

***GFL FINANCIALS (INDIA)  
LIMITED***

***22<sup>nd</sup> ANNUAL REPORT  
2013 - 2014***

**GFL FINANCIALS (INDIA) LTD.****BOARD OF DIRECTORS**

|                     |   |                              |
|---------------------|---|------------------------------|
| Deepa R Dalwadi     | : | Managing Director & Chairman |
| Naresh Shah         | : | Ind. Director                |
| Darshan Bhatt       | : | Ind. Director                |
| Mahendrabhai S Shah | : | Director                     |

**REGISTERED OFFICE:**

417, Chetak Centre Annex,  
4<sup>th</sup> Floor, RNT Marg,  
Nr. Shree Maya Hotel,  
Indore -(M.P) - 452001

**ANNUAL GENERAL MEETING**

Day : Monday  
Date : Sept. 29, 2014  
Time : 11.30 a.m.

**AUDITORS**

Mehul & Associates  
47, 2<sup>nd</sup> Floor, Annapurna Indl. Estate,  
Tilak Road,  
Ghatkopar (E)  
Mumbai - 77

**REGISTRAR**

Sharex Dynamic India Pvt.Ltd.,  
Andheri(E), Mumbai-400072

**BANKERS**

KOTAK MAHINDRA BANK  
AXIS BANK LTD

**BOOK CLOSURE**

25-09-2014 to 29-09-2014  
(both days Inclusive)

**NOTICE**

NOTICE is hereby given that the 19th Annual General Meeting of the members of GFL Financials (India) Ltd. will be held at 417, Chetak Centre Annex,, 4<sup>th</sup> Floor, RNT Marg, Nr. Shree Maya Hotel, Indore -(M.P) – 452001 on Monday, 29th September 2014 at 11.30 a.m. to transact the following business:-

**ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the P&L a/c. for the year ended that date together with the Reports of Auditor's and Director's thereon.
2. To appoint a Director in place of Naresh N Shah, who retires by rotation and being eligible, offers for re-appointment.
1. To appoint Auditors of the Company in place of retiring auditors M/s Mehul & Associates to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT due to resignation of retiring auditors M/s Mehul & Associates, Chartered Accountants, Mumbai due to their pre occupation hence pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendations of the Audit Committee, M/s. Harshit Shah & Associates, Chartered Accountants of Vadodara (FRN-135095W), be and are hereby appointed as the Auditors of the Company in place of retiring auditors; to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM on such remuneration as may be mutually agreed upon between the auditors and Chairman of the Company and in addition the said auditors be entitled to out of pocket, traveling and living expenses to be incurred in connection with audit work of the Company.”

**SPECIAL BUSINESS**

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

“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 thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt. Deepa R Dalwadi (Din : 06951877), and whose term expires at this Annual General Meeting 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 her candidature for the office of Director, be and is hereby appointed as Managing Director of the Company to hold office for 5 (three) consecutive years for a term up to March 31, 2019.

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

“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 thereof for the time being in force) and Clause 49 of the Listing Agreement, Naresh N Shah (Din no. 02490542) , and whose term expires at this Annual General Meeting 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 be and is hereby appointed as an Independent Director of the Company to hold office for 5 (three) consecutive years for a term up to March 31, 2019, not liable to retire by rotation."

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

"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 thereof for the time being in force) and Clause 49 of the Listing Agreement, Darshan Bhatt (Din no. 06663300) and whose term expires at this Annual General Meeting 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 be and is hereby appointed as an Independent Director of the Company to hold office for 5 (three) consecutive years for a term up to March 31, 2019, not liable to retire by rotation."

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

"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 thereof for the time being in force) and Clause 49 of the Listing Agreement, Mahendrabhai S Shah (Din no. 06663313) and whose term expires at this Annual General Meeting 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 be and is hereby appointed as Director of the Company to hold office of director liable to retire by rotation."

Place : INDORE  
Date : 01/09/2014

By order of the Board

SD/-  
(Deepa R Dalwadi)  
Chairman

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies should be deposited at the Registered office of the Company not less than 48 hours before the commencement of the meeting.
3. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. Members desirous of getting any information about the accounts and operations of the company are requested to send their query addressed to the Compliance Officer at the Registered Office at least 7 days before the date of the meeting to enable the Management to keep the information readily available at the meeting.
6. As per the requirement of the clause 54 of the Listing Agreement the Company is updating information on its website [gflfin.com](http://gflfin.com) . This portal contains along with business information, quarterly unaudited results, Annual Report containing Notice, Directors Report, Auditors Report, Balance sheet and Profit & Loss Account, quarterly shareholding pattern, contact detail of the Compliance Officer for communicating investor grievances.
7. Member are requested to :
  - a) Notify immediately any change in their residential address.
  - b) Quote the Registered Folio Number in every correspondence with the Company.
  - c) Bring their copies of the Annual Reports along with the duly filled in attendance slip at the meeting.
6. The Register of Members and share transfer books of the Company will remain closed from 25/09/2014 TO 29/09/2014 (both days inclusive) for the purpose of the Annual General Meeting.
8. As per the Circular of the Ministry of Corporate Affairs of "Green Initiative in Corporate Governance" (Circular No. 17/2011 dated 21-04-2011 and Circular No. 18/2011 dated 29/04/2011) allowing paperless compliances by Companies through electronic mode, companies are now permitted to send various notices/ documents to its shareholders through electronic mode to the registered e-mail addresses of shareholders. Members are requested to register their email id with the Company.
9. The Company has appointed M/S. SHAREX DYNAMIC (INDIA) PVT.LTD., MUMBAI as its Registrar and Share Transfer Agent for rendering the entire range of services to the Shareholders of the Company. Accordingly, all documents related to transfers, demat requests, change of address intimations and other communications in relation thereto with respect to shares in electronic and physical form should be addressed to the Registrars directly at their following address quoting folio no., full name and name of the Company as Unit: GFL FINANCIALS INDIA LTD.

M/S. SHAREX DYNAMIC (INDIA) PVT.LTD.,  
UNIT-1, LUTHRA IND. PREMISES,

ANDHERI KURLA ROAD, SAFED POOL,  
ANDHERI(E), MUMBAI-400072  
Phone : 022-28515606, 28515644  
Email : sharexindia@vsnl.com

10. **Voting through electronic means**

The Company is pleased to provide e-Voting facility to enable the Members to cast their votes electronically, in compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. Necessary arrangements have been made by the Company with NSDL to facilitate e-Voting. The instructions and manner for availing e-Voting facility are as under.

**The instructions for members for voting electronically are as under:-**

- A. In case a member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the company/depositories):
- (i) Open the e-mail and also open PDF file with your client ID or Folio No. As password. The said PDF file contains your user ID and password for e-voting. Please note that the password is in initial password.
  - (ii) Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>
  - (iii) Click on Shareholder – Login.
  - (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
  - (v) If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
  - (vi) The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  - (vii) Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
  - (viii) Select “EVEN” (E-Voting Event Number) of GFL Financials India Limited. Now you are ready for e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
  - (xi) Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer through e-mail to [commshares2012@yahoo.com](mailto:commshares2012@yahoo.com), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

- (xiii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) – Shareholders and e-voting user manual – Shareholders, available at the downloads section of [www.evoting.nsdl.co.in](http://www.evoting.nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

- I. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
- II. Please follow all steps from Sl. No. (2) to Sl. No. (13) above, to cast vote.

**Please note that:**

1. The voting period begins on 24/09/2014 at 11.00 A.M. and ends on 25/09/2014 at 5.00 PM. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which is 22/08/2014, may cast their vote electronically. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by NSDL for voting after 05.00 P.M. ON 25/09/2014.
2. Mr. Mukesh Choksi & Co., Chartered Accountant (membership no. 31751), having his office at H-Block, Sadashiv Building, 6<sup>th</sup> Road, Santacruz(E), Mumbai-400057, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
3. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in employment of the Company and forward his report of the votes cast in favour or against, to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
4. The Results shall be declared on or after the Annual General Meeting (AGM). The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

Place : INDORE  
Date : 01/09/2014

By order of the Board

SD/-  
(Deepa R Dalwadi)  
Chairman

EXPLANATORY STATEMENT  
[Pursuant to Section 102 of the Companies Act, 2013]

## ITEM NO. 4

Deepa R Dalwadi was appointed by the Board of director of the Company as an Additional Director of the Company w.e.f. 21/08/2014 pursuant to the relevant provisions of the Companies Act, 2013 and under the Articles of the Article of Association of the company and she holds such office only upto the date of this Annual General Meeting.

Deepa R Dalwadi is not disqualified from being appointed as Managing Director in terms of the provisions of the Act, 2013 and has given her consent to act as Managing Director.

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Deepa R Dalwadi for the office of Managing Director of the Company.

Deepa R Dalwadi is interested in the resolution set out at Item No. 4 of the Notice with regard to her appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board commends the Ordinary Resolutions set out at Item No. 4 of the Notice for approval by the shareholders.

## ITEM NO. 5 &amp; 6

Darshan Bhatt was appointed by the Board of director of the Company as an Additional Director of the Company w.e.f. 01/02/2014 pursuant to the relevant provisions of the Companies Act, 2013 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Naresh N Shah & Darshan Bhatt as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to 5 (five) consecutive years for a term up to March 31, 2019.

Both appointee are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of both appointee for the office of Directors of the Company.

The Company has also received declarations from both appointee that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, both appointees fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement.



Brief resume of both appointee , nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of both appointee as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Both appointee are interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notice with regard to their respective appointments.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Ordinary Resolutions set out at Item Nos. 5 and 6 of the Notice for approval by the shareholders.

#### ITEM NO. 7

Mahendrabhai S Shah was appointed by the Board of director of the Company as an Additional Director of the Company w.e.f. 01/02/2014 pursuant to the relevant provisions of the Companies Act, 2013 and under the Articles of the Article of Association of the company and he holds such office only upto the date of this Annual General Meeting.

He is not disqualified from being appointed as Director in terms of the provisions of the Act,2013 and has given his consent to act as Director.

The Company has received notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of appointee for the office of Director of the Company.

Appointee is interested in the resolution set out at Item No. 7 of the Notice with regard to her appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board commends the Ordinary Resolutions set out at Item No. 7 of f the Notice for approval by the shareholders.

Place : INDORE  
Date : 01/09/2014

By order of the Board

SD/-  
(Deepa R Dalwadi)  
Chairman

## Directors Report

To,  
The Members,  
GFL Financials (INDIA) India Ltd.  
Indore (M.P.)

Your Directors have pleasure in presenting before you the 22ND ANNUAL REPORT of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2014.

| FINANCIAL RESULTS        | 2013-2014 | 2012-2013 |
|--------------------------|-----------|-----------|
|                          | In Rs.    | In Rs.    |
| Turn Over                | 3576186   | 2180000   |
| Profit (Loss) Before Tax | 104717    | 29910     |
| Provision for Taxation   | NIL       | 10000     |
| Profit (Loss) After Tax  | 104717    | 19910     |

### OPERATIONAL HIGHLIGHTS

Due to the depressed Capital & money market the performance of the Company during the year under review was not as projected, however Directors are confident of posting the higher of growth in the operation in the coming years, thereby recovering the losses incurred in the previous years.

### PUBLIC DEPOSITS

During the period under review the Company did not accept deposits in terms of Section 58A of the Companies Act, 1956 and pursuant to the provision of the Non-Banking Financial Companies (Reserve Bank) Direction 1997.

### DIRECTORS

Naresh N shah, Director of the company retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

Vimal Raval and Vishal Shah, directors of the company resigned during the year under review and Mr. Darshan Bhatt and Mahendra S Shah was appointed as an additional director.

### AUDITORS

M/s. Mehul & Associates, Chartered Accountants, Mumbai, the Auditors of the Company retire at the conclusion of this Annual General Meeting. They have shown their unwillingness to continue to be the auditors of the company hence the company approached new auditors and after receipt of the consent from them, the Board of directors of the company appointed M/s Harshit Shah & Associates, Chartered Accountants, Vadodara as statutory auditors of the company for the audit of F.Y. 2014-2015 subject to the approval of the shareholder in AGM.