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***32<sup>nd</sup>***  
**Annual Report**  
**2016-17**

**INDIA LEASE DEVELOPMENT LIMITED**



## **Shri Ved Prakash Gupta**

(15<sup>th</sup> August, 1915 - 20<sup>th</sup> August 2005)

**A True Karmayogi.**

**Your integrity, values and vision will continue to guide  
and inspire us for all our activities and future growth.**

## **MANAGEMENT**

### **BOARD OF DIRECTORS**

#### **SHRI RAJIV GUPTA**

Chairman

#### **SHRI ARUN MITTER**

Director, CEO & CFO

#### **SHRI SHARAD AGGARWAL**

Director

#### **MS. SUMANA VERMA**

Director

#### **SHRI ROHIT MADAN**

Manager & Company Secretary

### **AUDITORS**

#### **M/S S. N. DHAWAN & Co LLP**

(Formerly S. N. Dhawan & Co.)

CHARTERED ACCOUNTANTS

410, ANSAL BHAWAN

16 KASTURBA GANDHI MARG

NEW DELHI – 110001

### **BANKERS**

BANK OF INDIA

KOTAK MAHINDRA BANK LTD.

### **REGISTERED OFFICE:**

MGF HOUSE, 4/17-B, ASAF ALI ROAD,  
NEW DELHI – 110002

PHONE : 011-41519433, 41520070

E-mail : [info@indialease.com](mailto:info@indialease.com)

Website: [www.indialease.com](http://www.indialease.com)

**CIN : L74899DL1984PLC019218**

**GST No.: 07AAACI0149R1ZB**

### **REGISTRAR AND SHARE TRANSFER AGENTS**

#### **M/S ALANKIT ASSIGNMENTS LIMITED**

ALANKIT HEIGHTS,

1E/13, JHANDEWALAN EXTENSION,

NEW DELHI - 110055

PHONE : 011-42541953-63

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## DIRECTOR'S REPORT

The Board of Directors of India Lease Development Limited take pleasure in presenting their 32<sup>nd</sup> (Thirty Second) Report on the business and operations of the company and the accounts for the financial year ended March 31, 2017.

### 1. FINANCIAL SUMMARY

The Board's Report is prepared based on the standalone financial statements of the company. The company's financial performance for the year under review along with previous year figures are given hereunder:-

(₹ in lakhs)

Financial Results	Year ended March 31, 2017	Year ended March 31, 2016
Gross Profit/ Loss before depreciation, finance cost and provisioning	(7.91)	5.57
Less: Depreciation including impairment	0.04	0.06
Profit /(Loss) before provisions, exceptional items and tax	(7.95)	5.51
Add: Provision for doubtful debts written back	0.00	0.00
Add :Provision for diminution in value of investments	0.00	0.81
Less: Excess Depreciation of earlier years written back	0.00	0.00
Net Profit/(Loss) for the year	<b>(7.95)</b>	<b>4.70</b>
Total (Loss)	(2117.95)	(2110.00)
Losses carried forward to Balance Sheet	(2117.95)	(2110.00)

### 2. REVIEW OF OPERATIONS

Recovery of the dues is the main focus of the company and the management is confident that with the maximum recovery it would be possible to deploy the funds to earn better return on investments.

### 3. DIVIDEND & RESERVES

In view of accumulated losses the Board has taken a conscious decision not to recommended any dividend for the year under review.

### 4. SHARE CAPITAL

The Paid up Equity Share Capital as on March 31, 2017 stood at ₹ 1471.30 lacs. During the year under review, there was no change in Capital Structures of the Company.

#### a. Equity Shares with differential rights

Your Company has not issued any Equity Shares with differential rights during the year under review:

#### b. Sweat Equity Shares

Your Company has not issued any Sweat Equity Shares during the year under review.

#### c. Employee Stock Options

Your Company has not issued any Employee Stock Options during the year under review.

### 5. TRANSFER TO RESERVES

During the year under review, the company has not transferred any amount to General Reserves. Reserves and Surplus as on March 31, 2017 stood at ₹ 1448.62 lacs.

### 6. FINANCE & ACCOUNTS

The financial statements of your Company are prepared in compliance with the requirements of the Companies Act, 2013, and they are prepared on historical cost basis. The estimates and judgments relating to the Financial Statement are made on prudent basis, so as to reflect a true and fair manner.

**7. DEPOSITS**

During the year under review, your Company did not invite any deposits covered under Chapter V of the Companies Act, 2013.

**8. EXTRACT OF THE ANNUAL RETURN**

The extract of the annual return in Form MGT-9 is enclosed herewith as Annexure C, forming part of this report.

**9. CORPORATE GOVERNANCE REPORT**

Your company always place major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organisation's corporate governance philosophy is directly linked to high performance.

The company is committed to adopting and adhering to established world-class corporate governance practices. The company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large, and strives to serve their interest, resulting in creation of value and wealth for all stakeholders.

The compliance report on corporate governance and a certificate from M/s S.N.Dhawan & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, regarding compliance of the conditions of Corporate Governance, as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached herewith as Annexure VI to this report.

**10. DIRECTORS' RESPONSIBILITY STATEMENT**

As required by Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and judgments and estimates that are responsible 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 and of the loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other regulates;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**11. STATUTORY AUDITORS**

The Current Statutory Auditors, viz, M/s S.N. Dhawan & Co LLP, Chartered Accountants(FRN No.000050N) were last re-appointed by the members at their Annual General Meeting held on September 28,2016 to hold office of the auditor from the conclusion of the 31<sup>st</sup> Annual General Meeting till the conclusion of this 32<sup>nd</sup> Annual General Meeting.

As per the provisions of Section 139 of the Companies Act, 2013, no listed company shall appoint an audit firm as auditor for more than two terms of five consecutive years. The Act also provided for an additional transition period of three years from the commencement of the Act i.e. April 1,2014. The current Statutory Auditors had completed a period of ten years at the commencement of the said Act, hence on their completing the additional transition period of three years provided under the Act, the terms of the current Statutory Auditors expires at the conclusion of the ensuing Annual General Meeting.

The Board at its meeting held on August 17, 2017 based on the recommendation of the Audit Committee has recommended the appointment of M/s Jagdish Chand & Co, Chartered Accountants (FRN No.000129N.), as the Statutory Auditors of the company to hold office for a term of five consecutive years from the conclusion of 32<sup>nd</sup> Annual General Meeting until the conclusion of 37<sup>th</sup> Annual General Meeting subject to ratification of their appointment by the members at every subsequent Annual General meeting or as may be prescribed, at such remuneration to be decided by the Board on the recommendation of the Audit Committee, in consultation with the said Auditors.

M/s Jagdish Chand & Co(FRN No.000129N.),Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act and that they are not disqualified to be appointed as Statutory Auditors in terms of Section 143 of the Act.

## 12. AUDITORS' REPORT

The Comments on statement of accounts referred to in the report of the Auditors are self explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

## 13. 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, your Company has re-appointed M/s Anjali Yadav & Co. Company Secretaries as Secretarial Auditor of the Company for the FY16-17 to undertake Secretarial Audit of the Company. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. Secretarial Audit Report given by Secretarial Auditor is annexed with the report as Annexure D.

## 14. INTERNAL AUDITOR

The Internal audit of the company has been entrusted to Mr. S.K.Aggarwal, Chartered Accountant. The Company has in place adequate and effective internal financial controls with reference to the financial statement and is commensurate with its size, scale and complexities of its operations. With a strong internal control culture in the company, the internal Auditor monitors the compliance with the objective of providing information to the Audit Committee. The Audit Committee periodically reviews the internal control systems with the managements, Internal Auditors and Statutory Auditors and the adequacy of internal audit function, significant internal audit findings and follow up thereon, if any.

## 15. BOARD

The Company Secretary, in consultation with the Chairman, prepares the agenda of the Board Meeting which is intimated seven (7) days in advance in writing to the members prior to the meeting in order to permit adequate review. The Company Secretary records minutes of each meeting and draft minutes are circulated to all members of the Board well in advance.

## 16. COMMITTEES OF BOARD

- a. Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various Committees of Board such as Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The details of Composition of these committees are as follows:-

### i. Audit Committee

The Audit Committee of the company has been reconstituted and as on the date of signing of this report comprises of four (4) Directors, namely, Sh.Rajiv Gupta (Chairman), Sh. Arun Mitter, (Independent Director) , Sh. Sharad Aggarwal, (Independent Director) and Ms. Sumana Verma, Director. Sh. Arun Mitter (Independent Director) is Chairman of the Audit Committee.

The Board accepts recommendations of the Audit Committee

### ii. Nomination & Remuneration Committee

Nomination & Remuneration Committee has been reconstituted and as on the date of signing of this report comprises of four (4) Directors, namely, Sh.Rajiv Gupta (Chairman), Sh. Arun Mitter, (Independent Director), Sh. Sharad Aggarwal, (Independent Director) and Ms. Sumana Verma, (Director). Sh. Arun Mitter is Chairman of the Committee.

The Board accepts recommendations of the committee based on the policy as is required under Section 178(4) of the Act in the matter of appointment/ re-appointment of the Directors, Senior Managers and fixation of remuneration, etc.

### iii. Stakeholders Relationship Committee

Stakeholders Relationship Committee as on the date of signing of this report comprises of three(3) Directors, namely Sh. Rajiv Gupta (Chairman), Sh.Sharad Aggarwal, (Independent Director) and Ms. Sumana Verma, (Director). Sh. Sharad Aggarwal is the Chairman of the Committee.

The Committee looks into and resolves the grievances of the stakeholders, and as on the date of signing this report, there are no issue which remains to be resolved.

**iv. Risk Management Committee**

Risk Management Committee comprises of two (2) Directors, namely, Sh. Arun Mitter, (Director) and Sh. Sharad Aggarwal (Independent Director). Sh. Arun Mitter is the Chairman of the Committee.

**b. WHISTLE BLOWER POLICY**

The Company has formulated a vigil mechanism through Whistle Blower Policy to deal with instances of unethical behaviors, actual or suspected, fraud or violation of Company's code of conduct or ethics policy. The details of the policy are explained in the Corporate Governance Report and also posted on the website of the Company, i.e. [www.indialease.com](http://www.indialease.com)

**17. SEPARATE MEETING OF INDEPENDENT DIRECTORS**

In terms of requirements under Schedule IV of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on March 03, 2017.

The Independent Directors at the meeting, inter alia, reviewed the following:

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairperson of the Company, taking into account the views of other Directors.
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonable perform their duties.

**18. DECLARATION BY INDEPENDENT DIRECTORS**

In terms of Section 149(7) of the Companies Act, 2013, every Independent Director of the Company has submitted a declaration that they meet the criteria of Independence.

**19. FORMAL ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board is required to carry out annual evaluation of its own performance and that of its committee and individual Directors. The Nomination and Remuneration Committee of the Board is also required to carry out evaluation of every Director's performance. Accordingly, your Company has carried out the performance evaluation during the year under review.

**20. KEY MANAGERIAL PERSONNEL**

During the year under review, the company has identified following persons as Key Managerial Personnel.

S. No.	Name of the Person	Designation
1.	Rajiv Gupta	Chairman
2.	Arun Mitter	Director
3.	Rohit Madan	Manager & Company Secretary

**21. REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee, Laid down a Nomination & Remuneration Policy for selection and appointment of the Directors, Key Managerial Personnel and Senior Management and their remuneration. The extract of the Nomination and Remuneration Policy provided in the Corporate Governance Report forms part of Board's Report.

**22. MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

**23. SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS.**

No significant material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**24. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no change in the nature of business of your Company during the year under review.

**25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required by Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report is presented in separate section forming part of the Annual Report.

**26. MEETING OF THE BOARD OF DIRECTORS**

A calendar of meetings is prepared and circulated in advance to the Directors. During the year, seven Board meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of All Board/Committee meetings held are given in the Corporate Governance Report.

**27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the year under review, your Company has not given any fresh loan or guarantee which is covered under the provisions of Section 186 of the Companies Act, 2013.

**28. RELATED PARTY TRANSACTIONS**

During the year, under review the company had not entered into any fresh contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions. Suitable disclosure as required by the applicable Accounting Standards has been made in the notes to the financial statements. The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

**29. PARTICULARS OF EMPLOYEES**

There are no employees who are in receipt of remuneration which, inter-alia, requires the Company to furnish the particulars of Employees as required under Section 197(2) of the Companies Act, 2013 read with Rule, 5(1)(2)&(3) of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014.

**30. SEXUAL HARASSMENT AT WORKPLACE**

Your Company has in place a formal policy for prevention of sexual harassment of its employees at work place. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**31. BUSINESS RESPONSIBILITY REPORT**

As per Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, the company is not failing in the criteria i.e. top 500 listed companies based on market capitalization and as such, Business Responsibility Report is not applicable.

**32. LISTING AGREEMENT**

The Listing fee for the year 2017-18 has already been paid to the credit of the Stock Exchange.

**33. CSR COMMITTEE**

In view of accumulated losses for the last three years formation of Committee for Corporate Social Responsibility is not applicable. In view of the same CSR Committee has not been constituted.

**34. DEMATERIALIZATION**

Members who have not yet got their shares dematerialized, are requested to opt for the same in their own interest and send their certificate through Depository(s) with whom, they are having dematerialized account, to the company's registrar and transfer agents, M/s Alankit Assignments Limited, Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi-110055.

Further, the SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the company also.

**35. TRANSFER/TRANSMISSION/TRANSPPOSITION OF SHARES**

The Securities and Exchange Board of India (SEBI), vide its Circular NO.MRD/DOP/Cir-05/2009 dated 20<sup>th</sup> May 2009 and



Circular No. MRD/DOP/SE/RTA/Cir-03/2010 dated 7<sup>th</sup> January, 2010 made it mandatory that a copy of the PAN Card is to be furnished to the company in the following cases:-

- Registration of physical transfer of shares
- Deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders
- Transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder: and
- Transposition of shares where order or names of shareholders are to be changed in physical shares held jointly by two or more shareholders.

Member(s), therefore, are requested to furnish the self attested copy of PAN CARD, at the time of sending the physical share certificate(s) to the Registrar and Transfer Agent of the company, for effecting any of the above state requests. Members are also requested to keep record of their specimen signature before lodgment of shares with the company so as to avoid probability of mismatch at a later date.

### 36. NOMINATION FACILITY

Provisions of Section 72 of the Companies Act, 2013 read with the rule 19(1) of the rules made there under extends nomination facility to individuals holding shares in the physical form. To help the legal heirs/successors get the shares transmitted in their favour, shareholder(s) are requested to furnish the particulars of their nomination in the prescribed Nomination Form. In case, any of the members wish to avail facility (Form SH-13), they are requested to send the duly completed form to the Registrars and/or at the Registered Office of the company. Member(s) holding shares in Dematerialized form are requested to register their nominations directly with their respective depository.

### 37. E-MAIL ID FOR INVESTOR'S GRIEVANCES

In compliance of Regulation 2(j) of SEBI (LODR) Regulations, 2015 the company has designated an e-mail address i.e. **ildcomplaints@indialease.com** for the purpose of registering complaints by investors for redressal of their grievances.

### 38. CONSOLIDATION OF FOLIOS

Members who may have more than one folio in their individual name or jointly with other persons mentioned in the same order, are requested to write to the Registrars and Share Transfer Agents indicating the folio numbers for consolidation of similar holding under one folio.

### 39. CEO/CFO CERTIFICATION

The CEO and the CFO of the company have certified to the Board with regard to the compliance made by them in terms of Regulation 17(8) of SEBI (LODR) Regulation, 2015.

### 40. Conservation of energy, Technology, Absorption and Foreign Exchange earnings/ Outgo

In terms of the requirements of clause (m) of sub section(3) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the particulars are given as under:-

a) Technology	-	It is not applicable	
b) Conservation of Energy		-do-	
c) Transactions in Foreign Currency:	31.03.2017		31.03.2016
a) Expenditure in Foreign Currency	-		-
i) Repayment of Foreign Currency Loan	-		-
ii) Interest on Foreign Currency Loan	-		-
iii) Travelling Expenses	-		-
b) Shares held by Non Resident Shareholders	5960		6947
No. of Shareholders	13		15

The Company had no earnings in foreign exchange.

**41. Acknowledgements**

Directors place on record their thanks for the assistance and cooperation received from Banks and all other customers for their continued support and patronage.

Your Directors also wish to place on record the dedicated and devoted services rendered by all personnel of the Company.

For and on behalf of Board of Directors  
**For India Lease Development Limited**

**Place:** New Delhi  
**Date:** August 17, 2017

**Rajiv Gupta**  
Chairman  
DIN:00022964