrawal HUF	11,64,000	10.73%	11,64,000	10.73%

Note 3 - Reserves & Surplus

		(Amount in INR)	
Particulars	As at March 31, 2019	As at March 31, 2018	
(a) Securities Premium Reserve			
As per last Balance Sheet	8,09,20,000	8,09,20,000	
Add: On issue of shares	-	-	8,09,20,000
(b) Special Reserve			
As per last Balance Sheet	2,58,76,614	2,10,15,700	
Add: Transfer from Profit and Loss Account during the year	51,10,434	48,60,914	2,58,76,614
(c) Surplus in the Profit & Loss Account			
As per last Balance Sheet	8,45,63,450	6,51,19,277	
Add: Profit / (Loss) for the year	2,55,52,652	2,43,05,087	
Amount available for appropriations	11,01,16,102	8,94,24,364	
Appropriations:			
Add: Transferred from reserves	-	-	
Less: Transferred to special reserve	(51,10,434)	(48,60,914)	
Equity dividend	(27,12,840)	-	
Tax on Dividend	(5,52,270)	-	
	(83,75,544)	(48,60,914)	8,45,63,450
TOTAL	21,36,47,606	19,13,60,064	

Note 4 - Short Term Borrowings

		(Amount in INR)	
Particulars	As at March 31, 2019	As at March 31, 2018	
(a) Loans repayable on demand			
From banks			
Secured*	2,17,07,784	2,24,98,682	
Unsecured	-	-	2,24,98,682
* Secured loans are lien on FDR kept with bank. The interest rate on this facility is FD Interest Rate+1%			
(b) Loans and advances from Others			
Secured**	6,88,54,595	12,88,43,012	
Unsecured	10,86,49,290	-	12,88,43,012
** Secured loans are taken on securities held by the Company. The interest rate on these facilities are ranging from 10.75% to 11.50%.			
TOTAL	19,92,11,669	15,13,41,694	

Note 5 - Trade Payables

		(Amount in INR)
Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables	6,62,145	12,27,605
TOTAL	6,62,145	12,27,605

Note 6 - Other Current Liabilities

		(Amount in INR)
Particulars	As at March 31, 2019	As at March 31, 2018
Other Payables	32,67,955	34,08,444
Un-paid Dividend	14,94,109	-
TOTAL	47,62,064	34,08,444

Note 7 - Short-Term Provisions

		(Amount in INR)
Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Standard Advances	18,34,120	12,97,740
Provision for Sub-standard assets	4,60,000	10,01,300
Provision for Doubtful assets	20,02,600	-
Provision for Taxation (net of Advance tax & TDS)	52,65,636	20,74,006
TOTAL	95,62,356	43,73,046

Consolidated Notes to financial statements for the year ended March 31, 2019

Note : 8 Fixed assets

(Amount in INR)

Tangible assets	Gross block			Accumulated depreciation and impairment				Net block	
	Balance as at 1 April, 2018	Additions	Disposals	Balance as at 31 March, 2019	Balance as at 1 April, 2018	Depreciation / amortisation expense for the year	Other adjustments	Balance as at 31 March, 2019	Balance as at 31 March, 2018
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
Motor Vehicle	10,38,394	-	-	10,38,394	9,36,376	33,464	-	9,69,840	1,02,018
Air Condition	1,48,509	74,562	-	2,23,071	-	21,409	-	21,409	1,48,509
Total	11,86,903	74,562	-	12,61,465	9,36,376	54,873	-	9,91,249	2,50,527
Previous year	10,38,394	1,48,509	-	11,86,903	8,82,574	53,802	-	9,36,376	1,55,820

Note - 9 - Non- Current Investments

(Amount in INR)

Particulars	Nos.	Cost as on 31.03.2019	FMV as on 31.03.2019	Nos.	Cost as on 31.03.2018	FMV as on 31.03.2018
In Equity Shares of Associate Companies - Unquoted Fully paid-up						
Lemonade Share & Securities Pvt. Ltd. (F.V. Rs. 10/- each)	2,20,000	2,20,00,000	NA	2,20,000	2,20,00,000	NA
Add/(less): Share in accumulated profit/(loss)	-	3,03,291	-	-	3,02,810	-
	2,20,000	2,23,03,291		2,20,000	2,23,02,810	
In Equity Shares of Other Companies - Unquoted Fully paid-up						
Liquors India Limited (F.V. Rs. 10/- each)	2,00,000	26,00,000	NA	2,00,000	26,00,000	NA
Total [A]	4,20,000	2,49,03,291	-	4,20,000	2,49,02,810	-
In Equity Shares of Others- Quoted Fully paid-up						
Himachal Futuristic Communications Ltd (F.V. Re. 1/- each)	1,85,000	13,17,615	42,18,000	1,85,000	13,17,615	47,91,500
Total [B]	1,85,000	13,17,615	42,18,000	1,85,000	13,17,615	47,91,500
TOTAL [A+B]	6,05,000	2,62,20,907	42,18,000	6,05,000	2,62,20,425	47,91,500

Notes	Current Year	Previous Year
1. Aggregate amount of Quoted Investment	13,17,615	13,17,615
2. Aggregate Market Value of Quoted Investment	42,18,000	47,91,500
3. Aggregate amount of Un-Quoted Investment	2,49,03,291	2,49,02,810

COMFORT FINCAP LIMITED

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Note 10 - Inventories

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
Stock-in-trade (Shares)	2,39,36,388	2,49,72,307
(Valued at cost or Market Value whichever is lower)		
TOTAL	2,39,36,388	2,49,72,307

Note 11 - Trade Receivables

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
(a) Due for a period exceeding six months		
- Unsecured, considered good	-	7,51,355
- Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
	-	7,51,355
(b) Others		
- Unsecured, considered good	1,68,150	1,77,500
- Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
	1,68,150	1,77,500
TOTAL	1,68,150	9,28,855

Note 12 - Cash & Cash equivalents

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
Cash & Cash Equivalents		
(a) Balances with Banks :		
- Current Accounts	91,63,294	17,710
- Deposits (under lien with banks)*	10,00,000	2,44,94,968
(b) Cash-in-hand	1,17,404	83,277
TOTAL	1,02,80,698	2,45,95,955

Note 13 - Short Term Loans & Advances

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
(a) Advances recoverable in cash or in kind for value to be received		
i) Advances Considered good & in respect of which Company is fully secured	37,03,20,928	33,98,90,290
ii) Advances Considered good for which Company holds no Security other than personal security	8,82,08,841	3,08,92,157
iii) Sub-Standard Advances in respect of which Company is;		
(a) Secured	46,00,000	1,00,13,000
(b) Unsecured	-	-
(c) Doubtful (Secured)	1,00,13,000	-
	1,46,13,000	1,00,13,000
(b) Prepaid Expenses	5,521	7,176
(c) Other Advances	17,000	11,000
(d) Security deposit	13,00,000	-
(e) income Tax Refund receivable	9,58,460	9,58,460
TOTAL	47,54,23,750	38,17,72,083

Note 14 - Other Current Assets

Particulars	(Amount in INR)	
	As at March 31, 2019	As at March 31, 2018
Interest accrued on Fixed Deposits	58,732	14,83,701
TOTAL	58,732	14,83,701

Note 15 - Revenue from Operations

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Income from Operation		
Interest Income		
From Loans & Advances	6,58,06,741	6,48,45,856
From Term deposits	1,73,417	17,61,639
Financial Advisory & Consultancy	22,77,500	17,62,500
	(A) 6,82,57,658	6,83,69,995

COMFORT FINCAP LIMITED

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Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
(b) Other operating Income		
Loan Processing Fee received	25,82,584	29,08,667
Dividend Income	10,25,919	13,11,149
Long Term Capital Gain / (Loss)	-	7,66,783
	(B) 36,08,503	49,86,599
TOTAL (A+B)	7,18,66,160	7,33,56,595

Note 16 - Other Income

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Other Misc. income	3,82,220	1,76,926
TOTAL	3,82,220	1,76,926

Note 17 - Changes in Inventories of Stock-in-trade

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventories at the end of the year		
Shares	2,39,36,388	2,49,72,307
Inventories at the beginning of the year		
Shares	2,49,72,307	2,59,36,886
Net (Increase) / Decrease in Inventories	10,35,919	9,64,579

Note 19 - Financial Costs

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Expenses	1,35,54,580	2,09,02,332
TOTAL	1,35,54,580	2,09,02,332

Note 18 - Employment Benefit Expenses

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries , Bonus & Allowances	1,37,20,063	1,08,39,536
PF Expenses	2,84,223	-
Staff Insurance Expenses	35,244	28,256
Staff Welfare Expenses	1,39,375	2,86,190
TOTAL	1,41,78,905	1,11,53,982

Note 20 - Other Expenses

Particulars	(Amount in INR)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Advertisement Expenses	27,971	44,530
Annual Listing fees	2,99,750	2,83,550
Business promotion expenses	72,564	1,92,378
Custodial Fees	1,09,000	96,300
Commission Expenses	20,08,714	18,22,310
Director's Sitting Fees	2,28,900	1,90,050
Insurance Expenses	9,734	14,206
Loan Processing Fee paid	2,200	34,540
Legal, Professional & Technical Charges	8,68,046	15,82,432
Miscellaneous Expenses	2,64,507	4,74,604
Printing, Postage & Stationery Expenses	2,42,724	2,39,834
Professional Tax	2,500	2,500
Payments to Auditors :		
- Audit & Tax Audit fees	2,25,000	2,25,000
- For Other Services	-	-
Travelling & Conveyance Expenses	3,08,571	5,83,771
Telephone Expenses	1,67,295	1,57,745
Repairs & Maintenance Expenses	85,863	42,967
Rent Expenses	6,00,000	4,80,000
Provision for Advances	19,97,680	1,27,070
TOTAL	75,21,019	65,93,787

Note 21 - Earnings Per Equity Share

(Amount in INR)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Net profit after tax attributable to equity shareholders for		
Basic EPS	2,55,52,652	2,43,05,087
Add/Less: Adjustment relating to potential equity shares	- 2,55,52,652	- 2,43,05,087
Net profit after tax attributable to equity shareholders for	2,55,52,652	2,43,05,087
Diluted EPS		
(b) Weighted average no. of equity shares outstanding during the year		
For Basic EPS	1,08,51,300	1,08,51,300
(c) Face Value per Equity Share (Rs.)	10.00	10.00
Basic EPS	2.35	2.24

22. Contingent liability not provided is Rs. Nil (Previous Year amounting Rs. Nil)

23. Advances recoverable in cash or in kind or for value to be received in respect of which company is fully secured includes:-

Particulars	2018-2019 (Rs.)	2017-2018 (Rs.)
Secured against Immovable Property	9,08,08,696	6,22,43,045
Secured against Shares	19,91,04,434	21,57,65,627
Secured against bill discounting	9,50,20,798	6,18,81,618

24. Auditors' Remuneration

For Audit Fees

2018-2019**2017-2018**

Rs. 2,25,000

Rs. 2,25,000

Rs. 2,25,000

Rs. 2,25,000

25. Foreign Currency Transactions:

Earning / Expenditure in foreign currency Rs. Nil (P.Y. Rs. Nil)

26. Earnings per Share:**2017-2018****2016-2017**

Basic & Diluted

Rs. 2.35

Rs. 2.24

27. Balances of the Sundry Debtors, Loans and Advances and Sundry Creditors are subject to confirmation and resultant reconciliation, if any.
28. There are no dues to Micro and Small Enterprises as at 31st March, 2018. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.
29. In accordance with Accounting standard 'AS -18' relating to Related Party Disclosures, information pertinent to related party transaction is given as under:-

A. Name of the related parties & description of relationship

- a) Key Managerial Personnel : Mr. Bharat Shiroya (Managing Director)
Mrs. Nirmala H. Kanjar (CFO)
Ms. Nidha Busa (CS) (appointed w.e.f. January 01, 2019)
Mr. Kirit Dharod (CS) (resigned w.e.f. May 15, 2018)
- b) Promoters and their relatives : Mrs. Annu Agrawal (Director)
Mr. Anil Agrawal (Director)
Miss. Deepika Agrawal (Relative)
Mr. Ankur Agrawal (Relative)
Mrs. Aayushi Agrawal (Relative)
Anil Agrawal –HUF (Promoter)
Luharuka Commotrade Pvt. Ltd. (Promoter)
Luharuka Sales & Services Pvt. Ltd. (Promoter)
- c) Associate Company : Lemonade Share & Securities Pvt. Ltd.
- d) Group Companies : Comfort Securities Limited
Liquors India Limited
Comfort Capital Pvt. Ltd.
Luharuka Media and Infra Limited
Luharuka Investment & Consultants Pvt. Ltd.
Flora Fountain Properties Ltd.

B. Transactions during the year with related parties:-

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	Associates / Group Companies
1	i) Loan Given			
	Comfort Capital Pvt. Ltd.	-	-	3,34,00,000
		-	-	-
	Deepika Agrawal	-	2,05,00,000	-
		-	-	-
	Luharuka Commotrade Pvt. Ltd.	-	-	45,00,000
		-	-	-
	Luharuka Investment & Consultants Pvt. Ltd.	-	-	14,50,000
		-	-	-

COMFORT FINCAP LIMITED

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Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	Associates / Group Companies
	Flora Fountain properties Ltd.	-	-	6,99,65,448
		-	-	-
	Luharuka Media & Infra Limited	-	-	-
		-	-	(1,55,00,000)
	Liquors India Ltd	-	-	-
		-	-	(5,31,00,000)
	ii) Loan Received Back			
	Comfort Capital Pvt. Ltd.	-	-	1,50,00,000
		-	-	
	Luharuka Investment & Consultants Pvt. Ltd.	-	-	14,50,000
		-	-	-
	Flora Fountain properties Ltd.	-	-	6,99,65,448
		-	-	
	Luharuka Media & Infra Limited	-	-	-
		-	-	(1,55,00,000)
	Liquors India Ltd	-	-	-
		-	-	(5,31,00,000)
2	i) Loan taken			
	Luharuka Media & Infra Limited	-	-	-
		-	-	(50,00,000)
	Comfort Intech Limited	-	-	11,55,00,000
		-	-	(4,25,00,000)
	Comfort Securities Limited	-	-	2,40,00,000
		-	-	(6,70,00,000)
	ii) Loan Repaid			
	Luharuka Media & Infra Limited	-	-	-
		-	-	(50,00,000)
	Comfort Intech Limited	-	-	2,35,00,000
		-	-	(4,25,00,000)
	Comfort Securities Limited	-	-	2,40,00,000
		-	-	(6,70,00,000)
3	Security deposit paid			
	Annu Agrawal	-	10,00,000	-
		-	-	-
	Anil Agrawal –HUF	-	10,00,000	-
		-	-	-
	Security deposit received back			

Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	Associates / Group Companies
	Annu Agrawal	-	1,00,000	-
		-	-	-
	Anil Agrawal –HUF	-	6,00,000	-
		-	-	-
4	Income			
	Comfort Capital Pvt. Ltd.	-	-	10,56,456
		-	-	-
	Deepika Agrawal	-	-	9,49,476
		-	-	-
	Luharuka Commotrade Pvt. Ltd.	-	-	3,18,500
		-	-	-
	Luharuka Investment & Consultants Pvt. Ltd.	-	-	79,509
		-	-	--
	Flora Fountain properties Ltd.	-	-	22,37,675
		-	-	-
	Luharuka Media & Infra Limited	-	-	-
		-	-	(1,37,833)
	Liquors India Ltd	-	-	-
		-	-	(23,21,014)
5	Expenses			
	Demat Charges Paid			
	Comfort Securities Limited	-	-	6,375
		-	-	(2,028)
	Office Rent Paid			
	Anil Agrawal –HUF	-	3,00,000	-
		-	(2,40,000)	-
	Annu Agrawal	-	3,00,000	-
		-	(2,40,000)	-
	Remuneration			
	Bharat Shiroya	24,81,333	-	-
		(22,25,845)	-	-
	Nirmala H Kanjar	10,09,940	-	-
		(8,98,629)	-	-
	Kirit Dharod	79,647	-	-
		(3,59,758)	-	-
	Deepika Agrawal	-	14,00,000	-
		-	(10,40,000)	-

COMFORT FINCAP LIMITED

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Sr. No.	Particulars	Key Managerial Personnel	Promoters and their relatives	Associates / Group Companies
	Ankur Agrawal	-	24,50,000	-
		-	(17,50,000)	-
	Nidhi Busa	36,000	-	-
		-	-	-
	Interest Paid			
	Luharuka Media & Infra Limited	-	-	-
		-	-	(95,500)
	Comfort Intech Limited	-	-	39,86,205
		-	-	(13,26,429)
	Comfort Securities Limited	-	-	4,80,500
		-	-	(19,86,399)
	Director Sitting fee Paid			
	Annu Agrawal	-	20,000	-
		-	(20,000)	-

Figure in bracket relates to previous year.

30. Segment Reporting

In the opinion of the Management, the Company is operating in a single segment only as per the provisions of the accounting standard AS-17, issued by the Institute of Chartered Accountants Of India.

31. The Previous years figures have been regrouped / rearranged / reclassified wherever necessary. Amounts and other disclosures for the preceding financial year are included as an integral part of current year's financial statements.

As per our report of even date

For A. R. Sodha & Co.

Chartered Accountants

Firm Reg. No. 110324W

Bharat Shiroya

Managing Director

DIN: 00014454

Anil Agrawal

Director

DIN: 00014413

A. R. Sodha

Partner

M.No.-031878

Nirmala Kanjar

Chief Financial Officer

Mumbai, 20th May, 2019

COMFORT FINCAP LIMITED

CIN: L65923WB1982PLC035441

Registered Office: 22, Camac Street, Block 'B', Kolkata - 700016

Corporate Office: A/301, Hetal Arch, Opp. Natraj Market, S.V. Road, Malad (West), Mumbai - 400 064,

Tel: 022-2844-9765/ 66/ 67; **Fax:** 022-2889-2527;

E-mail: info@comfortfincap.com; **Website:** www.comfortfincap.com

ATTENDANCE SLIP THIRTY SEVENTH ANNUAL GENERAL MEETING (To be handed over at the entrance of the Meeting Hall)

I hereby record my presence at the 37th Annual General Meeting of the Company to be held on Monday, September 16, 2019 at 01.00 P.M. at Hotel Regenta Inn Larica, Biswa Bangala Road, Rajarhat New Town, Chinarpark, Nowapara, Kolkata, West Bengal 700157.

Full Name of the Member (IN BLOCK LETTERS) _____

DP ID: _____ Client ID: _____ Folio No. _____ No. of shares held _____

Full Name of Proxy (in BLOCK LETTERS) _____

Member's Proxy Signature _____

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

COMFORT FINCAP LIMITED

CIN: L65923WB1982PLC035441

Registered Office: 22, Camac Street, Block 'B', Kolkata - 700016

Corporate Office: A/301, Hetal Arch, Opp. Natraj Market, S.V. Road, Malad (West), Mumbai - 400 064,

Tel: 022-2844-9765/ 66/ 67; **Fax:** 022-2889-2527;

E-mail: info@comfortfincap.com; **Website:** www.comfortfincap.com

PROXY FORM

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

Name of the Member(s)	
Registered Address:	
E-mail ID:	
Folio/ DP ID- Client ID	

I/We, being the member (s) holding shares of Comfort Fincap Limited, hereby appoint:

1. Name :
Address :
E-mail ID : Signature: or failing him/her
2. Name :
Address :
E-mail ID : Signature: or failing him/her
3. Name :
Address :
E-mail ID : Signature: or failing him/her

as my/our proxy to attend and vote for me/us and on my/our behalf at the 37th Annual General Meeting of the Members of Comfort Fincap Limited to be held on Monday, September 16, 2019 at 01.00 p.m at Hotel Regenta Inn Larica, Biswa Bangala Road, Rajarhat New Town, Chinarpark, Nowapara, Kolkata, West Bengal 700157 and/or at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote(s) given	
Ordinary Business: Ordinary Resolution		For	Against
1	To receive, consider and adopt:		
	a. the Audited Standalone Financial Statements of the Company for the financial year ended 31 March, 2019, together with the Reports of the Board of Directors' and Auditor's thereon; and		
	b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March, 2019 and the Report of the Auditors' thereon.		
Special Business: Ordinary Resolution			
2	To appoint Mr. Ankur Anil Agrawal (DIN: 06408167) as a Non-Executive- Non-Independent Director of the Company		
Special Business: Special Resolution			
3	To appoint Mr. Milin Jagdish Ramani (DIN: 07697636), as Non-Executive Independent Director of the Company to hold office for a term of 5 consecutive years i.e. from June 29, 2019 to June 28, 2024		
4	To approve and ratify the Related Party Transactions		

Signed this _____ day of ____ 2019

Signature of Member _____ Signature of Proxy Holder(s) _____

**Affix
Revenue
Stamp**

Notes:

1. This form in order to be effective should be duly completed and deposited at the Corporate Office of the company, not less than 48 hours before the commencement of the meeting.
2. For the Notes, resolutions and Explanatory Statement, please refer to the Notice of the 37th Annual General Meeting.
3. It is optional to put number of votes in the appropriate column against the Resolutions indicated in the Box, so that the Proxy should vote accordingly. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate. Please note that the total number of votes given cannot exceed the number of shares held for each and every resolution.
4. Please complete all details of member(s) in the above box before submission





If undelivered, please return to:

COMFORT FINCAP LIMITED

Corporate Office: A-301, Hetal Arch S.V. Road,
Malad (West) Mumbai - 400 064.