

LEAD FINANCIAL SERVICES LIMITED

BOARD OF DIRECTORS

P.C. Bindal
Chairman

Sanjay Kumar Agarwal
Director

Pradeep Kumar Jain
Director

Kusha Bindal
Director

BANKERS

ICICI Bank
2212/61, Gurudwara Road,
Karol Bagh, New Delhi

STATUTORY AUDITORS

G.C. Sharda & Co.
Chartered Accountants
New Delhi

REGISTERED OFFICE

Lead Financial Services Limited
101, Sita Ram Mansion, 718/21, Joshi Road, Karol Bagh,
New Delhi-110005 Tel. 23549822-24 Fax. 23623829
email : lead_financial@rediffmail.com Website : www.leadfinancialservices.in
Cin : L74140DL1993PLC053485

REGISTRAR & TRANSFERS AGENTS

Beetal Financial & Computer Services Private Limited,
Beetal House, 3rd Floor, 99, Madangir,
B/4, Local Shopping Centre, New Delhi-110062
Tel: 011-29961281, 29961282, Fax: 011-29961284,
E-Mail ID: beetal @ beetalfinancial.com,
Website: www.beetalfinancial.com

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LEAD FINANCIAL SERVICES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 23rd Annual General Meeting of the members of Lead Financial Services Limited will be held on Monday, the 26th day of September, 2016 at 10:30 a.m. at 304, Sita Ram Mansion, 718/21, Joshi Road, Karol Bagh, New Delhi-110005, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2016 together with Reports of the Board of Directors and the Auditors thereon.
2. To appoint director in place of Mr. Padam Chandra Bindal (DIN: 00004769) who retires by rotation and being eligible offers himself for reappointment.
3. To ratify the appointment of M/s. G.C. Sharda & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of 24th Annual General Meeting of the Company at such remuneration and such terms and conditions as may be mutually agreed upon by the board of directors of the company or a committee thereof and the auditors.

Special Business

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, read with Schedule V to the Companies Act, 2013, the remuneration of Mr. Vijay Kumar, Manager of the Company be and is hereby increased upto Rs.20,000/- per month, w.e.f 1st October 2016, upto the remaining tenure of his appointment, on the following terms and conditions as approved by nomination and remuneration committee of the Board:

- i. Salary upto Rs.20,000/- (Rupees Twenty Thousand only) per month.
- ii. Contribution to the provident fund, family benefit fund, superannuation fund as per rule of the Company.
- iii. Gratuity as per rules of the Company.

RESOLVED FURTHER THAT all other terms and conditions of appointment of Vijay Kumar as approved earlier by the Members, shall remain unchanged.

RESOLVED FURTHER THAT Net profit for this purpose shall be as per computation of net profit as per Section 198 of the Companies Act, 2013 and the remuneration package is well within the overall limit prescribed under Schedule V to the Companies Act, 2013, which permits the company to pay overall managerial remuneration upto 10% of net profit to Managing director/ Whole Time Director/Manager in any financial year with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said remuneration as it may deem fit and as may be acceptable to Mr. Vijay Kumar, subject to the same not exceeding the limits specified under Section 197 and Schedule V to the Companies Act, 2013 or such other limits as may be prescribed from time to time or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable and to settle any questions, or doubt that may arise in relation thereto including to decide breakup of the remuneration."

By Order of the Board of Directors
For Lead Financial Services Limited

Place : New Delhi
Dated: 12.08.2016

Chetan Sharma
Company Secretary
Membership No.: 23055

NOTE:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 4 of the Notice, is annexed hereto.
2. The Register of Members and the Share Transfer books of the Company will remain closed from 20th day of September, 2016 to 26th day of September, 2016 (both days inclusive).

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3. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of Companies Act, 2013, of the person seeking re-appointment/change in terms, areas under:

Particulars	Name of Directors	
	Mr. Padam Chandra Bindal	Vijay Kumar
Date of Birth	05/06/1960	19/05/1955
Date of appointment	28/11/1994	21/12/2013
Expertise in specific areas	Mr. Bindal has over three decades of experience in finance, capital markets and administration.	Mr. Vijay Kumar has good managerial skills, efficiency and leadership quality. He has a wide knowledge in commercial activities, finance, procurement, marketing and routine work of the companies
Qualifications	M.Com., FCA	Graduate
Shareholdings in the company as on 31.03.2016	5.92%	NIL
Inter se relationship with other Directors	Mr Padam Chandra Bindal and Ms Kusha Bindal are related to each other.	NIL
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board; and	NIL	NIL

4. Keeping in view of "Green Initiative in Corporate Governance" taken by Ministry of Corporate Affairs vide their circular no. 17/2011 dated 21/04/2011 and 18/2011 dated 29/04/2011, your Company has decided to send henceforth, all documents, required to be sent to the shareholders like General Meeting Notice (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report etc. in electronic form on the e-mail Id provided and made available to us by the Depository. In case you have not registered your E-mail ID or you desire to have different E-mail ID to be registered, please update the same with your Depository Participant and E-mail us also at lead_financial@rediffmail.com. Members may note that this Notice and the Annual Report 2015-16 will also be available on the Company's website viz. www.leadfinancialservices.in.
5. All documents referred to in the accompanying notice and the explanatory statement are open for inspection at the registered office of the Company during working day, except Saturdays, in office hours from 10 A.M. upto 5.00 P.M.
6. **A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the commencement of the AGM.** Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
7. Members are requested to bring their ID cards and attendance slip along with their copy of the Notice of the Meeting.
8. The notice is being sent to all the members, whose names appeared in the register of members/ Record of RTA as on the close of business hours on 12th August, 2016 (Record Date). Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the member as on record date.
9. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
10. In accordance with provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended from time to time, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the business proposed for the Annual General Meeting, may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("remote e-voting") to its members.
11. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide remote e-voting facilities and for security and enabling the members to cast their vote in a secure manner.
12. It may be noted that this remote e-voting facility is optional. The remote e-voting facility will be available at the link <https://www.evotingindia.co.in> during the following voting period.
- Commencement of remote e-voting: From 9.00 a.m. of September 23rd 2016, Friday end of remote e-voting upto at 5.00 p.m. of September 25th 2016, Sunday**
13. Remote e-voting shall not be allowed beyond 5.00 p.m. of **September 25th 2016, Sunday**. During the remote e-voting period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The cut-off date for the limited purpose of remote e-voting is 19th September, 2016.
14. The login ID and password for remote e-voting along with process, manner and instructions for remote e-voting is being sent to the members who have not registered their e-mail IDs with the Company along with physical copy of the notice.

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15. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for remote e-voting along with process, manner and instructions by e-mail.
16. The Company has, in compliance with Rule 20 of the Companies (Management and Administration) Rules, 2014, appointed CS Pooja Anand/ CS Mukul Tyagi of M/S Pooja Anand & Associates, Company Secretaries in practice, as Scrutinizer (as consented by him to be appointed as scrutinizer) for conducting the electronic Process in a fair and transparent manner.
17. Members are requested to intimate immediately any change in their address or other mandates to their Depository Participants with whom they are maintaining their Demat accounts. The Company or its Registrar and Transfer Agent cannot change mandates for shares in electronic form.
18. Non-resident Indian Members are requested to inform Company's Share Registrar – Beetal Financial & Computer Services (P) Limited immediately for the change in the residential status on return to India for permanent settlement;
19. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Company's Registrar.
20. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the communication from the Company electronically.
21. Shareholders seeking any information or clarification on the accounts are requested to send written queries to the Company, at least 10 days before the date of the meeting, to enable the management to keep the required information available at the meeting.

22. Voting through electronic means:

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote for the resolution proposed at the Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the remote e-voting facility, and a member may avail of the facility at his/her/it discretion, subject to compliance with the instructions prescribed below:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **9.00 a.m. of September 23rd 2016, Friday** > and ends on **<5.00 p.m. of September 25th 2016, Sunday** >. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **<19th September, 2016>**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy) as recorded in your demat account or in the company records in order to login</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the number of id/folio number in the Dividend Bank details field as mentioned in Instruction iv

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

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- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolution(s) contained in this Notice.
 - (xi) Click on the EVSN for the relevant <LEAD FINANCIAL SERVICES LIMITED> on which you choose to vote.
 - (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xvii) If a Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
23. The shareholders can opt for only one mode of voting, i.e. either physically by attending AGM or remote e-voting. If any shareholders opt for remote e-voting, he/she will not be eligible to vote physically in AGM.
24. The scrutinizer shall within a period of not exceeding three days from the conclusion of the AGM unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
25. The results of the remote e-voting along with the scrutinizer's report shall be communicated to the stock exchanges where the shares of the Company are listed.
26. Route Map for venue of Annual General Meeting is also annexed.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.4

At the Annual General Meeting of the Company held on 29th September, 2014, the Members had approved the appointment of Mr. Vijay Kumar, as Manager for a term of 5 years with effect from 21st December, 2013 on a remuneration upto Rs. 15,000 per month. Upon recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company has now proposed to revise the maximum remuneration payable to Mr. Vijay Kumar upto Rs. 20,000 per month with effect from 1st October, 2016 for the remaining tenure of his appointment till 20th December, 2018. However, at any point of time, the remuneration paid to Mr Vijay Kumar shall not exceed the limits specified under Section 197 and Schedule V to the Companies Act, 2013

Except Mr. Vijay Kumar being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

The resolution and explanatory statement be treated as an abstract under section 190 of Companies Act, 2013.

Statement as per Section II Clause A of Part II of Schedule V of the Companies Act, 2013 is enclosed with Notice.

By Order of the Board of Directors
For Lead Financial Services Ltd

Chetan Sharma
Company Secretary
M No. 23055

Place: New Delhi
Date: 12.08.2016

LEAD FINANCIAL SERVICES LIMITED

A. Statement as per Schedule V Part II Section II of the Companies Act, 2013

To

The Members

Lead Financial Services Limited

Your Directors are presenting statement as per Schedule V of the Companies Act, 2013 with respect to increase in remuneration payable to Mr.Vijay Kumar, Manager of the Company.

I. GENERAL INFORMATION

- (1) Nature of Industry : Non Banking Financial Company
 (2) Year of Commencement of commercial production : 1993
 (3) Financial Performance :

Financial Parameters	2013-2014	2014-2015	2015-2016
Total Revenue	4,331,013	7,015,359	9,330,416
PAT	1,424,819	1,992,464	677,498

- (4) Foreign Investment or collaboration, if any: NIL

II. INFORMATION ABOUT THE WHOLE TIME DIRECTOR

- (1) Background Details : Mr. Vijay Kumar was appointed as Manager of the Company w.e.f. 21st December, 2013 for five years.
 (2) Past remuneration : upto Rs. 15,000/- pm
 (3) Recognition or awards : Mr. Vijay Kumar has good managerial skills, efficiency and leadership quality. He has a wide knowledge in commercial activities, finance, procurement, marketing and routine work of the companies.
 (4) Job profile and his suitability : Job profile includes whole time attention to the day to day affairs of the business of the Company; looking overall administration in the best interest of the Company and guiding the Company to the next level of success.
 (5) Remuneration proposed : upto Rs. 20,000/- per month w.e.f. 01stOctober,2016
 (6) Comparative remuneration profile : The remuneration payable has been benchmarked with the remuneration being drawn by similar positions in Companies having Business of comparable size in the Industry.
 (7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. : Mr. Vijay Kumar has no pecuniary relationship directly or indirectly with the company except to the extent of his Remuneration.

III. OTHER INFORMATION

- (1) **Reasons of loss or Inadequate profits:** In the last financial year-2015, the Company has earned net profit after tax of Rs. 19,92,464. Due to adverse market conditions, subdued economy and wild fluctuations in stock market the company could not earn the profits sufficient to pay whole of the salary of Mr.Vijay Kumar .
 (2) **Steps taken or proposed to be taken for improvement:** Your Management is in continuous process to cop-up with the market trend, to increase the profits of the Company.
 (3) **Expected increase in productivity and profits in measurable terms:** The Company always believes in increasing its potential to face future challenges and enhance competitive position in the Business today.

IV. REMUNERATION PACKAGE OF MR. VIJAY KUMAR

Mr. Vijay Kumar will be entitled to the Salary upto Rs. 20,000/- per month.

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DIRECTORS' REPORT

To,

The Members

Lead Financial Services Limited

Your Directors have immense pleasure in presenting their 23rd Annual Report on the business and operations of the Company and Audited Accounts for the Financial Year ended March 31, 2016.

1. FINANCIAL RESULTS:

The Financial results of the Company during the period ended on 31st March, 2016 are as under:

PARTICULARS	(Rs in Lacs)	
	CURRENT YEAR (2015-16)	PREVIOUS YEAR (2014-15)
1. Total Income	93.30	70.15
Less: i) Operating, Administrative & other Exp.	75.51	19.41
2. Earning before interest and depreciation		
Less: i) Interest	3	3
ii) Depreciation	9.47	18.63
3. Profit before Extra-ordinary item	5.32	29.11
Add: Extra-ordinary item	2.02	-
3. Profit before Tax	7.34	29.11
Less: provision for Tax		
i) Current	1.45	8.90
ii) Deferred	0.48	(0.02)
iii) Earlier year Tax	.09	0.31
iv) MAT Credit	(1.45)	-
4. Profit after Tax	6.77	19.92
Add: Balance of Profit as per last Balance Sheet	95.31	79.49
Less: Adjustment of depreciation on account of change in estimated life of fixed assets	-	(0.12)
Less: Transfer to Statutory Reserve	(1.35)	(3.98)
5. Balance available for appropriation	121.55	114.77
2. Dividend		

Your Directors regret their inability to recommend any dividend in view of low profits and requirement of the funds for expansion of business during the financial year under review.

3. Performance Review

During the Financial year under review, your company achieved total income of Rs. 93.30 Lacs as compared to Rs.70.15 Lacs in the previous year. Net profit (after tax) for the year is Rs. 6.77 Lacs as compared to net profit of Rs. 19.92 Lacs in the previous year. Your directors are undertaking the initiatives to improve the financial results in the coming years.

4. Management And Discussion Analysis

Industrial Structure and Development

The Indian economy has weathered many challenges successfully in recent times. Markets are optimistic, as a result of various policy measures announced or taken by the Government.

In FY 2015-16, the Government focused on its theme "Transform India". The Budget for FY 2016-17 preferred fiscal prudence and stability over growth. The priorities of the Government were to provide additional resources for the vulnerable sections of society, to rural areas and for creating social and physical infrastructure. The Government encouraged private and public spending, but private investment is not likely to recover in FY 2016-17 as there is significant unutilized capacity and private sector Balance Sheets are stretched. By maintaining fiscal deficit at 3.5%, the Government has precluded the possibility of any direct fiscal stimulus. The positive effect of the Government's fiscal discipline is that it has created conditions for the Reserve Bank of India ("RBI") to cut rates, thereby indirectly benefiting the economy by bringing down the cost of borrowing for both the Government and the private sector. The RBI started cutting rates in FY 2015-16, the transmission of which is likely to happen in FY 2016-17.

The banking system in India saw a major shift with the RBI ending forbearance in April 2015 and, through the Asset Quality Review process, ensuring that banks were taking proactive steps to clean up their Balance Sheets by March 2017. In all adversity, there is opportunity and as a result of the stressed bank Balance Sheets, the NBFC sector has a significant opportunity to grow. NBFCs do not have the NPA problem of the magnitude of that of the banks and are already operating under strict

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regulatory supervision. The NBFC sector is likely to report higher NPAs in the initial period as it moves to the 90+ recognition norm, but the sector as a whole will emerge stronger after the implementation of these initiatives. Additionally, SARFAESI cover and a new bankruptcy code would make collections through the judicial system much simpler.

A normal monsoon and further rate cuts by RBI are expected to facilitate rural and urban consumption. The year ahead will be challenging on many fronts, credit quality and shifts in operating model, to name a couple. Each individually, and all of them collectively, have the ability to change the face of the financial services sector. The NBFC sector appears to be best placed to take advantage and succeed in this changing environment.

Outlook Risk and Concern

The Outlook of the Company for the year ahead is to diversify risk and stabilize its asset quality. Credit risk, Market risk, Operational risk and Liquidity risk are the key risks faced by the Company. The Company takes risk management seriously and in process to set the procedures and policies in the area for the assessment and management of individual risk categories.

Except for some unforeseen and extreme event, the Company is well placed on the liquidity front and appropriate policies exist for underwriting credit risk. The Company endeavors to continuously learn and modifies its policies to manage the aforementioned risks.

Opportunities and threats

There are several large and profitable opportunities for NBFCs and the sector plays an important role in the Indian financial system. The key is for the NBFC sector to grow in a prudential manner while focusing on financial innovation and in having in place, the adequate risk management systems and procedures before entering into risky areas.

It will be critical to retain talent at the right cost for effectively building a high performance organization with an engaged and young workforce. Adequate funding at the right cost and tenure will be critical to achieve business growth.

Adequacy of Internal Control System

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by qualified personnel for reviewing the adequacy and efficacy of the Company's internal controls, including its systems and processes and compliance with regulations and procedures. The Company's internal control system is commensurate with the size, nature and operations of the Company.

Financial Performance

Operational Results 2014-15 versus 2015-16

Particulars	(Rs. in Lacs)	
	2014-15	2015-16
Total Revenue	70.15	93.30
Interest & Financial Charges	3.02	3.01
Expenses	19.40	65.50
Depreciation	18.62	9.47
Total Expenditure	41.04	87.98
Profit Before Tax (PBT)	29.11	7.34
Provision for Tax	9.18	.57
Profit after Tax (PAT)	19.92	6.77
Equity Capital	330	330
Reserves & Surplus	114.77	121.55
Earnings Per Share	0.60	0.21

5. Segment wise Performance:

Company operates only in one segment.

6. Material Changes:

There are no material changes and commitments, affecting the financial position of the company between the end of financial year of your Company and the date of Director's Report.

7. Details in respect of adequacy of internal financial controls with reference to the Financial Statements:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were checked and no reportable material weaknesses were observed.

8. Details of Subsidiary/Joint Ventures/Associate Companies

The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year.

Not Applicable

Performance & Financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.

Not Applicable