

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Hozef Abdulhussain Darukhanawala	Managing Director
Mrs. Durriya Hozef Darukhanawala	Director
Dr. Nathmal Gokuldas Lohia	Independent Director
Dr. Sadhana Pai	Independent Director
Ms. Anjum Bahar Syed	Chief Financial Officer

REGISTERED OFFICE

4, Akash Deep, Ground Floor, TPS VI
1st Road, Milan Subway, Santacruz (West)
Mumbai- 400 054
Tel: +91 22 26613184
Email: mm.moneymasters@gmail.com
Website: www.moneymasters.in

BANKERS

DCB Bank Ltd
Central Bank of India
Bombay Mercantile Cooperative Bank Ltd
Samata Sahakari Bank Ltd
United Bank of India

STATUTORY AUDITORS

M/s. Meena N. Shetty & Co.,
Chartered Accountants,
4, NavjivanGrih, Gr. Floor, S.V. Road,
Santacruz (West), Mumbai – 400 054

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. Universal Capital Securities Pvt. Ltd.
21/25 Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai - 400 093.
Tel: (022) 2820 7203/7205
Fax: (022) 2820 7207
E-mail: info@unisec.in

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NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of **Money Masters Leasing & Finance Limited** will be held on Saturday, August 12, 2017 at 2.00 p.m. at 4, Akash Deep, Ground Floor, TPS VI 1st Road, Santacruz (West), Mumbai - 400 054 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31, 2017, the Profit and Loss Account for the year ended as on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Duraiya Hozef Darukhanawala(DIN: 00177073), who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.
3. **Appointment of Statutory Auditor of the Company:**

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

“RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Varsha Sanghai & Co., Chartered Accountants., (Firm Registration No. 063381), be and is hereby appointed as Auditors of the Company to hold office for five consecutive years, from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty Sixth Annual General Meeting of the Company to be held in the year 2022 and to fix their remuneration for the financial year ending 31st March, 2018 as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS:

4. Issue of Redeemable Preference Shares worth Rs. 3,00,00,000/- (Rupees Three Crore Only)

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

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT in pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment hereof for the time being in force), and in accordance with the provisions of the Articles of Association of the Company, the Listing Obligation and Disclosure Regulation, the guidelines and clarifications issued by the Securities and Exchange Board of India and any other statutory/regulatory authorities, and subject to such consents, approvals, permissions or sanctions as may be required under any legislation or rules and regulations for the time being in force and subject to the necessary approvals of the Government of India, Reserve Bank of India and all other appropriate authorities and institutions, if any, and subject to such other terms, conditions, stipulations, alterations, amendments or modifications as may be required, specified or suggested by any of the concerned authorities or bodies; consent and approval of the members of the Company be and is hereby accorded to the Board to offer, issue and allot upto 7% Cumulative Redeemable 30,00,000 Preference Shares of the Company of Rs. 10/- each at par on preferential basis to Promoters and Non Promoters on such terms and conditions as the Board may deem fit;

RESOLVED FURTHER THAT the said preference shares shall be issued and allotted on the following terms and conditions in terms of Rule 9 of Companies (Share capital and Debentures) Rules 2014:

- a. Each Preference shares shall carry a preferential right Vis-a-Vis equity shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital.
- b. Each Preference share shall be non-participating in the surplus funds
- c. Each Preference Share shall be paid dividend on cumulative basis
- d. Each Preference Share shall be redeemable after a period of not exceeding ten years from the date of its allotment
- e. Each Preference Shares has voting rights only in respect of certain matters as per provisions of Section 47(2) of the Companies Act, 2013

RESOLVED FURTHER THAT to give effect to the aforesaid resolution, the Board be and is hereby authorized to delegate all or any of the powers herein conferred on it to any of its Directors or any other officer(s) of the Company and for the purpose of giving effect to this resolution, the Board acting on its own or through any of its Directors or any other person duly authorized in this regard by the Board, be and is hereby authorized to accept and make in the interest of the Company all such modifications and alterations to the aforesaid issue, and do all such acts, deeds, matters and things as may be deemed necessary and settle any or all questions / matters arising with respect to the issue and allotment as may be necessary for the purpose of giving effect to the aforesaid resolution, take such further steps as may be considered desirable or expedient by the Board or any such authorized person in the best interest of the Company and its shareholders."

5. Increase in Authorised Share Capital by Rs. 3,00,00,000/- (Rupees Three Crores Only):

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

RESOLVED THAT pursuant to provisions of Section 13, 64 and other applicable provisions, if any, of the Companies Act, 2013; the authorized share capital of the company be and is hereby increased from Rs.10,00,00,000/- (Rupees Ten Crore only) Divided into 53,00,000 (Fifty Three Lacs) Equity Shares of Rs. 10/- each and 47,00,000 (Forty Seven Lacs) 7% Redeemable Preference Shares of Rs. 10/- each to Rs. 14,00,00,000/- (Rupees Fourteen Crore Only) divided into 53,00,000 (Fifty Three Lacs) Equity Shares of Rs. 10/- each and 87,00,000 (Eighty Seven Lacs) 7% Redeemable Preference Shares of Rs. 10/- each by creation of 40,00,000 (Forty Lacs) 7% Preference Shares of Rs. 10/- each with a power of company to increase, reduce or modify the capital and to divide all or any of the shares in the capital of the company, for the time being, and to classify and reclassify such shares from shares of one class into shares of other class or classes and to attach thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions as may be determined by the company in accordance with the Articles of Association of the company and to vary, modify or abrogate any such rights, privileges, conditions or restrictions, in such manner and by such persons as may, for the time being, be permitted under the provisions of the Articles of Association of the company or legislative provisions for the time being in force in that behalf

RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and 61 and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof) and the rules framed thereunder the consent of the Members be and is hereby accorded for substituting Clause V a) of the Memorandum of Association of the Company with the following clause.

- VI “The Authorized Share Capital of the Company Rs. 14,00,00,000/- (Rupees Fourteen Crores Only) divided into 53,00,000 (Fifty Three Lakh) equity shares of Rs. 10/- (Rupees Ten Only) each and 87,00,000 (Eighty Seven lacs) Preference Shares of Rs. 10/- (Rupees Ten Only) each with the rights, privileges and conditions attaching thereto as are provided in the Articles of Association of the Company with power to increase and reduce the Capital of the Company and divide the Shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 1956, or provided in the Articles of Association of the Company of the time being”

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof of the Board be and is hereby authorized to take such steps as may be necessary in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.”

Date: May 29, 2017
Place: Mumbai

On behalf of Board of Directors of
Money Masters Leasing & Finance Limited
Sd/-
Hozef Darukhanawala
Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote at AGM on his behalf. A proxy need not be a member of the Company. A person can act as proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of the total Equity Share Capital of the Company. Any Member holding more than 10% of the total Equity share capital of the Company may appoint a single person as a proxy and in such a case, the said person shall not act as a proxy for any other person or member. The instrument appointing proxy should be duly completed and in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. (Proxy form MGT-11 is annexed herewith).
2. The Company's Registrar and Share Transfer Agent for its Share Registry work (Physical and Electronic) are Universal Capital Securities Private Limited, having their office premises at 21, ShakilNiwas, Opp. Satya Sai Baba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400 093.
3. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of Equity Shares of the Company will remain closed from August 10, 2017 to August 12, 2017 (Both days inclusive).
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
6. Members are requested to notify immediately about any change in their address / e-mail address /dividend mandate / bank details to their Depository Participant (DP) in respect of their shareholding in Demat mode and in respect of their physical shareholding to the Company's Registrar and Share Transfer Agent.
7. Members who are desirous of seeking any further information or clarification, if any, particularly with regard to the accounts are requested to write to the Company at least ten days in advance of the meeting so that the information can be made available at the meeting.
8. The copies of Annual Report are being dispatched to all the shareholders as are appearing in the register of members as on July 14, 2017.
9. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ Demat form, the members may please contact their respective depository participant.
10. The Securities and Exchange Board of India (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 their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the Company or the Company's Share Registrars and Transfer Agents.
11. Members are requested to give their valuable suggestions for improvement of the services and are also advised to quote their E-mail Id's, telephone / facsimile no. for prompt reply of their communications.

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

ITEM NO. 4

The Company is expanding its business operations for which funding is required to be infused in the form of equity or preference shares. The Company has already identified the investors who can contribute to the funds by subscribing to the preference shares of the Company along with promoters of the company. Company seeks to take omnibus approval for issue of Preference Shares, so that it does not have to seek recurring approval for further Issuance. The issue proceeds will be utilized for general corporate purpose including meeting the working capital requirements. Accordingly, Board of Directors in its meeting held on May 29, 2017 has proposed to offer for subscription by way of allotment of preference shares upto 30,00,000 to the allottees as and when need arises, in one or more tranche(s), at face value of Rs. 10/- each. The Special Resolution shall be valid till the holding of the next AGM. The Special Resolution has been proposed under the provisions of section 62 of the Companies Act, 2013 ("the Act") in view of the fact that the shares will be offered to persons who may or may not be the existing members. The shares to be allotted shall be subject to the Memorandum and Articles of Association of the Company and the terms of issue as decided by the Board. The preference shares shall rank pari-passu in all respects and carry the same rights including dividend as the existing preference shares. The Board believes that the proposed offer will be in the best interest of the Company and its members.

Following information is provided in terms of Rule 9(3) of Companies (Share Capital and Debenture) Rules, 2014:

1. the size of the issue and number of preference shares to be issued and nominal value of each share: Issue of 30,00,000 preference shares of Rs. 10/- each at issue price of Rs. 10/- each.
2. the nature of such shares : Redeemable Cumulative Preference Shares
3. the objectives of the issue: General Corporate Purpose and working capital
4. the manner of issue of shares: Preferential Allotment
5. the price at which such shares are proposed to be issued: at face value of Rs. 10/- each
6. the basis on which the price has been arrived at: at face value of Rs. 10/- each as approved by the Board of Directors
7. the terms of issue: 7% Cumulative Preference Shares
8. the terms of redemption: Redeemable at face value within 10 years from the date of allotment
9. the manner and modes of redemption: The proposed shares shall be redeemed out of profits or out of proceeds of fresh issue of preference shares
10. the expected dilution in equity share capital upon conversion of preference shares: N.A.
11. the current shareholding pattern of the company as on 31st March, 2017;

Sr. no.	Category	No. of equity shares	% of shareholding
1.	Promoters	1975100	42.29
2.	Non Promoters	2695483	57.71

The consent of the shareholders is being sought pursuant to the provisions of the Section 62 and other applicable provisions of the Companies Act, 2013, if any, and in terms of the provisions of Listing Obligation and Disclosure Requirement Regulations.

None of the directors/key managerial personnel of the company / their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolution except to the extent of their shareholding in the company and to the extent of promoters being subscribed upto 500000 preference shares out of the above 30,00,000 preference shares.

The board commends the special Resolution set out at item No.4 of the Notice for approval by the shareholders.

Item No. 5:

The existing authorized capital of the company is required to be increased to accommodate new issue and allotment of preference shares as set out in Item no. 4 of this notice. Accordingly the Board has approved to increase in authorized share capital by Rs. 4 crores only. Alteration in Authorised share capital also requires alteration of capital clause of Memorandum of Association of the Company. Accordingly resolution no. 5 is put forth for approval of shareholders.

None of the directors/key managerial personnel of the company / their relatives are, in any way, concerned or interested, financially or otherwise, in the special resolution except to the extent of their shareholding in the company.

The board commends the special Resolution set out at item No.1 and 2 of the Notice for approval by the shareholders.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the resolution except the appointee himself and Mrs. Duraiya Hozef Darukhanawala. The board commends the special Resolution set out at item No.5 of the Notice for approval by the shareholders.

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting their 21st Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

1. FINANCIAL RESULTS:

Particulars (Standalone)	(Amount in INR/lakhs)	
	2016-17	2015-16
Total Income	222.84	245.59
Total Expenditure	177.87	201.42
Profit before exceptional items and Tax	44.96	44.17
Less: Exceptional Items	-	-
Profit before Tax	44.96	44.17
Less: Provision for Tax	11.70	13.17
Profit after Tax	33.26	31.00

2. DIVIDEND:

Your directors have decided to deployed back the profits earned during the year and therefore not recommended any dividend for the current financial year.

3. RESERVES:

There are no amounts transferred to Reserves during the year under review except transfer of Rs. 6,65,315/- to Reserves Funds under Section 45IC of Reserve bank of India Act, 1934. Credit balance of Profit and Loss Account is transferred to "Reserves and Surplus" in Balance Sheet.

4. INFORMATION ON THE STATE OF COMPANY'S AFFAIR:

The Company during the year sanctioned and disbursed 114 auto rickshaws loans & 362 additional repair maintenance small loans for auto rickshaw and 58 other secured loans against hypothecation of computers, equipment, machinery etc. totaling to a tune of Rs 970 lacs. During the year the company collected Rs 977 lacs by way of installments from hire purchase & loan accounts. The company maintained its Asset Financing ratio way above the required RBI norms of 60% of its total assets, hence continuing as NBFC AFC.

5. PERFORMANCE REVIEW:

The Company is engaged in the business of Hire-purchase finance. The net receipts from Operations during the year under review were Rs. 222.84 lacs as against Rs. 245.59 lacs in the previous year. The Profit after tax is Rs. 33 lacs as against Rs.31 lacs in the previous year.

6. SNAPSHOT OF PERFORMANCE:

Particulars	(Amount in INR/lakhs)	
	2016-2017	2015-2016
Deposits and interest payable	-	-
Corporate Deposits	48.73	48.73
Asset Financing and interest receivable	1630.42	1618.22

Your Company has consolidated its Deposits and Asset financing base during the year.

Gross and Net Non-Performing Advances have been Rs. 87.61 lacs and Rs. 62.59 lacs in FY 2015-16. In percentage terms Gross NPAs are now at 4.24 % and Net NPAs are at 3.03 % of total assets. Provision for NPA has been done in accordance to the norm.

Rs 3,75 NPA for which 100% provision was made has been written off during the year. Rs 13.69 lacs has been recovered from the NPA accounts.

7. APPROPRIATIONS:

Appropriations from the net profit after the write offs, write backs and provisioning have been affected as under:

Appropriations	(Amount in INR/lakhs)
Provision for Income tax	11.70
Preference Share dividend and Dividend Distribution tax	25.81
Transfer to Reserves Fund 45IC	6.65

8. MATERIAL CHANGES AND COMMITMENTS BETWEEN END OF FINANCIAL YEAR AND DATE OF REPORT:

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

9. DIRECTORS' RESPONSIBILITY STATEMENT:

As per the clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors' state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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 and of the profit and loss of the company for that period;
- the directors had 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 irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any subsidiary, joint ventures and associate company.

11. SHARE CAPITAL:

The Paid-up Share Capital as on March 31, 2017 was Rs. 9,07,62,830/- comprising 46,70,583 Equity Shares of Rs. 10/- each and 44,05,700 7% CCR Preference Shares of Rs.10/- each.

During the year under review, the Company raised funds through issue and allotment of 9,15,200; 7% CCR Preference Shares of Rs.10/- each at par.

12. CAPITAL ADEQUACY RATIO:

Your Company's total Capital fund to Risk weigh Assets Ratio (CRAR) as on March 31, 2017 stood at 60.80%. (Minimum required by RBI norms 15%).

13. NETWORTH:

Net worth of Company as at March 31, 2017 was Rs.1133.18 lacs comprising of Equity Shares, Preference Shares, Reserves and Share Premium.

14. DEPOSITS:

The company has stopped accepting public deposits since December 2011. And has now registered as Non Deposit accepting NBFC (NBFC-ND)

15. ASSET FINANCING:

The average yield on Advances was 16.5 % pa. The Company was always above the required minimum norm of Asset financing of 60% of Total Assets.

16. INVESTMENTS:

The Company had an Investment portfolio of Rs. 68 lacs as on 31.03.2017 which was invested in Bonds of Government of India

17. KNOW YOUR CUSTOMER (KYC/ANTI-MONEY LAUNDERING (AML) MEASURES:

The Company has been implementing KYC/AML policy as approved by the Board of Directors in accordance with the PMLA 2002 (Prevention of Money Laundering Act 2002) and RBI/IBA (Reserve Bank of India/Indian Bank's Association) guidelines.

18. HUMAN RESOURCES: KEY COMPETITIVE ADVANTAGE:

The Company strongly believes that in a service industry like Banking and finance, it is only through people and their contributions that most of the objectives like offering products to various customer groups and servicing the poor can be achieved. Your Company believes in spreading the risk, and financing self-generating assets like Auto rickshaws, taxis, machineries, equipments etc.

The Management has a healthy relationship with the officers and the Employee.

19. RISK MANAGEMENT POLICY:

The Company has adopted a Risk Management Policy duly approved by the Board and is overseen by the Audit Committee of the Company on a continuous basis to identify, assess, monitor and mitigate various risks to key business objectives.

20. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required by Regulation 34(2)(e) of SEBI (LODR) Regulations, 2015, the Management Discussion and Analysis Report, which forms part of this Annual Report.

22. PREVENTION OF SEXUAL HARASSMENT POLICY:

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up headed by Ms. Anjum Syed to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2016-2017, no complaints were received by the Company related to sexual harassment.