



Annual Report 2016-2017



Safety First

Concern for the Environment

Range of innovations

Focus on results

Corporate Responsibility

We believe in being sensitive to the needs of our customers, employees and the environment. It is our endeavor to make a positive contribution to the larger community.

Chairman Statement

It gives me a great pleasure to present this Annual Report to shareholders, my first as Chairman.

This year was remarkable for us.

During the year, your company has come up with an Initial Public Offering (IPO) at the BSE SME platform. The Company has increased its scale of operation. From textile industry to service industry i.e. to act as DSA (Direct Selling Agent) and providing consultancy services like Loan Syndication and Project Approval, it is increasing its roots in every niche in the market.

During the year, we have also re-started the trading division from our network and taking forward the old synergies of the company. Being a well funded company; we would propose to continue to add risk adjusted profit making business verticals; which are allowed by our Memorandum. We believe that being a multi business verticals company we would provide benefits of diversification to our shareholders.

As the Company has listed on the SME Platform, it will provide immense opportunities to investors. It will enhance financial status leading to demand in the company's shares and higher valuation of the company. Now, the Company provides an opportunity to investors to deal in shares on the trading platform and earn income on that.

Also, our honourable prime minister, Mr. Modi has brought so many changes in laws and in the economy. Demonetisation, Goods and Services Act (GST) and IBC (Insolvency & Bankruptcy Code), 2016 has brought a positive change in the market. Like, Demonetisation will have a huge resultant effect on the Indian economy. The clean-up of illegal cash will help turn around the economy. First, it will bring more borrowings to the exchequer, improve inflation outlook and increase India's gross domestic product (GDP). Second, it will revive investment opportunities and give a fillip to infrastructure and the manufacturing sector. Third, it will help reduce interest rates and lower income tax rate. GST will also help to build a transparent and corruption free tax administration. Removing cascading tax effect, simpler online procedure under GST, defined treatment for E-commerce and regulating the unorganised sector. The main reason behind introducing GST is to improve the economy of the nation. These changes will help in building a "New India".

Lastly, I would like to thank each shareholder and stakeholder for their support and trust on us and on the Company. It would not be possible without your investment, trust and time that you have devoted in the Company. We always try to fulfill all your expectations that you have with the Company and in future we will maximize our shareholder's wealth with complete dedication. I promise to all my shareholders/stakeholders that your company will soon reach new highs in the coming years.

Sd/-
Gopal Bansal
Chairman & MD

Eighth Annual General Meeting

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IMPORTANT COMMUNICATION TO MEMBERS

As a responsible corporate citizen, the Company welcomes and supports the "Green Initiative" initiated by the Ministry of Corporate Affairs, Government of India (MCA), by its recent circulars, enabling electronic delivery of documents including the annual report, quarterly, half yearly results to shareholders at their e-mail addresses previously registered with the depository participants (DPs)/company/registrars and share transfer agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses to help us in the Endeavour to save trees and protect the planet. Those holding shares in Demat form can register their e-mail address with their concerned DP. Those shareholders who hold shares in physical form are requested to register their e-mail addresses with our registrar, "Skyline Financial Services Private Limited", by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

IFL ENTERPRISES LIMITED
CIN: L67100DL2009PLC186958
Registered Office: D-16, I Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085
Corporate Information

Board of Directors	Mr. Gopal Bansal Mr. Mukesh Sharma Mr. Ashok Kumar Bansal Mr. Pramod Sharma Ms. HimanshiKashyap	Chairman & Managing Director Whole Time Director Non Executive Director Independent Director Independent Director
Audit Committee	Mr. Pramod Sharma Ms. HimanshiKashyap Mr. Gopal Bansal	Chairman, Independent Director Member, Independent Director Member, Chairman & MD
Nomination & Remuneration Committee	Mr. Pramod Sharma Ms. HimanshiKashyap Mr. Ashok Kumar Bansal	Chairman, Independent Director Member, Independent Director Member, Non Executive Director
Stakeholders Relationship Committee	Ms. HimanshiKashyap Mr. Pramod Sharma Mr. Mukesh Sharma	Chairperson, Independent Director Member, Independent Director Whole Time Director
CIN	L67100DL2009PLC186958	
Banker/s	Axis Bank Limited D-12, Outer Ring Road, Prashant Vihar, Delhi- 110085	
Chief Financial Officer	Ms. Dimple Mangal (<i>w.e.f 1st May, 2017</i>) Ms. BhanuPriya Aggarwal (<i>Resigned w.e.f 25th April, 2017</i>)	
Company Secretary & Compliance Officer	Mr. Sandeep Kumar	
Registered Office	D-16, I Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	
Statutory Auditor	M/s V.N. Purohit & Co. (Chartered Accountants) 214, New Delhi House, 2 nd Floor, 27, Barakhamba Road, New Delhi-110001 E-mail Id: vnpsdelhi@vnpsaudit.com	
Secretarial Auditor	Ms. RachnaBhasin (Practicing Company Secretary)	
Registrar and Share Transfer Agent	Skyline Financial Services Private Limited D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi- 110020 E-mail Id: admin@skylinert.com	
E-mail Id & Website	iflenterprises@rediffmail.com & www.iflenterprises.com	

BOARD'S REPORT

**To,
The Members,**

Your Directors have pleasure in presenting the **Eighth Annual Report** of your Company with the Audited Financial Statements along with Auditor's Report for the year ended **31st March, 2017**.

1. COMPANY BACKGROUND

IFL Enterprises Limited is involved in the business of acquisition, trading of shares, stocks, bonds, etc. It also engaged in the business of all kinds of fabrics and other similar products. Your Company offers a diverse product range which includes heavy fabric and fabric related items. The entry barriers for the other players in the processing of fabric products are very strong as textile industry has an essentially long gestation period, both in terms of stabilization of production facilities as well as product.

The registered office of your Company is situated at D-16, I Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085. The Company was incorporated on 23rd January, 2009. Also, this year, the Company has taken a step towards building brand image through participation of the public in its shareholding. This year the company has come up with an Initial Public Offer (IPO) of 16,26,000 equity shares of Rs.10/- each at a price of Rs. 20/- per share (Issue Price) aggregating Rs. 325.20 Lakh at SME platform of BSE.

2. BUSINESS OVERVIEW

During the year, the Company has diversified its business activities along with its main object. Your Company has obtained Direct Selling Agency (DSA) of PNB Housing Finance, Tata Capital Housing Finance Limited and IDFC.

STATEMENT OF AFFAIRS

The Company's Performance during its Eighth years of Operations is summarized below:

FINANCIAL PERFORMANCE

(In Rs.)

Particulars	Period ended 31.03.2017	Period ended 31.03.2016
Revenue from Operations	3,23,27,657	33,76,071
Other Income	31,28,371	5,45,869
Expenses for the period	3,67,98,700	20,49,226
Profit/(Loss) before tax from continuing operations	(13,42,672)	18,72,714
Current Income Tax for the period	1,28,638	5,55,701
Deferred Tax	(5,43,524)	22,968
Profit/(Loss) for the period	(9,27,786)	12,94,045

3. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the Regulation 34(2)(e) of SEBI(Listing Obligations and Disclosure Requirements)Regulations, 2015, the Management's Discussion and Analysis Report (MDAR) is set out in the Annual Report.

4. DIVIDEND

The Board of Directors of the Company has decided not to recommend any dividend for the financial year under consideration due to operational losses.

5. TRANSFER TO GENERAL RESERVES

The Company has not transferred any sum to the General Reserves Account during the reporting period.

6. NON APPLICABILITY OF BUSINESS RESPONSIBILITY REPORT

As per Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015, top five hundred (500) listed entities based on market capitalization shall contain the Business Responsibility Report in their Annual Report. As the Company does not fall under top 500 listed Companies based on market capitalization, therefore, this regulation is not applicable to the Company.

7. CHANGES IN THE NATURE OF BUSINESS

There has been no change in the nature of business during the year under review by the Company.

8. MATERIAL CHANGES AND COMMITMENTS

During the year, the Company has come up with an Initial Public Offering (IPO) on SME Platform of BSE.

9. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial 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 the financial year 2016-2017. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

10. PUBLIC DEPOSITS

During the year under review, the company has not accepted any deposit under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

11. AUDITORS

a) STATUTORY AUDITOR

In terms of the first provision of section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s V.N. Purohit & Co. Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders.

Auditor's Report

The Auditor's Report for financial year ended 2017, does not contain any qualification, reservation or adverse remarks. All Observations made in the Independent Auditors' Report and Notes forming part of the Financial Statements are self explanatory and do not call for any further comments and also, there is no incident of fraud requiring reporting by the auditors under section 143(12) of the Companies Act, 2013 during the year. The Auditor's report is enclosed with the financial statements in this Auditor's Report.

b) SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Rachna Bhasin (CP No.: 12952, ACS: 23539), Practicing Company Secretaries, to undertake the secretarial audit of the Company for the Financial Year 2016-2017.

Secretarial Audit Report

The Secretarial Audit Report for the financial year ended 31st March, 2017 does not contain any qualification, reservation or adverse remark. A copy of the Secretarial Audit Report (Form MR-3) as provided by the Company Secretary in Practice has been annexed to the Report. **(Annexure-I)**

c) **INTERNAL AUDITOR**

Pursuant to provisions of Section 138, read with the rules made there under, the Board has appointed Mr. Sandeep Kumaras an Internal Auditor of the Company for the financial year 2016-2017, to check the internal controls and the functioning of the activities of the Company and also recommends ways of improvement. He has provided an Internal Audit Report of the Company for the financial year ended March 31, 2017. The Internal audit is carried out quarterly basis and the report is placed in the Audit Committee Meeting and Board Meeting for their consideration and direction.

12. **SHARE CAPITAL**

A. **Issue of equity shares with differential rights**

The Company has not issued any equity shares with differential rights so no disclosure is required as per Rule 4 (4) of the Companies (Share Capital and Debentures) Rules 2014.

B. **Issue of sweat equity shares**

The Company has not issued sweat equity shares, so no disclosure is required as per Rule 8(13) of the Companies (Share Capital and Debentures) Rules 2014.

C. **Issue of employee stock options**

The Company has not issued employee stock options, so no disclosure is required as per Rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014.

D. **Provision of money by company for purchase of its own share by employees or by trustee for the benefit of employees**

The Company has not made any provision for purchase of its own share of employees or by the trustee for the benefit of employees so no disclosure is required as per Rule 16(4) of the Companies (Share Capital and Debentures) Rules 2014.

E. **Issue of shares on preferential basis**

The Company has not issued any share on preferential basis during the year.

F. **Issue of Bonus Shares**

During the year, pursuant to Section 63 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules 2014, the Company has received the approval of the members in Annual General Meeting for Bonus Issue. It has issued and allotted 2,75,234 Equity Shares of Rs. 10/- (Face Value) to the existing members in proportion of One new equity shares of Rs. 10/- each for every four existing equity shares of Rs. 10/- each

G. **Issue of Equity Shares under Initial Public Offer (IPO)**

During the year, the Company has floated its 16,26,000 equity shares of Rs. 10/- each at a premium of Rs. 10/- each through Initial Public Offer (IPO) on the BSE SME stock exchange.

13. **LISTING FEES**

The Company has paid the Annual Listing Fees to the BSE SME for the financial year ended 31st March, 2017.

14. **EXTRACT OF THE ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return in **Form No.MGT – 9** as '**Annexure-II**' has been enclosed with the Board's Report.

15. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of conservation of energy, technology absorption, foreign exchange and outgo are as follows:

A. Conservation of energy

The company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding conservation of energy are not applicable.

B. Technology absorption

The company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding technology absorption are not applicable.

C. Foreign exchange earnings and outgo

There has been no expenditure and/or earning in foreign exchange.

16. POLICIES

During the year, the Board of Directors of the Company has approved and adopted the following policies:

- Policy on Preservation of Documents and Archives Management as per Regulation 9 and 30(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy for Disclosure of events/ information and Determination of materiality as per Regulation 30(4)(ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy on Materiality of Related Party Transactions as per Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy for determining material subsidiary as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Above Policies are available on the website of the Company i.e. <http://www.iflenterprises.com/#>

17. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED

During the financial year 2016-17, no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in the future.

18. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to provisions of Section 135 of the Companies Act, 2013, every company having a Net Worth of Rupees Five Hundred Crore (Rs.500 Crore) or more; or Turnover of Rupees One Thousand Crore (Rs.1000 Crore) or more; or Net Profit is Rupees Five Crore (Rs.5 Crore) or more during any financial year, is required to constitute a Corporate Social Responsibility Committee ("CSR Committee") of the Board. But this provision is not applicable to your company; as during in any previous financial year (including 2016-2017) company has not reached this limit.

19. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company was duly constituted in accordance with the provisions of the Companies Act, 2013. As of the date of the report, your company has the following Directors on its Board:

S. No.	Name of Director	Designation	DIN	Date of Appointment
1	Mr. Mukesh Sharma	Whole Time Director	00274217	06.07.2015
2	Mr. Gopal Bansal	Managing Director	01246420	01.03.2016
3	Mr. Ashok Kumar Bansal	Director	07069510	10.08.2016
4	Mr. Pramod Sharma	Additional Director	07539741	17.12.2016
5	Ms. Himanshi Kashyap	Additional Director	07681277	17.12.2016

A. Directors

During the year, following changes took place on the Board:

S. No.	Name of Director	Appointment Date	Regularization Date	Resignation Date
1.	Mr. Basant Mittal	11 th July, 2016 (Additional Director)	30 th September, 2016	30 th November, 2016
2.	Mr. Ashok Kumar Bansal	10 th August, 2016 (Non Executive Director)	-	-
3.	Ms. KusumLata Bansal	24 th November, 2016 (Executive Director)	-	30 th November, 2016
4.	Ms. Charu Goyal	25 th February, 2016 (Independent Director)	-	25 th November, 2016
5.	Ms. HimanshiKashyap	17 th December, 2016. (Additional Director Non-Executive, Independent Director)	Ensuing Annual General Meeting	-
6.	Mr. Pramod Sharma	17 th December, 2016. (Additional Director Non-Executive, Independent Director)	Ensuing Annual General Meeting	-
7.	Mr. Gopal Bansal	11 th July, 2016 (Managing Director)	-	-
8.	Mr. Mukesh Sharma	30 th September, 2016 (Whole Time Director)	-	Tenure Expire on 29 th September, 2017

B. Chief Financial Officer

As of the date of this report, Chief Financial Officer (CFO) of your Company is Ms. Dimple Mangal. She has been appointed by the Board in their meeting dated 01st May, 2017 in place of Ms. Bhanu Priya Agarwal, who has resigned w.e.f. 25th April, 2017.

C. Company Secretary & Compliance Officer & Internal Auditor

During the year, Mr. Sandeep Kumar has appointed as the Company Secretary and Compliance Officer and Internal Auditor of the Company.

20. REMUNERATION OF KEY MANAGERIAL PERSONNEL

- Mr. Gopal Bansal (Managing Director) the Key Managerial Personnel of the Company, be paid Gross monthly remuneration of Rs.30, 000/- (Rupees Thirty Thousand Only) subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of his performance and policy of the Company.
- Mr. Mukesh Sharma (Whole Time Director) the Key Managerial Personnel of the Company, be paid Gross monthly remuneration of Rs. 20,000/- (Rupees Twenty Thousand Only) subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of his performance and policy of the Company.
- Ms. BhanuPriya Aggarwal, (CFO), the Key Managerial Personnel of the Company, be paid Gross monthly remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of her performance and policy of the Company. After her resignation Ms. Dimple Mangal has been appointed as CFO on 01st May, 2017, the Key Managerial Personnel of the Company be paid Gross monthly remuneration of Rs. 28,000/- (Rupees Twenty Eight Thousand Only) subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of her performance and policy of the Company.
- Mr. Sandeep Kumar (Company Secretary), the Key Managerial Personnel of the company be paid Gross monthly remuneration of Rs. 11,000/- (Rupees Eleven Thousand Only) which has been increased from Rs. 10,000/- subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of his performance and policy of the Company.

21. DECLARATION BY THE INDEPENDENT DIRECTOR

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Listing Regulations.

22. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out an annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process. The Board of Directors reviewed all the laws applicable to the company, prepared by the company and taking steps to rectify instances of non-compliances.

23. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors duly met **20 (Twenty)** times during the year, in respect of which notices were given and the proceedings were recorded and signed. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

24. COMMITTEES AND THEIR MEETINGS

A. Audit Committee

The Board of Directors of the Company has constituted its Audit Committee by a Board Resolution dated 17th December, 2016.

The Committee comprises of:

- Mr. Pramod Sharma (Chairman & Independent Director),
- Ms. Himanshi Kashyap (Member, Independent Director),
- Mr. Gopal Bansal (Member, Chairman & Managing Director) and
- Mr. Sandeep Kumar (Secretary of the Audit Committee).

The terms of reference of the Audit Committee inter alia include overseeing the financial reporting process, reviewing the financial statements and recommending the appointment of Auditors. All the recommendations made by Audit Committee were accepted.

During the year, only one meeting of the members of the Audit Committee was held.

B. Nomination and Remuneration Committee

The Board of Directors of the Company has constituted its Nomination & Remuneration Committee by a Board Resolution dated 17th December, 2016.

The Company has a Nomination & Remuneration Committee of Directors in compliance with provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee's scope of work includes nominate the directors as per their qualifications, experience and positive attributes, deciding on remuneration and policy matters related to remunerations of Directors and laying guidelines for remuneration package or compensation etc.

The Committee comprises of:

- Mr. Pramod Sharma (Chairman & Independent Director),
- Ms. Himanshi Kashyap (Member, Independent Director) and
- Mr. Ashok Kumar Bansal (Member, Non Executive Director).

During the year, no meeting of the members of the Nomination and Remuneration Committee was held.