

15th
Annual Report
2006 - 2007



IFL PROMOTERS LIMITED

IFL PROMOTERS LIMITED

BOARD OF DIRECTORS

Sh. K. S. Bhutoria	<i>Director</i>
Sh. T. Veerabathran	<i>Director</i>
Sh. Anil Bafna	<i>Director</i>
Sh. Kailash Chander Duggal	<i>Additional Director</i>
Sh. Jayadev Parthasarthy	<i>Director</i>

AUDITORS

M/s Vinod Sahni & Associates
Chartered Accountants
New Delhi

Company Secretary & CFO

Mr. Amar Nath Jaiswal

BANKERS

State Bank of Indore, Delhi
Citi Bank, N.A., Delhi

REGISTERED OFFICE

M-64, Commercial Complex,
Greater Kailash - II, New Delhi - 110 048

LISTED WITH STOCK EXCHANGES

The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

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IFL PROMOTERS LIMITED**NOTICE**

NOTICE is hereby given that the Annual General Meeting of the Company will be held on Saturday, the 29th day of September, 2007 at 9.30 A.M at B-207, C. R. Park, New Delhi - 110 019 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2007 and the Profit & Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jeyadev Parthasarthy who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

1. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT Mr. Kailash Chander Duggal who was appointed as Additional Director w.e.f 21st August, 2007, in terms of section 260 of the Companies Act, 1956, holds such office upto this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member of the company pursuant to section 257 of the Companies Act, 1956 proposing his candidature for the office of director, be and is hereby appointed a Director of the Company."

By Order of the Board
For IFL PROMOTERS LIMITED
(formerly Indcap Financial Limited)

Date : 24.08.2007

Place : New Delhi

Company Secretary

NOTES:

1. Explanatory Statement, pursuant to Section 173(2) of the Companies Act, 1956 is annexed herewith.
2. A member entitled to attend and vote is entitled to appoint one or more proxy to attend and vote on his behalf and such proxy need not be a member of the company. A proxy may be sent in the form enclosed and in order to be effective must reach the registered office of the company at least 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 28th September, 2007 to 29th September, 2007 (both days inclusive).
4. Members are requested to notify the change in their address, if any, quoting their folio Number.
5. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified true copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.

INFORMATION PURSUANT TO CLAUSE 31 OF THE LISTING AGREEMENT

Names and addresses of the Stock Exchanges at which the Company's shares are listed

1. The Stock Exchange, Mumbai, Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.
It is hereby confirmed that the Company has paid Annual Listing Fee to the stock exchanges.

By Order of the Board
For IFL PROMOTERS LIMITED
(formerly Indcap Financial Limited)

Date : 24.08.2007

Place : New Delhi

Company Secretary

IFL PROMOTERS LIMITED

EXPLANATORY STATEMENT PURSUANT SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 1

The Board of Directors of the Company at their meeting held on 21st August, 2007 appointed Mr. Kailash Chander Duggal as an Additional Director of the Board.

Mr. Kailash Chander Duggal having vide experience in the field of financial consultancy. The Company has appointed him as additional director to fill the casual vacancy caused due to the resignation of Mr. Sanjay Sharma from the directorship of the Company and to get his expertise in the financial consultancy. The Company has received a notice under section 257 of the Companies Act, 1956 proposing his candidature for the office of director. Since the association of Mr. Kailash Chander Duggal with the Company as a director will be beneficial for its consultancy business, the board of director recommends his appointment as a director of the company for your approval.

None of the directors of the Company is concerned or interested in the proposed resolution except Mr. Kailash chander Duggal.

By Order of the Board
For **IFL PROMOTERS LIMITED**
(formerly Indcap Financial Limited)

Date : 24.08.2007

Place : New Delhi

Company Secretary

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IFL PROMOTERS LIMITED**DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS**

To
The Members,

Your Directors present the Annual Report of the Company together with the Audited Annual Accounts for the year ended 31st March, 2007.

PERFORMANCE HIGHLIGHTS

The performance of the company has been improved considerably during the year. The brief financial detail is given below.

FINANCIAL RESULTS

Particulars	Current Year	Previous Year
	Amount (Rs. In Lacs)	Amount (Rs. In Lacs)
Total Income	58.91	258.73
Profit before Depreciation & Tax	26.93	221.85
Less: Depreciation	7.40	9.05
Profit before Tax	19.53	212.80
Less: Provision for tax	2.05	18.43
Less: Adjustment for deferred taxation	0.51	22.73
Profit after Tax Adjustment	16.97	171.63

PERFORMANCE REVIEW

Total income for the year was Rs.58.91 (previous year Rs. 258.73 lacs) After provision of depreciation of Rs. 7.40 lacs (previous year Rs. 9.05 lacs) with income tax liability of Rs. 2.05 lacs (previous year Rs. 18.43 lacs) but after making adjustment for the deferred tax the net profit was Rs.16.97 lacs against a net profit of Rs. 171.63 lacs in the previous year. Your company's profit decreased as compared to previous year.

OPERATIONAL PROSPECTS

The company during the year continued its focus in providing advisory services in financial sector. The company is building up good clientele and earning good name in the field of consultancy. The main aim of the company is to provide best service to their client and it is reflecting from the increased list of satisfied clients. The economic policy of the country has widened the scope of consultancy and your directors are confident that your company will do well in future. The Company will also continue to invest its surplus funds in equity of fundamental strong companies.

MATERIAL CHANGES ETC.

Save as mentioned elsewhere in this report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company 31st March, 2007. and the date of this report.

DIVIDEND

Your directors are not recommending any dividend for the year ended on March 31, 2007.

OPPORTUNITY AND THREATS

Your Company's business is exposed to risks from the increasing competition from big size consultant and banks which are aggressively expending in the field of consultancy. Apart this the fluctuations of the stock market is also creating risk to the portfolio of the company. However, your Directors are confident to face the competition by maintaining good relationship and personalize services to the client and also suitably hedge the exposure from time to time with good strategies in place.

RISK AND CONCERN

The inherent risk associated with Company's business is from the frequent change in key personals and fluctuations in the stock prices. Your Company continuously improving its HR policies and monitors & does extensive research to minimize the risk.

PARTICULARS OF EMPLOYEES

None of the employees of your company were drawing emoluments exceeding the limits as specified in section 217 (2A) of the Companies Act, 1956. read with the Companies (Particulars of Employee) Rules, 1975 during the year.

DEPOSITS

During the year under review the Company has neither invited nor received any deposit from the Public.

VOLUNTARY DELISTING OF EQUITY SHARES

The security of the company had been delisted from Calcutta Stock Exchange during the year. The equity shares continue to be listed on the Stock Exchange, Mumbai which has nationwide terminals.

IFL PROMOTERS LIMITED

DEMATERIALIZATION OF SECURITIES:

The trading in the shares of your company has been allowed on Demate pursuant to Agreements with NSDL and CDSL. Shareholders may avail this facility.

CORPORATE GOVERNANCE

The Board of Directors supports the Broad principles of Corporate Governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity. Your company strives for excellence with the objective of enhancing the shareholders' value. We ensure the practice of principles of Corporate Governance in your esteemed company. All functions are discharged in a professionally sound, competent and transparent manner.

A detailed report on the Company's efforts at adopting principles of Corporate Governance as prescribed under the Clause 49 of the Listing Agreement is produced as part of the Annual Report.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Being engaged in Financial Services, provisions under Section 217 (1)(e) of the Companies Act, 1956 are not applicable to this company.

FOREIGN EXCHANGE EARNING AND OUTGO

Earning : Nil

Outgo : Rs. 37,550/- on Traveling

DIRECTORS RESPONSIBILITY STATEMENT:

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon and to the best of their knowledge and belief, your Directors confirm that:

- in preparation of the annual accounts, the applicable accounting standards had been followed;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2007 and of the profit of the Company for the year ended on that date;
- the Directors had taken proper and sufficient care for the 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 fraud and other irregularities; and
- the Directors had prepared the Annual Accounts on a going concern basis.

DIRECTOR:

In accordance with Articles of Association of the Company Mr. Jeyadev Parthasarthy retire by rotation at this Annual General meeting and being eligible offer himself for reappointment. Mr. Sanjay Sharma ceased to be director w.e.f. 21st August, 2007 as resigned from the directorship of the Company. To fill this casual vacancy, the Board of Directors has appointed Mr. Kailash Chander Duggal as Additional Director of the company w.e.f. August 21, 2007.

Since the association of Mr. Kailash Chander Duggal with the Company as a director will be beneficial for its consultancy business, the board of director recommends his appointment as a director of the company.

AUDITORS:

M/s Vinod Shani & Associates, Chartered Accountants Delhi, statutory auditor of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

INTERNAL CONTROL SYSTEM

The company has a reasonable control system commensurate with its size and the nature of services provided by the company, which is being reviewed, periodically for more effectiveness. The company has an Audit Committee, which regularly reviews the internal audit observations and put corrective measures through justified actions.

GENERAL

The note forming part of the accounts being self-explanatory, the comments made by the auditors in their report are not required to be dealt separately.

ACKNOWLEDGEMENT

The Board wishes to express its deep appreciation for the support received from Bankers, Financial Institution, Shareholders and clients in addition to the sincere and dedicated serviced rendered by all personnel of your company.

For and on behalf of the Board

Date : 24.08.2007

Place : New Delhi

DIRECTOR

DIRECTOR

IFL PROMOTERS LIMITED

REPORT ON CORPORATE GOVERNANCE

The objective of Corporate Governance is "Enhancement of long term shareholders value and ensuring the protection of rights of the shareholders" and your company reiterates its commitment to good Corporate Governance.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company policy on corporate governance is attainment of the highest levels of transparency, accountability and equity in all facets of its operations. Good corporate governance, therefore, embodies both enterprise (performance) and accountability (conformance).

BOARD OF DIRECTORS

The Board provides leadership and strategic guidance, objectively reviews management decisions and exercises control over the company. Your company is maintaining the independence of the Board and company has the independent and Non independent directors. As on the date of this report, the Board of Directors of the Company consists of five members, all are Non Executive Directors, out of them four are Independent Directors.

The board meeting held in every quarter to review the financial results and discuss other issues. Besides of the quarter, board meeting also held whenever required. To conduct a board meeting the directors are informed by giving a notice in advance and the agenda of board meeting also dispatch with the notice. The members of board also discuss each agenda in the meeting and take decision after make a proper discussion and getting all members views. The board members are free to give their suggestions on any agenda item and can also submit their view for improving the performance of company.

During the last year Nine Board Meetings have taken place on 20th April, 2006, 19th June, 2006, 22nd July, 2006, 9th September, 2006, 26th October, 2006, 30th November, 2006, 16th December, 2006, 30th January, 2007 and 24th March, 2007.

The composition of Board during the year as follows:

Name of the Director	Designation	Category	Remarks
Sh. K. S. Bhutoria	Director	Non executive & non-independent	Retired by rotation in last AGM and reappointed as Director in the same meeting
Sh. T. Veerabatharn	Director	Non executive & independent	Retired by rotation in last AGM and reappointed as Director in the same meeting
Sh. Anil Bafna	Director	Non executive & independent	-
Sh. Sanjay Sharma	Director	Non executive & independent	-
Sh. Jeyadev Pathasharthy	Director	Non executive & independent	-

Details of attendance of each Director at various meetings of the company are as follows: -

Name	Designation	Category	No. of board meetings attended	Last AGM attended
Sh K.S.Bhutoria	Director	Non executive & non-independent	9	Yes
Sh T. Veerabathran	Director	Non executive & independent	-	-
Sh. Anil Bafna	Director	Non executive & independent	-	-
Sh. Jeyadev Pathasharthy	Director	Non executive & independent	9	Yes
Sh. Sanjay Sharma	Director	Non executive & independent	7	-

COMMITTEE OF DIRECTORS

AUDIT COMMITTEE:

The audit committee constituted as per clause 49 of the listing agreement and all functions of the audit committee has been decided by the board. The audit committee reviews the audit procedures and techniques and it reviews with the management external and internal procedures and the adequacy of internal control systems. It reviews the company's financial reporting processes and ensures that the financial statements give a true and fair view of the affairs of the company. It provides assistance to the Board of Directors in fulfilling the Board's oversight responsibilities.

COMPOSITION AND MEETINGS OF AUDIT COMMITTEE

As per the provisions of clause 49 of the Listing Agreement, the Audit Committee met four times during the year 2006-2007 as 19th June, 2006, 22nd July, 2006, 26th October, 2006 and 30th January, 2007.

The composition of Audit Committee during the year was as follows:

IFL PROMOTERS LIMITED

Name of the Director	Designation	Category
Shri Sanjay Sharma	Chairman	Non executive & independent
Shri K. S. Bhutoria	Director	Non executive & non-independent
Shri T.Veerabathran	Director	Non executive & independent
Shri Jeydev Parthsarthy	Director	Non executive & independent

Details of attendance of each Member of Audit Committee meetings of the company are as follows: -

Name of Director	Designation	Category	No. of Meetings attended
Shri Sanjay Sharma	Chairman	Independent	3
Shri K. S. Bhutoria	Director	Non-independent	4
Shri T.Veerabathran	Director	Independent	-
Shri Jeydev Parthsarthy	Director	Independent	4

ROLE AND RESPONSIBILITIES

The role of the Audit Committee includes the review of the following.

- Financial Reporting Process
- Draft Financial Results (Quarterly & Annual)
- Internal Audit Reports
- Records of Related Party transactions
- Reviewing the company's financial and risk management policies
- Management discussion and analysis of Financial condition and results of operations
- Compliance with stock exchanges and Legal requirements concerning Financial Statements
- Any other powers which are specifically delegated by the board from time to time

The role of the audit committee includes recommending the appointment and removal of Statutory Auditor, discussion of Audit plan, fixation of Audit fees and also approval for payment of any other service.

REMUNERATION COMMITTEE:

Constitution of remuneration committee by listed public company pursuant to the listing agreement is voluntary. Presently the Company not constituted any Audit Committee.

SHAREHOLDERS'/ INVESTORS' GRIEVANCES COMMITTEE:

The shareholders/Investors Grievance Committee is constituted for good corporate governance. During the year the Committee functioning under the chairmanship of Mr. Sanjay Sharma.

During the year the composition of shareholders/Investors Grievance Committee was as follows:

Name of the Director	Designation	Category
Shri Sanjay Sharma	Chairman	Non executive & independent
Shri K. S. Bhutoria	Director	Non executive & non-independent
Shri T.Veerabathran	Director	Non executive & independent
Shri Jeydev Parthsarthy	Director	Non executive & independent

Details of attendance of each Member of shareholders/Investors Grievance Committee meetings of the company are as follows:-

Name of Director	Designation	Category	No. of Meetings attended
Shri Sanjay Sharma	Chairman	Non executive & independent	17
Shri K. S. Bhutoria	Director	Non executive & non-independent	18
Shri T.Veerabathran	Director	Non executive & independent	—
Shri Jeydev Parthsarthy	Director	Non executive & independent	9

Share Transfers are processed and duly approved by the committee. Investor grievances are placed before the committee. There were no pending investor complaints at the end of the financial year ended on 31.03.2007.

The role & responsibilities of the Share Grievances Committee are as follows:

ROLE AND RESPONSIBILITIES

- To monitor the process of expeditious transfers of shares and debentures.
- To monitor and review the shareholders complaints relating to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.