

DIRECTORS' REPORT**Dear Members,**

Your Directors have pleasure in presenting the 30th Annual Report on the business and operations of the Company together with audited statements of accounts for the financial year ended 31st March, 2018.

FINANCIAL HIGHLIGHTS

The summarized financial results of the Company for the financial year 2017-18 are given hereunder:

	(Rs.in lacs)	
	2017-18	2016-17
Revenue from operations & other income	2777.05	1308.83
Operating Profit (EBIDTA)	46.60	39.90
Finance Cost	15.23	0.26
Gross Profit (PBD)	31.36	39.64
Depreciation & amortization	3.25	0.29
Profit before tax	28.11	39.34
Provision for		
- Current Tax (net)	6.77	12.26
- Deferred Tax	0.46	0.24
- MAT Credit entitlement	-	-
- Adjustment for prior period tax/tax on dividend	-	-
Net Profit	20.87	26.84

DIVIDEND

In order to meet the future requirements of the Company, your Directors have decided not to recommend dividend for the Financial Year 2017-18.

OPERATIONS

- During the year under review, the revenue from operations increased to Rs. **2769.56 lac** as against Rs. **1308.83 Lac** in the previous year.
- The net profit after tax for the year was Rs. **20.88 lacs** as against profit of Rs. **26.84 lac** in the previous year;

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 entered into with the Stock Exchanges and Circular/Notifications/ Directions issued by Reserve Bank of India from time to time, the Management Discussion and Analysis of the financial condition and result of operations of the Company for the year under review is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE

A Report on Corporate Governance as required under SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 entered into with the Stock Exchanges, forms part of the Annual Report.

A Certificate from, M/s STRG & Associates, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid, SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, also forms part of the Annual Report.

FINANCE

(i) Share Capital

The paid-up Equity Share Capital as on 31st March, 2018 was Rs. 628.35 lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

(ii) Public Deposits

The Company being a Non-Deposit Accepting Non-Banking Finance Company has not accepted any deposits from the public during the year under review and shall not accept any deposits from the public without obtaining prior approval of the Reserve Bank of India (RBI).

(iii) Particulars of loans, guarantees or investments

Particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

RBI GUIDELINES

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

NUMBER OF MEETINGS OF THE BOARD

The Board met 4 times in financial year 2017-18 viz., on; April 18th, 2017; August 11th, 2017; November 14th, 2017, and February 14th, 2018. The maximum interval between any two meetings did not exceed 120 days.

COMMITTEES OF THE BOARD

During the year, in accordance with the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Board has following Committees as follows:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee

Details of the said Committees along with their charters, composition and meetings held during the year, are provided in the "Report on Corporate Governance", a part of this Annual Report.

DIRECTORS & KEY MANAGERIAL PERSONNEL

a. Appointment

During the year under review, no fresh appointment has been made.

b. Cessation

During the year under review, None of the Director resigned from the Board of the Company

c. Retire by Rotation

In accordance with Section 152 and other applicable provisions of Companies Act, 2013, Mr. Suraj Chokhani (DIN 03547280), being Non-Executive Director, retires by rotation and being eligible offers himself for reappointment at the ensuing Annual General Meeting. The Board recommends his appointment.

d. Key Managerial Personnel

During the year under review, Mr. Pravin Santlal Jain- Managing Director (DIN 01318161); Mr. Deependra Singh Negi - Chief Financial Officer; and Ms. Sarita Aggarwal, Compliance officer &

Company Secretary were designated as the Key Managerial Personnel of the Company pursuant to the requirements of the applicable provisions of Companies Act, 2013 read with its rules, by the Board of Directors and their terms and conditions of the appointment and remuneration was considered by the Board.

BOARD'S INDEPENDENCE

Our definition of 'Independence' of Directors is derived from SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non- Executive Directors are Independent in terms of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Section 149(6) of the Companies Act, 2013 :-

1. Mr. Suraj Chokhani (DIN 03547280)
2. Mr. Ravi Jaipuria (DIN 00598138)

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of the section 134(3)(c) of the Companies Act, 2013:

- (i) that in the preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) that such accounting policies, as mentioned in the Notes to the Financial Statements, have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit of the Company for the year ended on that date;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual financial statements have been prepared on a going concern basis;
- (v) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- (vi) that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION & EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, Policy on Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management and other employees has been formulated including criteria for determining qualifications, positive attributes, Independence of a Director and other matters as required under the said Act and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

The evaluation framework for assessing the performance of Directors comprises of the following key areas

- Expertise;
- Objectivity and Independence;

- Guidance and support in context of life stage of the Company;
- Understanding of the Company's business;
- Understanding and commitment to duties and responsibilities;
- Willingness to devote the time needed for effective contribution to Company;
- Participation in discussions in effective and constructive manner;
- Responsiveness in approach;
- Ability to encourage and motivate the Management for continued performance and success;

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

Accordingly a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors and also the necessary evaluation was carried out by Nomination and Remuneration Committee and Independent Director at their respective meetings held for the purpose.

RELATED PARTY TRANSACTIONS

Few Related Party Transactions were entered into during the financial year 2017-18. All Related Party Transactions entered into in the past were on an arm's length basis and were in the ordinary course of business. There are no materially significant Related Party Transactions made by the Company with promoters, directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large.

On the recommendation of the Audit Committee, the Board of Directors has adopted a policy on Related Party Transactions. The Policy envisages the procedure governing related party transactions required to be followed to ensure compliance with the applicable laws and regulations as well as to ensure that the Related Party Transactions are managed and disclosed in accordance with the strict legal and accounting requirements.

A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms & conditions of the transactions. The statement is supported by a certificate from the CFO.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as Annexure 1 to this Director's Report.

STATUTORY AUDITORS & THEIR REPORT

M/s. STRG & Associates, Chartered Accountants, having ICAI Firm Registration No. 014826N auditor of the company, audited the annual accounts of the company.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITORS & THEIR REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed M/s. Kundan Agarwal & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year

2017-18. The Secretarial Audit Report for financial year 2017-18, has been appended as Annexure 2 to this Report.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

INTERNAL AUDITORS & THEIR REPORT

Pursuant to provisions of Section 138 of Companies Act 2013 and rules made thereunder, the company had appointed MAKS & Co. as an Internal Auditor for the year 2016-2018.

PARTICULARS OF EMPLOYEES

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring particulars of the employees in receipt of remuneration in excess of Rs.60 lacs per year to be disclosed in the Report of Board of Directors are not applicable to the Company as none of the employees was in receipt of remuneration in excess of Rs.60 lacs during the financial year 2017-18.

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT, FOREIGN EXCHANGE INFLOW/OUTFLOW, ETC.

The requirements of disclosure with regard to Conservation of Energy in terms of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are not applicable to the Company since it doesn't own any manufacturing facility.

However, the Company makes all efforts towards conservation of energy, protection of environment and ensuring safety.

There are no earnings and outgoing Foreign Exchange during the year under review.

VIGIL MECHANISM

The Company has established a 'Whistle Blower Policy and Vigil Mechanism' for directors and employees to report to the appropriate authorities concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

RISK MANAGEMENT POLICY AND INTERNAL CONTROL

The Company has adopted a Risk Management Policy duly approved by the Board and also has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company. The Company's internal control systems are commensurate with the nature of its business and the size and complexity.

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

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

ACKNOWLEDGEMENT

We are grateful to the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India, the Stock Exchanges, and other regulatory authorities for their valuable guidance and support and wish to express our sincere appreciation for their continued co-operation and assistance. We look forward to their continued support in future.

We wish to thank our bankers, investors, rating agencies, customers and all other business associates for their support and trust reposed in us.

Your Directors express their deep sense of appreciation for all the employees whose commitment, co-operation, active participation, dedication and professionalism has made the organization's growth possible.

Finally, the Directors thank you for your continued trust and support.

**For and on behalf of
Purshottam Investofin Limited**

Date : 01/09/2018

Place : New Delhi

**Sd/-
Pravin Santlal jain
Managing Director
DIN- 01318161**

**Sd/-
Suraj Chokhani
Director
DIN- 03547280**