

**NOTICE**

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the Company will be held on Thursday, 30<sup>th</sup> September 2010 at 1.30 P.M. at D-74, Regal Building, Connaught Place, to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2010 and the Profit and 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 Mrs. Anjana Gupta, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint **M/s GUPTA & DAMODAR, Chartered Accountants**, H-108, 2<sup>ND</sup> FLOOR, NEW ASIATIC BUILDING OPP. HOTEL MARINA, CONNAUGHT PLACE, NEW DELHI- 110001 as Auditor from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize the Board to fix their remuneration.

**SPECIAL BUSINESS :**

ITEM No. 4

To consider and if thought fit, to pass the following resolution with or without modification as ordinary resolution:

**Resolved that** subject to Section 16 (1) and section 94 (1) (d) of the Companies Act, 1956, and in terms of the authority under **Article 49(c)** of the Articles of Association of the Company, each of the existing shares of Rs. 10/- each in the capital of the Company on which the sum of Rs. 10/- is credited as paid-up be sub-divided into 2 shares of Rs. 5/- upon each of which the sum of Rs.5/- shall be credited as paid-up.

ITEM No. 5

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

**"Resolved that** Mr. Shri Kishan Gupta, who was appointed as an Additional director of the Company to hold office till the date of Annual General Meeting, be and is hereby appointed as a Director of the Company whose office shall be liable for determination through retirement by rotation."

**Date: 04/09/2010**  
**Place: New Delhi**

**By Order of the Board**  
**For IFL PROMOTERS LIMITED**

**Sd/-**  
**Anjana Gupta**  
**Director**

**NOTES :**

1. A Member who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be member of the company. Proxy forms should be deposited at the registered office of the company not less than forty-eight hours before the meeting.
2. The members are requested to intimate the change of address immediately to the company.
3. Members /Proxies are requested to produce the enclosed attendance slips duly filled and signed as per the specimen signature recorded with the company for admission to the Meeting Hall.
4. The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 setting out material facts is annexed hereto.
5. All documents referred to in the accompanying Notice and the Explanatory Statement is open for inspection at the Registered Office of the Company during the office hours on all working days except Sundays between 11.00 a.m. and 1.00 p.m. up to the date of the ensuing Annual General Meeting.
6. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
7. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
8. The members are requested to bring the copy of the Notice with them.
9. Shareholders seeking any information with regard to the accounts are requested to write to the Company at an early date but not later than 48 hours before the scheduled time of holding the Annual General Meeting so as to enable the Management to keep the information ready.

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956****Item no. 4**

Company is a 17 year old company listed with BSE. Since the trading volume of the company's shares is very thin, in order to increase the liquidity of the company's shares, the Board of Directors of your company proposes the sub-division of face value of the company's share by creating 2 (two) equity shares of Rs.5/- each instead of 1(one) equity shares of Rs.10/- each, Thus creating more liquidity of the company's shares in the stock exchange.

The proposed alteration also requires alteration in the Articles in the Clause –V of the Memorandum of Association. Therefore the Board of Directors placed Resolution for approval of the shareholder as ordinary resolution.

#### Item No. 5

Mr. Shri Kishan Gupta was co-opted on the Board of Directors of the Company as an Additional director to hold office until the date of ensuing annual general meeting. The Board is proposing to appoint him as an ordinary director in the ensuing AGM. Accordingly, the Resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

None of the directors except Mr Shri Kishan Gupta is interested and concerned in the proposed resolution.

#### Registered Office:

D-74, Regal Building,  
Connaught Place,  
New Delhi- 110001

On behalf of the Board  
For **IFL Promoters Limited**

**Date: 04/09/2010**

**Place:** New Delhi

**Sd/-  
Anjana Gupta  
Director**

#### INFORMATION PURSUANT TO CLAUSE 31 OF THE LISTING AGREEMENT

Name and Addresses of the Stock Exchange at which the Company's shares are listed

1. Bombay Stock Exchange Limited, Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai 400001.

### DIRECTOR'S REPORT

**To,  
The Members of  
IFL PROMOTERS LIMITED,**

Your Directors have pleasure in presenting the Director's Report of the company together with the Audited Statement of Accounts for the Financial Year ended 31<sup>st</sup> March 2010.

#### PERFORMANCE HIGHLIGHTS :

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

#### FINANCIAL RESULTS:

Particulars	(Rs. In Lacs)	
	Current Year	Previous Year
Total Income	61.47	13.90
Profit before Depreciation & Tax	3.70	1.80
Less: Depreciation	-	-
Profit before Tax	3.70	1.80
Less: Provision for Tax	1.14	0.57
Less: Adjustment for deferred taxation	-	-
Profit after Tax Adjustment	2.56	1.06

#### PERFORMANCE PREVIEW :

Total income for the year was Rs. 61.47 Lacs (Previous Year Rs. 13.90 Lacs). After provision for Depreciation Nil (Previous Year Nil) with income tax liability of Rs.1.14 Lacs (Previous Year Rs. 0.57 Lacs) but after making adjustment for the deferred tax the net profit was Rs. 2.56 Lacs against a net profit of Rs. 1.06 Lacs in the previous Year. Your company's profit has increased as compared to previous year.

#### OPERATION :

During period under report, performance of your company during the year has been satisfactory. And the directors are quite hopeful to maintain the performance both in terms of turnover and profitability during current year. The directors of your company also assure that they will do all needful acts to achieve the set target.

#### DIVIDEND :

Your Company's Directors do not recommend any dividend to the Shareholders of the Company for the Financial Year 2009-10.

#### RISK AND CONCERN :

As a part of the business, risk is the inherent part of the Business which can't be avoided but it can be minimized. The inherent risk associated with company's business is from the frequent change in key personnels and fluctuations in the stock prices. Your company is 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 prescribed under section 217 (2A) of the Companies Act, 1956, read with the Companies (Particular of Employees) Rules, 1975 during the year.

#### **COMPLIANCE CERTIFICATE :**

The directors have gone through the observation made by practicing company secretary through their compliance certificate under section 383A (I) of the company's act, 1956 and are in agreement.

#### **DEPOSITS :**

The Company has not accepted or renewed any sort of deposits during the Financial Year 2009-10 under section 58A and 58AA of the Companies Act, 1956.

#### **DEMATERIALIZATION OF SECURITIES :**

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

#### **CORPORATE GOVERNANCE :**

The Board of Directors supports the 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 Corporate Governance in your esteemed company. All functions are discharged in professionally sound, competent and transparent manner.

A detailed report on the company's efforts at the 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, TECHNOLOGY ABSORPTION :**

Since the Company has not carried on the Business, which requires the particulars to be set out as prescribed under section 217 (1)(e) of the Companies Act, 1956 read with the companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1998 in the Director's report, the same provision is not applicable.

#### **FOREIGN EXCHANGE EARNING AND OUTGO :**

The company has not earned any foreign exchange from its business operation during the current year. There is no outgo of foreign exchange during the year 2009-10.

Earning : Nil  
Outgo : Nil

#### **DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the provisions of sub – section (2AA) of Section 217 of the Companies Act, 1956, your Directors hereby confirm:

(I) That in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(II) That 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 at the end of the financial year as on 31<sup>st</sup> March, 2010 and of Profit of the company for that period.

(III) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; and

(IV) That the directors had prepared the annual accounts on a going concern basis.

#### **DIRECTORS :**

In accordance with the Articles of Association of the Company Mrs. Anjana Gupta retire by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.

#### **AUDITORS :**

M/s Gupta & Damodar, Chartered Accountants, H-108, 2<sup>nd</sup> floor, Connaught Place, New Delhi-110001 Statutory Auditors of the company retiring at the ensuing Annual General Meeting and being eligible, offer themselves for re- appointment.

#### **AUDITORS REPORT :**

The Directors have gone through the Auditors reports and are in agreement with the same.

#### **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.

#### **HUMAN RESOURCES DEVELOPMENT :**

The Company continues to enjoy cordial and warm relations with the employees and executives at all levels. Special training programs, workshops, seminars, etc. were continued during the year with a focus towards infusion of technical skill and quality consciousness in order to improve productivity, efficiency and quality.

**INDUSTRIAL RELATIONS :**

The industrial relation among all with in the organization was cordial. They maintained highest level of discipline, decency for the growth of the organization.

**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 Directors wish to place on record its appreciation for the continued co-operation extended by various Financial Institutions, Bankers, Govt. Departments and the members. The Directors also express their appreciation to the employees at all levels, for their dedicated services rendered to the Company.

**Date: 04/09/2010**  
**Place: New Delhi**

**By the order of Board of Director  
For IFL PROMOTERS LIMITED**

**Sd/-**  
**Anjana Gupta**  
**Director**

**Sd/-**  
**Shri Kishan Gupta**  
**Director**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND BUSINESS DEVELOPMENTS**

The business of the Company is that of a Non Banking Finance Company (NBFC). NBFC's have become an integral part India's financial system. In recent times, NBFC's have emerged as lenders to both companies and individuals. When it comes to lending, NBFCs are generally regarded to be complementary to banks and are often able to offer better services and products to their customers.

Inspite of strong competition faced by the NBFC's, the inner strength of NBFC's viz local knowledge, credit appraisal skill, well trained collection machinery, close monitoring of borrowers and personalized attention to each client, are catering to the needs of small and medium enterprises in the rural and semi urban areas.

**THE ECONOMIC SENARIO**

The Indian economy has registered a growth of 7.4 per cent in 2009-10, with 8.6 per cent year-on-year (y-o-y) growth in its fourth quarter. The growth is driven by robust performance of the manufacturing sector on the back of government and consumer spending. GDP growth rate of 7.4 per cent in 2009-10 has exceeded the government forecast of 7.2 per cent for the full year. According to government data, the manufacturing sector witnessed a growth of 16.3 per cent in January-March 2010, from a year earlier.

"Currently, the RBI classifies NBFCs under three categories— asset finance companies, loan companies and investment companies. It has now been decided to introduce a fourth category of NBFCs as infrastructure finance companies (IFCs)," RBI said.

To be categorized as an NBFC the IFC should have a net worth of about Rs300crore, capital adequacy ratio of 15% and a minimum credit rating of 'A' or equivalent from accredited rating agencies.

The central bank has also permitted these NBFCs to exceed the concentration of credit norms in lending and investment. According to the RBI guidelines no financial institution can lend in excess of 10% of its net owned funds to any single borrower and in excess of 15% of its net owned funds to any single group of borrowers.

**BUSINESS OUTLOOK**

While the outlook for the Indian economy continues to remain positive, the growth trajectory is likely to moderate. In 2009, Indian inflation stood at 11.49% Y-o-Y. This rate reflects the general increase in prices, taking into account the purchasing power of the common man. With inflation hovering around this mark, liquidity is likely to be constrained and interest rates are unlikely to ease. Thus the opportunities for the NBFC are increasing and the growth prospects in this sector are also on a boom. Your Company's strategy, as in the past, will be to focus on profitable growth, leveraging its intimate knowledge of the market and customer relationships that have been built on a strong foundation of personalized service.

**SEGMENT – WISE OR PRODUCT WISE PERFORMANCE**

As per the requirement of the Corporate Governance, companies are required to show their performance as per segment wise but company operates only in one segment; hence segment wise performance is not applicable.

## INTERNAL CONTROL SYSTEMS

In the opinion of the management, the internal control systems are adequate and provide, among other things, reasonable assurance of recording transactions of operations in all material respects and of providing protection against significant misuse or loss of Company assets. Teams of auditors conduct internal audits to assess the adequacy of the internal control procedures and processes of the Company. Policy and process corrections are undertaken based on input from these auditors. Reports of the internal auditors, as well as the action taken on the matters reported upon, are discussed at the Audit Committee Meetings.

The Audit Committee regularly reviews the audit findings as well as the adequacy and effectiveness of the internal control measures. Additionally, an Information Security Assurance Service is also provided by independent qualified professionals. Based on their recommendations, the Company has implemented a number of control measures both in operational and accounting related areas, apart from security related measures.

## HUMAN RESOURCES

Your Company continues to lay great stress on its most valuable resource - people. Continuous training, both on the job and in an academic setting, is a critical input to ensure that employees at all levels are fully equipped to deliver a wide variety of products and services to the rapidly growing customer base of your Company. With this end in view, the Company has undertaken a number of training initiatives covering junior and middle level managers, as well as Leadership Development Programmes for those in managerial roles.

## RISK MANAGEMENT

Over the years, your Company has achieved an appropriate balance between risk and returns by setting up an efficient risk mitigation system to meet various forms of financial and other risks. The primary risks that the company is exposed to are, credit risk, market risk and operational risk and your company takes suitable measures towards them as per necessary.

## OPPORTUNITIES & THREATS

Opportunities in the Financial Sector are fast growing with the growing economy the requirement for finances never dies. No matter what sector but with such a booming economy like India various demand for finance rises, it is very important that proper strategy is and planning should be done in order to utilize the opportunities efficiently. To maintain such a growth for a long term the inflation has to come down further. The NBFC's are under threat with respect to various activities such as Money Laundering, the changes in the policies of the Banking sector affects NBFC's as well, even the chances of falling into Bad Debts are a huge problem faced by NBFCs, the changes in the rules and regulations and policies of the interest rates also works as a threat for this sector, thus your company has to work on the safer side by trying to make it organized and untidily, their should be quality oriented work to give a better and secure output.

## CAUTIONARY STATEMENT

Statement in the management discussion and analysis describing the company objective projection and estimates may be forward looking statement with the meaning of applicable securities laws and regulation. Actual result could differ materially from those expressed or implied.

## 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-Executive directors. As on date of this report, the board of directors of the company consists of five members, in whom all Directors are Non - Executive; 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 discussion 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.

The composition of Board during the year as follows:

Name of the Director	Designation	Category
CA. Sanjay Singhal	Chairman	Non-Executive & Independent
CA. Shri Kishan Gupta	Director	Non-Executive
CA. Kailash Chander Dugal*	Director	Non-Executive & Independent
Mrs. Anjana Gupta	Director	Non-Executive
Mr. Tilak Raj Anand	Director	Non -Executive & Independent

\* Resigned with effect from 31-07-2010

During the year Nine Board Meetings have taken place on 30<sup>th</sup> June 2009 , 30<sup>th</sup> July 2009, 04<sup>th</sup> September 2009, 1st october 2009, 30<sup>th</sup> October 2009, 7<sup>th</sup> January 2010, 30<sup>th</sup> January 2010 , 13<sup>th</sup> March 2010 and 31 March 2010.

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

Name of the Director	Designation	Category	No. of Board Meetings	Last AGM attended
CA. Sanjay Singhal	Chairman	Non-Executive & Independent	5	No
CA. Shri Kishan Gupta	Director	Non-Executive	2	No
CA. Kailash Chander Dugal*	Director	Non-Executive & Independent	5	Yes
Mrs. Anjana Gupta	Director	Non-Executive	7	Yes
Mr. Tilak Raj Anand	Director	Non-Executive & Independent	2	Yes

\* Resigned with effect from 31-07-2010