

**ACTION
FINANCIAL
SERVICES
(INDIA)
LIMITED**



**Twenty Fifth
Annual Report
2017-2018**



THE ACTION TEAM

Mr. Milan R. Parekh	:	Chairman & Managing Director
Mr. Bakul R. Parekh	:	Jt. Managing Director & CFO
Mr. Harbhajan Singh Dhillon	:	Director
Mr. Ketan H. Mehta	:	Director
Mrs. Parul Doshi	:	Director

AUDIT COMMITTEE

Mr. Ketan H. Mehta (Chairman)
Mr. Harbhajan Singh Dhillon
Mrs. Parul Doshi

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Harbhajan Singh Dhillon (Chairman)
Mr. Ketan H. Mehta
Mrs. Parul Doshi

NOMINATION & REMUNERATION COMMITTEE

Mr. Harbhajan Singh Dhillon (Chairman)
Mr. Ketan H. Mehta
Mrs. Parul Doshi
Mr. Milan Parekh

RISK MANAGEMENT COMMITTEE

Mr. Milan Parekh
Mr. Harbhajan Singh Dhillon
Mr. Abhishek Kataria

ACTION'S BELIEF

"Success is not final, failure is not fatal: it is the courage to continue that counts."
- Winston Churchill

"Change is not a threat, it's an opportunity. Survival is not the goal, trans-formative success is."
- Seth Godin

"Do not lower your goals to the level of your abilities. Instead, raise your abilities to the height of your goals."
- Swami Vivekananda."

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AUDITORS	: M/s. Ambavat Jain & Associates LLP Chartered Accountants
BANKERS	: Bank of India, HDFC Bank Ltd., ICICI Bank Ltd, Axis Bank, Allahabad Bank, Yes Bank.
REGISTRAR & SHARE TRANSFER AGENT	: M/s. Link Intime India Pvt. Ltd. C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083 Phone: 4918 6000 Fax: 4918 6060
REGISTERED OFFICE	: 46/47 6 th Floor, Rajgir Chambers, 12/14, Shahid Bhagat Singh Rd, Fort, Mumbai- 400 001. Tel. 4365 4444 Fax: 43654446 Email ID: actionfin@actionfin.com Website: www.actionfin.com
BROKING DIVISION & SECURITIES BANKING CELL (Depository Participant of NSDL)	: 11/15 2 nd floor Rajgir Chambers, 12/14, Shahid Bhagat Singh Rd, Fort, Mumbai- 400 001. Tel. 4365 4444 Fax: 43654446 Email ID: actionfin@actionfin.com Website: www.actionfin.com
BRANCH WITH BSE & NSE TERMINALS	: Mumbai (Fort, Matunga, Borivali), Bokaro
DEPOSITORY BRANCHES	: Mumbai (Fort), Ahmedabad, Bokaro & Kakinada
LISTED AT	: Bombay Stock Exchange
Company's Vision	: <i>To Provide World Class Services to all Our investors within the shortest possible time in a pleasant experience</i>
Company's Mission	: <i>To develop creative and innovative means of investment for benefit of institutions and individuals, within the regulatory framework. To support investors financial growth by providing them best advisory services of all modes & methods of investments which is most relevant, reliable and accurate and thus contribute in overall growth of society. To care for customers by being fair and to share a mutually beneficial relationship.</i>

NOTICE

NOTICE is hereby given that the **Twenty-Fifth** Annual General Meeting of the Members of **Action Financial Services (India) Limited (CIN: L65944MH1992PLC068879)** will be held at 11-15, 2nd floor, Rajgir chambers, 12/14, Shahid Bhagat Singh Road, opp. old Custom House, Fort Mumbai-400001 on **Friday, 28th September, 2018** at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1.	To receive, consider and adopt the Financial Statements as at 31st March, 2018 together with the Directors' Report and Auditors' Report thereon.
2.	To appoint a Director in place of Mr. Bakul Parekh, who retires by rotation, and being eligible offers himself for re-appointment.
3.	To fix the remuneration of the Statutory Auditors.
	"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Chairman of the Company be and is hereby authorized to fix the remuneration of M/s Ambavat Jain & Associates LLP (Firm Registration No. 109681W), Chartered Accountants, Mumbai, Statutory Auditors of the company."

SPECIAL BUSINESS:

4.	To Approve the Re-appointment of Mr. Milan R. Parekh, (DIN: 00108368) as the Managing Director.
	<p>To consider and, if thought fit to pass, with or without modification(s) the following Resolution as an Ordinary Resolution.</p> <p>"RESOLVED THAT pursuant to Section 196, 197 and other applicable provisions of the Companies Act, 2013, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the approval of members be and is hereby given for the re-appointment of Mr. Milan R. Parekh, (DIN: 00108368) as Managing Director of the Company for a period of 3 (Three) years effective from 1st October, 2018 to 30th September, 2021, on the terms and conditions including remuneration as set out herein below and as set out in Memorandum of Understanding:</p> <p>Remuneration: - Not exceeding Rs. 1,75,000/- per month with annual increment not exceeding 25% as the Chairman of Nomination and Remuneration committee may decide .</p>

	<p>Perquisites: - The appointee shall be entitled for following perquisites as per Company's policies and the following perquisites which is not be included in computation of ceiling on remuneration specified in section II of Part II of Schedule V:</p> <ul style="list-style-type: none"> (a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961); (b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and (c) encashment of leave at the end of the tenure <p>RESOLVED FURTHER THAT notwithstanding anything contained herein above, in any financial year, the remuneration payable to the appointee shall be within the limits stated in sub Section II (A) of the Part II of the Schedule V to the Companies Act, 2013, as may be amended from time to time.</p> <p>RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary any or all of the terms and conditions as approved vide this resolution as may be deemed fit or expedient or proper from time to time which may have the effect of increasing the remuneration or perquisites or benefits and for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper in the best interest of the Company."</p>
5	<p>To Approve the Re-appointment of Mr. Bakul R. Parekh, (DIN: 00108609) as the Jt. Managing Director.</p>
	<p>To consider and, if thought fit to pass, with or without modification(s) the following Resolution as an Ordinary Resolution.</p> <p>"RESOLVED THAT pursuant to Section 196, 197 and other applicable provisions of the Companies Act, 2013, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the approval of members be and is hereby given for the re-appointment of Mr. Bakul R. Parekh, (DIN: 00108609) as Jt. Managing Director of the Company for a period of 3 (Three) years effective from 1st October, 2018 to 30th September, 2021, on the terms and conditions including remuneration</p>

	<p>as set out herein below and as set out in Memorandum of Understanding:</p> <p>Remuneration: - Not exceeding Rs.1,75,000/- per month with annual increment not exceeding 25% as the Chairman of Nomination and Remuneration committee may decide.</p> <p>Perquisites: - The appointee shall be entitled for following perquisites as per Company's policies and the following perquisites which is not be included in computation of ceiling on remuneration specified in section II of Part II of Schedule V:</p> <p>(a) contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961 (43 of 1961);</p> <p>(b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and</p> <p>(c) encashment of leave at the end of the tenure</p> <p>RESOLVED FURTHER THAT notwithstanding anything contained herein above, in any financial year, the remuneration payable to the appointee shall be within the limits stated in sub Section II (A) of the Part II of the Schedule V to the Companies Act, 2013, as may be amended from time to time.</p> <p>RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary any or all of the terms and conditions as approved vide this resolution as may be deemed fit or expedient or proper from time to time which may have the effect of increasing the remuneration or perquisites or benefits and for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper in the best interest of the Company."</p>
6	<p>Appointment of Mr. Raja Gupta, (DIN: 07034154) as the Independent Director.</p>
	<p>To consider and, if thought fit to pass, with or without modification(s) the following Resolution as an Ordinary Resolution.</p> <p>"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment</p>

<p>thereof for the time being in force), Mr. Raja Gupta, (DIN: 07034154), be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) years w.e.f 10.8.2018, not liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director.”</p>
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By order of the Board

Registered Office:

46 & 47, 6th floor, Rajgir Chambers,
12/14, Shahid Bhagat Singh Road,
Opp. Old Custom House,
Fort, Mumbai-400001.

CS Jayantilal Suthar
(Company Secretary)
FCS-8779

Date: 24th August, 2018

NOTICE

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.

Pursuant to provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the company may appoint single person as proxy who shall not act as proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. The register of members and the share transfer books of the Company will remain closed from **Monday, 17th September, 2018 to Thursday, 20th September, 2018** (both days inclusive).
3. The Members whose names appear in the Register of Members/list of Beneficial Owners as received from Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) on **Friday, 21st September, 2018** (Cut-off Date) are entitled to vote by remote e-voting and Ballot Paper attending Annual General Meeting in person(s) on the resolutions set forth in this Notice.

4. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote/s by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

- III. The members who have cast their vote/s by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote/s again.
- IV. The remote e-voting period commences on **Tuesday, 25th September, 2018 at 9:00 a.m. and will end on Thursday, 27th September, 2018 at 5:00 p.m.** During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of Friday, 21st September, 2018 (Cut-off Date)**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. **The process and manner for remote e-voting are as under:**

How do I vote electronically using NSDL e-Voting system?

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 <https://www.evoting.nsdl.com/>

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

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. 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 eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) 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*****.
b) 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*****.
c) 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***

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email 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'.